

SUBJECT:	LOCAL GOVERNMENT (WALES) ACT 1994 THE LOCAL AUTHORITIES (PRECEPTS) (WALES) REGULATIONS 1995 – Proposal of payment schedule
MEETING:	Cabinet
DATE:	20th December 2019
DIVISION/WARDS AFFECTED:	Countywide

1. PURPOSE:

To seek Member approval of the proposals for consultation purposes regarding payments to precepting authorities during the 2020/21 financial year as required by statute.

2. RECOMMENDATIONS:

2.1 That the following schedule of payments be proposed pending consultation:

(i) The Police Authority precept is paid from the Council Fund by twelve monthly equal instalments on the third Tuesday in each month.

(ii) The Community Council precepts are paid by three equal instalments on the last working day in April, August and December in each year.

2.2 That the Community Councils are consulted prior to the determination and that the preferred schedule of payment for the majority is implemented for all payments. (see para 3.5-6)

2.3 That a further report be produced on the results of consultation enabling a determination to be made by 31st January in accordance with statute.

3. KEY ISSUES:

- 3.1 The Council as a billing authority is required to determine the schedule of instalments for payment of Precepts from the Council Fund for each year.
- 3.2 The Regulations provide that on or before the 31st December each year a billing authority must inform each precepting authority of its proposals for a schedule of instalments to satisfy all of the precepts. This proposal should be followed by a determination on or before the 31st January, with at least 21 days elapsing between decision on the proposals and the making of a determination.
- 3.3 In each schedule the billing authority must specify the number of instalments, the proportion of each precept which is to be paid in each instalment and the dates in the year on which instalments are to be paid. The payment to the Police Authority must be made on the same day and should not be less than twelve instalments in any one financial year. In the case of Town and Community Councils the agreement can be one of the following:
 - i) Payment by three instalments in April, August and December
 - or;
 - ii) Payment by one instalment on the last working day in April.
- 3.4 For the current year Monmouthshire County Council operate the arrangement identified in (i) above for Town and Community Councils and pay the Police Authority precept on the third Tuesday of each month.
- 3.5 During 2019-20 the Council received enquiries from 2 town and community councils requesting whether they could receive precept payments outside of agreed 3 instalments as unforeseen repair liability had introduced cashflow challenges to them. It was apparent when looking at this, that our traditional engagement with Town & Community Councils over precept dates was implicit in understanding they have access to Council reports rather than explicit in actively sourcing their perspective.
- 3.6 In a change from the traditional, all Town & Community Councils will be asked their opinion of the precept dates this year, with the intention of advocating the majority preference to Cabinet Member in the final January report. Ahead of that consultation, the recommendation continues to reflect the historic approach.

4. REASONS:

- 4.1 To approve the proposals for consultation purposes regarding payments to precepting authorities during the 2020/21 financial year as required by statute.

5. RESOURCE IMPLICATIONS:

- 5.1 Negligible cash flow advantages would be achieved should a decision be made to pay the Police Authority precept on the last working day of each month.
- 5.2 Similarly, any decision to move Town and Community Council precept payment to one instalment at end of April is unlikely to introduce a material cashflow disadvantage, but would reduce our payment administration by two thirds and may also assist the financial management within town & community councils.

6. WELL BEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING & CORPORATE PARENTING)

This report outlines the available options regarding payments to precepting authorities as required by statute and as such does not have any implications.

7. CONSULTEES:

Senior Leadership Team
All Cabinet Members
Head of Finance
Head of Legal Services

8. BACKGROUND PAPERS:

None.

- 9. AUTHOR:** Jonathan S Davies – Finance Manager
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