



PETERLEE TOWN COUNCIL

Date of Issue: 10th January 2023

A Meeting of the Resources Committee will be held on Monday 16th January 2023 in The Banqueting Suites, Shotton Hall, Peterlee, SR8 2PH at 6.30pm

Mr I Morris P.S.L.C.C.

Town Clerk

A G E N D A

Due to the current COVID situation the capacity of the meeting room is reduced and public admission to the meeting will be limited. Any members of the public wishing to attend Shotton Hall to observe the meeting are strongly advised to contact the Council in advance to reserve a seat: council@peterlee.gov.uk or 0191 5862491

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.

Members are reminded that they can check their published declaration of interests here: <https://bit.ly/2wVyeLA>

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 14th November 2022 as a true and correct record.

(Minutes of previous meeting, copy attached)

4. Peterlee 75

To receive a presentation from the Town Clerk on proposals for a program of community events and activities to mark Peterlee's 75th anniversary, in partnership with East Durham Trust, East Durham Creates, East Durham College, the Appollo Pavilion CIC and Durham County Council.

5. Peterlee Town Council draft budget and precept demand 2023/24

To receive a report from the Town Clerk with an update on the outline draft budget for the 2023/24 financial year and to seek the Committee's agreement of a provisional precept figure subject to ratification by Council on 30th January 2023.

(Report of the Town Clerk, attached)

6. Replacement of water softener – The Pavilion Sports & Community Centre

To receive a report from the Pavilion Centre Manager requesting approval for the purchase of a new water softener for the centre at cost of £3,878.92 + VAT

(Report of the Pavilion Centre Manager, attached)

PETERLEE TOWN COUNCIL

MINUTES OF THE MEETING OF THE RESOURCES COMMITTEE

HELD IN THE BRANDLING SUITE, SHOTTON HALL, PETERLEE

ON MONDAY 14TH NOVEMBER 2022 at 6.30PM

PRESENT:- COUN K HAWLEY (CHAIR)

Councillors K Liddell, M McCue, S Simpson, R J Burnip, S P Franklin, R Moore, H A Stockport, E Watson, F J Black, K Duffy, T Duffy, B Fishwick, A E Laing, M A Cartwright, D Howarth & M Sanderson

6. Apologies for Absence
Apologies for absence were offered to the meeting and accepted from Councillors D Quinn & D Hawley & S McDonnell.
7. 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 the information given, be noted.**
8. To approve the minutes of the previous meeting
RESOLVED the minutes of the previous meeting of the Resources Committee held on Monday 13th June 2022 be approved as a true and correct record.
9. Planning Application – former Evans Halshaw car showroom, Passfield Way, Peterlee
The Town Council had received notification from Durham County Council’s Planning Department of a planning application for the former Evans Halshaw car dealership site. The application was for 5 retail units, a tanning shop, takeaway and ATM with car parking and landscaping. **RESOLVED no formal response be made by the Town Council to this planning application, however, should any local Members wish to comment they do so directly to Durham County Council.**
10. Policies
 - (i) Outdoor Events Policy

The policy had been updated for PTC's use and anyone wanting to hold their events on PTC land

(ii) Annual Leave Policy

Updated to include staff using minus 7.5 hours, (one day) in the case of an emergency

(iii) Toil Policy

Updated to include staff using minus 7.5 hours, with the expectation and plan of when the hours will be worked to bring the balance back to zero.

RESOLVED these policies be approved and adopted immediately.

11. 2022/23 Q2 budget update

Members received a report from the Town Clerk on the Council's financial performance to the end of September 2022 (financial year quarter 2). Members asked several questions and these included what was being done by the Council at its various sites to reduce their energy use and costs. **RESOLVED the information given be noted.**

12. 2023/4 draft budget

Members received a visual presentation from the Town Clerk on the draft budget for the 2023/24 financial year to promote conversation and feedback. He provided the estimated increases in costs and in summary that these would provide a precept rise of 15%. He spoke about the Big Conversation meeting he would like to host and asked for direction from Members as to how they saw this working. It was suggested this community event be arranged for early January 2023.

The Clerk then outlined some of the precept facts for Members. He circulated information breaking down the budget and he asked if the allocation of resources was fit for purpose.

He went on to report on a recent government document published on Left Behind Neighbourhoods, with 225 countrywide; 16 in County Durham, 8 in East Durham and 2 in Peterlee.

RESOLVED discussions continue on the 2023/24 Budget.

Report to: Peterlee Town Council Resources Committee

Date: 16th January 2023

Report of: Ian Morris, Chief Officer & Town Clerk

Subject: Peterlee Town Council draft budget and precept demand 2023/24

Report Purpose: To provide Members with an update on the outline draft budget for the 2023/24 financial year and seek agreement of a provisional precept demand of £1,606,537.05 subject to ratification by Council on 30th January 2023.

If Members have any specific questions about any of the detail contained in this report they are recommended to contact the Town Clerk prior to the meeting if possible. This will ensure that proper consideration of the questions can be given prior to the meeting.

