



20th September 2022

In accordance with Paragraphs 8 & 10(2) (b) of Schedule 12 of the Local Government Act 1972 I hereby summon you to attend a Meeting of **PETERLEE TOWN COUNCIL** to be held in the **BRANDLING SUITES, SHOTTON HALL, PETERLEE, SR8 2PH** on **MONDAY 26th SEPTEMBER 2022 at 6.30pm**

Ian Morris, F.S.L.C.C
Town Clerk (Proper Officer of the Council)

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.

Members of the public are very welcome to attend our meetings. Due to ongoing precautions for COVID and other seasonal illnesses we have a limited number of designated public seating and so any members of the public wishing to attend Shotton Hall to observe the meeting are advised to contact the Council in advance so that we can reserve a seat for you: council@peterlee.gov.uk or 0191 5862491

BUSINESS TO BE TRANSACTED

1. **Apologies for Absence**
2. **Public Participation Session**
Will be held to allow Members of the public an opportunity to put questions to the Council. This item of business to last no more than 15 minutes, as per Council Standing Orders.
3. **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>

4. To Approve the Minutes of the last meeting of the 15th August 2022
The minutes of the previous meeting are attached for consideration and approval as a true and correct record. (attached)
5. To receive the script for the Proclamation of His Majesty The King Charles III
To receive and enter into the minutes of this Council the script and Proclamation of His Majesty The King Charles III as delivered by the Mayor of Peterlee Cllr Rob Moore on 11th September 2022
6. Confirmation of completion of audit for the year ended 31 March 2022
To receive the letter and completed AGAR from the Council's External Auditor confirming that the AGAR for 2021/22 was in accordance with proper practices and they have no cause for concern that relevant legislation and regulatory requirements have not been met and that no minor issues were identified.
(Letter and AGAR from the External Auditor, Mazars LLP, attached)
7. Notes of the Finance Sub Committee of the 15th August 2022 (attached)
To confirm and endorse the resolution of the Finance Sub Committee in August and to confirm the BACS payments paid on 12th September 2022 using delegated authority granted to the Town Clerk to authorize the accounts, (attached).
8. Notes of the Scrutiny Meeting of the 6th September 2022
To note the contents (attached)
 - (a) Santa's Wish
It was asked if approval from the Council could be obtained to proceed with Santa's Wish and for the Council to apply for funds from County Councillor's Neighbourhood Budgets and agreeing match funding with PTC's officer time and the use of Shotton Hall as storage and distribution base for the campaign.
 - (b) Warm Hub
It was reported residents had approached a local Councillor asking how the Council could help them in the winter ahead. It was suggested initiatives such as a "Warm Hub" might be provided. It was AGREED to recommend to Council that the facilities at both Shotton Hall and the Pavilion be made available for community resilience activities during the winter as required.
 - (c) Community Directory
To build a directory of local groups and contacts to start the "Big Conversation" about the Council's budgets for 2022/3 and beyond.

9. Budget outturn report for first quarter of the 2022/23 financial year
To receive a report from the Town Clerk on the first quarter budget outturn report for the current financial year.
(Report of the Town Clerk, attached)
10. 2023/24 Budget - early considerations
To receive a presentation from the Town Clerk on early considerations for the 2023/24 budget.
(Presentation by the Town Clerk)
11. Commissioning of feasibility study and condition survey for Shotton Hall
To receive a report from the Town Clerk recommending the award of a contract for a feasibility study and condition survey for Shotton Hall.
(Report of the Town Clerk, attached)
12. Spokesperson of the North East Party's Report
13. Spokesperson of the Labour Political Party's Report

Contact:- Kay Tweddle, Democratic Services Manager and Deputy Town Clerk, Peterlee Town Council, Shotton Hall, Peterlee Co Durham SR8 2PH
e mail: council@peterlee.gov.uk

PETERLEE TOWN COUNCIL

MINUTES OF THE MEETING OF THE TOWN COUNCIL

HELD IN THE BRANDLING SUITE, SHOTTON HALL, PETERLEE

ON MONDAY 15th AUGUST 2022 at 6.30PM

PRESENT: - COUN R MOORE (CHAIR)

K Liddell, M Mc Cue, S Simpson, S McDonnell, S P Franklin, E Watson, J Black, K Duffy, T Duffy, B Fishwick, M A Cartwright & M Sanderson

44. Apologies for Absence

Apologies for absence were offered from Councillors G Johnson, R. Burnip, K & D Hawley, D Howarth & D Quinn.

