LISVANE COMMUNITY COUNCIL: PRECEPT FOR 2025-26

Precept Estimates for 2025-26

Please find attached a draft budget proposal for 2025-26 based on information to hand.

The table shows expenditure by quarter in 2024-25, together with estimated out-turn at the end of the financial year and, where there is a difference of more than 10% (min £100) between estimated out-turn and the budget, how the difference arose. There will be an estimated £38,500 remaining in Reserves at the end of the financial year. A Council should typically hold between 3 and 12 months of annual expenditure as a General Reserve.

As suggested by the Internal Auditor, some of the smaller budget items have been amalgamated and adjustments to budgets are made periodically with the Council's approval.

In view of the current "cost of living" concerns, I have attempted to keep all expenditure to the minimum. Some lines have increased due to general inflation for which purpose I have used an inflation rate of 3% unless otherwise stated.

It should be noted that there has been a further increase in the number of "Band D equivalent dwellings" in Lisvane:

3,200 for 2025-26
3,068 for 2024-25
2,866 for 2023-24
2,697 for 2022-23
2,513 for 2021-22
2,499 for 2020-21

This means that households would pay a smaller contribution if the Precept remained the same because there are more of them.

It is proposed that the Precept should be increased from its current level of £72,500 to £84,500. For a typical band G house in Lisvane this would mean an increase of £4.62 in the annual community charge contribution (ie £39.39 to £44.01).

The final column shows the proposed budget for 2025-26. Explanations for the individual budget lines are as follows:

Audit

A fee of £200 is anticipated for the Internal Auditor.

The external audit is undertaken by Audit Wales who will conduct a limited procedures audit annually but with a more comprehensive transaction audit every 3 years. Their current fee scales indicate a cost of £225-£268 for a limited procedures audit and £382-£466 for a transaction audit for Councils with an annual Precept of £50k to £100k. Additional costs could be incurred where the Auditor requests further information. The fees are likely to increase in Feb 2025. Costs are assessed at:

£200 Internal Audit
<u>£300</u> External Audit
£500 Total

Insurance

Zurich Insurance continues to provide the bespoke cover required by LCC and LOSCC and the premium of £1,651 paid in 2024-25 was 8% higher than the previous year. However, insurance premiums are generally increasing well above the rate of inflation and on that basis it would seem prudent to retain the £2,100 budget that was put in place for last year.

Subscriptions

£1,100 provision to include inflation and incremental* increase. The budget covers annual payments to the SLCC, OVW and the Information Commissioner.

*OVW fee is based on the number of dwellings (which is increasing in Lisvane) and SLCC based on Clerks annual salary.

Councillors' Expenses

£2,000 Provision is calculated on the basis that LCC is mandated to provide Members with an annual payment of £156 ie 10 x £156 = £1,560. Members are also entitled to claim an attendance allowance of £30 for each meeting but no provision for this is considered necessary as no Member currently claims the allowance. Members are permitted to reclaim the cost of consumables.

The budget also includes a provision for training costs.

Salaries (inc Pensions and HMRC)

The Admin Officer role was created in April 2022 and the provision covers the costs for two members of staff. The provision reflects current rates of pay plus wage inflation.

£12,750 annual salary for Admin Officer (20 hours pw)
£16,200 annual salary for Clerk (20 hours pw)
£5,300 estimated employer pension contributions (18.3% of salary)
£2,850 estimated employer NI costs*
£1,900 wage inflation of 5%
£39,000

*Employer National Insurance costs were increased by the UK Government in the October 2024 budget (wef April 2025). The additional costs are estimated at £1,350 pa.

Phone/Post/Travel

Telephone line and WiFi costs are now covered by LOSCC so a nominal budget of £120 for postage costs remains appropriate

Stationery/Equipment

A stationery provision of £300 remains appropriate

Website

Existing budget of £200 remains appropriate and current costs include annual support fee of £100 for Eyelid and £60 for hosting by Cloudnext plus domain fee hosting of £20.

Remembrance Sunday

This budget covers just the purchase of wreaths, as maintenance of the War Memorial site is included under “Village Plan”. A small increase to £60 is proposed. 2024-25 expenditure includes the purchase of a Remembrance flag.

Grants

a) **General –** there have been no general grants in 2024-25. Suggested provision remains at nil.

b) Big Picnic – Provision has been maintained at the same level as the 2024-25 budget

c) The Library Grant – The Library is a Tenant of LOSCC and the Trustees have set the annual rent at £9,500. LCC has in the past agreed to cover this by way of an annual Library Grant.

d) Friends of Cefn Onn – This relates to hire fees payable to LOSCC for the use of the committee room by the Friends Group. The group has increased the length of their meetings and the budget includes an inflation increase.

e) Friends of Coed y Felin – This relates to hire fees payable to LOSCC for the use of the committee room by the Friends Group. The budget includes an inflation increase.

f) Lisvane 50+ Club – This relates to hire fees incurred by the 50+ Club for room hire at the Lisvane Memorial Hall. The budget includes an inflation increase.

Community Projects

a) General

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

b) Planning (LDP)

Not currently required

c) Old School

It is not anticipated that LCC should make any payments to LOSCC as the centre should now be self funding.

d) PWLB repayments

In December 2022 LCC repaid the £100k variable rate PWLB loan. This leaves two 25 year fixed rates loans in place where interest is charged at the rate of 1.74% pa. The budget of £15k reflects the fixed annual repayments made to the PWLB (£7.5k half yearly).

e) Village Plan

A provision of £4,000 is recommended given the growing activities of the Village Plan team and their support of community groups such as the Men’s Shed and Bookfest. This will allow for the team to work with the new housing developments and also consider new or previous ideas such as:

Enhance Alexander Gardens

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

This relates to hire fees payable to LOSCC for the use of the committee room by LCC. The budget includes an inflation increase.

Confidential Waste

No Provision is anticipated

Maintenance

Being the freeholder, LCC has obligations for capital cost maintenance at the LOSCC site including the annexe. An increased provision of £10,000 is considered appropriate given that substantial remedial work to the chimney above the Library is planned for the Spring of 2025. In addition, TG is likely to vacate the annexe in July 2025 and some additional improvements to the building may be needed to attract a new tenant/hirers.

Elections

There is generally a provision of £5,000 for unforeseen expenditure in Reserves that could cover election expenses in the unlikely event of there being a by-election. The next local authority elections are in 2027 which means that no budget is needed for 2025-26

Allocation of Reserves

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

Haydn Davies
Clerk/RFO
January 2025