Background: Members have been engaged in an ongoing discussion about the 2023/24 budget since September 2022. The Council and its committees have received presentations and detailed budget information and have discussed options at meetings on 29th September, 24th October, 14th & 28th November, and 5th & 19th December 2022.

At the full Council meeting on 19th December 2022 Members received a report from the Town Clerk that set out the key principles, financial pressures and options facing the council in setting the 2023/24 budget and precept demand. Members were reminded that the outline budget and final precept figure would need to be agreed by the Council in January 2023 to enable the Council to submit the precept demand to Durham County Council. The Town Clerk also presented an initial recommended budget position of a 15% target increase in service charges and a precept increase equivalent to 13% compared to the previous financial year. Members are referred back to the 19th December report for the background to these recommendations¹.

Current position: The Town Clerk has continued to work on the draft budget with Senior Managers and their teams but there have been no material changes to the budget position since the 19th December report. A copy of the latest draft budget is attached as Appendix 2 to this report. Although the draft budget is used to calculate the precept demand for 2023/4 the actual detail between individual budgets and cost centres can be further refined after the precept has been agreed, and would normally be approved as a final budget in February or March before the start of the financial year on 1st April.

¹ See pages 7-13 in this document: https://peterlee.parish.durham.gov.uk/wp-content/uploads/sites/37/minutes-agendas-newsletters/Agenda_2022-12-19.pdf

The Town Council is faced with a very challenging budget situation, with significant inflationary pressures on expenditure and uncertainty around commercial income while running on a level of general reserves that are significantly lower than the Council's own Use of Reserves Policy target prudent level. As outlined in the 19th December report, there are a number of substantial financial and operational risks affecting the draft budget and precept proposals and as such a degree of caution has been used in the estimation of income and expenditure – this is in line with the concept of financial 'prudence'.

Reserves:

Since 2017/18 the Town Council has successfully pursued a policy of investing Council reserves into a variety of capital projects across the Town. These capital projects have included:

- Investing around £500,000 in renewing the town's play areas;
- A new community amenity building at the Thorntree Gill leisure gardens site; and
- Fencing to improve safety and security at the Pavilion Sports & Community Centre and Lowhills Road playing fields

The Town Council has also invested reserves to protect local residents from Council Tax increases for the Town Council's element of the Council Tax precept. With a 2% Council Tax reduction in 2017/18 followed by 0% 'freezes' in 2018/19 to 2021/22 and a 6% increase in 2022/23, the Town Council has forgone approximately £430,000 of income that would have been raised had it increased precept in line with inflation from 2017 to the present day.

The combination of capital investment and revenue protection from Council Tax increases has resulted in the Town Council's reserves reducing from a peak of £1,286,918 in April 2018 to £317,712 at the end of March 2022. The Town Council did set a small surplus budget in the current financial year, but the substantial inflationary pressures being felt by the Council mean that the current year-end estimate reserves at the end of March 2023 are in the region of £250,000 and possibly lower than this. Members are reminded that the Council's approved prudent level of reserves is £428,000, which was calculated in 2018 as approximately 3 months of operating costs.

The Council has previously established two earmarked reserves funds for the Helford Road MUGA resurfacing and for a future Play Area Renewal programme and will need to continue to contribute to these earmarked reserves as well as ensuring that a surplus budget is set to slowly build the general reserve back up to prudent levels. The draft budget and precept demand level set out in this report is expected to enable a contribution to the two ring fenced reserves as well as a contribution to general reserves of around £24,000 in the next financial year to start to bring the Council's reserves back up the prudent level set in the Council's policy.

Precept:

Members will be aware that each 1% of precept increase/decrease equates to an increase/decrease of precept income to the Town Council of around £14,000. The table below sets out the effect on the annual, monthly and weekly precept payments for households in Council Tax Bands A – E for each 1% of precept increase or decrease.

	Band A c. 75% of households in Peterlee	Band B c. 7% of households	Band C c. 9% of households	Band D c. 6% of households	Band E c. 3% of households
Current annual precept	£203.21	£237.07	£270.94	£304.81	£372.55
Each 1% +/-	£2.03	£2.37	£2.71	£3.05	£3.73
Monthly equivalent	17p	20p	23p	25p	31p
Weekly equivalent	4p	5p	6p	6p	8p

Table 1: illustration of precept levels per Council Tax band

So, for every £14,000 in additional income to the Council raised by a 1% increase, 75% of households in Peterlee would face an additional £2.03 in precept for the year – equivalent to an additional cost of around 4 pence per week.

The latest draft budget includes provision for a precept increase of 13% in order to set a balanced budget, which would look like:

	Band A c. 75% of households in Peterlee	Band B c. 7% of households	Band C c. 9% of households	Band D c. 6% of households	Band E c. 3% of households
Current annual precept	£203.21	£237.07	£270.94	£304.81	£372.55
With 13% increase	£229.63	£267.90	£306.17	£344.44	£420.98
Additional annual cost	£26.42	£30.83	£35.23	£39.63	£48.43
Monthly additional	£2.20	£2.57	£2.94	£3.30	£4.04
Weekly additional	£0.51	£0.59	£0.68	£0.76	£0.93

Table 2: example of cost to individual Council Tax payers of a 13% precept increase

A 13% precept increase would result in approximately 75% of households in Peterlee facing an additional £26.42 for the year for the Town Council's element of their Council Tax bill, equivalent to around £2.20 a month or 51p a week. Residents in the highest-rated Band E properties (approximately three in every hundred properties in Peterlee)

would see an increase of £48.43 for the year, equivalent to around £4.04 a month or 93p a week.

