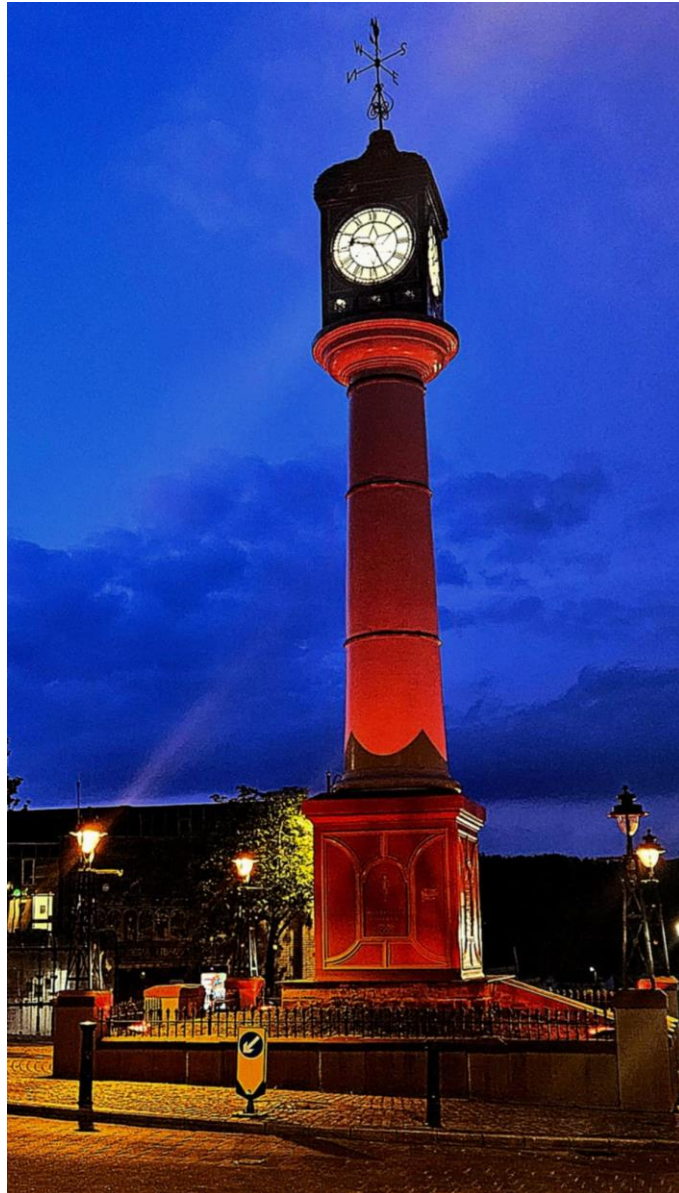


Tredegar Town Council

Medium Term Financial Plan

2025/2026 – 2028/2029



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1. Introduction

1.1 What is a town council medium term financial plan?

A medium term financial plan sets out the financial projections, considerations, pressures and issues for the council over a rolling three-year or five-year period.

The purpose of the plan is:

- To enable the local community (residents and businesses) to understand the financial plans of a town council and the planned use of public funds; its impact upon local services and investment in community assets.
- To align financial resources to priorities identified by the local community and ensure there are clear links between finance and the town council's strategic aims.
- To incorporate effective financial planning within the town council's approach to risk management.
- To ensure that town council has adequate financial capacity to meet both the capital requirements and ongoing revenue commitments associated with the delivery of major projects.

Town council receives advice, support and information on its finances from its staff. However, all financial decisions including the adoption of a medium term financial plan, approval of the annual budget and precept are all taken by full Council.

1.2 Why has Tredegar Town Council decided to produce the plan?

The overall objective of council is that it plans, manages and uses its financial resources effectively and maintains a healthy financial position to serve the community. Having an agreed strategy provides a framework for the council to work within, enabling it to operate in a more consistent and co-ordinated way, to be proactive rather than reactive in decision making.

The plan will:

- Enable council to allocate resources to achieve its priorities.
- Enable council to understand its key financial pressures and likely long term implications of its decisions.
- Help identify future financial impacts of both policy decisions and external factors so that risks can be managed.
- Help control precept rises and identify external funding.
- Help support the delivery of value for money services.
- Ensure good use is made of assets.
- Ensure it maintains the General and Earmarked Reserves at a prudent level.
- Ensure council can provide for future financial demands.
- Facilitates good financial management.

