Ferryhill Town Council

Town Hall, Ferryhill, County Durham, DL17 8JL
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Dear Councillor,

I Hereby Summon You to attend a **Meeting** of the **Resources Committee at 6.00PM** on **Wednesday, 30th October 2024.** The meeting will be held at **Ferryhill Town Hall, Chapel Terrace, Ferryhill, Co Durham, DL17 8JL**

Dated 23rd October 2024

Leeanne Owens
Town Clerk

Membership: Councillor L Fellows (Chairman)
Councillor C Bihari (Vice Chairman) and
Councillors P Atkinson, C Atkinson, V Collins, K Conroy, J Donald, D Farry, S Jones, J Makepeace,

AGENDA

1. Apologies for Absence

2. Declarations of Interest
To invite members to declare any interest they may have.

3. Members Dispensation
To consider written requests for dispensations from members who have declared interests under Disclosable or Non-Disclosable Pecuniary Interests – Section 33 of the 2011 Localism Act.

4. Public Participation (Subject to Public Participation Policy)
Members of the public are permitted to make representations, ask questions and give evidence in respect of any item of business included in the agenda. Questions will not be received by the Council which are in furtherance of a person's individual

circumstances, or which are about a matter where there is a right of appeal to the courts, a tribunal or government minister. A question will not be received by the Council where the issue it concerns has been the subject of a decision of the Council in the last six months.

5. **Statement of Accounts and Income**
To approve the statement of accounts and income

6. **Budgetary Control to 30 September 2024 and Budget Update**
To consider the report from the Accountant

ITEM NO: 6

SUBJECT: **BUDGETARY CONTROL TO 30 SEPTEMBER 2024**

AUTHORS: **DEREK SHINGLETON**
ACCOUNTANT

MEETING: **RESOURCES COMMITTEE**

DATE: **30 OCTOBER 2024**

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1. INTRODUCTION

1.1 It is recommended practice to report on the Council's finances to Members on a regular basis. External auditors suggest that this report should be submitted at least quarterly. A commitment was given to report on the Council's finances at least quarterly, and more frequently if circumstances require it.

1.2 This is the second budgetary control report for the financial year 2024/2025 and covers the six month period to the end of September 2024. It is still early in the financial year and a number of projected figures at 31 March 2025 are the same as the budgeted figure because there is no other information at this stage. However actual expenditure and income to date, and decisions made by the Council regarding project financing, suggest that some projections should be varied from the budget. I attach as Appendix 1 a document that shows actual income and expenditure for the year to date for each cost centre.

2. FINANCIAL PERFORMANCE AT 30 SEPTEMBER 2024

Current Position

2.1 The report summarises expenditure and income to 30 September 2024. In simple terms this would suggest that around 50% of the budget should be spent at this stage. In reality, not all expenditure is incurred or income received evenly throughout the year. For example, the insurance premium for the full year amounting to £13,035 has already been paid. The situation is therefore slightly distorted and some of the actual figures are significantly more or less than 50% as a result.

2.2 The summary on page 1 shows that, as at 30 September 2024, net expenditure of £394,338 has been incurred and income from LCTRS grant of £72,005 and DCC Precept of £283,420 has been received. Costs incurred amount to 55% of the budget and income received is 50%.

2.3 The net expenditure projection for the year ended 31 March 2025 is shown as £747,460 which represents an **overspending** of **£36,610** at that date. However, this includes capital expenditure which is financed from grant income received last year and transferred to earmarked reserves. (see sub-paragraphs e and m below). The revised position is as follows:

Overall financial performance (overspending)	£36,610
Less from Earmarked Reserves:	
Carlton Street Play Equipment	£18,000
Dog Walking area	£18,670
Mainsforth Football pitch maintenance	£2,190
Sub-total reserves	£38,860
Net Revenue position (underspending)	£2,250

The more significant issues influencing the projection at this stage are referred to below:

a) **Staffing** (page 1) – an overspending of £2,250 is showing here at this stage. The salary settlement for this year has not yet been agreed but the projection reflects the anticipated settlement figure. The main contributing factor to the projected position is the level of outside overtime. The budget was set with the expectation that overtime would be saved through changes to gate opening arrangements. This has not happened and expected costs are well over the budget.

