



PETERLEE TOWN COUNCIL

Date of Issue: 26th February 2018

A MEETING OF THE RESOURCES COMMITTEE WILL BE HELD ON MONDAY 5th MARCH 2018 IN THE COUNCIL CHAMBER SHOTTON HALL, PETERLEE, SR8 2PH at 6.30pm

Mr I Morris M.C.I.H.,P.S.L.C.C.

Town Clerk

A G E N D A

Members of the Committee and members of the public are reminded that the public part of the meeting may be recorded in both audio and video, and photographs may be taken.

1. Apologies for Absence

Members are cordially invited to inform the Deputy Town Clerk of their apologies as soon as practicable.

2. To receive declarations of interest

Members are reminded of the need to disclose any interests in items on this agenda, whether pecuniary or otherwise. Please seek advice from the Town Clerk or Deputy Town Clerk prior to the meeting if in doubt.

3. To approve the minutes of the previous meeting

Members are recommended to approve the minutes of the previous meeting of the Resources Committee on Monday 8th January 2018 as a true and correct record.

(Minutes of previous meeting, copy attached)

4. Report of the Finance Sub Committee of the 8th February 2018

Members are requested to note the payments approved at the meeting of this sub committee.

(Minutes of the Finance Sub Committee attached)

5. Quarter 3 budget outturn report: 1 April 2017 to 31 December 2017

Members will be presented with a summary report of the budget outturn figures for the first three quarters of the current financial year, 1st April 2017 to 31st December 2017.

(Report of the Town Clerk, attached)

6. Policy on the use of Council Facilities & Resources by Councillors

To consider and agree a policy on the use of council facilities and resources by Councillors

(Report of the Deputy Town Clerk to follow)

7. Request for concessionary use of Shotton Hall Banqueting Suites

Members are asked to consider the following application for concessionary use of Town Council Facilities:-

Peterlee Cricket Club, Sportsman's Dinner, Thursday 29th March 201

(power: Local Government Act 1972, s.144)

(A verbal report of the Deputy Town Clerk, the application form will be available at the meeting for information/reference)

8. Dene Community School, Duke of Edinburgh Award, Fundraising towards new equipment, transport and site fees

(power: Local Government Act 1972, s137)

(A verbal report of the Deputy Town Clerk, the application form will be available at the meeting for information/reference)

9. Honoraria Guidance

Members will be asked to approve an 'Honoraria Guidance' document for Managers to use when considering awarding honoraria payments for staff.

(A verbal report by the Town Clerk and copy of the guidance document, attached)

10. Peterlee Town Council budget 2018/19

Members will be presented with a report on the final draft budget for 2018/19, prior to final approval by Council later in March.

(Report of the Town Clerk, to follow)

THE MINUTES OF THE MEETING OF THE
RESOURCES COMMITTEE HELD IN THE COUNCIL CHAMBER, SHOTTON HALL,
PETERLEE ON MONDAY 5TH FEBRUARY 2018 AT 6.30PM

PRESENT: COUN A WATSON (CHAIR)

**Mesdames:- K Liddell, A C Long, K Hawley, L Fenwick, K J Duffy &
M A Cartwright**

**Messrs:- G Carne, S D McGlen, S Miles, A T Wilkinson, R Moore, A S H
Meikle, R Kyle, J Robinson & C Watkins**

The Chairman advised Members of the committee that part of the meeting may be recorded by both audio and video, and it may be that photographs were taken.

74. Apologies for Absence

Apologies had been submitted and accepted from Councillors S Simpson, S McDonnell, S Kirkup and T Duffy. **RESOLVED the Council approve the reasons submitted at the meeting for absence received from the Councillors listed, and their apologies for absence be recorded.**

75. To receive declarations of interest

Members were reminded of the need to disclose any interests in items on this agenda, whether pecuniary or otherwise. **RESOLVED it be noted both Councillor R Kyle and S Miles declared an interest in the item relating to Twinning.**

76. Internal Audit Progress report

The Chair welcomed Mr Stephen Carter, Audit & Fraud Manager, Internal Audit, Risk & Fraud, DCC to the meeting to present the report and outstanding audit recommendations as at quarter ended 31st December 2017, a copy of the reports had been circulated prior to the meeting. Mr Carter presented his report and then advised

he was happy to take questions from Members, there were none offered. Mr Carter thanked the Council and then left the meeting.

