



15TH December 2020

In accordance with Paragraphs 8 & 10(2) (b) of Schedule 12 of the Local Government Act 1972 and The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, I hereby summon you to attend a Meeting of **PETERLEE TOWN COUNCIL** to be held online on **MONDAY 21st DECEMBER 2020 at 6.00pm**

Ian Morris, P.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.

To Join the online meeting in Zoom please click on this link:

<https://us02web.zoom.us/j/86341104938?pwd=YWNzTkhhZ0I4UzN00XA3UFFVTV5FUT09>

Meeting ID: 863 4110 4938

Passcode: 259426

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Meeting ID: 863 4110 4938

Report to: Peterlee Town Council
Date of Meeting: 21st December 2020
Subject: 2020/21 financial year – second 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 second quarter of the 2020/21 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 second quarter of the 2020/21 Financial Year, i.e. as at 30th September 2020.

Q2 summary: The 2020/21 quarter 2 overall budget outturn per budget head is provided in Appendix 1 to this report.

The headline for the first half of the financial year is the impact of the COVID. Members have already received a number of updates on the financial impact of COVID in relation to income and expenditure at Shotton Hall and The Pavilion. The main budget impacts of COVID can be summarised as follows:

In comparison to the same 6 month period in 2019, the Council's net income is down almost £70,000 as a direct result of COVID:

estimated expenditure reduction due to COVID = £203,968

Less: estimated income reduction due to COVID = £273,950

Equals: net income loss due to COVID = £69,982

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 main areas of expenditure reduction are reduced cost for stock and casual staff at Shotton Hall and The Pavilion, and the cancellation of Town Events such as Peterlee Show, Summer Family Events, Pantomime, Bogey Derby, etc.

The main areas of income reduction are Bar, Catering and Hire Income from Shotton Hall and The Pavilion, and income from activities and sports hires at The Pavilion.

While the net income loss compared to 2019/20 for the first half of the year is almost £70,000, the current year's budgetary position at the half year stage is worse than this. This is because when the current year's budget was set in late 2019/early 2020 (before the COVID pandemic was declared) it was based on projections of increased net income from Shotton Hall and The Pavilion that have not come to fruition.

Based on the Q2 outturn figures and making a prudent estimate of performance for the rest of the financial year to end of March 2021 the projected budget outturn position at year end is a budget deficit of £130,000. This sum will fall to reserves, which is likely to place the Council very close to its prudent minimum level of reserves at the end of the financial year. This is likely to have implications for budget setting for 2021/22.

Due to the ongoing volatility of the current COVID context and uncertainties around financial performance between now and April 2021 this projected deficit figure must be treated with some caution.

Members will be provided with an updated budget and reserves analysis as soon as possible in the New Year to take into account the Q3 outturn position and to accompany the 2021/22 draft budget and precept calculations.

Q2 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.

2021/22 budget: Members are asked to note that the quarter 2 outturn figures are usually used as the basis for the budget-setting process for the following financial year.

However, given the unprecedented impact of COVID and the ongoing uncertainty about the future of Shotton Hall and levels of activity at The Pavillion there will be more risk associated with the 2021/22

budget forecasts. It will be hard for the Council to accurately forecast likely income and expenditure for the period April 2021 to March 2022 in January/February 2021 given the current levels of uncertainty. But the precept demand will need to be submitted to Durham County Council by the end of January 2021 and so Members will need to have agreed an outline budget and precept level by that point.

It is anticipated that the Town Council will meet twice in January to agree the draft budget for 2021/22.

Recommendation: Members are recommended to note the content of this report.

Appendix 1: 2020/21 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 2 position) variances. Column H describes pro rata over or underspend at the half-way point in the year, assuming 50% of budget.

A: Code	B: Budget Head	C: 2018/19 Budget	D: Q2 Actual	E: Variance	F: % of Budget	G: pro rata variance %	H: pro rata variance £
101	Central & Civic HQ Costs	£550,602	£334,549	£216,053	61%	22%	£59,248
102	Democratic Costs	£38,000	£16,922	£21,078	45%	-11%	-£2,078
103	Corporate Management	£22,900	£8,475	£14,425	37%	-26%	-£2,975
105	Other Costs and Income	£1,560,280	-£1,566,428	£6,148	100%	101%	-£786,288
201	Shotton Hall banqueting suites	-£1,741	£69,423	-£71,164	-3988%	-8075%	£70,294
221	The Pavilion Sports & Community Centre	£229,143	£142,598	£86,545	62%	24%	£28,027
240	Sport & Leisure (pitches & equipment, etc)	£123,629	£76,126	£47,503	62%	23%	£14,312
241	Hill Rigg House	£4,923	£5,006	-£83	102%	103%	£2,545
242	Lowhills Bowls Pavilion	£297	£117	£180	39%	-21%	-£32
261	Rugby Club site	-£5,001	-£4,714	-£287	94%	89%	-£2,214
262	Eden Lane Parks Depot	£23,716	£11,734	£11,982	49%	-1%	-£124
293	Eden Lane Bowls Pavilion	£1,584	£307	£1,277	19%	-61%	-£485
280	Woodhouse Park	£53,178	£26,112	£27,066	49%	-2%	-£477
290	Sports Development	£46,415	£24,175	£22,240	52%	4%	£968
301	Parks Department general budget	£208,302	£96,996	£111,306	47%	-7%	-£7,155
325	Cemetery Service	£38,943	£19,419	£19,524	50%	0%	-£53
350	Allotments	£13,012	£1,492	£11,520	11%	-77%	-£5,014
410	Town Activities	£92,250	£35,887	£56,363	39%	-22%	-£10,238
430	Town Events	£98,800	£0	£98,800	0%	-100%	-£49,400
901	Capital Projects	£215,000	£15,362	£199,638	7%	-86%	-£92,138