45. Public Participation Session

There were no members of the public present.

46. To receive declarations of interest

Members were reminded of the need to disclose any interests in items on this agenda, whether pecuniary or otherwise. None were offered.

47. To Approve the Minutes of the last meeting of the 25th July 2022

The minutes of the previous meeting were presented for consideration and approval as a true and correct record. **RESOLVED the minutes be accepted and signed as a true and correct record.**

48. Notes of the Finance Sub Committee of the 15th of August 2022

Members confirmed and endorsed the resolution of the Finance Sub Committee to approve BACS payments to be made for August 2022. **RESOLVED the payments be accepted.**

49. 2022/23 Budget Review

Members received a presentation from the Town Clerk on the potential impact of economic inflation pressures on the current and future years' budgets. In considering this the Clerk also referred to a range of social data relating to the town with a particular focus on young people and incomes and suggested a need for the Council to challenge assumptions and priorities when considering the budget from September onwards.

RESOLVED the information given, be noted and these discussions continue at future meetings.

50. Spokesperson of the North East Party's Report

Councillor Cartwright reported on the new DCC (Durham County Council) waste clearance teams being used which were part of the wider wardens network. Councillors T Duffy and Fishwick had a local walkabout to identify issues in their ward. A group including Councillors McDonnell, Duffy, Duffy and Fishwick had carried out some volunteering work in the Bannatyne Lodge Care Home's garden following a request made to them for help. She commented on the negative comments on social media about the Fiesta Fun Weekend to be hosted by Nobles. She spoke about the damage to the Oakerside Play area which was extremely disappointing. She commended council officers for organising a wonderful day at the Teddy Bears Picnic held in Woodhouse Park. She asked for help with the school uniform recycling scheme she was running with the help of Praxis who had provided a shop unit in Castle Dene. In closing she commented on the wildflower meadow planting being undertaken opposite the college site. **RESOLVED the information given, be noted.**

51. Spokesperson of the Labour Political Party's Report

Councillor McCue congratulated the Neighbourhood Services Team on attaining and retaining Green Flag status for Woodhouse Park and the Cemetery. She commented on how well the Council organised and provided the many well-attended community events. She felt that being as open and transparent as possible was the only way to respond to pressures from the public about the tough economic times that were being experienced and were to come. She suggested the best way to find out what the public wanted was to get their direct feedback in some form. She spoke about informal meetings of Members that had taken place recently which had been productive with significant amounts of consensus across wards. She passed on her appreciation for the Council's staff who were continuing to do remarkably well delivery services in difficult conditions. **RESOLVED the information given, be noted.**

Mr I Morris
Peterlee Town Council
Council Offices
Shotton Hall
Old Shotton
Peterlee
Durham
SR8 2PH

Direct line: +44 (0)191 383 6348

Email: local.councils@mazars.co.uk

Date: 17 August 2022

Dear Mr Morris

Completion of the audit for the year ended 31 March 2022

We have completed our audit for the year ended 31 March 2022 and I have pleasure in enclosing the certified Annual Governance and Accountability Return. The External Auditor's Certificate and Report is given in Section 3.

If there are any significant matters arising from the audit, they are summarised in the External Auditor's certificate in Section 3. If we have identified minor scope for improvement we have recorded this on page 2 of this letter. The Council must consider these matters and decide what action is required. In most cases this will be self-evident. In some instances we have referred to further guidance available, in particular, in the publication "*Governance and Accountability for Local Councils – A Practitioners' Guide (England) 2010*". This can be obtained via your NALC or SLCC branch, or downloaded free of charge.

