Chepstow Town Council
Covid Financial Impact Statement

Background
The UK Government introduced a national lockdown on 23rd March 2020 to contain the spread of Covid 19 virus which has had and continues to have an impact on both the national and local economies. In Chepstow the impact has been profound as the economy is largely built on leisure and tourism which has been the most effected by the lockdown and social distancing measures.

This report looks at the impact at the end of the 2020/21 financial year and details the Town Council's approach to financial decisions made during the year and budget setting process with some commentary on the potential impact for the current (2021/22) financial year.

Emergency Community Financial Support
At the outset of the pandemic the Town Council were quick to respond and released an initial sum of £2,000 *(LGA 1972, 2137)* to help support with the set up costs for the Chepstow Covid-19 Helping Group. This group, run by volunteers, quickly made an impact in the town and surrounding area with shopping, prescription collection, dog walking etc. The Town Council supported with writing risk assessments and covered the costs associated with the volunteer insurance, leaflet printing, hi-vis jackets and the phone lines. In the 2021/22 budget the Council have agreed to continue to pay the insurance and the phone lines which will be reviewed in the budget setting process in October 2021.

The Town Council also agreed to a sum of £20,000 *(min ref 276)* which incorporates an initial £5,000 advanced from the General Reserves plus £5,000 earmarked in the year end accounts (19/20) from the underspend in the Donations budget line and the earmarked "Match Funding" budget line. This money was used to support the Shop Local campaign from the County Council to encourage visitors to the town and also to provide PPE to enable the Community Centres to reopen safely.

In addition, at the Town Council meeting in November *min ref 67(i)* it was agreed to earmark a further £80,000 emergency funding for a grant scheme where Chepstow-based charities, community groups, third sector groups and voluntary organisations who are directly supporting the community through the coronavirus pandemic and beyond are eligible to apply. This money was/ is aimed at supporting local people who have been adversely affected by the covid pandemic and

includes issues around food and fuel poverty, warm winter clothing, social isolation and loneliness, digital exclusion, mental health and wellbeing and more.

To the end of the Financial year (20/21) the money has been allocated as follows:

- £579.20 Shop Local Campaign
  LGA 1972, s145
- £5,865.19 PPE Equipment for Community Centres
  LG (Misc Prov) 1976, s19
- £8,319.00 Revenue funding to The Palmer Centre to cover losses
  LG (Misc Prov) 1976, 219
- £30,000.00 Chepstow Schools Cluster
  Well-being of Future Generations Act (Wales) 2015
- £1,000 Chepstow Covid 19 Helping Group
  Well-being of Future Generations Act (Wales) 2015

Under this Emergency Grant Scheme and when reviewing proposals, the Town Council are looking for two types of sustainability: the first is that of the applicant and the second is that of the project which is seeking funding. The Town Council is keen to ensure that any application for funding provides value for money for local taxpayers whilst ensuring that it is spent in a reasonable manner. This ensures that the Town Council as a public body remains open, transparent and accountable for the spending of public money.

Town Council Administration Services

Public Toilets

During the first lockdown the majority of the Public toilets, which the Town Council are responsible for, were closed apart from the ones located at Thomas Street. These remained open to support the bus and coach drivers who were still operating.

Weekend Street Cleaning

The weekend street cleaning has remained ongoing throughout all lockdowns.

Administration Offices

The Town Council Offices were closed to members of the public in March 2020 until Government guidance changed. Heeding the Government's continued advice, the offices will continue to remain closed until further notice.

Officers continue to carry out their normal duties from home and the telephones are switched to mobiles to ensure continuity of service. The admin@chepstow.co.uk email account continues to be monitored.

Town Council Meetings

Once legislation permitted the Town Council commenced with holding all Council and Committee meetings virtually rather than in person and will continue to do so until guidance is received to allow face to face meetings. Switching to remote meetings has allowed the Town Council to continue with its important work

for the community. The Town Council is reviewing its arrangements for physical meetings to ensure these are able to be carried out in an accessible and COVID-safe environment.

The details of all meetings are shared on its website.

Town Council Projects

The Town Council has been cautious in its approach to projects and has focused on pushing through existing agreed and earmarked funding activities. This has proved difficult due to restriction however it is hoped that many of these will be completed by the end of 21/22. All projects are focused around Climate Change and Well-being of Future Generations as well as improving Chepstow making it a better place to live and work.

