



Minutes of a HYBRID meeting of the **FINANCE MEETING** held at the Council Chamber, Council Offices, Talbot Street, Maesteg and remotely via Microsoft Teams and, on **Tuesday, 15th October 2024**

PRESENT: Clerk
**COUNCILLORS
IN PERSON:** **G Thomas (Chair)**
C Davies, P Davies, C Knight, A LeGeyt, R Martin &
L Thomas

DECLARATION OF INTEREST: None declared.

218. TO REVIEW Q2 ACCOUNTS (APRIL – SEPTEMBER) AND BUDGET POSITION

Members were provided with all signed bank reconciliations from Q2 and a Q2 summary sheet – see Appendix 1

Report to the finance committee on current and possible future budget Q2 results as at 26/09/2024

Cash on hand = £524,131.55
Unpresented payments = £0.00

Budget Position

Budget Spend for the year was set at £601,696.20 during December Extraordinary Council meeting with a precept request of £357,241.84.

Position at end Q1.

Council spent £332,864.68 (excluding money transferred from Lloyds to CCLA & VAT) which is equivalent to 47.7% of the budget.

Forward View and comments.

The councils spend has been categorised as:-

- long term commitments, those being contractual spend or items committed by the council that can't easily be amended.
- Discretionary spend – short term spending that may be contractual or not but that can be varied by the council should it wish.

- Other items – items that don't fit the above categories or deserve special mention such as one-off purchases.

For each Budget line a comment is made on how much is expected to be spent on that item in the full financial year, so includes a best estimate or latest view to enable a year end position to be calculated for budget setting purpose. Appendix A shows an easy-to-read table format that shows, budget allocation, spend to date, expected spend and better/worse than budget.

EXPENDITURE ANALYSIS	Budget	Budget Remaining	Spend to Date	% of budget spent	Notes
CAPITAL PROJECTS					
<i>Capital Projects (Traffic scheme, Maesteg Park memorial & trial bus service)</i>	50,000.00	25,625.22	24,374.78	48.75	
<i>Capital Projets Grade II* listed building</i>	187,853.00	35,574.11	152,278.89	81.06	MTC have been granted a transforming towns grant, however MTC have also agreed for additional work to be carried out up until end of Q2 we have received £67,986.60
<i>Upgrade Office IT systems</i>	3,000.00	3,000.00	-	-	yet to look into this
<i>CAT Blaencaerau Park</i>	5,000.00	5,000.00	-	-	CAT Transfer complete - need to get quotes for refurbishment
<i>Capital Project - Graffiti Murals</i>	12,390.00	11,440.00	950.00	7.67	1 mural completed
REVENUE BUDGET					
<i>Car park toilet</i>	50,000.00	50,000.00	-	-	
<i>CAT</i>	5,000.00	5,000.00	-	-	Still waiting for outstanding clubs to complete the CAT process.
<i>Cenotaphs</i>	2,200.00	2,200.00	-	-	In line with expectations – not looked at until end of October / beginning of November
<i>Children's Playschemes</i>	6,600.00	-	6,600.00	100.00	Completed - no further spend
<i>Christmas lighting</i>	30,000.00	30,000.00	-	-	check quotes agreed
<i>CMO equipment allowance</i>	2,000.00	476.68	1,523.32	76.17	in line with expectations
<i>Defibrillator Maintenance</i>	1,100.00	442.02	657.98	59.82	in line with expectations
<i>Dog waste bags</i>	5,932.30	2,195.90	3,736.40	62.98	in line with expectations
<i>Elections</i>	-	-	-	-	by-election in September - BCBC have yet to send invoice or costs

