



Item No. 3

Finance Committee – 14 October 2021

Budget Monitoring 2021-2022

1. Introduction

- 1.1 In accordance with the Local Government Finance Act 1992, the Community Council must agree a budget and set the precept for the following financial year. The Community Council must therefore agree both at its meeting scheduled for January 2021.
- 1.2 In preparation of that process, it is good governance to ensure regular Budget Monitoring. A Draft Budget will also be considered at the next meeting.

2. Bank Balance

- 2.1 As of 7 October 2021, the Bank balances are:

Account	Balance
Current Account	£9,924.95
Reserve Account	£22,010.69
Total	£31,935.64

3. Budget Monitoring 2021-2022

- 3.1 **Appendix A** provides the Financial Budget Comparison for 2021-October 2022.

4. Council Priorities & Spending Plan 2021-2022

- 4.1 The Annual Meeting of Council on 13 May 2021 considered the “Council Priorities & Spending Plan 2021-2022” report. Council resolved that Council Priorities & Spending Plan 2021-2022 would be:

- i) Road Safety - Crossing B4489 at Junction of Swansea Road & Pengors Road, Llangyfelach.

The Community Council has made an offer to Swansea Council to assist with the funding of this crossing. Swansea Council are considering the matter. Council will need to highlight the amount offered to assign it formally within the Council Budget.

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- ii) Making Llangyfelach Community Council a Defibrillator Friendly area with Defibrillators being located at Junction of Heol Pentre Felen & Bryn Hedydd, Llangyfelach Church Hall & Griffiths Waste Management, Bryntywod.

The Community Council has rolled out the three defibrillators referred to above. The costs associated with the Griffiths Waste Management, Bryntywod defibrillator and the community wide leaflet have not been paid yet.

- iii) Working with the Community.

This has mainly related to the Community Council giving grants and providing community benefits such as Floral Displays, Christmas Tree & Lights etc. Further costs are scheduled should Council determine to continue with Christmas Tree and Illuminations and a Christmas Newsletter.

- iv) To continue to work with Swansea Council / Third Sector Organisations / Private Businesses to improve the appearance of the area by working with the Llangyfelach Ward Member and other relevant parties.

This item links with the comments above.

- v) Playground Improvements at Fairview Road.

The Community Council has worked with Councillor Gareth Sullivan and Swansea Council and the Playground Improvements at Fairview Road will be delivered.

- vi) NHS, Social Care & Frontline Workers Day – 5 July 2021.

The Community Council achieved this by installing an NHS & Key Workers Bench, erecting a Flagpole and Flying the NHS and Wales National Flag.

5. Reserves

5.1 The Governance & Accountability for Local Councils in Wales – A Practitioners Guide states:

- “i) *Local Councils hold reserves and balances for a variety of reasons. These include financing unforeseen expenditure and ‘saving’ for future projects. These reserves are represented by the closing figure for the balances of the council after all of its transactions have been accounted for and is shown in Cell 7 in the accounting statements.*
- ii) *Local Councils have no statutory powers to hold revenue reserves other than for reasonable working capital needs or for specifically earmarked purposes. Councils should therefore maintain records of its general and earmarked reserves.*

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iii) *Earmarked reserves may be established to hold funds for specified purposes. Councils should maintain separate records of each earmarked reserve. Examples of such reserves include:*

- *Funds set aside to fund specific future projects;*
- *Monies drawn down from loans that has yet to be spent on the related project; and*
- *Capital receipts.*

iv) *Where funds are held for non-specified purposes, councils should maintain separate records of each reserve to demonstrate where the money comes from and how it has been applied.”*

5.2 The Community Council needs to bring its reserves down or to earmark them for specific purposes. Alternatively, the Community Council should consider lowering its precept. Generally, reserves equate to approximately six-month running costs of the Community Council. It is advised that the reserves are earmarked to specific projects and reduced to approximately £8,000.

6. Recommendation(s). It is recommended that:

6.1 The Financial Budget Comparison 2021-2022 be noted.

6.2 The Draft Budget 2021-2022 be recommended to Council in January 2021 for adoption.

6.3 The Bank Balances as of 7 October 2021 be noted.

6.4 The Committee consider the issue of reserves and make a recommendation to Council.

Huw Evans

Clerk to Llangyfelach Community Council