
Cyngor Cymuned PONTYCLUN Community Council

Notes from Admin working group meeting 5th Jan 2022

Attendees – Councillors Paul Griffiths, Neil Holley, Margaret Griffiths, Carole Willis, Martin Holley. Julius Roszkowski (Responsible Financial Officer of the Council)

Council budget 2022-23

The Council prepares a budget and agrees a precept each year.

This allows the Council to plan to ensure that we have sufficient funds available to meet all our contractual requirements, our resident needs and Council plans.

It also allows us to monitor progress through the year

Recommendation to Council

The Admin. working group considered the position regarding proposed expenditure, income, and reserves to reach a recommendation for a budget for 2022-23.

This took into account an estimate for inflation and known changes in price assuming that the services we deliver remain as current. The group was mindful that there will be Council elections in May 2022 and this Council should aim to hand over a sound financial position leaving the New Council options to be able to take forward their priorities.

The group recommends an increase in precept from £128105 to £132584. This is a 3.5% increase resulting in an average band D precept of about £38.13 (increase of approx. £1.29 per property).

As a comparison the 2021-22 precepts for the other Community Councils in RCT are provided below. Members will note our precept (per band D property) is the third lowest in RCT this year and the lowest from those Councils who run a physical Office.

This recommendation uses £2840 of general reserve to fund the budget.

It is worth noting that the significant changes verses last year's budget leading to this increase are (rounded numbers)

- £6.3k - staffing cost increases (inc. NI increase)
- £2.5k – additional budget for utilities
- £1k – new budget line to fund New Councillor training and allowances
- Less £2.5k increase in non-precept income (13% increase)
- Less £0.4k reduction in printing costs following purchase of printer

The detailed budget is provided on the budget spreadsheet provided and the notes below explain the key areas that Council should note when considering this recommendation.

At the end of this paper are four one off items for confirmation by the Council

Action – Council to confirm 2022-23 budget and precept

Notes income

1. Plan based on “normal” year pre covid with additional anticipated hire income from tea/coffee as agreed with the new caterers. Figure pitched at half-way between best and worse-case positions expected and assumes there will be no Covid restrictions in the year.
2. Overall, this results in an increase of about £2.5k on prior year budget
3. The budget assumes that any other in year grants we are successful in obtaining are entirely used to fund additional expenditure and are therefore not included in this budget (on both income and expenditure sides)

Notes - expenditure

1. Expenditure assumes the same levels of service provision remain in place for next year
2. Where next year’s costs are not known, we are assuming inflation at a conservative 3%; Staff costs increase by 3% plus any spine increments. NI increase of 1.5% has also been factored in; “RCT” related costs up 4%
3. After allowing for the above the following are material changes on normal items from this
 - a. Utilities. We budgeted for £2500 in 2021/22 due to pandemic closures. Budget for 2022/23 is based on 2019 costs plus about 10% reflecting significant price increases since then. We should note that whilst we are budgeting for this year the way RCT CBC bills us, these bills may not be received until 2023/24.
 - b. Vehicle running costs increasing by £100 to reflect higher fuel prices
 - c. Planting – increase on last year’s budget but in line with this year’s actuals
 - d. The Music and Video licences will now need to be paid from budget as Earmarked Reserve previously used has now been extinguished - £400 planned v £200 this year
 - e. Reduction in Photocopier costs as contract expired and machine purchased. We are now assuming payment for usage only.
 - f. Reduction in admin costs of £200 on last budget
4. In 2020 RCT advised that they will start claiming a “Service charge” for Café 50 as allowed in lease. This should have started this year, but none has been claimed yet nor any indication given by them of the amount.

The Group recommends that we do not plan for this potential expenditure in 2022-23 and if any is advised to negotiate with RCT to pay in April 2023 (as this can be planned for in next year’s budget round)

5. In May, the Council elections will result in some new Councillors being elected. To ensure that the new Council Members have sufficient training to undertake their roles and that no-one is deterred from standing due to lack of funds the group recommends that a budget of £1k is included in our planning to fund training and Councillor Allowances (£150 flat payment per Councillor to cover costs – this can be declined by Councillors who wish to)
6. The group is recommending removal of the £50 budget line to fund small Community meeting costs. This has not been used in any of the last 5 years and is small so can be funded from general reserve

Notes - reserves

1. The Council has an agreed methodology for setting aside reserves for future planned expenditure to replace fixed assets and known commitments e.g., Election costs.
2. The Clerk intends to undertake a full review with the new Council in the summer of 2022 so that this policy can continue to reflect the needs and aspirations of the new Council
3. For next year bearing in mind the above, the current position with Earmarked reserves and that the General reserve remains within its desired range the Group recommends that we transfer the same amount into Earmarked reserves in 2022-23 as in the current year, with the following five considerations
 - a. No transfer for tools/machinery this year. Fund is nearly at level to replace all large machinery, and this is not expected to happen in next 2-3 years so leave to review in summer 2022.
 - b. Café 50 Kitchen equipment. Up until now we have not set aside funds to replace the kitchen equipment. This is now over 20 years old and reaching the end of its life. Indeed, this year we have spent nearly £700 undertaking repairs

It would be prudent to at start funding a reserve for replacement and the group recommends that an additional £500 is transferred to the Cafe50 earmarked reserve towards this and this amount becomes the new annual transfer amount.