RESOLVED the outturn position be noted and the progress made in delivering the internal audit plan for 2017/18 together with that made by managers in responding to the work of the internal audit to gain assurance on the adequacy and effectiveness of the internal control environment. **FURTHER RESOLVED** the outstanding audit recommendations for the quarter ended 31 December 2017, be noted.

77. The Minutes of the Last Meeting

Members approved the minutes of the last meeting of this Committee held on 8 January 2018 and they were signed as a true and correct record.

78. Report of the Finance Sub Committee of the 18th January 2018

Members were requested to note the payments approved at the meeting of this sub committee held on 18th January 2018, a copy of the minutes had been previously circulated. **RESOLVED** the payments made at the meeting held on 18 January 2018, be endorsed.

79. Town Twinning

Members were asked to give further consideration of the May 2017 Council resolution to conduct a review of future twinning arrangements in conjunction with officials from Nordenham, Germany, and the potential for establishing a Twinning Working Party to take the matter forward. There was discussion on the future of Twinning and the Chairman of the Peterlee & Nordenham Friendship Association advised the Council that the usual twinning trip was not going to be held to Germany this year as the date offered in July was not suitable. Members questioned the benefit or value twinning gave to the residents of Peterlee and it was reported a sum of £441.00 had been spent in 2016/17 and £2,693.00 in 2017/18. **RESOLVED** the proposed budget for 2018/19 be reduced by 50% and also the future budgets be reduced by 50%.

80. Long Service Awards - 2018

Members were advised that three officers namely Mr Jeff Hall (February), Mrs Kate McMenam (June) and Ms Kay Tweddle (December) would achieve 25 years service with the Town Council this year. **RESOLVED this service be recognised with a £100.00 cheque as per council policy.**

81. Shotton Hall Surveys - Appointment of Technical contractors

The report of the Town Clerk to informing Members of a number of recent surveys on the Council's main public building, Shotton Hall, was considered. Members were asked to note the contents of the report and to await further reports on the outcome of the surveys in due course. **RESOLVED further reports be awaited.**

82. Peterlee Show and Bonfire Night 2018 – suppliers' quotations

The report of the Show Coordinator presenting a list of quotes from various companies to provide supplies for the Peterlee Show and Bonfire Night 2018, a copy of which had been circulated, was considered. **RESOLVED the recommendations made for the companies to provide security, fencing, medical cover, fire extinguishers, (foc), traffic management, toilets, skips, marquees, temporary accommodation, pa lighting, stage, generators and lighting, and lighting towers, be accepted. FURTHER RESOLVED the PA & audio for the bonfire night be deferred and further prices be obtained from the fireworks companies for quiet fireworks. Prices for the provision of security lighting around the Pavilion be awaited.**

PETERLEE TOWN COUNCIL

FINANCE SUB-COMMITTEE

HELD IN THE COUNCIL CHAMBER,

SHOTTON HALL, PETERLEE

ON THURSDAY 8th FEBRUARY 2018

Present:-

Councillors K J Duffy, L Fenwick & A Watson

15. PAYMENTS BY DIRECT DEBIT & USING THE DEBIT CARD

RECOMMENDED the list of payments made in November, December and January 2018 by direct debit or using the debit card, be accepted.

16. ACCOUNTS FOR PAYMENT

The accounts for payment for February 2018 amounting to £31,856.32 including all payments made for that month, a copy of which had been circulated to each Member, were considered.

RECOMMENDED the payments as listed, be made.

Report to: Peterlee Town Council Resources Committee
Date of Meeting: 05th March 2018
Subject: 2017/18 financial year – third quarter budget summary report
Report of: Ian Morris, Town Clerk

Report Purpose: To provide the Committee with a budget summary report to the end of the third quarter of the 2017/18 financial year, in line the Council's Financial Regulations¹.

Background: Section 5.8 of the Council's Financial Regulations provides that as the Council's Responsible Financial Officer (RFO) I am required to provide a statement comparing actual expenditure to that planned in the budget for each head of the Council's budgets.