Appendix 2: material (>15%) variances for quarter 2 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: pro rata variance £	Explanation
101	Central & Civic HQ Costs	22%	£59,248	paid Insurance premium in single payment at start of year
103	Corporate Management	-26%	-£2,975	A number of bills have not yet come in
105	Other Costs and Income	-101%	-£765,833	Precept payment received in full at start of year
201	Shotton Hall banqueting suites	8075%	£70,294	COVID impact on income
240	Sport & Leisure (pitches & equipment)	23%	£14,312	COVID impact on income
221	The Pavilion Sports & Community Centre	24%	£28,027	COVID impact on income
241	Hill Rigg House	103%	£2,545	Hire income not yet received
261	Rugby Club site	89%	-£2,214	Annual income received at start of year.
350	Allotments	77%	-£5,014	Not yet incurrent any substantial expenditure
410	Town Activities	22%	-£10,238	COVID cancellations
430	Town Events	100%	-£49,400	COVID cancellations
901	Capital Projects	86%	-£92,138	Capital projects not completed in first half of year and s106 grant funding for play areas received from DCC

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 23rd November 2020**
The minutes of the previous meeting are attached for consideration and approval as a true and correct record. (attached)

5. **COVID-19 Update**
To receive an update from the Town Clerk on the Council's response to the COVID-19 situation.
(verbal report of the Town Clerk)

6. **Peterlee & Horden Rugby Club lease**
To approve a new lease for the Town Council's sports club and grounds at Eden Lane to Peterlee & Horden Rugby Club.
(report of the Town Clerk, attached)

7. **Budget 2020/21 – second quarter outturn report**
To receive a report on the outturn budget figures for quarter 2 (to end of September 2020) for the 2020/21 budget year.
(Report of the Town Clerk, to follow)

8. **Kickstart – Further information**
To receive further information about the Council's options for adoption of the Kick Start employment scheme, either working with an existing provider or as registering as a provider.

(Report of the Town Clerk and Parks Manager, updated briefing note attached)

9. NEP Funding Application

Great North Air Ambulance Service, Requesting £200 towards the cost of their medical teams and supplies

To consider this application, further details shall be provided by the Deputy Town Clerk at the meeting.

10. New Policies

The following policies are for consideration, approval and adoption by Peterlee Town Council. Draft copies of the policies are available on the using the links given below, or in hard copy from the Deputy Town Clerk on request.

- (i) No Smoking Policy (<https://bit.ly/3fVLF4i>)
- (ii) Mental Wellbeing in the workplace Policy, Procedure & Toolkit (<https://bit.ly/3fVLF4i>)
- (iii) Shared Parental Leave Policy (<https://bit.ly/37Dupgv>)

11. Shotton Hall

Notice of Motion received from Councillor K Hawley requesting the Council:

To consider using Shotton Hall as a community building during the day and open in March 2021.

12. The Pavilion

To provide Members with an update on progress with the relaunch of the Bistro at The Pavilion Sports & Community Centre, Helford Road.

(Verbal report of the Town Clerk and Pavilion Centre Manager)

13. Spokesperson of the North East Party's Report

14. Spokesperson of the Labour Political Party's Report

15. Exclusion of the Press & Public

To resolve that in view of the confidential nature of the items to be discussed, the committee pass the formal resolution to exclude the press and public from the meeting, pursuant to the Public Bodies (Admissions to Meetings) Act 1960 & the Local Government (Access to Information) Act, Part 1, paragraphs 11.

16. Job Retention Scheme

To consider whether the Town Council wishes to furlough relevant staff under the Government's Job Retention Scheme and to consider the terms of any such agreement.

(Report of the Town Clerk, attached)

PETERLEE TOWN COUNCIL

MINUTES OF THE MEETING OF THE TOWN COUNCIL

HELD IN THE BRANDLING SUITE & ONLINE USING VIDEO CONFERENCING TECHNOLOGY

ON MONDAY 23RD NOVEMBER 2020 at 6.00PM

PRESENT:- COUN T DUFFY (CHAIR)

Mesdames:- K Liddell, K Hawley, KJ Duffy, S McDonnell, S Simpson & D Howarth

Messrs:- S Miles, G Carne, A Watson, C Watkins, A Wilkinson, R Moore & R Kyle

81. Apologies for Absence

Apologies for absence were offered to the meeting from Councillors S McGlen, A C Long & G Johnson.

82. Mayor's/Chair's Report

The Mayor reported he was going to cancel making a report for the next few months due to ongoing COVID restrictions. **RESOLVED the information given, be noted.**

83. To receive declarations of interest

Members were reminded of the need to disclose any interests in items on this agenda, whether pecuniary or otherwise. Councillor S Miles declared a non-pecuniary interest in item 8 on the agenda relating to the NEP Funding Applications, he is a member of the East Coast Scale Model Club. **RESOLVED the information given, be noted.**