This initial medium term financial plan has been set with a three-year forecast.

1.3 Community involvement in the plan

Town councillors have been elected by the community to represent them and to promote their interests, in delivering services, projects, events and grant support. Both councillors and staff engage on a daily basis with members of the public and gain an insight into things that matter to them which provides the basis for council's priority setting and resource allocation. However, no formal community consultation has been undertaken for this initial medium term financial plan but as council moves forward and this plan is made available in the public domain, community feedback/comments should be invited/encouraged and taken into consideration during each review of the plan. How council wishes to engage with the community is something that needs to be discussed and any potential costs will need to be rolled into the projections. Options available are, but not restricted to, councillor surgeries; community events; public information events; questionnaires and online surveys.

1.4 Monitoring the plan

Council should be aware that this is just a forecast and there are many factors such as political, economic, social, legal and environmental that can impact the forecast hence it is vital to update the forecast to reflect those changes. Also, Council's performance in the year prior to the forecast will also influence the forecast – is there a need for future budget headings be increased/decreased? Are the unrestricted reserves higher or lower than expected?

Each year the plan will need to be updated, taking into consideration any new issues emerging and the continual alignment of funding with priorities determined by council.

2. Tredegar Town Council

2.1 Overview of the council

Tredegar Town Council was formed in 1974 and consists of eighteen town councillors, covering the three Wards of Tredegar – Central & West/Georgetown/Sirhowy – with the council offices located in Bedwellty House.

Councillors are entitled to annual statutory allowances which they have the option to decline plus council offers a set annual remuneration for those in the senior roles of Mayor and Leader. The annual statutory allowances are set by the Democracy and Boundary Commission Cymru (DBCC) and council annually sets – within DBCC guidelines – the senior role remuneration amounts. There are other payments set by DBCC which council makes an annual decision on whether to implement or not. For the forecast, all these allowances/payments have to be considered and have been referred to in the assumption section further in this report.

2.2 Council's staff

Council currently has two employees – Town Clerk & RFO – who work 22 hours per week with additional hours per month for council's statutory two meetings. Both staff are salaried. Currently, council are investigating a suitable option for an additional employee to learn both roles to ensure continuity during any prolonged absence of the Clerk or RFO. The aim is to prevent any disruption in services and the operation of council.

Council have a public convenience operative but this is via a contractor. The contract has been reviewed and renewed until June 2026 but prior to then, Council are planning on reviewing the specification of the role and feasibility of it remaining as a contract or creating employment with council.

The assumption section, further in this report, outlines how the above has been taken into consideration for the forecast.

2.3 Council's Aims & Objectives

Council's Annual Report states the key aims are:

- To act as a link between public sector organisations and the community on a range of subjects including community facilities, community safety, health and wellbeing, the environment and planning and licensing.
- To represent the views of the community in an open and transparent manner.
- To continually identify and monitor the needs of the community in order to influence services and policies.
- To provide a wide range of advice, information and support for its' constituents and local community groups / individuals.
- To appropriately liaise with other partner organisations to address any concerns / issues to a satisfactory conclusion.
- To support community projects and groups.
- To deliver activities in a sustainable way and encourage sustainable practices throughout our community.
- To engage with the community via social media, i.e. designated website, Facebook and Twitter, regular meetings and (as appropriate) consultation.
- To support tourism in encouraging visitors to Tredegar as a whole.

2.4 Financial Information

Income

Council's main source of income comes from the precept levied on the community which is collected by Blaenau Gwent County Borough Council on our behalf as part of the council tax bill. This is paid annually, in a lump sum, at the beginning of April in each new financial year. This secures council's ability to financially function day to day whilst being able to plan/schedule any agreed projects for a time suitable to council.

The precept amount is agreed by council, in the January prior to the April, and is set following full careful consideration of the forthcoming financial year budget requirements, projects and a review of all reserves.

Other sources include VAT refunds, bank interest, grants and small amounts from the allotments. These amounts are variable, dependant on factors such as spending levels and Bank of England rates.