The working process that enables this report is as follows:

- End of Quarter budget report produced and circulated to Budget holders by Finance Team;
- 1:1 meeting between budget holders, Town Clerk and Finance Assistant;
- Variance report produced and discussed with each budget holder;
- Report to Council for discussion and approval.

This report represents the Council's position at the end of the second quarter of the 2017/18 Financial Year, i.e. as at 31st December 2017.

Q2 summary: The 2017/18 quarter 3 overall budget outturn per budget head is provided in Appendix 1 to this report. In basic terms, net expenditure is below the pro rata budget expenditure for the first nine months by £195,270:

Net revenue underspend: £46,228

Net capital underspend: £149,042

The revenue underspend is due in part to a number of efficiencies that have been made during the year, but substantially due to the Council carrying a number of vacancies in its staffing structure.

The only real item of concern is the under-performance in income generation at Shotton Hall, which was around £60,000 (net) behind target at the end of December 2017.

¹ Council's financial regulations are available from the Town Clerk on request or here: <http://www.peterlee.gov.uk/wp-content/uploads/sites/37/2016/04/Financial-regs-amended-June-2017.pdf>

The Council has recently agreed to go out to the market with a procurement exercise for the conference and banqueting concession at Shotton Hall and the internal team are currently preparing an internal 'bid' to compare with the outsourcing model.

The Council has also recently approved a restructure which is currently out to staff and Union consultation and is intended to ensure that the council is up to a full staffing contingency.

Q3 variances: A number of individual budget heads have variances in excess of the 'material' 15% limit prescribed in the Financial Regulations. Summary explanations for these material variances are provided in Appendix 2 to this report.

Recommendation: Members are recommended to note the content of this report and Appendices 1 and 2 which set out the quarter 2 variances by budget head and summary explanations for each variance over 15%.

Appendix 1: 2017/18 quarter 2 variance table by budget heads

N.B. Members' attention is drawn in particular to columns G and H which provide the *pro rata* (i.e. quarter 3 position) variances. Column H describes pro rata over or underspend at the half-way point in the year, assuming 75% of budget.

A: Code	B: Budget head	C: 2017/18 Budget	D: Q3 Actual	E: Variance	F: % of Budget	G: pro rata variance%	H: pro rata variance
101	Central & Civic HQ Costs (net)	£467,606	£326,776	£140,830	69.9%	-6.8%	-£23,929
102	Democratic Costs	£48,780	£24,727	£24,053	50.7%	-32.4%	-£11,858
103	Corporate Management	£30,900	£24,462	£6,438	79.2%	5.6%	£1,287
105	Other Costs & Income (net)	-£1,492,347	-£1,117,860	-£374,487	74.9%	-0.1%	£1,400
201	Shotton Banqueting Suite (net)	£89,806	£55,801	£34,005	62.1%	-17.2%	-£11,554
210	Shotton Hall Bar (net)	-£120,214	-£41,528	-£78,686	34.5%	-53.9%	£48,633
215	Shotton Hall Catering (net)	-£35,862	-£17,738	-£18,124	49.5%	-34.1%	£9,159
221	The Pavillion (net)	£224,367	£143,656	£80,711	64.0%	-14.6%	-£24,619
225	The Pavillion Bar (net)	-£34,814	-£7,980	-£26,834	22.9%	-69.4%	£18,131
241	Lowhills Road Community facility (net)	£15,844	£12,971	£2,873	81.9%	9.2%	£1,088
242	Lowhills Road Bowling Club (net)	£13,034	£3,864	£9,170	29.6%	-60.5%	-£5,912
261	Eden Lane Community Facility (net)	£25,346	£15,664	£9,682	61.8%	-17.6%	-£3,346
262	Eden Lane Depot (net)	£25,883	£14,936	£10,947	57.7%	-23.1%	-£4,476
263	Eden Lane Bowling Club (net)	£5,015	£3,259	£1,756	65.0%	-13.4%	-£502
280	Woodhouse Park	£48,580	£15,932	£32,648	32.8%	-56.3%	-£20,503
290	Sports Development (net)	£51,949	£35,201	£16,748	67.8%	-9.7%	-£3,761
301	Parks General (net)	£339,073	£254,900	£84,173	75.2%	0.2%	£595
325	Cemeteries & Burials (net)	£32,209	£15,325	£16,884	47.6%	-36.6%	-£8,832
350	Allotments (net)	£6,386	-£386	£6,772	-6.0%	-108.1%	-£5,176
401	Town Centre office (net)	£22,038	£16,819	£5,219	76.3%	1.8%	£291
410	Town Activites (section 137)	£17,765	£7,838	£9,927	44.1%	-41.2%	-£5,486
430	Town Events (net)	£74,800	£59,241	£15,559	79.2%	5.6%	£3,141
901	Capital Projects	£214,000	£11,458	£202,542	5.4%	-92.9%	-£149,042
Totals		£70,144	-£142,662	£212,806	-203.4%	-371.2%	-£195,270