84. To Approve the Minutes of the last meeting of the 26th October 2020

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

85. To approve the Minutes of the Extra Ordinary Meeting of the 19th November 2020
The minutes of the previous meeting were attached for consideration and approval. **RESOLVED the minutes be accepted and signed as a true and correct record, subject to no apologies for absence being submitted to the meeting.**
86. COVID-19 Update
The Deputy Town Clerk gave a brief update on the Council's response to the COVID-19 situation. Including details of feedback form those receiving the weekly support calls. Members asked that their appreciation be conveyed to the administration staff making the Shielding Support Calls to older residents in the Town. **RESOLVED the Council's thanks and appreciation be conveyed to the staff making the Shielding Support calls.**
87. NEP Funding Application
East Coast Scale Model Club – requesting £500 towards making model kits and teaching the history behind them
Details of the application were provided by the Deputy Town Clerk to the meeting. Following consideration it was **RESOLVED a grant of £500 be made to this Club.**
88. KickStart Scheme
Notice of Motion received from Councillor K Hawley: that the Town Council consider the adoption of the KickStart Scheme. Members were circulated with a copy of a briefing note on the KickStart Scheme which provides funding to create new job placements for 16-24 year olds on Universal Credit who are at risk of long term unemployment, which was to cover work placements spread across a period of December 2020 to December 2021. There was considerable discussion on the topic and it was generally agreed it was a scheme the Town Council would wish to support. Members asked for further details regarding costs to be brought back to the Council for further consideration.
RESOLVED this item be considered further at the next meeting when the costs of either accepting placements from the KickStart Project or the Council registering as a Kickstart provider, be provided.
89. Consultation on new Police custody arrangements

Notion of motion submitted by Cllr Louise Fenwick: that Peterlee Town Council objects to the proposed changes to Police custody arrangements in County Durham that will see the Peterlee custody suite close.

Despite audio issues at the meeting Councillor Fenwick advised she had brought this matter to council because she felt that we as a group should make a non-political united stand in opposing the proposed changes in custody arrangements that would directly affect Peterlee and result in the custody suites closing.

She felt at present the information available gave more questions than answers and she outlined the salient points:-

Point 1 - Spending £21 million pounds to save £400,000 per year did not make much sense;

Point 2 - How would the new centralised custody facility going to make the process quicker, were there going to be more personnel to speed things up? The main concern was about the transport of arrestees from Peterlee to Spennymoor, the time this journey to and from the custody suite would take, with at least two officers each trip, which would take police officers off the streets/patrol.

Point 3 - How is the new facility more efficient? It is understood there are going to be less cells available in the centralised facility than there are jointly available in the stations that are going to be affected. At present Durham has 15 cells, Darlington has 15, Bishop Auckland 9, Peterlee 14; that is a total of 53 cells currently available. The new facility would only have 48 cells.

Point 4- Why is an unelected PCVC making such a big decision?

Pont 5 - Is there going to be a consultation period for the general public to provide their feedback/give their views on the proposal?

Councillor Fenwick suggested the Council write to Steve White the interim Police, Crime and Victims Commissioner and Chief Constable Jo Farrell with its concerns and ask that the plans be delayed until the full and proper PCVC is elected after May and only then after a full public consultation was carried out. **RESOLVED this course of action be supported and agreed to.**

90. Spokesperson of the North East Party's Report

Councillor A Watson welcomed news of several potential vaccines for COVID being in development. He suggested that Peterlee Town Council should encourage people to take the vaccine up to help protect society. He expressed his hope that people would be

vaccinated and spoke of the history of vaccinations in combatting diseases. He welcomed the opening of the KFC franchise in the town and that he was looking forward to Starbucks opening. **RESOLVED the information given be noted.**

91. **Spokesperson of the Labour Political Party's Report**

Councillor Fenwick stated that it was exciting for the town to have KFC and then Starbucks opening soon. She was pleased that vaccines were in sight and encouraged everyone to hold strong until they could be delivered. **RESOLVED the information given be noted.**

DRAFT

Report to: Peterlee Town Council

Date: 21st December 2020

Report of: Ian Morris, Chief Officer & Town Clerk

Subject: Disposal of Town Council land – Eden Lane rugby club

Report Purpose: This report seeks authority to dispose of the land and buildings known as the Rugby Club, Eden Lane, Peterlee to Peterlee & Horden Rugby Football Club. The disposal, by way of a 99 year lease, will replace the existing lease to the club and enable the club to attract and invest funding into improve the grounds and facilities and also reduce the Council's liabilities for the site.

Background: Members will be aware that Peterlee Town Council granted a 30 year lease to Horden and Peterlee RFC in May 2016. Under the terms of that lease the Council retained responsibility for the upkeep and maintenance of the grounds and the fabric/externals of the buildings that make up the rugby club site. While this has enabled the Council a large degree of control over the site, it has also caused a number of issues where investment has been required to the site to address repairs, improve facilities, etc.

Members may also recall that the April 2019 Planned Preventative Maintenance Survey Report commissioned by the Town Council identified an indicative net cost to address various condition issues as £193,512 (ex VAT) or an estimated £270,917 (ex VAT) after adding on contingency, contractor's preliminaries, overhead and profit, and professional fees associated with these works.

Members will recall that representatives from the Rugby Club attended a previous Town Council meeting where it was agreed in principle that a longer-term lease that gave more responsibility and freedom to the club could be beneficial to both the Club and the Council.

The proposed lease represents the culmination of negotiations between the Town Council and the Rugby Club since that initial agreement in principle. The proposed lease and associated Service Level Agreement (SLA) have been agreed by solicitors for both parties.

Proposed lease: The site for the proposed lease is set out in the area of the red polygon in Appendix 2 to this document. It comprises the rugby club house, changing rooms, pitches one and two, and the associated fences, walls, flood lights, and all other fixtures and fittings within the site perimeter

The key 'heads of terms' for the lease are:

- 99 year term
- Permitted use: rugby or other sports club and general community use which for the avoidance of doubt includes (without limitation) use for community meetings and clubs, public performances, changing rooms, bar and associated social club, youth activities, Out-of-School care, Community café, polling station, and private hire bookings.
- Rent £1 (if demanded) to be reviewed after 30 years and then every 5 years thereafter
- Tenant fully responsible for land & buildings insurance for the site
- Tenant pays rates, taxes, utility costs and other outgoings payable in relation to the site
- Tenant not to make any internal or external alterations or additions to the site or changes to the boundary without the consent of the landlord
- Tenant responsible for repair, cleaning and decoration of the site including landscaped and grassed areas, trees, fencing, etc

A full copy of the lease agreement is available for Members to inspect by request. Please contact myself or the Deputy Town Clerk if you would like to inspect the document prior to the meeting.