<i>Floral displays</i>	<i>12,000.00</i>	<i>3,526.00</i>	<i>8,474.00</i>	<i>70.62</i>	in line with expectations
<i>General Fees</i>	<i>5,500.00</i>	<i>865.00</i>	<i>4,635.00</i>	<i>84.27</i>	Still waiting for Audit Wales fees for 2023-24 audit
<i>Insurance</i>	<i>3,500.00</i>	<i>-</i> <i>376.47</i>	<i>3,876.47</i>	<i>110.76</i>	Completed - no further spend
<i>Maesteg Cemetery</i>	<i>1,500.00</i>	<i>750.00</i>	<i>750.00</i>	<i>50.00</i>	In line with expectations
<i>Maesteg Festival - Keeper Run</i>	<i>15,000.00</i>	<i>-</i> <i>1,458.70</i>	<i>16,458.70</i>	<i>109.72</i>	Completed - no further spend
<i>Maesteg Festival - Summer Festival</i>	<i>20,000.00</i>	<i>20,000.00</i>	<i>-</i>	<i>-</i>	
<i>Maesteg Festival - Christmas grotto & parade</i>	<i>35,000.00</i>	<i>30,821.25</i>	<i>4,178.75</i>	<i>11.94</i>	check quotes agreed
<i>Mayoral Office</i>	<i>3,300.00</i>	<i>1,994.66</i>	<i>1,305.34</i>	<i>39.56</i>	In line with expectations
<i>Members expenses</i>	<i>5,152.00</i>	<i>1,596.90</i>	<i>3,555.10</i>	<i>69.00</i>	In line with expectations
<i>Office costs</i>	<i>5,500.00</i>	<i>3,517.85</i>	<i>1,982.15</i>	<i>36.04</i>	In line with expectations
<i>Premises running costs</i>	<i>22,000.00</i>	<i>4,499.13</i>	<i>17,500.87</i>	<i>79.55</i>	Additional NNDR costs not incorporated into the budget as they were not presented to MTC until April 2024
<i>S.137 donations</i>	<i>20,000.00</i>	<i>11,424.28</i>	<i>8,575.72</i>	<i>42.88</i>	In line with expectations
<i>Staff costs</i>	<i>87,558.90</i>	<i>35,336.16</i>	<i>52,222.74</i>	<i>59.64</i>	In line with expectations, however with CMO retiring in Q2 and the recruitment of new post this may occur an overspend
<i>Telephones and IT</i>	<i>5,500.00</i>	<i>2,704.68</i>	<i>2,795.32</i>	<i>50.82</i>	In line with expectations
<i>Training</i>	<i>3,000.00</i>	<i>2,825.00</i>	<i>175.00</i>	<i>5.83</i>	Not many Cllrs attended any training in Q1 & Q2
<i>Van</i>	<i>2,500.00</i>	<i>1,649.23</i>	<i>850.77</i>	<i>34.03</i>	In line with expectations
<i>Ward Specific - Caerau</i>	<i>8,346.91</i>	<i>4,794.53</i>	<i>3,552.38</i>	<i>42.56</i>	In line with expectations
<i>Ward Specific - Maesteg East</i>	<i>6,795.18</i>	<i>5,570.18</i>	<i>1,225.00</i>	<i>18.03</i>	In line with expectations
<i>Ward Specific - Maesteg West</i>	<i>9,235.86</i>	<i>5,030.86</i>	<i>4,205.00</i>	<i>45.53</i>	In line with expectations
<i>Ward Specific - Nantyllyllon</i>	<i>10,000.00</i>	<i>8,870.00</i>	<i>1,130.00</i>	<i>11.30</i>	In line with expectations
<i>Sponsorship donations</i>	<i>5,295.00</i>	<i>-</i>	<i>5,295.00</i>	<i>100.00</i>	Completed - no further spend in 2024-25
<i>Maesteg Welfare Park 100 anniversary</i>	<i>50,000.00</i>	<i>50,000.00</i>	<i>-</i>	<i>-</i>	1st event in Q3

697,759.15 *364,894.47* *332,864.68* *47.70*

<i>transfer of funds from Lloyds to CCLA</i>	<i>350,000.00</i>
<i>VAT - for information</i>	<i>37,336.39</i>

Income

Income for Q2 comprises of the following:

	TOTAL	Notes
<i>Bank Interest</i>	391.93	In line with expectations
<i>BCBC - Christmas Grant</i>	4,000.00	Received early in 2024-25
<i>BCBC - Precept</i>	357,242.00	In line with expectations
<i>BCBC - Transforming Towns Grant</i>	67,986.60	In line with expectations
<i>CCLA Redemption</i>	225,000.00	As and when required
<i>Cheque from Caerau Men Shed - return of S137 from Oct 2022</i>	500.00	As requested
<i>HMRC VAT</i>	35,606.68	In line with expectations
<i>Llan Middle - Office Rental</i>	1,300.00	In line with expectations
<i>Llan Middle - Poop scoop bags</i>	44.88	As requested
<i>Public Sector Depository (Investment Dividends)</i>	12,734.99	In line with expectations
<i>Room Hire</i>	15.00	As and when used
<i>Screwfix Refund</i>	57.75	As requested
<i>Vault Rental</i>	750.00	In line with expectations
	<u>705,629.83</u>	

Income is expected to continue in line with expectations. This income is not considered in the budget spend and will be added to reserves.

It was noted that within the income the Precept was included and the CCLA Redemption which is a transfer of funds and not a true income.

Q2 year latest view position.

If spend was “to budget” from existing bank balance (neglecting income due to the small value) then the council would be left with a year-end reserve of £159,237.08

	£
Cash at end of Q2	524,131.55
Budget spend (if we spend all of remaining budget)	-364,894.47
End of year potential cash in bank	159,237.08

It was **agreed** to recommend that Q2 accounts are accepted.