Appendix 2: material (>15%) variances for quarter 3 by budget head

NB – negative variances are enclosed in (parenthesis) and indicate an underspend, whether through reduced expenditure or increased income or both.

Code	Budget Head	Variance	Variance %	Summary Explanation
102	Democratic Costs	(£11,858)	(32.4%)	Underspend on Members' Training & Development (£6,900); Freeze on Mayor's Budget (£4,000); underspend on Twinning (£2,800)
201	Shotton Banqueting Suite (net)	(£11,554)	(17.2%)	Underspend on salaries due to Facilities Assistant vacancy; underspend on publicity budget.
210	Shotton Hall Bar (net)	£48,633	53%	Under performance on bar sales against target
	Shotton Hall Catering (Net)	£9,159	34%	Under performance on catering sales against target
225	The Pavillion Bar (net)	18,131	69%	Under performance on bar income offset by underspend on stock.
242	Lowhills Road Bowling Club (net)	(£5,912)	(61%)	Underspend on wages and other expenditure following decision to review bowls provision by Town Council.
261	Eden Lane Community Facility	(£2,081)	(16%)	Increase in expenditure on staffing costs (first full season), offset by increased mast rental.
262	Eden Lane Depot	(£4,476)	(23%)	Underspend on repairs & decoration and equipment spend, expected to catch up for year-end.
280	Woodhouse Park	(£20,503)	(56%)	Underspend on wages due to Parks vacancy.
325	Cemeteries & Burials	(£8,832)	(37%)	Underspend on wages due to team shortages; reduction in HPC donation.
350	Allotments	(£5,176)	(108%)	Underspend on wages; increase in income due to full utilisation.
410	Town Activities s137	(£5,486)	(41%)	Underspend on Members grants fund, expected to adjust by year-end; underspend on remembrance parade
901	Capital Projects	(£149,042)	(93%)	A number of large single items not yet committed: Shotton Hall (£50k); Play Equipment (£25k); Organisational Strategy Fund (£25k); Eden Lane (rugby) works (£25,000)

Honoraria Guidance



Version: 1
January 2018

Contents

1	Introduction	1
2	What is an honorarium?	1
2.1	What is not an honorarium?	1
3	Offering an honorarium	2
3.1	Calculating the honorarium payment	2
4	Paying an honorarium	3
5	Confidentiality	3
6	Dealing with abuses of the policy	3
7	Equality and diversity	3
8	Contact details	3

1 Introduction

This guidance document has been created to provide practical guidance to managers who require employees to undertake duties and responsibilities at a higher level than their current grade for a short period of time.

2 What is an honorarium?

An honorarium payment can be made for the following reasons:

- The employee is undertaking the full duties and responsibilities of a post, which is at a higher grade (not to cover annual leave);
- The employee is undertaking partial duties and responsibilities of a post, which is at a higher grade (not to cover annual leave). Duties can be shared between more than one employee and therefore a proportion of the honorarium would be payable to each employee;
- The employee is undertaking duties outside the scope of their post, where the additional duties and responsibilities are considered to be of a higher grade. Where this is not linked to an existing post, i.e. as project work, the duties will need to be benchmarked in an appropriate way (e.g. job evaluation).