SLA: Members will be aware that the Town Council's Parks Department provides the Grounds Maintenance for the rugby club site. The Club currently pays £800 per annum for this service however there has never been a formal SLA between the Council and the Club as to what activities and materials are covered by this fee.

The proposed lease makes direct reference to a SLA which sets out the activities and responsibilities of both the Council and the Club for the next 3 years. The Service Level charge increases by £500 per annum as follows:

Year	Charge
2021	£1,500
2022	£2,000
2023	£2,500

The Club's committee has reviewed and approved the draft SLA which is attached as appendix 3 to this report. This SLA is currently being reviewed by the Council's solicitor but is unlikely to change materially from the draft version that has been agreed in principle with the club.

Name Change: Members will be aware of the requirement in the previous lease for the club to change its name to Peterlee & Horden RFC. I can confirm that this has now been achieved and ratified by the Durham RFU, and the relevant changes are being made to the Club's social media accounts and other forms of publicity.

The club badge will be updated as soon as practicable and future kit replacements will use the new P&HRFC branding.

Value:

Under sections 123 and 127 of the Local Government Act 1972 the Town Council is able to dispose of land so long as it does not so for 'a consideration less than the best can be reasonably obtained'. It is possible to dispose of land at 'less than best consideration' (ie below the best market price) so long as the council is satisfied that value is being received in other ways that would justify forgoing monies that would otherwise come in to the public purse.

The General Disposal Consent (England) 2003 regulations provide a general consent from the government to the disposal of any interest in Town Council land at less than best consideration where the council considers it will help it to secure the promotion or improvement of the economic, social or environmental well-being of its area, subject to the condition that the undervalue (i.e. the difference between the consideration obtained and the best consideration that can reasonably be obtained) does not exceed £2million.

The Council commissioned a valuation report for the site for the uses specified in the draft lease from the Valuation Office Agency (VOA) and this report was received on 15th September 2020. The valuation report was prepared in accordance with the Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards and RICS UK National Supplement, commonly known together as the Red Book. It takes into account the current state of the proposed area and the former pavilion building. The valuer's opinion of market rent of the property as at 11th September 2020 is £8,850 per annum,.

The proposed lease is for a 'peppercorn rent' (£1 a year, if demanded) for the first 30 years of the lease. As such, the Council needs to be satisfied that the economic, social or environmental well-being value of the proposed use of the site is greater than the £8,850 per annum that could theoretically be achieved through market rent.

Members are already aware of many of the sporting and wider community services that the Club provides or facilitates from the rugby club site and the range of other groups that the club works with including the Eden Lane People's Project.

Members are also advised to take into consideration the gross repairs and maintenance cost of £270,917 (ex VAT) that was identified in the April 2019 condition survey. The liability for these costs currently sits with the Town Council but will pass to the club under the new lease.

As the Council's Proper Officer and Responsible Finance Officer I am comfortable recommending that the monetary loss from the undervalued rent is outweighed by the positive social, economic and environmental benefits of the proposed use of the site.

Public Notice: As the land in question is part of public open space the General Consent regulations require that the intention to dispose must be advertised for two weeks in a local newspaper. The advert has already been prepared and in order to expediate completion of the lease transaction it is recommended that the consideration of any objections arising be formally delegated to the Chairman of the Council and Town Clerk to deliberate prior to completion of the lease. It is recommended that the matter only be referred back to the Council if the Chairman and Town Clerk feel that any objections are of a material nature.

Recommendations:

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

1. approve the leasehold disposal of the subject site to Peterlee & Horden Rugby Club at a peppercorn rent (£1 per annum, if demanded) for the first 30 years with rent reviews on a 5-year basis thereafter;
2. delegate responsibility to the Chairman of Council and Town Clerk to ensure that any objections to the advertised disposal are properly considered and responded to; and
3. subject to resolution 2 above, authorise the Town Clerk to complete all requisite legal documentation in relation to execution of the lease.

Appendix 1: Implications

Finance – The proposals contained within this report will provide an income of £1 per year (if demanded for the site) which represents an under-valuation of £8,850 per annum. The lease contains provision for a rent review on the 30th Anniversary of the lease and every 5 years thereafter, enabling the council to assess the rental situation at regular intervals throughout the 99 year lease period;

Staffing – The leasing of the site includes a service level agreement for the Council's parks department to continue providing a grounds maintenance service for the club until at least 2024.

Risk – The completion of the lease substantially reduces the risk to the council of substantial expenditure required to address the issues identified in the April 2019 stock condition survey.

Equality and Diversity, Cohesion and Integration – the ongoing lease use as a community sports club is likely to provide substantial community benefits by providing a venue for local people to meet in sport, be part of a local social group, and to engage with wider health and wellbeing services.

Crime and Disorder – no direct implications.

