

Report to: Peterlee Town Council

Date: 23rd March 2020

Report of: Ian Morris, Town Clerk

Subject: Peterlee Town Council budget 2020/21

Report Purpose: To seek Members approval of the final draft revenue and capital budgets for 2020/21.

Background: At the Council meeting on Monday 20th January 2020 Members approved a balanced budget for 2020/21 and set the precept figure of £1,296,004 – representing a 0.5% reduction in individual taxpayer precept contributions compared to 2019/20.

Members also considered the draft budget and made a number of recommendations relating to various elements of income and expenditure for the 2020/21 financial year. On Monday 2nd March 2020 the Resources Committee considered the 2019/20 quarter 3 budget outturn figures, and on Monday 9th March 2020 the Community & Environment Committee was presented with the detailed draft budgets from the 2020/21 financial year and provided further feedback on a number of issues.

As a result of the feedback from Members and a number of developments since the 2nd and 9th March reports, and the emerging picture in relation to the COVID-19 situation in the UK, a number of additional amendments have been made to the final budget, including:

- Delaying placing orders for the previously approved road surfacing and MUGA surface replacement projects at Helford Road into the 2020/21 financial year, to enable the Council to mitigate the potential risk to income generation from COVID-19 business interruption;
- Confirmation of the level of Members allowances for the 2020/21 financial year (£1,206.84 each, with a total budget of £28,000 to include provision for any additional allowances payable);
- Redistribution of a number of individual budget lines to different cost centres (e.g. Town Activities) – no net budget impact.

Headlines:

Total projected expenditure 2020/21:	£3,223,501
Total projected income (before precept):	£1,736,237
Projected use of Reserves:	£191,170
Precept demand:	£1,296,004
Average Council Tax Band D cost:	£287.56 (0.5% decrease from 2019/20)

Commentary: The 2020/21 budget (attached) provides for a total turnover (gross expenditure) of £3,153,501 for 2020/21.

Members have agreed that the 2020/21 precept sum be set at £1,296,004 which will equate to a Council Tax band D payment of £287.56, representing a 0.5% reduction on precept cost to individual Peterlee households compared to 2020/21.

The 2020/21 budget requires a planned use of reserves of £191,170 all of which will be on capital expenditure.

The capital expenditure includes the following proposed projects:

- Repairs and refurbishment to Shotton Hall to help maximise income generation;
- Replacement of the playing surface at the Helford Road Pavilion MUGA;
- Relaying of a new surface and additional traffic calming on the access road to the Helford Road Pavilion;
- Completion of the project to provide a new amenity room/storage area at Thorntree Gill Leisure Gardens;
- Investment in the Town Council's parks and play areas;

Of the £965,000 of proposed capital expenditure identified in the budget £750,000 would be funded from a loan from the Public Works Loan Board, approximately £24,000 from revenue and the remainder from reserves. A revised use of reserves policy will be presented to Council in May/June 2020 once the 2019/20 year-end outturn position is known.

The detailed budget for 2019/20 is attached for Members' consideration.

Recommendation:

Members are recommended to note the contents of this report and to approve the budget for 2020/21 as detailed in this report.

Appendix 1: Implications

Finance –This report sets out the budget for the Town Council for the 2020/21 financial year, with a precept requirement of £1,296,004 (equivalent to a 0.5% reduction for individual council tax payers) and a planned use of reserves of £191,170.

Staffing –The outline budget includes provision for a Local Government pay award due from 1st April 2020. The level of pay award is still subject of national negotiations however the council has used a 2% estimate for budgeting purposes.

Risk – the budget has been set with regard to the Town Council’s Strategic Risk register and in particular in relation to the current COVID-19 situation.

Equality and Diversity, Cohesion and Integration – the budget makes provision for a range of services and events that are aimed at promoting social interaction and inclusion including youth engagement, volunteering, and ongoing wellbeing services operating from the Pavilion sports & community centre.

Crime and Disorder – the budget makes provision for a range of services and events that are aimed at tackling issues relating to crime and disorder including youth engagement and the road safety initiative.