Action you are required to take

The Accounts and Audit (England) Regulations 2015 set out what you must do at the conclusion of the audit. In summary, you are required to:

Publish (which must include publication on the authority's website) a statement:

- that the audit has been concluded and that the statement of accounts has been published;
- of the rights of inspection conferred on local government electors by section 25 of the Local Audit and Accountability Act 2014; and
- the address at which, and the hours during which, those rights may be exercised.
- Keep copies of the Annual Governance and Accountability Return for purchase by any person on payment of a reasonable sum.
- Ensure that the Annual Governance and Accountability Return remains available for public access for a period of not less than five years beginning with the date on which the Annual Governance and Accountability Return was first published.

The Accounts and Audit (England) Regulations 2015 do not specify the period the Completion Notice needs to be on the council's website but this period must be reasonable.

Minor scope for improvement in 2022/23

No minor issues identified.

Accessibility Regulations

We are aware that the Accounts and Audit Regulations requirement for a physical 'wet ink' signature on the original AGAR, does not allow parish council's to fully comply with the Accessibility Regulations. The National Audit Office are aware that the two pieces of legislation are not compatible, therefore smaller authorities are advised to make it clear on their website that the document is a scan and will not be fully compliant with the Accessibility Regulations.

Audit fee

Our fee note for the audit, which is in accordance with the audit fee scales set by SAAA, and available at <http://www.localaudits.co.uk/fees.html> will follow.

We would be grateful if you could arrange for this to be paid at the earliest opportunity.

Yours sincerely



Cameron Waddell

Partner

For and on behalf of Mazars LLP

Annual Governance and Accountability Return 2021/22 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2021/22

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report** **must** be completed by the authority's internal auditor.
 - **Sections 1 and 2** **must** be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2022**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2022**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2022
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2021/22

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2022 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2021/22**, approved and signed, page 4
- **Section 2 - Accounting Statements 2021/22**, approved and signed, page 5

Not later than 30 September 2022 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

**for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.*

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2021/22

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty), and is properly signed and dated. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2022.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2021) equals the balance brought forward in the current year (Box 1 of 2022).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2022**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', has an explanation been published?	✓	
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at 31 March 2022 been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.		

**Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2021/22

ENTITY Peterlee Town Council

www.peterlee.gov.uk ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2022, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2021/22 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2020/21, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")			✓
L. The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements	✓		
M. The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2020/21 AGAR (see AGAR Page 1 Guidance Notes).	✓		

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) - The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

22/10/2021

03/02/2022

17/05/2022

Tracy Henderson

Signature of person who carried out the internal audit:

Tracy Ann Henderson

Date:

18/05/2022

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2021/22

We acknowledge as the members of:

Peterlee Town Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2022, that:

	Agreed		‘Yes’ means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors’ rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year gave all persons interested the opportunity to inspect and ask questions about this authority’s accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓

*Please provide explanations to the external auditor on a separate sheet for each ‘No’ response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

27/06/22

and recorded as minute reference:

COUNCIL MEETING 27/06/22 27(11)

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

Clerk

SIGNATURE REQUIRED

SIGNATURE REQUIRED

www.peterlee.gov.uk

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2021/22 for

Peterlee Town Council

	Year ending		Notes and guidance	
	31 March 2021 £	31 March 2022 £	Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.	
1. Balances brought forward	609,537	365,418	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.	
2. (+) Precept or Rates and Levies	1,296,004	1,294,911	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.	
3. (+) Total other receipts	498,418	611,611	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.	
4. (-) Staff costs	1,152,571	1,200,229	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.	
5. (-) Loan interest/capital repayments	50,452	50,452	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).	
6. (-) All other payments	835,518	703,547	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).	
7. (=) Balances carried forward	365,418	317,712	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).	
8. Total value of cash and short term investments	392,245	358,079	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.	
9. Total fixed assets plus long term investments and assets	6,494,666	6,488,820	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.	
10. Total borrowings	907,444	897,720	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).	
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	N/A	The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.
			✓	N.B. The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2022 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

[Signature]

Date

20/06/22

I confirm that these Accounting Statements were approved by this authority on this date:

27/06/22

as recorded in minute reference:

COUNCIL MEETING 27/06/22 27(ii)

Signed by Chairman of the meeting where the Accounting Statements were approved

[Signature]

Section 3 – External Auditor's Report and Certificate 2021/22

In respect of

Peterlee Town Council

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>.