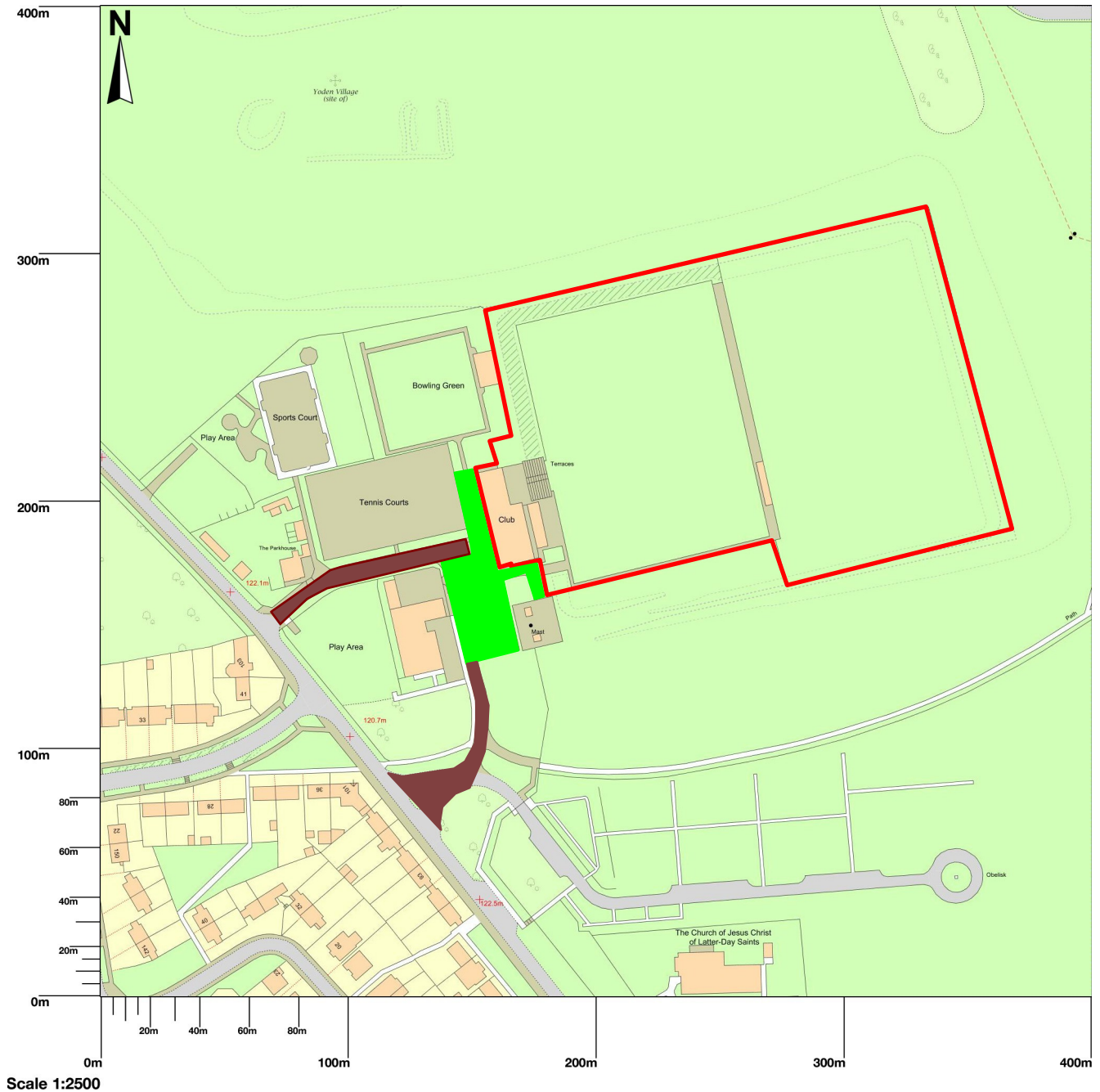
Consultation & Communication – the proposed lease of the site will be advertised in a local newspaper for a 2 week period prior to the execution of the lease as required by the legislation.

Procurement – the proposed disposal of land has been subject to a prolonged engagement process and the required valuation was conducted by the Valuation Agency Office.

Legal – the legal power for the Town Council to dispose of this land is enshrined withing s123 & 126 of the Local Government Act 1972 and the ability to dispose at less than market value is provided by the General Disposal Consent (England) 2003 regulations. The process followed for the proposed disposal is compliant with these regulations. The lease document has been developed with support from the Council's solicitors Wellers Law, one of the leading firms in the Local Council sector.

Appendix 2: Site Plan for Lease

Peterlee



Map area bounded by: 443085,541359 443485,541759. Produced on 17 November 2020 from the OS National Geographic Database. Reproduction in whole or part is prohibited without the prior permission of Ordnance Survey. © Crown copyright 2020. Supplied by UKPlanningMaps.com a licensed OS partner (100054135). Unique plan reference: p16buk/536601/726945

Appendix 3: Service Level Agreement for Grounds Maintenance



Service Level Agreement

For the provision of grounds maintenance services to Peterlee & Horden Rugby Club
by Peterlee Town Council

February 2021 – January 2024

THE GROUNDS

For the purposes of this Service Level Agreement (SLA) 'the grounds' are the two rugby pitches and other grassed areas contained within the leased rugby club land at Eden Lane, Peterlee, as defined by the red boundary on the attached lease plan (P&HRFC lease plan Nov 2020).

THE SERVICE

Peterlee Town Council (PTC) will:

- Provide a grounds and horticultural maintenance service to P&HRFC in line with the 'Maintenance Specification' (attached as appendix1);
- Keep up to date with good practice in the upkeep and rejuvenation of the rugby pitches and grounds, for instance through the Rugby Football Union (RFU) 'Groundsmen Connected' programme (or equivalent);
- Liaise with the RFU Head Groundsman and/or specialist grounds contractors as required for the delivery of this SLA;
- Consult with P&HRFC when considering any substantial changes to working practices, intervals, or equipment.

