LISVANE COMMUNITY COUNCIL: PRECEPT FOR 2020-21

Precept Estimates for 2020-21

Please find attached a draft budget proposal for 2020-21 based on information to hand.

The table shows expenditure by quarter in 2019-20, together with estimated out-turn at the end of the financial year and, where there is a difference of more than 10% between estimated out-turn and the budget, how the difference arose. There will be an estimated £20,000 remaining in Reserves at the end of the financial year.

The Community Council has a policy of setting funds aside for the redevelopment of Lisvane Old School. This has tended be for £10k - £15k during recent years. In 2020-21 this budget will need to be used for the servicing of a Public Works Loan Board (PWLB) loan which the Community Council is intending to draw to assist with the building costs of the Lisvane Old School redevelopment and specifically to bridge S106 monies from the Churchlands housing development. Members will need to ensure that the Precept in place is sufficient to cover repayments to the PWLB loan with a sufficient margin to satisfy affordability.

It is also proposed that £15,000 is allocated to the redevelopment from 2019-20 Reserve funds (subject to final approval in April 2020).

The Budget does identify a need to increase the Precept partly due to inflationary pressures but also as a result of the Council's commitment to achieving an early redevelopment of Lisvane Old School.

It should be noted that there has been an increase in the number of "Band D equivalent dwellings" in Lisvane (2,499 for 2020-21 which is up from 2,409 for 2019-20). This means that households would pay a smaller contribution if the Precept remained the same.

In the circumstances it is proposed that the Precept should be increased from its current level of £39,000 to £45,000. The final column shows the proposed budget for 2020-21. Explanations for the individual budget lines are as follows:

Audit

Provision for internal and external audits remains the same.

Insurance

Insurance cover was recently moved to Zurich as they offered best value. However, it is considered prudent to retain the existing budget as it is possible that addition insurance costs may be incurred as a result of the planned Old School re-development

One Voice Wales

Budget reflects estimated expenditure together with a 3% inflationary increase

Councillors' Expenses

Provision remains the same (KIV that the Independent Remuneration Panel for Wales requires Community Councils to make available an annual payment of £150 for each Member towards costs and expenses)

Election and Training

There is provision of £5,000 for unforeseen expenditure in reserves that could cover election expenses in the unlikely event of there being an election next year. This line therefore covers purely training and the Provision remains the same

Clerk's Salary

Provision is increased to cover annual inflation and incremental increase whilst also taking account of lower pension contributions from April 2020 (as per Agenda item no.19 Finance)

HMRC

Provision remains the same

Phone/Post/Travel

Provision has been increased slightly

Photocopying/Stationery

Provision has been increased slightly

Equipment

Remains at £50 as no major purchase envisaged.

Web Site

Increased for this year as a major upgrade will be required by Sept 2020

Subscriptions

Provision remains the same

Remembrance Sunday

This budget covers just the purchase of wreaths, as maintenance of the War Memorial site is included under "Village Plan"

Football Pavilion

This provision remains at zero but the line is maintained as a contingency.

Footpaths

This allocation supported the publication of the footpaths booklet in 2013-14. Proposed provision is zero but the line is retained in case the Council wishes to support a project at some stage in the future.

Grants

a) **General –** there have been no general grants in 2019-20. Suggested provision remains at zero.

b) Big Picnic – Provision has been maintained at this year's budget

c) Library and telephone – remains the same

d) Friends of Cefn Onn – remains the same

e) Friends of Coed y Felin – remains the same

f) Lisvane 50+ Club – remains the same

g) Youth Club – Provision is zero now that the Club is of an overtly religious nature.

Community Projects

a) General

This budget has been set at zero in the light of no expenditure this financial year.

b) Planning (LDP)

No longer required as LDP has been adopted.

c) Old School

This budget covers both repairs which are the Council's responsibility under the Lease and the continuing commitment to support the redevelopment. An annual commitment of £15,000 has been allocated for at least the last 2 financial years - where there is currently an expected payment of £15,000 earmarked in the 2019-20 Reserves (with final approval due in April 2020).

With the re-development of the site now scheduled to start in June 2020, this budget will more particularly be used to service the PWLB loan which itself will be used to bridge receipt of S106 monies. The proposed budget of £19,700 represents the annual repayments for a £300k PWLB loan in the event that such loan is drawn in full in April 2020. Realistically, it is anticipated that the loan will be drawn in tranches and is unlikely to reach £300k particularly if S106 monies are received promptly. Therefore the £19,700 budget can be prudently described as the "worst position" with actual cost expected to be lower.

d) Village Plan

The provision of £1,000 reflects the current underlying expenditure (taking account of the Lisvane information booklet). The position on the proposals included in last year's precept report is as follows:

Enhance the Alexander Garden and monitor bin emptying

Although it might be complex because the Garden is public open space, the Community Council could apply to have the Garden transferred to it as a community asset transfer and take responsibility for maintaining it to the standards it chose.

Improve War Memorial Site

The major work has been done. Maintenance currently costs £120 pa.

Rent

Rent is maintained at the 2019-20 level.

Confidential Waste

No Provision is anticipated

Maintenance

A Provision is considered appropriate to cover the capital cost of building maintenance

Allocation of Reserves

A suggested allocation of reserves is attached, based on the current estimate of end-year expenditure, to give context. A formal allocation, based on actual out-turn, will be presented for approval in April.

Haydn Davies
Clerk/RFO
January 2020