Consultation & Communication –The outline budget has been developed with the Council’s management team and has included direct engagement of staff in discussions about budget requirements for 2020/21.

Procurement –none.

Legal –the legal power to raise a precept is enshrined in a statute, predominantly the Local Government Finance Act 1992 (c1V) and Localism Act 2011 (s78).

Appendix 2: final budget for 2020/21

101	Central & Civic HQ Costs	2019/20	2020/21	Variance
		£	£	£
4000	Salaries, Wages, Superan, NI	320251	327813	7562
4003	Overtime	1000	1000	0
4006	Building Maintenance Contract	0	300	300
4010	Cleaning Wages	8003	8176	173
4011	Facilities Staff - Wages	12338	12591	253
4099	Pension Cont - Former Staff	4500	4500	0
4100	Training & Development - Staff	15000	15000	0
4175	Personnel Services	7000	7000	0
4190	Wages Processing DCC	8000	7000	-1000
4200	Electricity	3316	3151	-166
4201	Gas	3791	2000	-1791
4202	Water	972	1021	49
4205	Rates	3329	3750	422
4210	Alarm System & CCTV	300	1400	1100
4211	Ins XS/Vandalism	250	250	0
4220	Window Cleaning	200	200	0
4225	Cleaning Materials	5000	5000	0
4230	Furniture	1500	1500	0
4240	Miscellaneous Expenditure	1000	1000	0
4250	Repairs & Decoration	5000	5000	0
4350	Small Plant & Tools	2000	1000	-1000
4400	Telephones	2000	2500	500
4401	Mobile Phone	2000	2000	0
4405	Postage	2500	1500	-1000
4406	Petty Cash	200	200	0
4410	Office Machine Hire & Mtce	18000	18000	0
4412	Stationery & New Office Equip	8000	6000	-2000
4420	Publicity/Council Publications	3000	6000	3000
4425	Insurance	75000	80000	5000
4498	Health & Safety	2500	2500	0
4499	Occupational Health	3000	3000	0
4500	Fuel & Oils	10000	9000	-1000
4501	Road Fund Tax	650	750	100
4502	Vehicle Maintenance/Spares	10000	10000	0
4503	Motor Insurance XS	500	500	0
	Total Over Head Expenditure	540099	550601	10502
	Total Income	0	0	0
	Central & Civic HQ Costs - Net Expenditure	540099	550601	10502

102	Democratic Costs	2019/ 20	2020/21	
4101	Training & Dev - Councillors	2000	1500	-500
4125	Mayors Personal Allowance	1500	1500	0
4126	Mayors Civic Duties	1000	500	-500
4127	Participation Allowances	28000	28000	0
4470	Civic Regalia	500	500	0
4530	Twinning	5000	0	-5000
TBC	Youth Council	0	2000	2000
TBC	Shotton Hall Concessionary Use		10000	10000
TBC	Dene School Awards	0	1000	1000
	Total Over Head Expenditure	38000	45000	7000

Democratic Costs - Net Expenditure **38000** **45000** 7000

103	Corporate Management	2019/ 20	2020/21	
4426	Subs to L.A. Bodies	4000	4400	400
4430	Elections	5000	0	-5000
4450	Audit Fees	10000	10000	0
4455	Banking Pick Up Service	1500	1500	0
4458	Card Machine/Bank Fees	7000	7000	0
	Total Over Head Expenditure	27500	22900	-4600

Corporate Management - Net Expenditure **27500** **22900** -4600

105	Other Costs and income	2019/ 20	2020/21	
4460	500 500			0
	Total Over Head Expenditure	500	500	0

1045	Precept Received	1280443	1296004	15561
1046	Precept Support Grant	251222	264276	13054
1209	Bank Interest	0	0	0
	Total Income	1531665	1560280	28615