b) **Democracy/Mayor's Expenses** (page 1) – although a combined saving of £350 is showing here, it is likely that this will be more at the year end.

c) **Town Hall** (page 2) - the Town Hall is showing an underspending of £1,940. This is mainly due to significant additional income from room rentals which is partly offset by additional costs on computer and internet issues.

d) **Overheads** (page 2) - an overspending of £1,000 is projected here. This is mainly due to the cost of procurement services from DCC and legal fees relating to the market place kiosk, partly offset by savings in accountancy costs.

e) **Capital Finance** (page 3) – an overspending of £24,880 is projected here. However, current costs on Town Hall renewables (£56,990), Carlton Street play equipment (£18,000) and the dog walking area path (£18,670) are shown as being funded by grant income and earmarked reserves brought forward. There is also a projected surplus on investment interest of £5,000. Other residual costs are financed from the revenue provision included in the budget.

f) **Community Support** (page 3) – an overspending of £470 is forecast here but this will depend on the final costs for Christmas lights at the end of the year. A donation to the Ladder Centre of £3,500 is shown although there was no budget.

g) **Open Spaces** (page 4) – an overspending of £2,430 is projected here due mainly to costs required on bus shelter maintenance and the cost of lighting on the A167 being well over budget. These are partly offset by the receipt of sponsorship money and additional income from the sale of dog bags.

h) **Public Toilets – Station** (page 5) – a saving of £950 is expected due to the facility not being available.

i) **Market** (page 5) – additional rent income is likely to result in a saving here of £1,520.

j) **Ferryhill in Bloom** (page 5) - there is an overspending on plants and seeds (£1,020) but this is largely offset by savings on equipment purchase and additional income from sponsorship leading to a forecast overspending of £250.

k) **Public Toilets-Town Centre** (page 5) – a saving of £880 is expected here due to underspends on electricity and water.

l) **Cemetery** (page 6) – this cost centre is projected to overspend by £5,710. This is due to costs incurred on repairs to the stone wall, the chapel and Swann House which, in total (£3,970), are well above the budget provision for repairs of £1,250. In addition, income from fees and charges looks like it might be short of the budget by £2,000.

m) **Dean Bank Sports Facility** (page 7) - this cost centre is projected to overspend by £3,200 due mainly to a shortfall in income.

n) **Mainsforth** (page 8) – a grant of £2,660 was received last year for the maintenance of the football pitches. It was not spent and was added to reserves. Expenditure so far is £2,190 and the same amount of the grant has been used to match this. The overall position is an overspending of £1,750 due mainly to costs incurred on legionella testing.

o) **Surtees Doorstep Green** (page 8) – costs of £1,050 on play equipment parts are the reason for a projected overspending of £330 here.

p) **General Expenses** (page 9) – the tools budget is expected to overspend by £800.

q) It should be noted that costs of £3,863 have been incurred in relation to legionella testing plus management fees. These costs were not specifically budgeted for and will contribute to any overspending.

r) All other cost centres are currently projected to show minor under or over-spending, or the budget as agreed at this stage.

3. RESERVES AT 31 MARCH 2025

3.1 The projected overspending (£36,610) will reduce earmarked reserves by £38,860 to £220,124 and increase general reserves by £2,250 to £30,643. The revised position is shown in the table below.