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2022; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor's limited assurance opinion 2021/22

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

Other matters not affecting our opinion which we draw to the attention of the authority:

Not applicable.

3 External auditor certificate 2021/22

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2022.

*We do not certify completion because:

Not applicable.

External Auditor Name

Mazars LLP, Newcastle, NE1 1DF

External Auditor Signature

Mazars LLP

Date

16 August 2022

PETERLEE TOWN COUNCIL

FINANCE SUB-COMMITTEE

MONDAY 15TH AUGUST 2022

Present:-

Councillors K Liddell, S Simpson & T Duffy

4. ACCOUNTS FOR PAYMENT

Members were provided with the accounts and invoices for August 2022 to be paid by BACS in the sum of £27,565.31 and payments made by direct debit/using the debit card for July . Following checking of the documents provided, it was **RECOMMENDED that the accounts presented be paid.**

PETERLEE TOWN COUNCIL

MONDAY 12TH SEPTEMBER 2022

Due to the unforeseen postponement of Council meetings following the passing of Her Majesty The Queen, as per s6.5 of the Council's Financial Regulations the Town Clerk assumed delegated authority to authorise this month's Council payment run that was due to be approved at the meeting of the Finance Sub Committee due to be held on 12th September 2022. This was to prevent any undue contractual issues arising from late payment, and in the spirit of s113 of the Public Contract Regulations 2015.

5. ACCOUNTS FOR PAYMENT

Members were provided with the accounts and invoices for September 2022 that had been paid by BACS in the sum of £108,936.34 and payments made by direct debit/using the debit card for August 2022.

THE MINUTES OF THE MEETING OF THE SCRUTINY COMMITTEE
HELD IN THE BRANDLING SUITE, SHOTTON HALL, PETERLEE
ON TUESDAY 6TH SEPTEMBER 2022

PRESENT: COUN K HAWLEY (CHAIR)

K Liddell, M McCue, R Burnip, D Hawley & D Howarth

1. Apologies for Absence

Apologies for absence were submitted and accepted on behalf of Councillors J Black, G Johnson & T Duffy. **RESOLVED the apologies for absence be recorded.**

2. The Minutes of the Last Meeting held on 8th August 2022

The previous meeting had not been quorate and as such no minutes taken.

3. Procurement

The Committee considered whether the Council's existing arrangements and practices for procurement were fit for purpose. The Town Clerk confirmed the details of the service level agreement with the Corporate Procurement Team at Durham County Council and that different approaches were used depending on the service/product being procured. He confirmed that the Town Council was not bound to using the SLA with DCC although it had previously and was currently saving money by using this SLA to procure a number of high-value products and services including energy, fleet and telephones/mobile phones. Following discussion it was **AGREED this Committee scrutinise the first quarter budget outturn to consider potential areas for procurement savings.**

4. Peterlee 75

Members discussed the Peterlee75 anniversary year in 2023 and the expression of interest that had been lodged with the Heritage Lottery Fund for potential funding for a number of community/cultural activities. The Town Clerk confirmed that if positive feedback was received from the expression of interest he would arrange a workshop to bring all Council Members up to speed with the proposals and this would allow the Town Council to decide how it wanted to proceed with Peterlee75 and to ensure that it was taking the lead on how the Town marked this important anniversary milestone.