Community Engagement

The Town Council has/will continue to communicate with the community via social media, the Town Council website, email and by telephone where necessary. In general, the Town Council will be following Government guidelines on limiting social contact and in trying to prevent any further spread of the virus. All measures above are therefore subject to change as deemed necessary and this guidance will be updated as necessary. The Town Council will do all it can to share information necessary or helpful to the community regarding COVID-19.

Financial Impact 2020/21

Spending

Spending by the Town Council fell in 2020/21 due to the pandemic. A number of administrative budget heads are effected however the main budget heads which have seen an underspend are Music in the Community, Festivals in Chepstow, Community Fireworks, Promoting Chepstow and Community.

Loss of Income

The Town Council has seen a minimal reduction in income and it was resolved to provide trader hanging baskets and Christmas Tress for free in 2020 to support the retailers during this difficult time.

Rental Income

Government direction is that no aggressive rent collection is undertaken and that payment plans are developed to assist businesses to pay rent across the financial year. Whilst this remains a risk to the Town Council that one or more of the businesses does not survive, depriving the Council of income, suitable payment plans have been agreed with existing tenants.

The Town Council's General Reserves are enough to cover shortfalls / delays in rental payments with enough funds in the bank to pay bills and other commitments.

Grants

Requests for grant funding is understandably much reduced with any grant funds that were budgeted for, which were not awarded for any reason (i.e. Chepstow Fireworks Display), being

placed in an Ear Marked Reserves entitled Chepstow Tourism Events – Post Covid. This is seen as business generation and good forward planning and the funds are therefore not lost or seen as an underspend.

Detailed Impact by Cost Centre

The impact of the COVID pandemic on each cost centre has been assessed and categorised into four categories:

- High (> £10,000)
- Medium, (£6,000 - £10,000)
- Low (£500 - £6,000)
- Insignificant (< £500).

A summary of the impact for Low, Medium and High impacts are detailed below.

Cost Centre Codes Description	Impact (£)	+ / -	Explanation
1101 1102 1103 Salaries	£35,536	+	Recruitment of new Deputy Town Clerk and Community Projects Officer deferred for 6-months due to restrictions affecting workload.
1107 1108 Civic Responsibilities	£1,700	+	Reduced expenditure due to restrictions reducing the number of civic events.
1121 1122 1123 Stationery postage Photocopying	£2,902	+	Reduction resulting from electronic agendas
1125 IT	£1,654	-	Tablets for councillors
1320 1321 Electric Gas	£939	+	Administration Office close – working from home
1446 Apple Day	£600	+	Event Cancelled
1491 Car Parking	£3,363	-	Free parking spaces to encourage High Street shopping
1540 Festivals in Chepstow	£4,800	+	Events Cancelled
1541 Tourist Information	£5,000	+	Enforced Government closure
1543 Community Contributions	£21,726	+	Reduced requests for community funding due to lockdown measures
1563 Music in the Community	£4,344	+	Events cancelled

Cost Centre Codes Description	Impact (£)	+ / -	Explanation
1572 Emergency Crisis Fund	£35,763	-	New code to assist with emergency community funding
2131 Amenities Town Guide	£6,159	+	Fewer Town Council publications
2280 Income – Flowers	£1,120	-	Resolution to offer hanging baskets for free
2380 Income – Christmas Trees	£1,300	-	Resolution to offer trader trees for free
2250 Income – Market Stalls	£500	-	Regular trader ceased trading during Covid

The resultant position is a positive effect (reduced expenditure) of £40,006. Note that this relates solely to the finances affected by COVID and does not take into consideration any over/underspends across the council for non-COVID reasons.

Financial Impact 2021/22

Positive

The Council will continue to have reduced expenditure on admin and civic costs during the first half of the year due to events still not being able to be held. It is anticipated the diary will begin to get busier from June/July as restrictions are lifted.

The Town Council will be promoting the Emergency Grant funding available to community groups as well as encouraging groups to put on events in the Town for which funding is allocated.

The recruitment of the Community Projects Officer is currently in progress; there will be a low scoring saving against budget.

Negative

Low interest rates continue to affect the council's yield on its balances.