Other Costs and income - Net Expenditure **-1531165** **-** -28615
1559780

201	S/Hall Banqueting Suite			2019/ 20	2020/21	
4000	Salaries, Wages, Superan, NI			127482	102541	-24940
4003	Overtime			2000	1500	-500
4006	Building Maint. Contracts			1200	1200	0
4010	Cleaning Wages			10861	11095	234
4070	Wages - Shotton Hall Grounds			27010	27573	563
4174	Clothing & Uniforms			3000	3000	0
4200	Electricity			11372	12000	629
4201	Gas			9476	7500	-1976
4202	Water			2250	2000	-250
4205	Rates			11000	10500	-500
4208	Licences			2500	2500	0
4209	Trade Refuse Costs			1500	1500	0
4210	Alarm System & CCTV			1000	2500	1500
4211	Ins XS/Vandalism			250	250	0
4213	Hygiene Services			1000	1000	0
4215	Refreshments			1500	1500	0
4220	Window Cleaning			600	600	0
4230	Furniture			5000	5000	0
4240	Miscellaneous Expenditure			1000	1000	0
4250	Repairs & Decoration			10000	10000	0
4420	Publicity/Council Publications			3000	4000	1000
4421	Shotton Hall Events			5000	5000	0
4424	Bond			0	0	0
	Total Over Head Expenditure			238001	213760	-24241
1305	Electricity Refunds - Caterer			0	0	0
1306	Gas Refunds - Caterer			0	0	0
1312	Miscellaneous Income			0	0	0
1319	Hire Income			60000	45000	-15000
1320	Refreshment Income			3500	3500	0
1321	Hire of Equipment			2000	2000	0
1322	Shotton Hall Events			45000	45000	0
1323		500	1000	500		
TBC		10000	10000	0		
1324		250	250	0		
	Total Income			121250	106750	-14500
	S/Hall Banqueting Suite - Net Expenditure			116751	107010	-9741
210	Shotton Hall Bar			2019/ 20	2020/21	
4005	Bar Gas			250	250	0
4030	Bar Wages - Casuals			35000	35000	0
4214	Stocktaking Fees			669	1000	331
4570	Bar Purchases			41000	45000	4000
	Total Over Head Expenditure			76919	81250	4331
1315	Bar Income			120000	145000	25000
	Total Income			120000	145000	25000
	Shotton Hall Bar - Net Expenditure			-43081	-63750	-20669

215	Shotton Hall Catering	2019/ 20	2020/21	
4572	Catering Expenditure	75000	75000	0
	Total Over Head Expenditure	75000	75000	0
				0
1330	Catering Income	140000	120000	-20000
	Total Income	140000	120000	-20000
	Shotton Hall Catering - Net Expenditure	-65000	-45000	20000

221	The Pavilion (Inc Sports Fac)	2019/ 20	2020/21	
4000	Salaries, Wages, Superan, NI	178211	181888	3676
4003	Overtime	4000	1000	-3000
4006	Building Maint. Contracts	3500	2000	-1500
4009	Bistro Expenditure	36288	25000	-11288
4010	Cleaning Wages	26867	27446	579
TBC	Cricket roller hire	1800	1800	0
4056	Wages-Helford Rd Cricket Fld	9904	10106	202
4057	Wages-Helford Rd F/Fields	3301	3369	67
4061	Wages-Helford Road MUGA	4200	4286	86
4081	Wages-Helford Rd Grounds	13205	13475	269
4174	Clothing & Uniforms	600	600	0
4200	Electricity	17943	18840	897
4201	Gas	7000	5000	-2000
4202	Water	5000	5500	500
4205	Rates	14042	14744	702
4208	Licences	6200	6200	0
4209	Trade Refuse Costs	1300	1300	0
4210	Alarm System & CCTV	2400	3000	600
4211	Ins XS/Vandalism	250	250	0
4213	Hygiene Services	525	525	0
4216	Line Cleaning Costs	0	0	0
4217	Lift Maintenance Costs	3500	3500	0
4220	Window Cleaning	1000	1000	0
4230	Furniture	1000	3500	2500
4240	Miscellaneous Expenditure	2000	3000	1000
4250	Repairs & Decoration	3000	3500	500
4400	Telephones	2500	2500	0
4406	Petty Cash	0	0	0
4410	Office Machine Hire & Mtce	3000	3000	0
4412	Stationery & New Office Equip	1750	1750	0
4420	Publicity/Council Publications	1500	1500	0
4424	Bond	0	0	0
4581	Pool Table Costs	600	100	-500
4584	Sattelite TV Costs	3800	3800	0
4585	Loan Repayment	50450	50450	0
	Total Over Head Expenditure	410637	403929	-6708