In considering this item Members suggested that an event could be arranged for the town's various community groups and partners to network with each other and to help shape the Council's future vision and priorities. **It was agreed that Town Clerk prepare a report for a future meeting to agree a way forward with this suggestion.**

5. Santa's Wish

It was asked if approval from the Council could be obtained to proceed with Santa's Wish and for the Council to apply for funds from County Councillor's Neighbourhood Budgets and agreeing match funding with PTC's officer time and the use of Shotton Hall as storage and distribution base for the campaign. It was **AGREED this Committee recommend this to the Council for approval.**

6. Community Café at Shotton Hall

It was reported residents had approached a local Councillor asking how the Council could help them in the winter ahead. It was suggested initiatives such as a "Warm Hub" might be provided. It was **AGREED to recommend to Council that the facilities at both Shotton Hall and the Pavilion be made available for community resilience activities during the winter as required.**

7. Members Attendance

The Chair was concerned about the level of Member attendance at Council meetings and proposed that the Council return back to the pre-COVID programme of three meetings per month. One of the newly elected Members commented that she had found the council to be extremely accessible and flexible in terms of meetings with both day and evening meetings, zoom Members Briefing sessions etc. The Town Clerk provided confirmation of the need for physical meetings if decisions were required. It was suggested that online informal sessions could be arranged for the budget discussions to assist with access/flexibility for those Members who struggled to get to in-person meetings due to work or other important commitments.

Report to: Peterlee Town Council
Date of Meeting: 26th September 2022
Subject: 2022/23 financial year – first quarter budget summary report
Report of: Ian Morris, Town Clerk

Report Purpose: To provide the Council with a budget summary report to the end of the first quarter of the 2022/23 financial year, in line the Council's Financial Regulations¹.

Background: This budget report is intended to satisfy the requirement of s5.8 of the Council's Financial Regulations to provide Council with a report on income and expenditure against the Council's budget heads on a quarterly basis.

The working process that enables this report is as follows:

- End of Quarter budget report produced and circulated to Budget holders by Finance Team;
- 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 first quarter of the 2022/23 Financial Year, i.e. as at 30th June 2022.

Q1 summary: The 2022/23 quarter 1 overall budget outturn per budget head is provided in Appendix 1 to this report.

Key issues to bring to Members attention include:

- Energy cost increases are already beginning to add pressure on budgets with Q1 energy costs (ie energy bills paid in the three months April – June 2022) up 52% compared to the same period in the previous financial year:

	Q1 2021/22	Q1 2022/23	Difference	% change
Gas	£3,103	£5,316	£2,213	+71%
Electricity	£11,042	£16,217	£5,175	+47%
Total	£14,145	£21,533	£7,388	+52%

- Shotton Hall banqueting suites have brought in a net income higher than the projected budget figure for the first quarter, with the overall budget position up £9,177 compared to the budget projection;

¹ Council's financial regulations are available from the Town Clerk on request or here:
<http://www.peterlee.gov.uk/wp-content/uploads/sites/37/2019/03/Financial-regs-amended-March-2019.pdf>

- The Pavillion has performed broadly on-budget, with hire income a little higher than target but bar and bistro income lower than target. At this stage in the financial year the overall position for the Pavilion is around £1,800 over budget which is well within tolerance and not considered to be a cause for concern;
- The Neighbourhood Services general budget is in a better position than forecast to the tune of around £35,000, due predominantly to the receipt of grant funding for the Eden Lane Community Woodland project;

Q1 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

Appendix 1: 2022/23 quarter 1 variance table by budget heads

N.B. Members' attention is drawn in particular to columns F and H which provide the *pro rata* (i.e. quarter 1 position) variances.