CUSTOMER OBLIGATIONS

Peterlee & Horden RFC will:

- Report problems with the pitches or grounds quickly for action
- Nominate a single point of contact for liaison with the PTC Grounds team
- Co-operate with PTC staff and contractors for reasonable access to the grounds as required

SERVICE CHARGE

The annual service charge for this SLA is as per the table below and shall be invoiced on or shortly after 1st February 2021 and annually thereafter. The service charge must be paid within 28 days of date of invoice. If it is not paid within 28 days of invoice the delivery of this agreement will be

PTC and P&HRFC Grounds Maintenance SLA 2021-2024

suspended until full payment is received. The charge does not include VAT which will be invoiced at the appropriate rate.

Year	Charge
2021	£1,500
2022	£2,000
2023	£2,500

ADDITIONAL ACTIVITY

Any additional activity required by P&HRFC that is not contained within the scope of this SLA will be quoted for on a case by case basis on request. Prices will be calculated on a 'time and materials' basis.

AGREEMENT PERIOD

This agreement will be in place for 3 years from 1st February 2021 to 31st January 2024. The agreement can be terminated by mutual consent of both parties or by one party providing the other with no less than six calendar months' notice in writing.

PERFORMANCE MONITORING AND INSPECTION

The PTC Parks Manager and Grounds Team Leader will provide overview of the grounds service and will be responsible for monitoring and inspecting the quality of work delivered.

REVIEW MEETINGS

The PTC Parks Manager and Grounds Team Leader will meet with representatives from P&HRFC on a quarterly basis to review the SLA and discuss planned activities for the subsequent 3 months.

RESOLVING ISSUES

In the unlikely event of issues arising, the P&HRFC nominated contact will contact the PTC Grounds Team Leader or Parks Manager with as much detail as possible about the issue and :

Peterlee Town Council Parks Department, Shotton Hall, Peterlee SR8 2PH council@peterlee.gov.uk
Tel: 0191 586 2491

Normal office hours are: Monday to Friday 9:00am to 5:00pm (4:30pm on Fridays)

If the issue is severe or remains unresolved the P&HRFC nominated contact should contact the Council's Chief Officer (details as above).

Signed for Peterlee & Horden Rugby Club:

Print Name:

Position within club:

PTC and P&HRFC Grounds Maintenance SLA 2021-2024

Date:

Signed for Peterlee Town Council:

Print Name:

Position within club:

Date:

Appendix 1: Maintenance Specification

Activity	Frequency	Gardener Hours (approx. total)	Team Leader Hours (approx. total)	Notes
Cutting/rolling pitches	Up to 50 visits per year depending on weather/ground conditions	2 Hours per visit Approx. 100 hours		These figures are based on time spent on pitches 1 & 2
Aeration using Sisis slitter	2 visits per year	2 Hours per visit Approx 4 hours		This improves drainage and helps promote good root development
Aeration Using Wiedemann Deep Spike	4 visits per year depending on weather/ground conditions	8 Hours per visit Approx 32 hours		This improves drainage and helps promote good root development
Scarify pitches, collect, and remove arisings	This will be done at the end of the season before renovations are carried out.	2 Gardeners 15 Hours each Approx 30 Hours	0.5 Hours for set up of machinery as the depth is determined by ground conditions. E.g., weather, grass coverage, thatch build-up etc.	This is carried out to remove thatch, meadow grass, debris from the playing surface and prepare it for seeding.
Overseeding pitches	This will be carried out as part of the end of season renovations	Approx 2 hours		Overseeding improves grass coverage and disease resistance.
Top-dressing, apply 60 tonnes of sports sand	This will be carried out as part of the end of season renovations	Approx 17 Hours	Total 17 hours	Incorporating sports sand into the root zone improves drainage, Levels out any remaining divots created over the playing season and creates a good seed bed to improve seed germination.
Fertilizer application	This will be carried out as part of the end of season renovations	Approx 2 Hours		Helps with seed germination, strengthens sward, and improves root development.
Chain harrowing	Up to 10 visits per year, depending on weather/ground conditions	2 Hours per visit Approx 20 Hours		This will replace some the divots from the games that have been played, level the playing surface and dress the pitch.
Lifting divots (hand fork)	This will be done when required to lift and replace divots created during play. (approx. 10 visits)	1.5 hours per visit Approx. 15 Hours		This will replace some the divots from the games that have been played
Set and mark out pitches	This will be done just before the start of the season	2 gardeners 6 Hours each Approx 12 Hours	Total 6 Hours	
Dismantle goal posts and inspect for wear and or damage then stored until the start of next season	Once at end of season	2 Gardeners 3 Hours each Approx 6 Hours	Total 3 Hours	
Erect goal posts before the start of the playing season	Once at start of season	2 Gardeners 3 Hours each Approx 6 Hours	Total 3 Hours	
Overmark pitches	Weekly depending on weather/ground conditions (Approx. 28 visits)	1 Hour per visit Approx. 28 Hours		
Strimming site	Four visits per year	4 Hours		
Grass cutting surrounds	Up to 20 visits per year	1 Hour per visit Approx. 20 Hours		Everything within the fence line.

Report to: Peterlee Town Council
Date of Meeting: 21st December 2020
Subject: 2020/21 financial year – second 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 second quarter of the 2020/21 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 second quarter of the 2020/21 Financial Year, i.e. as at 30th September 2020.

Q2 summary: The 2020/21 quarter 2 overall budget outturn per budget head is provided in Appendix 1 to this report.