		2019 20	2020/21	
1312	Miscellaneous Income	2000	2000	0
1314	Bistro Sales	65496	60000	-5496
1319	Hire Income	46200	66000	19800
1320	Refreshment Income	400	400	0
1321	Hire of Equipment	50	50	0
1341	Pool Table Income	400	400	0

1507	Helford Road Cricket Facility	1000	1000	0
1508	Helford Road Football Field	1100	1100	0
1509	Helford Road MUGA	20000	25000	5000
	Total Income	136646	155950	19304
	The Pavilion Net Expenditure	273991	247979	-26013
225	The Pavilion Bar	2019/ 20	2020/21	
4005	Bar Gas	600	600	0
4030	Bar Wages - Casuals	37270	34000	-3270
4214	Stocktaking Fees	1000	1500	500
4570	Bar Purchases	35000	36000	1000
	Total Over Head Expenditure	73870	72100	-1770
1315	Bar Income	85000	85000	0
	Total Income	85000	85000	0
	The Pavilion Bar - Net Expenditure	-11130	-12900	-1770
241	Lowhills Road Community Fac	2019/ 20	2020/21	
4010	Cleaning Wages	1143	1168	25
4055	Wages-lowhills Rd F/Fields	9904	10106	202
4079	Wages-L/Hill Rd Grounds	6603	6737	135
4200	Electricity	5641	5359	-282
4202	Water	2310	2425	115
4205	Rates	972	1021	49
4209	Trade Refuse Costs	0	0	0
4210	Alarm System & CCTV	500	1000	500
4211	Ins XS/Vandalism	250	250	0
4213	Hygiene Services	100	100	0
4220	Window Cleaning	100	100	0
4240	MiscellaneousExpenditure	500	500	0
4250	Repairs & Decoration	5000	3000	-2000
4400	Telephones	200	200	0
	Total Over Head Expenditure	33223	31966	-1256
1307	Water Refunds - Surestart	800	800	0
1308	Electricity Refund - Surestart	2440	3300	860
1319	Hire Income	6000	6100	100
1506	Lowhills Road Football Field	1800	1800	0
	Total Income	11040	12000	960
	Lowhills Road Net expenditure	22183	19966	-2216
242	Lowhills Road Bowling Club	2019/ 20	2020/21	
4010	Cleaning Wages	0	0	0
4054	Wages-Lowhills Rd B/Green	0	0	0
4200	Electricity	313	297	-16
4240	MiscellaneousExpenditure	0	0	0
4250	Repairs & Decoration	0	0	0
	Total Over Head Expenditure	313	297	-16
		313	297	-16

261	Eden Lane Community Fac	2019/ 20	2020/21	
4051	Wages-Eden Lane F/Fields	3301	3369	67
4080	Wages-E/Lane Grounds Maint	19808	20212	404
4250	Repairs & Decoration	1000	1000	0
	Total Over Head Expenditure	24109	24581	472
1210	Communication Mast Rental	6000	6000	0
1319	Hire Income	1	1	0
1332	Activities (Classes etc)	0	0	0
1502	Eden Lane Football Fields	800	800	0
	Total Income	6801	6801	0
	Eden Lane community facility net expenditure	17308	17780	472
262	Eden Lane Depot	2019/ 20	2020/21	
4010	Cleaning Wages	5716	5840	123
4200	Electricity	4975	4727	-249
4202	Water	695	729	35
4205	Rates	4376	4595	219
4210	Alarm System & CCTV	1575	1575	0
4211	Ins XS/Vandalism	250	250	0
4230	Furniture	250	250	0
4240	MiscellaneousExpenditure	500	500	0
4250	Repairs & Decoration	2000	2000	0
4400	Telephones	1000	750	-250
4410	Office Machine Hire & Mtce	1000	500	-500
4412	Stationery & New Office Equip	2000	2000	0
	Total Over Head Expenditure	24337	23715	-622
	Eden Lane Depot - Net Expenditure	24337	23715	-622
263	Eden Lane Bowling Club	2019/ 20	2020/21	
4010	Cleaning Wages	572	584	12
4050	Wages-Eden Lane B/Green	4793	4891	98
4240	MiscellaneousExpenditure	0	0	0
4250	Repairs & Decoration	1000	1000	0
	Total Over Head Expenditure	6365	6475	110
1501	Eden Lane Bowling Green	550	550	0
	Total Income	550	550	0
	Eden Lane Bowling Club - Net Expenditure	5815	5925	110