A: Code	B: Budget Head	C: 2022/23 Budget	D: Q1 budget	E: Q1 Actual	F: Q1 Variance	G: % of Budget	H: pro rata variance %
101	Central & Civic HQ Costs	£630,876	£138,261	£134,747	-£3,514	-1%	-3%
102	Democratic Costs	£31,000	£7,500	£6,525	-£975	-3%	-13%
103	Corporate Management	£20,500	£3,702	£4,098	£396	2%	11%
105	Other Costs and Income	-£1,680,829	-£834,384	-£834,499	-£115	0%	0%
201	Shotton Hall banqueting suites	£72,802	£23,992	£14,815	-£9,177	-13%	-38%
221	The Pavilion Sports & Community Centre	£228,485	£48,371	£50,174	£1,803	1%	4%
240	Sport & Leisure (pitches & equipment, etc)	£126,872	£30,468	£27,205	-£3,263	-3%	-11%
241	Hill Rigg House	£12,571	£1,799	£3,100	£1,301	10%	72%
242	Lowhills Bowls Pavilion	£549	-£1	-£1	£0	0%	0%
261	Rugby Club site	-£6,001	-£6,001	-£6,032	-£31	1%	1%
262	Eden Lane Parks Depot	£30,783	£12,295	£8,955	-£3,340	-11%	-27%
293	Eden Lane Bowls Pavilion	£1,893	£222	£104	-£118	-6%	-53%
280	Woodhouse Park	£73,053	£21,702	£15,935	-£5,767	-8%	-27%
290	Sports Development	£50,541	£14,620	£13,941	-£679	-1%	-5%
301	Neighbourhood Services general budget	£201,928	£55,235	£19,887	-£35,348	-18%	-64%
325	Cemetery Service	£34,908	£8,226	£5,700	-£2,526	-7%	-31%
350	Allotments	£16,076	£381	-£425	-£806	-5%	-212%
410	Town Activities	£39,000	£25,000	£25,256	£256	1%	1%
430	Town Events	£51,300	£27,500	£32,973	£5,473	11%	20%
901	Capital Projects	£71,000	£0	-£3,884	-£3,884	-5%	n/a

Appendix 2: material (>15%) variances for quarter 1 by budget head

NB: negative variances indicate an underspend, whether through reduced expenditure or increased income or both.

A: Code	B: Budget Head	G: pro rata variance %	H: variance £	Explanation
201	Shotton Hall banqueting suites	38%	-£9,177	Higher than forecast net income from commercial activity
241	Hill Rigg House	72%	£1,301	Unexpected repair costs
262	Eden Lane Depot	-27%	-£3,340	Lower than forecast cleaning costs
261	Rugby Club site	254%	-£3,816	Mast hire income received at start of year
293	Eden Lane Bowls	-53%	-£118	Lower than budgeted costs in Q1
301	Neighbourhood Services General Budget	-64%	-£35,348	Woodland grant income in Q1
325	Cemetery Service	-31%	-£2,526	Higher income than forecast
350	Allotments	-212%	-£806	Not yet incurrent any substantial expenditure
430	Town Events	20%	£5,473	Higher net cost of Music Festival

Report to: Peterlee Town Council

Date: 26th September 2022

Report of: Town Clerk

Report Title: Award of contracts for a feasibility study and condition survey, Shotton Hall

Purpose: This report seeks Members' approval for the award of a contract to Atkins Ltd, for a feasibility study and condition survey for Shotton Hall at a contract value of £11,950 + VAT.

Background: As members will be aware, the Council's Scrutiny Committee has previously considered options for the future of Shotton Hall and in September 2021 the Committee made a formal recommendation that the Town Council should retain Shotton Hall and repurpose it as a community asset. In November 2021 the Council's Resources Committee considered this recommendation and resolved that further work be carried out to consider options and costs as well as potential funding sources for the required capital works.

The Town Clerk worked with the Durham County Council (DCC) Corporate Procurement Team to produce a comprehensive brief for consultancy work to review the various existing condition survey data, undertake new surveys as required, and provide a costed options report based on a number of scenarios for future use of the building.

The first procurement process was targeted at a number of consultancy firms from an existing public sector consultancy framework. Unfortunately, only one expression of interest was received from that list and so the process was relaunched as an open public procurement process. 29 potential suppliers requested access to the contract documentation and four suppliers submitted formal expressions of interest for the work.

The feedback from the expressions of interest was that the initial brief was too open-ended to allow for accurate costing, and so a new brief was produced that was based on stages 0-6 of the RIBA Plan of Work 2020¹.

Unfortunately when the revised brief was issued to the four consultancy firms none of them returned a costed proposal. As a result the Town Clerk looked for alternative options to secure the consultancy support required to progress the Council's decision-making for Shotton Hall.