The headline for the first half of the financial year is the impact of the COVID. Members have already received a number of updates on the financial impact of COVID in relation to income and expenditure at Shotton Hall and The Pavilion. The main budget impacts of COVID can be summarised as follows:

In comparison to the same 6 month period in 2019, the Council's net income is down almost £70,000 as a direct result of COVID:

estimated expenditure reduction due to COVID = £203,968

Less: estimated income reduction due to COVID = £273,950

Equals: net income loss due to COVID = £69,982

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 main areas of expenditure reduction are reduced cost for stock and casual staff at Shotton Hall and The Pavilion, and the cancellation of Town Events such as Peterlee Show, Summer Family Events, Pantomime, Bogey Derby, etc.

The main areas of income reduction are Bar, Catering and Hire Income from Shotton Hall and The Pavilion, and income from activities and sports hires at The Pavilion.

While the net income loss compared to 2019/20 for the first half of the year is almost £70,000, the current year's budgetary position at the half year stage is worse than this. This is because when the current year's budget was set in late 2019/early 2020 (before the COVID pandemic was declared) it was based on projections of increased net income from Shotton Hall and The Pavilion that have not come to fruition.

Based on the Q2 outturn figures and making a prudent estimate of performance for the rest of the financial year to end of March 2021 the projected budget outturn position at year end is a budget deficit of £130,000. This sum will fall to reserves, which is likely to place the Council very close to its prudent minimum level of reserves at the end of the financial year. This is likely to have implications for budget setting for 2021/22.

Due to the ongoing volatility of the current COVID context and uncertainties around financial performance between now and April 2021 this projected deficit figure must be treated with some caution.

Members will be provided with an updated budget and reserves analysis as soon as possible in the New Year to take into account the Q3 outturn position and to accompany the 2021/22 draft budget and precept calculations.

Q2 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.

2021/22 budget: Members are asked to note that the quarter 2 outturn figures are usually used as the basis for the budget-setting process for the following financial year.

However, given the unprecedented impact of COVID and the ongoing uncertainty about the future of Shotton Hall and levels of activity at The Pavillion there will be more risk associated with the 2021/22

budget forecasts. It will be hard for the Council to accurately forecast likely income and expenditure for the period April 2021 to March 2022 in January/February 2021 given the current levels of uncertainty. But the precept demand will need to be submitted to Durham County Council by the end of January 2021 and so Members will need to have agreed an outline budget and precept level by that point.

It is anticipated that the Town Council will meet twice in January to agree the draft budget for 2021/22.

Recommendation: Members are recommended to note the content of this report.

Appendix 1: 2020/21 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 2 position) variances. Column H describes pro rata over or underspend at the half-way point in the year, assuming 50% of budget.

A: Code	B: Budget Head	C: 2018/19 Budget	D: Q2 Actual	E: Variance	F: % of Budget	G: pro rata variance %	H: pro rata variance £
101	Central & Civic HQ Costs	£550,602	£334,549	£216,053	61%	22%	£59,248
102	Democratic Costs	£38,000	£16,922	£21,078	45%	-11%	-£2,078
103	Corporate Management	£22,900	£8,475	£14,425	37%	-26%	-£2,975
105	Other Costs and Income	£1,560,280	-£1,566,428	£6,148	100%	101%	-£786,288
201	Shotton Hall banqueting suites	-£1,741	£69,423	-£71,164	-3988%	-8075%	£70,294
221	The Pavilion Sports & Community Centre	£229,143	£142,598	£86,545	62%	24%	£28,027
240	Sport & Leisure (pitches & equipment, etc)	£123,629	£76,126	£47,503	62%	23%	£14,312
241	Hill Rigg House	£4,923	£5,006	-£83	102%	103%	£2,545
242	Lowhills Bowls Pavilion	£297	£117	£180	39%	-21%	-£32
261	Rugby Club site	-£5,001	-£4,714	-£287	94%	89%	-£2,214
262	Eden Lane Parks Depot	£23,716	£11,734	£11,982	49%	-1%	-£124
293	Eden Lane Bowls Pavilion	£1,584	£307	£1,277	19%	-61%	-£485
280	Woodhouse Park	£53,178	£26,112	£27,066	49%	-2%	-£477
290	Sports Development	£46,415	£24,175	£22,240	52%	4%	£968
301	Parks Department general budget	£208,302	£96,996	£111,306	47%	-7%	-£7,155
325	Cemetery Service	£38,943	£19,419	£19,524	50%	0%	-£53
350	Allotments	£13,012	£1,492	£11,520	11%	-77%	-£5,014
410	Town Activities	£92,250	£35,887	£56,363	39%	-22%	-£10,238
430	Town Events	£98,800	£0	£98,800	0%	-100%	-£49,400
901	Capital Projects	£215,000	£15,362	£199,638	7%	-86%	-£92,138

Appendix 2: material (>15%) variances for quarter 2 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: pro rata variance £	Explanation
101	Central & Civic HQ Costs	22%	£59,248	paid Insurance premium in single payment at start of year
103	Corporate Management	-26%	-£2,975	A number of bills have not yet come in
105	Other Costs and Income	-101%	-£765,833	Precept payment received in full at start of year
201	Shotton Hall banqueting suites	8075%	£70,294	COVID impact on income
240	Sport & Leisure (pitches & equipment)	23%	£14,312	COVID impact on income
221	The Pavilion Sports & Community Centre	24%	£28,027	COVID impact on income
241	Hill Rigg House	103%	£2,545	Hire income not yet received
261	Rugby Club site	89%	-£2,214	Annual income received at start of year.
350	Allotments	77%	-£5,014	Not yet incurrent any substantial expenditure
410	Town Activities	22%	-£10,238	COVID cancellations
430	Town Events	100%	-£49,400	COVID cancellations
901	Capital Projects	86%	-£92,138	Capital projects not completed in first half of year and s106 grant funding for play areas received from DCC



Petelee Town Council

Briefing Note: The Kickstart Scheme

Prepared for Council meeting held on 21st December 2020

1. Introduction:

The Kickstart Scheme provides funding to create new job placements for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment. Employers of all sizes can apply for funding which covers:

- 100% of the National Minimum Wage (or the National Living Wage depending on the age of the participant) for a 25 hours per week for a total of 6 months
- associated employer National Insurance contributions
- employer minimum automatic enrolment pension contributions

Work placements can be spread across a period from December 2020 to December 2021.