- c. We believe that the £4000 in the reserve to replace the toilets is sufficient to fund this and recommend that no further funds are transferred this year
- d. The group recommends increasing the regular transfer to the Christmas decorations reserve to £1000 a year to ensure that we have sufficient funds to replace these when required.
- e. Our Van is likely to last a further 7-10 years. We currently transfer £2k per year into a reserve towards the replacement cost and based on current value and cost of a like for like replacement this is sufficient.

After 2030 only electric vehicles will be available from new and if we replace the vehicle sooner the Council may choose to switch to an electric van to help support the environment. Our usage would be suitable for electric as we do not do much mileage, so battery range is unlikely to be an issue.

The future costs of an electric vehicle are unknown, and the group recommends that the new Council consider requirements at its review of reserves in the summer.

- f. As we have agreed to take back the Riverside Walk into full Council ownership the Clerk recommends that for now the Pontyclun Park Earmarked reserve is extended to include this land should any needs arise.

Overall, this results in a reduction of transfers to earmarked reserves of £800 from last year

Total reserves on 1st April 2021 were £103.7 of which £56.5k were earmarked. This meant that our general reserve started the year at £47.3k, however we knew that there were outstanding Utility

bills due totalling an expected £6-6.5k so a “real” general reserve of about £41k was in place. Our 2021-21 budget planned to reduce this by £2k.

Based on bills received to date and known plans we are currently forecasting that the general reserve will end the year at about £35-36k so just under the midpoint of our policy range.

Our reserves policy says that provided we have adequate insurance and earmarked reserves are fully funded our general reserve should be between £25k and £50k

The group is recommending that £2840 of the general reserve is used to fund the annual budget.

Special requests, one offs, events etc.

The following are one off items and requests which have been put forward by the public

Pontyclun Park

The Council had a number of requests in the summer to expand our offering there.

These included the following

- Build an additional MUGA
- Build a splash park
- Build a Skatepark
- Put in a roundabout at the park.

The costs for the first three of these would be significant and would also use up a large part of the “free” space in the park. This would be beyond the normal scope of our annual budget and would need us to either receive grant funding or a large amount of Community Infrastructure levy. We would also need to consider ongoing costs

MUGA – likely to cost around £60k. The only location with sufficient space is near the main road and was considered sub optimal when the original MUGA was installed. The Clerk is also aware that the Rugby club are considering work on the rugby pitches next door which may include a 4G surfaced area which would meet many of the outcomes an extra MUGA would deliver

Splash Park – whilst building costs are likely to be high, splash parks also have high ongoing running costs to maintain water quality and safety. Cardiff Council said the old facility at Victoria Park was costing nearly £90k to run each year and this was used as justification to upgrade as newer park would be cheaper. Splash parks are well used when the weather is hot but for long parts of the year would be unused.

Skate parks cost about £100-250 per square meter to build with a small skate park being about 360sqm. We could look at a small half pipe, perhaps in conjunction with RCT using the slope between the park and Rugby pitches

The request for a roundabout has come in a letter from a 10-year-old resident of Talygarn. Depending on specification, it would cost in the region of £5k-£15k to install one in the park.

The group recommends that due to the high costs these are not taken forward at this time – Action Council to confirm

Floral arrangements for Brynsadler

Once again, we have had requests from residents in Brynsadler for floral arrangements.

The Clerk responded with the Council’s agreed policy that we are focussing flowers on larger arrangements where they can be impactful and in particular as a way of attracting people into the main shopping area.

We have also advised that should a community group be created in Brynsadler whose aims were to improve the village (like the group in Groesfaen) that the Council has stated that they would be pleased to work with them to support this. So far none of the people requesting flowers has taken up this suggestion.

This year it was also pointed out that the daffodils which we planted many years ago in the verges have stopped growing in Brynsadler (probably due to being cut back too early) and could we also replace these.

We are however aware that RCT CBC team are looking at extending the “wildflower meadow” regime into Brynsadler and this may be incompatible with additional floral arrangements, particularly daffodils in the grassy areas.

The group recommends that the Environment working group consider this request– Action Council to Confirm

Footpath works in Cefn y Hendy

A resident has asked us to consider some repair work to footpaths at the Hendy. In particular where the path exits Sycamore close. It seems that at wetter times this area (and others around here) gets quite boggy, and the resident has asked could these be filled with bark chippings or something similar.

RCT Footpaths team say they are not in a position to undertake this work, though we believe that when the land at Cefn y Hendy was transferred to RCT CBC they were given funds to help maintain this.

We would need to consider that if we did do this then we may be obliged to do other paths in our community with similar issues.

The group recommends that the Clerk press RCT CBC to review position on maintaining these paths, rather than taking on this obligation ourselves – Action Council to confirm

Community Infrastructure Levy (CIL) funds

We have £838 in our Earmarked Reserve for Community Infrastructure from CIL.

These funds can be used for infrastructure improvements outside of normal budgeting.

The group recommends that that no action is taken with these funds, and they are left for the New Council to decide how best to use these in the future – Action Council to Confirm

Appendix – Community Council precepts 2021-22

Council	Precept £	Band D charge £
Pontypridd	745903.34	71.57
Llanharry	111594	70.00
Llanharan	198735.69	64.56
Tonyrefail	241073	60.54
Rhigos	16000	56.70
Llantrisant	230841	43
Ynysybwl & Coed y Cwm	57000	40.48
Hirwaun	64345.54	39.16
Llantwit Ffardre	254313	38.76
Pontyclun	128105	36.84
Taffs Well	35854	26.29
Gilfach	21000	20.80

Note Gilfach's charge is a 63% reduction on prior year