Managers must always consider whether an honorarium payment is necessary. For example, it may be appropriate to offer the additional duties to an employee who is already in receipt of a protected salary.

Where it is considered necessary, an honorarium should be used as a short-term measure only and should not be paid for longer than **six months**. Any extension to this can only be made with the agreement of the Town Clerk. If the arrangement is likely to last longer than six months then a temporary contract may be more appropriate.

An honorarium payment is not contractual and will be shown separately on an employee's payslip. An honorarium is considered to be taxable income by HM Revenues and Customs and will therefore be subject to tax, national insurance and pension deductions.

2.1 What is not an honorarium?

An honorarium will not be paid where an employee is required to undertake increased duties and responsibilities that are commensurate with the grade of the employee's substantive post. In addition, it should not be used to recompense an employee who temporarily covers duties as a result of another employee's annual leave.

An honorarium must also not be paid to an employee who works over and above their contracted hours. This should be dealt with using alternative processes such as time off in lieu or overtime, in line with normal service arrangements.

3 Offering an honorarium

If there is only one employee that is eligible to undertake the additional duties and receive the honorarium payment, the manager will simply need to approach the employee to ask if they are interested in taking on these additional duties.

Where more than one employee may be eligible to undertake the additional duties, the manager will need to advertise the opportunity internally, bringing it to the attention of all eligible employees, and asking for expressions of interest. Where there is more than one suitable candidate, an interview selection process should be used, based on the person specification for the post, to ensure that all employees are treated fairly and without discrimination. Managers should follow the principles for recruitment, as outlined in the council's Recruitment and Selection Policy.

3.1 Calculating the honorarium payment

The employee should be paid at the salary level that would apply if the employee were appointed to the higher graded post i.e. the first spinal column point of the higher salary grade.

The honorarium is calculated as the difference between the current salary and the bottom of the grade that the employee is covering.

Higher graded post	Grade 5, SCP 18	£18,070
Substantive post	Grade 2, SCP 13	£16,491
	Annual difference	£ 1,579
	Monthly honorarium	£131.58

Where an employee is undertaking part of the duties of the higher graded post, the manager will need to calculate the percentage of the full job description being undertaken. The example below shows the calculation for an employee undertaking 50% of a higher graded post.

Higher graded post	Grade 5, SCP 18	£18,070
Substantive post	Grade 2, SCP 13	£16,491
	Annual difference	£ 1,579
	Monthly honorarium	£131.58
	50% honorarium	£ 65.79

The honorarium should cease on the day the employee stops covering the additional duties. Should the employee be absent due to sickness or maternity/paternity/adoption leave continuously for four weeks or more, the honorarium will cease after 28 calendar days from the first day of absence.

4 Paying an honorarium

A request for an honorarium should be made by the manager in writing to the Town Clerk, who has the delegated authority to agree honoraria without reference to committee.

The honorarium will be paid weekly, two weeks in arrears, and the details will be confirmed in writing to the employee from the manager.

The Councils payroll providers and the Councils Finance Officer will monitor and inform managers of the date that the honorarium will end. If the manager does not respond and submit a new request for an extension to the honorarium, arrangements will be made for the honorarium to cease.

5 Confidentiality

All information will be handled sensitively and used only for its proper purpose. Under the Data Protection Act 1998 individuals have the right to see their own personal data held subject to the rights of confidentiality of any third parties involved in that information.

6 Dealing with abuses of the policy

Employees who attempt to abuse this policy may face disciplinary action. The council takes false or misleading accusations very seriously which may result in further action taken through the disciplinary procedure. This will not include ill-founded allegations that were made in good faith.

7 Equality and diversity

Peterlee Town Council is committed to promoting equality of opportunity, valuing diversity and ensuring discrimination, harassment or victimisation is not tolerated.

Our aim is to treat people fairly, with respect and dignity. We also aim to comply with legal requirements in relation to age, disability, gender, pregnancy and maternity, marriage and civil partnership, gender reassignment, race, religion or belief and sexual orientation.

8 Contact details

If you would like any further advice or would like the document in an alternative format, please contact the Town Clerk using the contact details below:

Email: clerk@peterlee.gov.uk
Tel: 0191 586 2491