Chair of Finance:

The Chair of Finance then went through the summary and discussed the likely expected spend for each budget line with the following expected spends:

EXPENDITURE ANALYSIS	Spend to Date	Expected spend	Comments
CAPITAL PROJECTS			
<i>Capital Projects (Traffic scheme, Maesteg Park memorial & trial bus service)</i>	24,374.78	36,200.00	20K for Maesteg Park statue & 16K for bus service

<i>Capital Projctcs Grade II* listed building</i>	152,278.89	35,574.11	<i>expect to spend it all based on quotes.</i>
<i>Upgrade Office IT systems</i>	-	1,500.00	<i>Purchase 1 off laptop</i>
<i>CAT Blaencaerau Park</i>	-	-	<i>provision won't be spent until next year</i>
<i>Capital Project - Graffiti Murals</i>	950.00	11,440.00	
REVENUE BUDGET			
<i>Car park toilet</i>	-	-	<i>Land registry and permissions still an issue</i>
<i>CAT</i>	-	5,000.00	<i>1 club to complete</i>
<i>Cenotaphs</i>	-	2,200.00	<i>Expect to spend it all</i>
<i>Children's Playschemes</i>	6,600.00	-	<i>No further spend</i>
<i>Christmas lighting</i>	-	36,351.00	<i>Expect to spend it all</i>
<i>CMO equipment allowance</i>	1,523.32	476.68	<i>Expect to spend it all</i>
<i>Defibrillator Maintenance</i>	657.98	442.02	<i>Expect to spend it all</i>
<i>Dog waste bags</i>	3,736.40	2,195.90	<i>Expect to spend it all</i>
<i>Elections</i>	-		<i>Not budgeted for, costs to come from reserves</i>
<i>Floral displays</i>	8,474.00	3,526.00	<i>Expect to spend it all</i>
<i>General Fees</i>	4,635.00	2,666.00	<i>Expect overspend</i>
<i>Insurance</i>	3,876.47	-	376.47 overspend
<i>Maesteg Cemetery</i>	750.00	750.00	<i>Expect to spend it all</i>
<i>Maesteg Festival - Keeper Run</i>	16,458.70	-	<i>no further spend</i>
<i>Maesteg Festival - Summer Festival</i>	-		<i>Carry over for Maesteg Park next year</i>
<i>Maesteg Festival - Christmas grotto & parade</i>	4,178.75	30,821.25	600 over budget
<i>Mayoral Office</i>	1,305.34	1,994.66	<i>Expect to spend it all</i>
<i>Members expenses</i>	3,555.10	-	<i>no further spend</i>
<i>Office costs</i>	1,982.15	3,517.85	<i>Expect to spend it all</i>
<i>Premises running costs</i>	17,500.87	10,000.00	overspend to continue - NNDR rates (7836)
<i>S.137 donations</i>	8,575.72	11,424.28	<i>Expect to spend it all</i>
<i>Staff costs</i>	52,222.74	35,336.16	<i>Expect to spend it all</i>
<i>Telephones and IT</i>	2,795.32	2,704.68	<i>Expect to spend it all</i>

<i>Training</i>	175.00	500.00	<i>Don't expect to spend it all - no take up</i>
<i>Van</i>	850.77	1,649.23	<i>Expect to spend it all</i>
<i>Ward Specific - Caerau</i>	3,552.38	4,794.53	<i>Expect to spend it all</i>
<i>Ward Specific - Maesteg East</i>	1,225.00	5,570.18	<i>Expect to spend it all</i>
<i>Ward Specific - Maesteg West</i>	4,205.00	5,030.86	<i>Expect to spend it all</i>
<i>Ward Specific - Nantyffyllon</i>	1,130.00	8,870.00	<i>Expect to spend it all</i>
<i>Sponsorship donations</i>	5,295.00		<i>No further spend this year</i>
<i>Warm Hubs</i>		5000	<i>Expect to spend it all</i>
Totals	332,864.68	260,535.39	

Budget (last year balance + Precept)	625,074.15
Actual Spend	332,864.68
Expected future spend	265,535.39
Remaining	26,674.08
Income to date	123,387.83
expected income	74,672.16
Total Remaining	224,734.07

It was noted that everything highlighted in red and bold would need additional funds moved into the budget lines.

Cllr G Thomas proposed, seconded by L Thomas that the following recommendations that money is moved from reserves to the budget lines listed:

Christmas Lighting	£6,351.00
General Fees	£2,666.00
Insurance	£376.47
Maesteg Festival – Christmas	£1,000.00
Premises Running costs	£10,000.00
Warm Hubs – add new budget line	£5,000.00

219. TO DISCUSS DRAFT BUDGET FOR 2025-26

The Chair of finance provided members with a proposed draft budget for 2025-26, which as part of this the income received this year to date and expected income for the remaining year – See Appendix 2 for figures from this there is an estimated income for 2025-26 of £62,127.72

The Chair of Finance went through the draft budget and provided members with the following report to explain the estimates needed for 2025-26:

Draft Budget For year 2025/2026

Requests were sent to all councillors to propose amendments, deletions or additions to the budget for next financial year. At the time of writing responses were received from Councillor Penhale-Thomas, Councillor Rowlands & Councillor Abedalkarim. I have also added comments as chair of finance.