Service charges: Members have previously expressed a strong desire to protect Council Tax payers in Peterlee from any rises in precept charges as far as possible. In order to close the current budget deficit Members have considered a number of options but the basic choices boil down to increasing income or reducing expenditure, or both. In terms of increasing income, aside from the ‘increasing precept income’ option discussed earlier in this report, Members have also considered the option to increase charges for Council services. These services/activities include:

- 11 a side grass football facilities seasonal hire
- Lawn green bowls facility hire
- Hourly hire rates for rooms and MUGA sports facility and sports/wellbeing classes at The Pavilion Sports & Community Centre, Helford Road
- Peterlee Cemetery fees
- Leisure Garden (allotment) fees

The Council also provides sports grounds maintenance services to Peterlee & Horden Rugby Club and Peterlee Cricket Club. These service charges are subject to separate commercial discussions with the two clubs.

The table below provides some analysis of the notional effects of different combinations of service charge/precept increase combinations and the effect on the forecast budget deficit:

		Precept increases							
		0%	5%	10%	11%	12%	13%	14%	15%
Service charge increases	0%	-£176,720	-£105,637	-£34,555	-£20,329	-£6,103	£8,122	£22,302	£36,527
	10%	-£166,743	-£95,660	-£24,578	-£10,352	£3,874	£18,099	£32,279	£46,504
	15%	-£161,215	-£90,132	-£19,050	-£4,824	£9,402	£23,627	£37,807	£52,032
	20%	-£156,380	-£85,297	-£14,215	£11	£14,237	£28,462	£42,642	£56,867
	25%	-£151,545	-£80,462	-£9,380	£4,846	£19,072	£33,297	£47,477	£61,702

Table 3: the effect of different levels of service charge and precept increases on the budget deficit/surplus

The figures in red represent a budget deficit. The figures in green are budget surpluses that would allow a contribution back into the Council’s reserves.

From this analysis we can see that a precept increase of 13% with a 15% increase in service charge income would contribute towards a notional budget contribution to general reserves of just under £24,000. These are the increases that have been applied to the draft budget attached as Appendix 2 to this report.

Recommendation: Members are recommended to note the contents of this report and to:

- i. Recommend to Council that the 2023/24 precept be set at £1,606,537.05 which is equivalent to an increase in individual Band A households’ council tax of £26.42 for the year or 51p per week (13%)
- ii. Recommend to Council that the 2023/4 charges for general council services and activities be increased by a target amount of 15%

Appendix 1: Implications

- Finance** This report sets out the proposals for a Town Council budget of around £2,386,850 expenditure in 2023/4 with a contribution to reserves of just under £24,000. The report recommends a target increase of 15% on the council's general service charges. The precept requirement to balance the draft budget is £1,606,537.05 which is equivalent to an increase in the Town Council's element of individual Band A households' council tax of £26.42 for the year or 51p per week (a 13% increase)
- Staffing** The draft budget includes a provisional allowance of 5% staff pay increase in the 2023/4 financial year. This is obviously subject to national negotiations by the National Joint Council for Local Government Services (NJC)
- Risk** Setting a balanced budget for the 2023/24 financial year is an important element of the Council's approach to managing risk, particularly given the relatively low level of reserves and the ongoing uncertainties around COVID-19 and impact on commercial services and the wider economy.

Equality and Diversity, Cohesion and Integration – no direct implications

Crime and Disorder – no direct implications

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 2023/24. Previous presentations and reports on the budget principles have been delivered to Members in September to December 2022. The Town Council is planning to host a 'Big Conversation' event with community partners in February 2023 and the feedback received at this event will inform further deliberations about the Council's budget and services/activities in 2023/24. Once agreed, the precept demand and budget will be featured in an article in the Peterlee Magazine and shared through the Council's social media channels.