Expenditure

The main items of expenditure are:

- Staff and related costs
- Special Projects/Events
- Public conveniences

- Green spaces
- Christmas lights
- Grants
- General council administration

Council strives to obtain value for money with all purchases and contracts agreed.

Reserves

Council's reserves are split between Unrestricted and Earmarked:-

Unrestricted reserves are available for Council to draw upon as and when needed, to supplement the set budget heading. Governance and Accountability for Local Councils (A Practitioners' Guide) Wales 2019 states that general (unrestricted) reserves usually lie within a range of 3 to 12 months of gross expenditure. Council aims to ensure that it meets this requirement and that the amount held is prudent and at an appropriate level to meet council's needs. The forecast set shows how these reserves will change based on the assumptions used for the forecast.

Earmarked reserves are set for specific projects/reasons and cannot be used for any other purpose, when making any adjustments to the sums within the Earmarked Reserves there must be a justifiable reason for the change. Council set some of these to secure the future for some services – green spaces and public conveniences – whilst others are there to cover unexpected events that could cause a large financial draw on Council. Within the forecast, some adjustments have been made to these as detailed below:

- **Election** – Reduced in year 2 of the forecast due to this year being an election year. The budget heading for that year will be increased to reflect this event. However, year 3 has not been increased again as it is anticipated that Council will have a fairer reflection of the costs which could be incurred if a By-Election were to occur in the future between elections.
- **Green spaces** – Increased from year 1 of the forecast onwards to reflect the incorporation of the Recreation Ground grass cutting costs and to be consistent with what Council as set for both the Deighton Playing Field and Sirhowy Community Garden. 2% inflation has also been included.
- **Recreation Ground** – Reduced from year 1 onwards to reflect the inclusion of the grass cutting costs within the set budget heading for each year and in Green Spaces above. This figure would be held here to support the management committee with any urgent/emergency/safety works required if they were unable to meet the costs themselves.

2.5 Council's main areas of responsibility, activities and commitments

1. Allotments: Three allotment sites – Milefield/Southend/Vale View – which are currently managed by their own committees

Our Commitment: To work with/support the committees to ensure they are well maintained and accessible for community use. To establish a tree cutting schedule to reduce risks of damage and community safety.

2. Christmas lights display – Annual display from The Circle throughout the town.

Our Commitments – To obtain a value for money display aimed to instill some festive cheer in the community and to encourage increased footfall into town to support local businesses.

3. Community benches – Three World War memorial benches located at Sirhowy Community Garden, Gwent Shopping Centre and Peacehaven.

Our Commitment: To maintain/repair/replace these benches to ensure the safety of the community whilst offering a place to rest and reflect.

4. Community noticeboards – Town council has two noticeboards which are located within the grounds of Bedwellty Park.

Our Commitment: To maintain/repair/replace the noticeboards to ensure they present a positive image of Town Council and fully utilise them to disseminated essential accurate information to the public. Offer the space within the boards to community groups for free advertising for their events, services etc.

5. Events – Various events such as band concerts, Armed Forces Day, Bevan Day, Christmas Lights Switch plus competitions.

Our Commitment: To continue to provide free public events for the community, whilst encouraging participation, promoting other local services and supporting local businesses.

6. Grants/Donations – Available to community groups and charitable associations that have links/offer services to Tredegar.

Our Commitment: To support as many local groups/associations as possible to ensure they continue their work/services in the community which offers a wide range from sporting, art, cultural and wellbeing support. They offer vital skills, company, social inclusion and fitness to various community residents.

6. Green Spaces: Council is completing a 99 year lease for both Sirhowy Community Garden and Deighton Playing Field.

Our Commitment: To ensure these areas are safe, litter free and accessible for the community, local sporting clubs and local authority to have continued free use for children playing/events and training.

7. Memorial Gates, Bedwellty Park – Located at the main entrance to Bedwellty Park.

Our Commitment: To maintain/repair the gates to ensure it is to a standard that honours those past and present who have served for their country.

8. Public Conveniences – Although the agreement has not been renewed with the new current owner, the original agreement is being honoured by both sides.

Our Commitment - To maintain/repair the facilities to ensure they are safe and clean for the public with the aim to continue to offer their use as a free of charge facility.