DCC have an existing contract for professional consultancy services with Atkins Ltd, a multi-national company who provide a wide range of technical and management consultancy services². The Town Clerk has secured agreement from DCC and Atkins

¹ For a copy of the RIBA Plan of Work 2020 see <https://www.architecture.com/-/media/GatherContent/Test-resources-page/Additional-Documents/2020RIBAPlanofWorktemplatepdf.pdf>

² See <https://www.snclavalin.com/en/markets-and-services/services/consulting-advisory-and-environmental-services>

for a proposal for a trimmed-down version of the original brief (see appendix 1 to this report) which will be issued via the DCC contract and at the preferential DCC rates.

Proposal: Despite carrying out a full open public procurement process the Town Council was been unable to secure a good quality costed proposal from a reputable consultancy firm to carry out a feasibility study and options appraisal for Shotton Hall.

The proposal is therefore to directly appoint Atkins Ltd to carry out the work (scope of duties summarised in appendix 2 to this report) using the existing DCC contract and rates.

The cost of this work will be £11,950 + VAT

Budget: The current year's budget has provision of £10,000 for consultancy fees. Members are asked to note that Shotton Hall banqueting suites net income for the first quarter of 2022/23 is around £9,000 higher than budget target as such the consultancy costs shortfall is more than covered by this additional net income for the facility in the first quarter of the year.

Recommendation: Members are recommended to approve the award the award of a contract to Atkins Ltd, for a feasibility study and condition survey for Shotton Hall at a contract value of £11,950 + VAT.

Appendix 1: Summary Scope of Duties and Deliverables for the proposed study

Scope Of Duties

Atkins Ltd will provide a Building Surveyor, Mechanical and Electrical Engineer to provide the following duties:

1. Attend site to identify key issues
2. Consideration of construction options relating to the proposed end use of the property
3. Consult with stakeholders regarding the proposed end use.
4. Statutory considerations (Planning, Listed Building, Building Control etc.,)
5. Provide outline budget costs to include:
 - a. Building fabric repairs & MEP renewals
 - b. Capital refurbishment/reconfiguration costs
 - c. Fee and statutory approvals
 - d. Contractor preliminary costs
6. Undertake a building fabric & services defects inspection of the Civic Hall & 2No. banqueting suites only
7. Procure a measured survey of the Civic Hall & 2No. banqueting suites only
8. Procure a drone survey of the Civic Hall & 2No. banqueting suites only 1
9. Contingencies and risk management issues including preliminary risk register. Including CDM hazard identification with proposals for elimination/ reduction/ control;
10. Anticipated scheme budget costs to include
 - a. Building fabric & services replacements as required
 - b. Capital costs
 - c. Asbestos Removal
 - d. Fee and statutory approvals –
 - e. Preliminaries

DELIVERABLES

Atkins Ltd will deliver the following:

1. Undertake 1 No. joint site inspection.
2. Undertake 1 No. site meeting with stakeholders on the same day of site inspection.
3. Produce a single combined condition survey for use in funding bids.
4. Produce a single Feasibility Study regarding the proposed end use
5. Single zip folder of the drone survey photography – prepared by others
6. Single zip folder of the measured survey plans – prepared by others

Appendix 2: Implications

Finance – The report sets out recommendations for the commitment of £11,950 + VAT of which £10,000 will be covered from the existing consultancy services budget and the remainder from net income from Shotton Hall.

Staffing - No direct implications.

Risk – The development and delivery of the options for investment in Shotton Hall is a key action point in the Council's Corporate Risk register.

Equality and Diversity / Public Sector Equality Duty – No direct implications

Accommodation – The recommended appointment of Atkins Ltd will provide high quality consultancy support to the Council to enable it to make future decisions about future investment in Shotton Hall.

Crime and Disorder - No direct implications.

Human Rights - No direct implications.

Consultation – The output from the feasibility study and condition report can be used as part of the 'Big Conversation' on the Town Council's budget and service provision for 2023/4 and beyond.

Procurement – The initial use of both closed framework and then open public procurement processes did not return a satisfactory costed proposal and as such the recommendation is to direct award using an existing DCC contract with Atkins Ltd.

Legal Implications - No direct implications.

Data Protection - No direct implications.