A Kickstart Scheme application must be for a minimum of 30 job placements. If a single employer cannot provide this many job placements, they can find a Kickstart gateway, such as a local authority, charity or trade body for help applying.

Further funding of £1,500 per placement is available to Kick Start providers to enable them to support young people on the scheme to help them get a job in the future. This would typically include CV writing, interview techniques, career planning, goal setting, and basic numeracy and literacy skills.

2. Activity so far:

Members will be aware that the question of the Town Council's adoption of a KickStart scheme has previously been discussed by Council. The current view of the Town Clerk and Parks Manager is that the Town Council is not in a position to set up as a Kick Start provider in its own right, but should instead partner with an existing provider. The reasons for this conclusion include:

- The Town Council does not have any qualified youth trainers or supervisors;
- The Parks Department is busy and there is no existing capacity to take on the supervision of a group of 30+ young people who have little or no relevant work experience or knowledge/skills in horticulture;

- The Town Council does not have any experience of or capacity to provide basic skills/employment training for unemployed young people, which is a requirement of the scheme;
- Under the ongoing COVID restrictions the practicalities of organising and transporting a large group of young people around the Town would be significant and would require hire of additional transport;
- The lead-in times to set up as a provider, register for the funding, and then recruit 30+ young people will be substantial

The Town Clerk and Parks Manager have previously recommended to Council that it would not be appropriate for the Town Council to become a Kick Start scheme provider for a 30+ cohort of young people.

However, at the November 2020 Council meeting Members asked for more information on costs for the option of the Town Council becoming a Kick Start Scheme provider in its own right.

3. Update since last report to Council

At the November meeting Members declined to move forward with the recommended option of working with a Gateway provider and so no progress has been made on a first cohort of placements at the Council.

Further research into the Kick Start Scheme application process has revealed the likely costs as follows, based on an assumed initial cohort of 30 young people on a six month placement.

Expenditure:

Salary cost of 30 kick start employees = nil, covered by Government funding

12 month fixed-term Kick Start Lead Officer role = £35,000 inc on-costs

Advertising role, DBS check, etc = £500

6 months minibus hire for transportation of placements = £3,000

30 sets of uniform/PPE = £4,050

Rough estimate total expenditure = £42,550

Income:

30 x £1,500 kick start funding = £45,000

Rough estimate total income = £45,000

Total rough net cost for first 6 month cohort of placements as a registered provider = (£2,450)

These costs are rough estimates only.

The Kick Start Application process requires a detailed explanation of the employment training and support elements and so it is expected that an application to register as a Kick Start provider could not happen until after the Kick Start Lead Officer role had been advertised and appointed as this person would be responsible for designing the Kick Start employment training element of the scheme.

If Members resolve to take this option at the December meeting then an advert for this role could be placed before Christmas with interviews in mid-January 2021, with an expected start date in March/April depending on the incoming appointee's notice period.

The Kick Start placement process involves the Council notifying the Department of Work and Pensions once it is ready to accept the first cohort of 30 placements. DWP passes this information on to work coaches at JobCentre Plus who match suitable candidates to the available job placements. DWP send this information to the Council, and we then interview the candidates and select those that are suitable for the roles.

As the Kick Start scheme is new (beginning this month) we have no idea how long this DWP process will take. However assuming an ambitious turn-round of 4 weeks from us notifying DWP of availability to interview then we might sensibly be looking at placements starting work at the Council in April/May 2021. There are however many unknowns in that estimate, and it should be treated with caution.

4. Recommended Option – work with a local kickstart provider to get more sustainable (3-4) number of placements in the Parks Team

As per the previous briefing note provided to Members in November 2020, there are already quite a few KickStart Gateway providers established in the North East region.

A number of these providers have confirmed that they would potentially be able to allocate a kick start placements at the Council from future cohorts of young people that they recruit. Day-to-day work activity would be supervised by Parks management and the wider career skills development and scheme administration would be provided by the registered provider. This would avoid the cost and time of recruiting a new lead role within the Council.

It is not yet clear when these young people might be available as until the Town Council makes a decision about what it wants to do about Kick Start we are not in a position to start a recruitment process. If the Town Council does agree to pursue this opportunity further work will be done to identify a partner Kickstart Provider and we will work with the provider to agree a suitable start date, hopefully early in the New Year. However, any placements will also be subject to the same DWP/JobCentre Plus process and so again timescales must be treated with some caution.

The costs for working with an existing Gateway provider will be substantially lower than the full registered Kick Start provider option:

Salary costs = nil, covered by Government funding

Uniform and PPE (assuming 4 placements) = £540

Transport = nil additional cost as will be able to accommodate within existing team transport arrangements

Training and administration = estimated at £4,000 for 4 placements, will be provided by Kick Start gateway partner

Income 4 x £1,500 = £6,000 from kick start funding

Total rough estimate cost to Council of the gateway option = (£1,460)

These costs are rough estimates only.

This option would allow the Council to employ a manageable number of young people using the Kick Start scheme but without needing to take on the full administration and support burden that being a registered KickStart provider would entail.

This option remains the recommended option.

Recommendation:

Members are recommended to note the contents of this briefing note and to agree the principle of working with a Kick Start Gateway provider to establish Kick Start placements at the Town Council as soon as possible in 2021.