Procurement – no direct implications

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

Appendix 2 – draft budget as at 09th January 2023

Peterlee Town Council
Draft Annual Budget 2023/24

<u>101</u>	<u>Central & Civic HQ Costs</u>	2022/3 Budget	2023/4 Budget	variance
4000	Salaries, Wages, Superan, NI	364,068	402,689	38,622
4006	Building Maint. Contracts	300	330	30
4010	Cleaning Wages	13,390	16,421	3,031
4011	Facilities Staff - Wages	26,518	28,541	2,022
4099	Pension Cont - Former Staff	4,500	4,500	0
4100	Training & Development - Staff	15,000	15,000	0
4175	Personnel Services	5,000	5,000	0
4190	Wages Processing DCC	7,000	7,700	700
4200	Electricity	3,000	4,380	1,380
4201	Gas	2,000	3,932	1,932
4202	Water	750	750	0
4205	Rates	3,250	3,575	325
4209	Trade Refuse Costs	0	0	0
4210	Alarm System & CCTV	3,500	3,850	350
4211	Ins XS/Vandalism	500	500	0
4213	Hygiene Services	250	275	25
4220	Window Cleaning	250	275	25
4225	Cleaning Materials	4,500	4,950	450
4230	Furniture	1,500	1,500	0
4240	Miscellaneous Expenditure	1,500	1,500	0
4250	Repairs & Decoration	1,000	1,000	0
4350	Small Plant & Tools	1,000	1,000	0
4400	Telephones	2,600	2,860	260
4401	Mobile Phone	500	550	50
4405	Postage	1,000	1,000	0
4406	Petty Cash	200	200	0
4410	Office Machine Hire & Mtce	21,000	23,100	2,100
4412	Stationery & New Office Equip	5,000	5,500	500
4420	Publicity/Council Publications	10,000	11,000	1,000
4425	Insurance	100,000	110,000	10,000
4498	Health & Safety	1,500	1,650	150
4499	Occupational Health	3,000	3,300	300
4500	Fuel & Oils	11,000	12,100	1,100
4501	Road Fund Tax	800	880	80
4502	Vehicle Maintenance/Spares	15,000	16,500	1,500
4503	Motor Insurance XS	500	500	0
	Central & Civic HQ Costs :- Expenditure	630,876	696,808	65,932
		2022/3 Budget	2023/4 Budget	variance
1312	Miscellaneous Income	0	0	0
	total income	0	0	0
	Net expenditure/(income)	630,876	696,808	65,932

<u>102</u>	<u>Democratic Costs</u>	2022/3 Budget	2023/4 Budget	variance
4101	Training & Dev - Councillors	1,500	1,500	0
4103	Dene School Awards	0	0	0
4125	Mayors Personal Allowance	500	500	0
4126	Mayors Civic Duties	500	500	0
4127	Participation Allowances	28,000	28,000	0
4470	Civic Regalia	500	500	0
TBC	Neighbourhood Plan	0	0	0
	total expenditure	31,000	31,000	0
	Net expenditure/(income)	31,000	31,000	0

<u>103</u>	<u>Corporate Management</u>	2022/3 Budget	2023/4 Budget	variance
4426	Subs to L.A. Bodies	4,500	4,950	450
4430	Elections	0	0	0
4450	Audit Fees	10,500	11,550	1,050
4455	Banking Pick Up Service	500	550	50
4458	Card Machine/Bank Fees	5,000	5,500	500
				0
	Corporate Management :- Expenditure	20,500	22,550	2,050
				0
	Net expenditure/(income)	20,500	22,550	2,050
				0
				0

<u>105</u>	<u>Other Costs and income</u>	2022/3 Budget	2023/4 Budget	variance
4460	General Fund	500	500	0
				0
	Other Costs and income :- Expenditure	500	500.00	0
1045	Precept Received	1,401,425	1,606,537.05	205112
1046	Precept Support Grant	268,744	283,265.00	14521
1312	Miscellaneous Income	11,160	0.00	-11160
				0
	Other Costs and income :- income	1,681,329	1,889,802.05	208473
				0
	Net expenditure/(income)	-1,680,829	-1,889,302.05	-208473
				0

<u>201</u>	<u>S/Hall Banqueting Suite</u>	2022/3 Budget	2023/4 Budget	variance
4000	Salaries, Wages, Superan, NI	26,518	28,541	2,022
4003	Overtime	0	0	0
4005	Bar Gas	0	0	0
4006	Building Maint. Contracts	1,200	1,320	120
4010	Cleaning Wages	4,463	5,474	1,010
4030	Bar Wages - Casuals	0	0	0
4070	Wages - Shotton Hall Grounds	29,121	28,477	-644
4174	Clothing & Uniforms	0	0	0
4200	Electricity	7,500	14,666	7,166
4201	Gas	7,500	13,166	5,666
4202	Water	2,000	2,000	0
4205	Rates	12,000	13,200	1,200
4208	Licences	1,000	1,100	100
4209	Trade Refuse Costs	1,500	1,650	150
4210	Alarm System & CCTV	5,000	5,500	500
4211	Ins XS/Vandalism	250	275	25
4213	Hygiene Services	1,000	1,100	100
4214	Stocktaking Fees	0	0	0
4215	Refreshments	250	275	25
4220	Window Cleaning	500	550	50
4230	Furniture	0	0	0
4240	Miscellaneous Expenditure	1,000	1,000	0
4250	Repairs & Decoration	2,500	2,500	0
4420	Publicity/Council Publications	500	500	0
4570	Bar Purchases	5,000	5,500	500
4572	Catering Expenditure	1,000	1,100	100
				0
	S/Hall Banqueting Suite :- Expenditure	109,803	127,894	18,091
	Income			0
1302	Concessionary Use	5,000	5,000	0
1312	Miscellaneous Income	1,000	1,000	0
1315	Bar Income	15,000	16,500	1,500
1319	Hire Income	15,000	16,500	1,500
1320	Refreshment Income	500	550	50
1321	Hire of Equipment	500	550	50
	Furlough Grant	0	0	0
				0
	S/Hall Banqueting Suite :- Income	37,000	40,100	3,100
				0
	Net expenditure/(income)	72,803	87,794	14,991
				0