9. Town Clock – Located in The Circle, Tredegar.

Our Commitment: To maintain/repair/decorate to ensure the Clock is a focal point of the town; that the surrounding gardens are planted and maintained; the Clock's appearance is of a good standard of upkeep and it continues to operate giving an accurate time.

10. War Memorial – Located within the grounds of Bedwellty Park.

Our Commitment: To maintain/repair the memorial to ensure it is to a standard that honours those past and present who have served for their country.

3 THREE YEAR PLAN

3.1 Short-term projects (1 year)

Council is aiming to complete any projects set for the current financial year within the year and at the time of this report, no short-term projects are being discussed for the next financial year.

3.2 Medium-term projects (2 to 5 years)

Council has no medium-term projects planned as such. However, discussions are currently taking place regarding the future of The Recreation Ground and ownership/management. As no firm agreement is in place for the take over or the format of this (ownership/management), it is difficult to class this as a short-term or medium-term projects. However, as both options will bring different financial implications for Council it is prudent to set an amount within the forecast for this as a medium-term project and review it once a decision on Council's involvement has been decided.

3.3 Forecast Assumptions

The medium-term financial plan has been prepared on the basis of the following principles:

- Continue to provide all services, facilities and events whilst maintaining current standards of service.
- Identifying and delivering efficiency savings wherever possible.
- Safeguarding a prudent level of balances and reserves.

The assumptions for the expenditure section of the plan are:

- Total wage cost - makes provision for the likely future increases in costs from pay awards (but anticipates no rise in pension rates) and an additional office staff at National Living Wage levels.
- Members costs – Assuming no changes to allowances rates but 2% inflation incorporated for other associated costs.
- Admin – 2% inflation uplift but a higher uplift in 2027/2028 due to this being an election year.
- Grants - remain unchanged.
- Public conveniences - the current contract will continue as is and other associated costs increased with inflation.
- Green Spaces – Increased by 2% inflation but also making the assumption that the Recreation Ground has been transferred to council, operational under a management committee, with council making a contribution towards grasscutting for a three year only period whilst the committee establishes themselves.
- Special projects/events – unchanged due to no planned future projects as at the date of this report.
- War Memorial – increased in final projection year due to the ending of the current maintenance contract.
- Town Clock – initial decrease assuming the garden surround budget element can be reduced in the 1st year projection and then a 2% inflation uplift.
- Christmas lights – uplift with 2% inflation.

The revenue section of the plan makes the assumptions that income levels will remain similar. A capping of the precept to the current amount as been assumed to prevent any excessive/unjustificablle increases in reserves.

3.4 Forecast

	Current Year 2025/2026	3 year Forecast		
		2026/2027	2027/2028	2028/29
Expenditure				
Total Wage Cost	67,506	87,865	90,569	93,353
Members Costs	6,265	6,274	6,283	6,293
Admin	13,263	13,890	14,526	14,102
Grants	9,675	9,675	9,675	9,675
Public Conveniences	28,500	29,070	29,651	30,244
Green Spaces	10,450	18,217	18,572	19,935
Special Projects/Events	13,500	13,500	13,500	13,500
War Memorial	500	500	500	2500
Town Clock	7,400	7,090	7,292	7,504
Christmas Lights	32,000	32,640	33,293	33,959
Total Expenditure	189,059	218,721	223,861	231,065
Income				
Precept	178,797	178,797	178,797	178,797
Grants	2,160	2,160	2,160	2,160
VAT	9,260	9,000	9,000	9,000
Miscellaneous	1,360	3,332	3,332	3,332
Total Income	191,577	193,289	193,289	193,289
Income over Expenditure	2,518	-25,432	-30,572	-37,776
Reserves b/forward	270,371	272,889	247,457	216,885
Reserves c/forward	272,889	247,457	216,885	179,109
Split:				
Earmarked Reserves	111,450	109,448	104,888	105,337
General Reserves	161,439	138,009	111,997	73,772
	272,889	247,457	216,885	179,109

4. PLAN APPROVAL

This plan as been approved at the Ordinary Meeting held 17th September 2025 and will be reviewed following the setting of the forthcoming financial year budget.