Councillor Penhale-Thomas,

1. To retain provision for the bus service to continue subject to council approval.
2. To provide a sum for a feasibility study for either the old library building, or the un-used St Davids church as use as a post office etc.
3. Provide a sum to enable the outcome of the Maesteg Welfare park pavilion area study.

Councillor Rowlands

1. Provide 50K to renovate the newly acquired Blaencaerau Play park

Councillor Abedalkarim

1. Provide 50K for bridge improvements and studies into CAT transfer of Bridge street green space.

Councillor G Thomas

1. I would like to remove the Toilet scheme from the budget due to the difficulties in securing the land use and the town hall reopening.
2. I would like to remove the CAT fund – all clubs have now claimed the grant
3. I would like to propose we carry over any ward specific funds but place a Cap on the carry over of 5K (1 years spend) unless for a specific earmarked project.

All of these requests have been built into the draft budget for discussion in the finance meeting.

Key Budget Assumptions

To enable us to draft a budget for next year we have had to make some assumptions.

2024/2025 Spend.

1. We have made an estimate of the expected spend left for this financial year and it is attached to this email – marked 2024/25 but some key points.
2. We expect to spend the 20K for the statue in Maesteg welfare park of the miner & dram.
3. We don't expect to spend 6.7K on the graffiti mural at the entrance to town given the difficulties in the location.
4. We don't expect to spend the 50K on the toilet outside B&M due to the land restrictions.
5. We expect most budget lines to be spent as planned including the ward specific funds.
6. We have added the 5K agreed last meeting for warm hubs and expect to spend it this year.

7. We have made assumptions on the income based on the year to date figures, and have been conservative by taking the worst months CCLC dividend, and last years VAT return to project income for the rest of the year. We have also assumed we will claim the remaining 20K for the building works grant from BCBC.

2025/26 budget

1. We have assumed a figure of 5% for inflation – current rates are running at 2.2% on average but it has been higher this year – this is a safe figure and could be reduced if the council sees fit.
2. We have estimated income based on this year and assumed we will not receive any additional grant funds.
3. All services unless mentioned by councillors will remain the same next year with inflationary increases.
4. We have allowed for a 15% reserve to cover any unexpected occurrences (3- 6 months of the precept is best practice this will be slightly below that level)

Members went through the original Draft budget and with all requests included the precept needed for 2025-26 was a 22% increase. See Appendix 3 for original proposed draft budget

Members then looked at each proposed budget with the following comments:

Welfare Park – green	without fully costed project, and that Council are already sponsoring the 100 th anniversary year, it was agreed to change this from £50k to £20k
Blaencaerau Play Area	Without fully costed refurbishment it was agreed to change this from £50K to £40K
Bridge Street Survey for CAT Transfer	Unsure of the benefit of this request. Many surveys previously done by Rivercare group and Bronfair allotments which came back with the following issues: No entrance, No parking, No vehicular access, area full of knotweed. It was agreed not to recommend this budget request and to remove it from the proposed budget.
Feasibility study of old library and church	Why the library, isn't this going to be part of Cwm Calon? It was agreed to keep this as it is still unknown what the old library is to be used for.
S137	Members wished to increase this from £20k to £30k as more and more groups and organisations are applying for grants.
Elections	It was agreed to remove this budget line as any election costs can be paid for from reserves.

With the changes made to the original proposal the new **agreed** draft budget to be recommended to full council precept needed for 2025-26 was a 3.75% increase. See Appendix 4 for proposed draft budget to be recommended to Council

220. RESOLVED: THAT THE COUNCIL GO INTO COMMITTEE

Pursuant to section 1(2) of the Public Bodies (Admission to Meetings) Act 1960 and Local Government Act 1972, ss100 & 102 ‘Members of the public/press can be excluded by resolution if publicity would prejudice the public interest by reason of confidential nature of the business and arising out of the business to be transacted’

222. RESOLVED: THAT THE COUNCIL COME OUT OF COMMITTEE

223. RECOMMENDATIONS:

1. Q2 accounts are accepted.
2. Move money to cover the overspends:

Christmas Lighting	£6,351.00
General Fees	£2,666.00
Insurance	£376.47
Maesteg Festival – Christmas	£1,000.00
Premises Running costs	£10,000.00
Warm Hubs – add new budget line	£5,000.00

3. Agreed draft budget – see appendix 4
4. To look into accounting software.

**Minutes emailed to all Councillors to Read on 15th October 2024
Read and accepted at a remote meeting of the Council held on 5th November 2024**

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Mayor