<u>221</u>	<u>The Pavilion</u>	2022/3 Budget	2023/4 Budget	variance
4000	Salaries, Wages, Superan, NI	186,993	207,769	20,776
4003	Overtime	0	0	0
4005	Bar Gas	600	600	0
4006	Building Maint. Contracts	1,000	1,000	0
4009	Bistro Expenditure	20,000	22,000	2,000
4010	Cleaning Wages	13,390	16,421	3,031
4030	Casual staff	15,000	16,500	1,500
4174	Clothing & Uniforms	1,000	1,000	0
4200	Electricity	19,000	33,070	14,070
4201	Gas	5,000	10,800	5,800
4202	Water	5,600	5,600	0
4205	Rates	10,000	10,000	0
4208	Licences	5,000	5,000	0
4209	Trade Refuse Costs	1,000	1,100	100
4210	Alarm System & CCTV	6,500	7,150	650
4211	Ins XS/Vandalism	250	250	0
4213	Hygiene Services	500	550	50
4214	Stocktaking Fees	1,000	1,100	100
4215	Refreshments	150	165	15
4217	Lift Maintenance Costs	3,500	3,850	350
4220	Window Cleaning	1,000	1,100	100
4230	Furniture	2,000	2,000	0
4240	Miscellaneous Expenditure	6,000	6,000	0
4250	Repairs & Decoration	3,000	9,000	6,000
4400	Telephones	2,500	2,750	250
4410	Office Machine Hire & Mtce	2,000	2,200	200
4412	Stationery & New Office Equip	2,000	2,000	0
4420	Publicity/Council Publications	2,000	2,000	0
4570	Bar Purchases	26,000	28,600	2,600
4581	Pool Table Costs	200	200	0
4584	Sattelite TV Costs	4,000	4,400	400
4585	Loan Repayment	50,452	50,452	0
	The Pavilion: Expenditure	396,635	454,627	57,992
				0
1312	Miscellaneous Income	10,000	11,000	1,000
1314	Bistro Sales	50,000	55,000	5,000
1315	Bar Income	52,000	57,200	5,200
1319	Hire Income	50,000	55,000	5,000
1320	Refreshment Income	500	550	50
1321	Hire of Equipment	250	275	25
1341	Pool Table Income	400	400	0
	Concessionary Use	5,000	5,000	0
	The Pavilion: Income	168,150	184,425	16,275
	Net expenditure/(income)	228,485	270,202	41,717

<u>240</u>	<u>Sport & Leisure</u>	2022/3 Budget	2023/4 Budget	variance
4050	Wages-Eden Lane B/Green	7,276	7,975	699
4051	Wages - Eden Lane Rugby	3,638	3,988	350
4055	Wages - Lowhills Rd F/Fields	3,638	3,988	350
4056	Wages-Helford Rd Cricket Fld	14,552	15,950	1,398
4057	Wages-Helford Rd F/Fields	18,190	19,938	1,748
4059	Cricket Roller Hire	0	0	0
4061	Wages-Helford Road MUGA	3,638	3,988	350
4075	Wages-General Open Spaces	109,140	119,625	10,486
4300	Equipment & Supplies	3,000	3,300	300
				0
	Sports & Leisure: Expenditure	163,071	178,750	15,679
				0
1501	Eden Lane Bowling Green	550	633	83
1502	Eden Lane Football Fields	2,000	2,500	500
1506	Lowhills Road Football Field	4,400	5,060	660
1507	Helford Road Cricket Facility	1,500	2,000	500
1508	Helford Road Football Field	2,750	3,163	413
1509	Helford Road MUGA	25,000	28,750	3,750
	Sports & Leisure: Income	36,200	42,105	5,905
	Net expenditure/(income)	126,871	136,645	9,774

<u>241</u>	<u>Hill Rigg House</u>	2022/3 Budget	2023/4 Budget	variance
4010	Cleaning Wages	3,571	4,379	808
4200	Electricity	10,000	23,420	13,420
4202	Water	3,000	3,000	0
4205	Rates	1,100	1,100	0
4209	Trade Refuse Costs	700	700	0
4210	Alarm System & CCTV	2,000	2,000	0
4211	Ins XS/Vandalism	250	250	0
4213	Hygiene Services	100	100	0
4220	Window Cleaning	0	0	0
4240	MiscellaneousExpenditure	500	500	0
4250	Repairs & Decoration	3,000	3,000	0
4400	Telephones	200	220	20
				0
	Hill Rigg House: Expenditure	24,421	38,669	14,248
				0
1307	Water Refunds - Surestart	1,000	1,000	0
1308	Electricity Refund - Surestart	4,500	4,500	0
1319	Hire Income	6,350	6,350	0
	Hill Rigg House: Income	11,850	11,850	0
	Net expenditure/(income)	12,571	26,819	14,248