280	Woodhouse Park	2019/ 20	2020/21	
4010	Cleaning Wages	4001	4088	86
4078	Wages-Woodhouse Park	26411	26950	539
4200	Electricity	3813	2000	-1813
4202	Water	730	350	-380
4206	Rent	1500	1500	0
4210	Alarm System & CCTV	750	3800	3050
4211	Ins XS/Vandalism	250	250	0
4240	Miscellaneous Expenditure	500	500	0
4250	Repairs & Decoration	4000	2000	-2000
4400	Telephones	250	500	250
	Total Over Head Expenditure	42205	41937	-268
	 Woodhouse Park - Net Expenditure	 42205	 41937	 -268
290	Sports Development	2019/ 20	2020/21	
4062	Wages - Sport Development	69187	70615	1429
4065	Marketing	1000	1000	0
4067	Activities/Events	22000	23000	1000
4068	Equipment	600	500	-100
4073	Licences, Membership Ins	400	400	0
4174	Clothing & Uniforms	200	200	0
4215	Refreshments	50	50	0
4412	Stationery & New Office Equip	150	150	0
	Total Over Head Expenditure	93587	95915	2329
1510	Activities Ex Classes & Events	40000	40000	0
1513	Funding Grant	5000	9500	4500
	Total Income	45000	49500	4500
	 Sports Development - Net Expenditure	 48587	 46415	 -2171

410	Town Activities	2019/ 20	2020/21	
4427	Donations	11000	11000	0
TBC	Road Safety initiative	20000	25000	5000
4720	Gritting Service & Bins	2000	2000	0
4725	Dog Fouling Maint. & Bins	2250	2250	0
4462	CAB Case Worker project	20000	20000	0
4464	Youth Provision	20000	10000	-10000
4461	Castle Eden Dene Centre	5000	5000	0
TBC	Friends of the Parks project	5000	1000	-4000
TBC	Bogey Derby	5000	7500	2500
4726	Remembrance Parade/Armed Forces	6000	6000	0
	Total Over Head Expenditure	106250	89750	-16500
		106250	89750	-16500
430	Town Events	2019/ 20	2020/21	
4730	Peterlee Show	70000	76000	6000
4733	Garden Competition	1500	1500	0
4740	Fireworks Display	10000	10000	0
4742	Carol Concert/Tree Lighting	5000	7500	2500
4751	Senior Citizens	1800	1800	0
4756	Summer Events	6000	6000	0
4757	Childrens Pantomine	3500	3500	0
	Total Over Head Expenditure	97800	106300	8500
1851	Peterlee Show	9000	15000	6000
	Total Income	9000	15000	6000
	Town Events - Net Expenditure	88800	91300	2500
				0
901	Capital Projects	2019/ 20	2020/21	
4912	New Vehicles	0	0	0
4913	Capitalised Maint - S/Hall	300000	750000	450000
4920	Consultants Fees	20000	10000	-10000
4930	Eden Lane Works	20000	20000	0
4940	Helford Road MUGA	50000	60000	10000
TBC	Thorntree Gill LG shelter	30000	70000	0
TBC	Pavilion Emergency lighting renewal	0	10000	
TBC	Dene Parks	25000	0	0
4955	Play Equipment	188000	45000	-143000
	Total Over Head Expenditure	633000	965000	332000
TBC	PWLB Loan	0	750000	
	Total Income	0	750000	0
Capital Projects - Net Expenditure		633000	215000	-418000
		2893428	3223501	330073
	Income :	2232452	3032331	799879
	Net Expenditure	660976	191170	-469806