<u>242</u>	<u>Lowhills Road Bowling Club</u>	2022/3 Budget	2023/4 Budget	variance
4010	Cleaning Wages	0	0	0
4200	Electricity	0	0	0
4240	MiscellaneousExpenditure	500	500	0
	Lowhills Road Bowling Club :- Expenditure	500	500	0
	Hire Income	1	1	0
	Net expenditure/(income)	499	499	0

<u>261</u>	<u>Eden Lane Community Fac</u>	2022/3 Budget	2023/4 Budget	variance
4201	Gas	0	0	0
4202	Water	0	0	0
4213	Hygiene Services	0	0	0
4250	Repairs & Decoration	0	0	0
	Eden Lane Community Fac :- Expenditure	0	0	0
1210	Communication Mast Rental	6,000	6,000	0
1310	Gas Refunds - Rugby	0	0	0
1319	Hire Income	1	1	0
	Eden Lane Community Fac :- Income	6,001	6,001	0
	Net expenditure/(income)	-6,001	-6,001	0

<u>262</u>	<u>Eden Lane Depot</u>	2022/3 Budget	2023/4 Budget	variance
4010	Cleaning Wages	4,463	5,474	1,010
4200	Electricity	10,000	18,528	8,528
4202	Water	500	500	0
4205	Rates	4,500	4,500	0
4210	Alarm System & CCTV	6,500	6,500	0
4211	Ins XS/Vandalism	250	250	0
4213	Hygiene Services	70	70	0
4230	Furniture	250	250	0
4240	MiscellaneousExpenditure	500	500	0
4250	Repairs & Decoration	1,000	1,000	0
4400	Telephones	750	750	0
4410	Office Machine Hire & Mtce	500	500	0
4412	Stationery & New Office Equip	1,500	1,500	0
	Eden Lane Depot: Expenditure	30,783	40,322	9,538
	Net expenditure/(income)	30,783	40,322	9,538

<u>263</u>	<u>Eden Lane Bowling Club</u>	2022/3 Budget	2023/4 Budget	variance
4010	Cleaning Wages	893	1,095	202
4240	MiscellaneousExpenditure	0	0	0
4250	Repairs & Decoration	1,000	1,000	0
	Eden Lane Bowling Club :- Expenditure	1,893	2,095	202
	Net expenditure/(income)	1,893	2,095	202

<u>280</u>	<u>Woodhouse Park</u>	2022/3 Budget	2023/4 Budget	variance
4010	Cleaning Wages	4,463	5,474	1,010
4078	Wages-Woodhouse Park	54,570	59,813	5,243
4200	Electricity	3,000	4,560	1,560
4202	Water	500	500	0
4206	Rent	1,500	1,500	0
4210	Alarm System & CCTV	5,500	5,500	0
4211	Ins XS/Vandalism	250	250	0
4213	Hygiene Services	70	70	0
4240	MiscellaneousExpenditure	500	500	0
4250	Repairs & Decoration	2,000	2,000	0
4400	Telephones	700	700	0
	Woodhouse Park: Expenditure	73,053	80,866	7,813
	Net expenditure/(income)	73,053	80,866	7,813

<u>290</u>	<u>Sports & Wellbeing</u>	2022/3 Budget	2023/4 Budget	variance
4062	Wages - Sport Development	76,591	83,875	7,284
4065	Marketing	1,000	1,000	0
4067	Activities/Events	15,000	15,000	0
4068	Equipment	500	550	50
4073	Licences, Membership Ins	400	440	40
4174	Clothing & Uniforms	250	250	0
4215	Refreshments	50	50	0
4412	Stationery & New Office Equip	150	150	0
	Sports Development: Expenditure	93,941	101,315	7,374
1510	Activities Ex Classes & Events	35,000	40,250	5,250
1511	Funding Grant	10,000	10,000	0
1513	Taste Buddies Funding	1,600	1,600	0
	Sports Buddies funding	0	0	
	Sports Development: Income	46,600	51,850	5,250
	Net expenditure/(income)	47,341	49,465	2,124

<u>301</u>	<u>Parks General</u>	2022/3 Budget	2023/4 Budget	variance
4000	Salaries, Wages, Superan, NI	54,418	58,500	4,082
4003	Overtime	4,000	4,000	0
4071	Wages-Dene Parks	36,380	39,875	3,495
4074	Wages-Misc. None Site Duties	7,276	7,975	699
4076	Wages-Play Areas	29,104	31,900	2,796
4084	Yoden Quarry Landscape Works	0	0	0
4174	Clothing & Uniforms	3,250	3,250	0
4202	Water	200	200	0
4211	Ins XS/Vandalism	250	250	0
4240	MiscellaneousExpenditure	250	250	0
4300	Equipment & Supplies	5,000	5,500	500
4305	Manures,Fertilizers & Seeds	11,000	12,100	1,100
4310	Bedding Plants,Shrubs & Bed Ma	16,000	17,600	1,600
4360	Play Equipment-Repairs	2,000	2,200	200
4370	Tree Maint, Surveys & Services	5,000	5,500	500
4371	Public Seats & Bins	1,500	1,650	150
4373	Hire of Skips/waste removal	6,300	6,930	630
4375	Vehicle Leasing	15,000	22,500	7,500
	UTCF trees	0	0	0
4943	Dene Parks	15,000	15,000	0
	Parks General: Expenditure	211,928	235,180	23,252
1312	Miscellaneous Income	10,000	10,000	0
	Net expenditure/(income)	201,928	225,180	23,252

<u>325</u>	<u>Cemetery & Burials</u>	2022/3 Budget	2023/4 Budget	variance
4000	Salaries, Wages, Superan, NI	58,208	63,800	5,592
4200	Electricity	700	700	0
4240	MiscellaneousExpenditure	1,000	1,100	100
4300	Equipment & Supplies	1,000	1,100	100
	Cemeter & Burials: Expenditure	60,908	66,700	5,792
1702	Burials and Charges	26,000	29,900	3,900
	Net expenditure/(income)	34,908	36,800	1,892

<u>350</u>	<u>Allotments</u>	2022/3 Budget	2023/4 Budget	variance
4000	Salaries, Wages, Superan, NI	7,276	7,975	699
4200	Electricity	250	250	0
4202	Water	1,000	1,000	0
4211	Ins XS/Vandalism	250	250	0
4240	MiscellaneousExpenditure	5,000	5,000	0
4250	Repairs & Decoration	300	300	0
4300	Equipment & Supplies	2,000	2,000	0
	Allotments: Expenditure	16,076	16,775	699
1754	Allotment Rents & Water	3,000	3,450	450
	Net expenditure/(income)	13,076	13,325	249

<u>410</u>	<u>Town Activities</u>	2022/3 Budget	2023/4 Budget	variance
4427	Donations	0	0	0
4434	Concessionary Use	10,000	10,000	0
4436	Friends of the Parks Project	1,000	1,000	0
4461	Castle Eden Dene Centre	5,000	5,000	0
4462	CAB Case Worker Project	20,000	20,000	0
4725	Dog Fouling Maint. & Bins	0	0	0
4726	Remembrance Parade/Armed	3,000	3,000	0
	Town Activities: Expenditure	39,000	39,000	0
	Net expenditure/(income)	39,000	39,000	0

<u>430</u>	<u>Town Events</u>	2022/3 Budget	2023/4 Budget	variance
4733	Garden Competition	1,500		-1,500
4740	Fireworks Display	10,000		-10,000
4742	Xmas Tree Lighting Event	3,000		-3,000
4751	Senior Citizens	1,800		-1,800
4756	Summer Events	6,500		-6,500
4757	Childrens Pantomine	3,500		-3,500
	Peterlee Music Fest	51,000		-51,000
	unallocated (to be agreed)		77,300	
	Town Events: Expenditure	77,300	77,300	-77,300
	Peterlee Music Fest	25,000	0	-25,000
1854	Circus income	500	0	-500
	Nobles income	500	0	-500
	unallocated (to be agreed)	0	31,000	
	Town Events: Income	26,000	31,000	-26,000
	Net expenditure/(income)	51,300	46,300	-51,300

<u>901</u>	<u>Capital Projects</u>	2022/3 Budget	2023/4 Budget	variance
4912	New Vehicles	30,000	10,000	-20,000
4913	Capitalised Maint - S/Hall	0	0	0
4920	Consultants Fees	10,000	15,000	5,000
4925	Emergency Works	5,000	5,000	0
4940	Helford Road MUGA Sinking Fund	6,000	6,000	0
0	Play Area Strategy sinking fund	25,000	25,000	0
4943	Dene Parks	5,000	5,000	0
	Thontree Gill wind turbine	25,000	0	-25,000
4955	Play Equipment	0	0	0
	WHP dog fencing	25,000	0	
	Eden Lane MUGA/Skate	100,000	110,000	10,000
	Capital Projects: Expenditure	231,000	176,000	-30,000
1980	Disposal of Assets	10,000	0	-10,000
	s106 funding	125,000	110,000	-15,000
	WHP dog fencing income	25,000	0	
	AAP NB funding	0	0	0
	Capital Projects: Income	160,000	110,000	-50,000
	Net expenditure/(income)	71,000	66,000	20,000
		2022/3 Budget	2023/4 Budget	variance
	Total Expenditure	2,213,188	2,386,850	173,662
	Total Income	2,212,131	2,410,484	198,353
	Net Expenditure/(income)	1,057	-23,633.99	-24,691

Report to: Peterlee Town Council Resources Committee

Date: 16th January 2023

Report of: Andrew Frankcom, Pavilion Centre Manager

Report Title: Replacement of the Pavilion's water softener

Purpose: The purpose of this report is to brief members on the current condition of the hot and cold-water supply equipment at the Pavilion sports & community centre and to request approval for the purchase of a new water softener.

Background: As Members will be aware, The Pavilion is a multi-use building offering a wide range of sports and wellbeing services to the residents of Peterlee as well as a ground floor Bistro. As it was built as a sport and leisure facility it has over one hundred hot and cold-water outlets across 12 changing rooms, 2 kitchens, 2 bars, 2 plant rooms and a cellar

Items	Showers	Taps	Toilets	Water outlets
Changing rooms	42	18	18	0
Public toilets	0	7	8	0
Office taps	0	1	0	0
Bistro kitchen	0	2	0	0
Ground floor boiler plant room	0	0	0	3
Cellar cooling system	0	0	0	3
Line cleaning system	0	0	0	1
Bistro	0	0	0	2
Plant room	0	0	0	3

Table 1: breakdown of water outlets in The Pavilion sports and community centre

The Pavilion is situated in one of the hardest water areas in the country due to the magnesia limestone aquifer that serves the town, resulting in high concentrations of minerals in the water that causes limescale damage to outlets in the Pavilion and has a detrimental effect on the equipment including burst and damaged taps and showers. The hard water also reduces the effectiveness of washing detergent which leads to using more to achieve clean glass ware, cutlery and crockery and increasing the cost of each washing cycle of the glass washer and washing up.

The building was fitted with a magnetic coil water softener when it was built in 2008 however for reasons unknown this was never commissioned. This equipment is now both obsolete and also not adequately specified for the water quality issues present in the building.

The building has suffered from persistent limescale issues over the years and all hot & cold outlets are currently showing effects of the untreated water, resulting in call out charges, repairs, replacements and loss of hire charges due to cancellations of bookings and equipment being out of order. Continuing to operate the building without an adequate water softener increases the potential for more issues to occur, such as reduction of toilet facilities for activities and functions, changing rooms being out of commission, or glasses, cutlery and crockery that appear to customers to be unclean.

Proposal: A number of reputable companies were invited to submit proposals to address the water softener requirement and despite best efforts by the centre's management only two companies have supplied quotes to date:

Company A – supply and install Clack WS1TT duplex unit £3,900 + VAT

Company B – supply and install Kinetico CP210 sOD duplex unit £3,878.92 + VAT

A summary of the equipment suggested by the two companies is supplied in Appendix 2 to this report. Members are recommended to award the contract to company B.

Budget: The repair costs incurred by the Pavilion as direct result of water hardness issues in the period between April 2021 to December 2022 was £920.00. A further c£4,000 worth of replacement of water fixtures and fittings has already been identified for the next two financial years due to the damage already sustained.

As can be seen from the detail in appendix 2, the expected working life of the proposed softener is 10-15 years, which at the lower end of the scale would equate to around £400 per year cost for the water softener. The investment in the water softener this year is therefore highly likely to save the council money in repair/replacement costs as well as reducing the inconvenience caused by such regular problems with water fixtures and fittings in the building.

The repairs budget for the Pavilion is already committed for the current financial year and as such Members are asked to approve an overspend against budget to enable the water softener to be fitted as soon as possible to avoid further damage and cost to the Council.

Recommendation: Members are recommended to approve the award of contract to company B NE Water Softeners Ltd of Hartlepool, for the supply and installation of a Kinetico CP210 sOD duplex unit at a total cost of £3,878.92 + VAT

Appendix 1: Implications

Finance – The report recommends the award of contract for supply and installation of a new water softener at a cost of £3878.92 (exclusive of VAT). The repairs budget for the Pavilion for the current financial year is already fully committed and as such Members are being asked to approve an overspend on budget in the current year to reduce further damage and costs in this and future years

Staffing - No direct implications.

Risk – If the Council does not replace the existing out of order water softener it is increasing the risk of preventable damage to the building and future loss of services and income.

Equality and Diversity / Public Sector Equality Duty - No direct implications.

Accommodation - No direct implications.

Crime and Disorder - No direct implications.

Human Rights - No direct implications.

Consultation - No direct implications.

Procurement – The procurement process outlined in this report is in line with the Council's Financial Regulations

Disability Issues - No direct implications.

Legal Implications - No direct implications.

Data Protection - No direct implications.

Appendix 2 – equipment specifications

Company	Model	Cost	Information	Maintenance
A	Clack WS1TT duplex unit	£3900.00	Clack duplex WS1 TT water softeners are ideal for residential and commercial situations where soft water is needed twenty-four hours a day, seven days a week. The TT Duplex system will supply soft water to a max flow rate of 6.1m ³ /hr. The softener uses a two-vessel system where hard water will never pass to service during a regeneration. Duplex TT water softener units are most suitable for small to medium residential applications but can also be used for commercial and industrial applications.	<ul style="list-style-type: none"> - No yearly professional maintenance required only minor routine maintenance to ensure water is correctly flowing and salt levels are at manufactures recommended levels. - Lifespan is 15 Years under normal operating conditions. - Warranty is for 12 months and covers parts and labour
B	Kinetico CP210 sOD duplex water softener	£3878.92	With a Kinetico Premier water softener, hard water passes through twin-tanks filled with food-grade resin beads as it enters the property. Calcium and magnesium ions in the hard water are attracted to these resin beads. Ion exchange takes place removing the calcium and magnesium and releasing sodium ions into the water, making it soft.	<ul style="list-style-type: none"> - No yearly professional maintenance required only minor routine maintenance to ensure water is correctly flowing and salt levels are at manufactures recommended levels. - Lifespan is 10 - 15 years under normal operating conditions. - Warranty is for 12 months and covers parts and labour.