Reserve	Opening Balance	Movement In	Movement Out	Closing Balance
Useable capital receipts	£46,970	£0		£46,970
Allotments	£10,121	£0		£10,121
PWLB loan	£100,000	£0		£100,000
Neighbourhood Plan	£14,930	£0		£14,930
Parish Plan	£1,545	£0		£1,545
Skatepark	£23,000	£0		£23,000
Car Park-Mainsforth	£5,952	£0		£5,952
Mainsforth Pitch Maint	£2,666	£0	£2,190	£476
Carlton Street Play Area	£18,800	£0	£18,000	£800
Dog Walking area	£35,000	£0	£18,670	£16,330
Sub-Total	£258,984	£0	£38,860	£220,124
Recommended Minimum	£150,000	£0		£150,000
General	£28,393	£0	£2,250	£30,643
Total Reserves	£437,377	£0	£36,610	£400,767

3.2 It is possible that there will be other claims on the general reserves as projects are developed. The Council has already committed (July 2024) to using £25,000 from reserves to contribute towards new play equipment at Dean Bank Park, £1,751 in respect of a storage container at Mainsforth Sports Complex (May 2024) and £950 relating to a toilet facility at Duncombe cemetery. It should be borne in mind that the level of unallocated reserves remains low which restricts the extent to which projects can be financed outside of the budget.

In addition, the PWLB loan will be used to finance demolition works completed recently at a cost of £57,422.

4. <u>RECOMMENDATIONS</u>

4.1 I would RECOMMEND that Members:-

Note the financial position of the Council at 30 September 2024, the financial projection for the year and the situation at 31 March 2025.

Actual 2023-24 £		Budget 2024-25 £	Actual 15-Oct £	Projected 2024-25 £
1	2	3	4	5
	SUMMARY			
773,307	Net Budget	710,850	394,338	747,460
	Financed From			
175,654	LCTRS Grant	144,010	72,005	144,010
537,746	Precept on Durham County Council	566,840	283,420	566,840
59,907	To (-) / from Reserves	0	38,913	36,610
	Staffing			
468,896	Direct Salaries	490,190	236,804	485,530
1,631	Staff Training	2,000	2,375	2,500
186	Overtime - Staff (Office)	320	136	150
10,061	Overtime - Staff (Outside)	9,060	9,961	15,190
49	Mileage	200	9	50
0	Travel	0	67	70
300	Advertising Staff Vacancies	0	0	0
2,521	Professional Fees	0	530	530
483,644	Net Budget	501,770	249,882	504,020
	Democracy-General			
40	Civic Regalia	100	198	200
32	Members Nameplates	100	16	100
0	Members Allowances & Expenses	100	0	100
82	Members Training	350	0	200
154		650	214	600
	Mayor's Expenses			
0	Publicity	0	79	0
330	Civic Carol Service	350	0	350
0	Civic Social Evening	1,400	0	1,400
419	Mayor's Allowance	500	104	500
0	Deputy Mayor's Expenses	200	0	100
0	Mayor's Travel Allowance	300	0	100
749		2,750	183	2,450
	Town Hall			
4,721	Repairs & Maintenance	2,000	1,764	2,250
421	Repairs & Maint - Clock	250	136	400
2,736	Energy - Electricity	3,100	895	3,000
200	Energy - Management SLA	200	208	210
2,889	Energy - Gas	4,650	563	4,250
313	Water	760	88	500
1,257	Rates	1,300	969	1,390
386	Cleaning Materials	350	83	350
519	Contingencies	300	437	500
397	Equipment - purchase	400	127	400
53	Equipment - hire	50	26	120
251	Equipment - inspection	300	297	600
3,209	Telephones	3,380	1,717	3,260

934	Printing & Stationery	1,000	296	950
2,023	Post	1,500	1,298	2,250
2,814	Photocopying	2,940	1,152	2,450
0	Publications	100	0	100
2,239	Subscriptions	2,410	2,041	2,250
415	Publicity	600	126	600
1,630	Computer Software	1,710	1,833	1,850
4,215	Computer Rental	4,600	4,660	5,470
0	Computer Maintenance	920	1,557	1,850
2,471	Website Upgrade/Maintenance	500	0	580
34,093		33,320	20,273	35,580
1,459	Rents	1,000	5,195	5,200
230	Fees and Charges	20	7	20
1,635	Energy - Electricity - Solar Panels	1,500	1,069	1,500
3,324		2,520	6,271	6,720
30,769		30,800	14,002	28,860
	Overheads			
1,720	External Audit Fees	1,680	-1,600	1,680
2,240	Internal Audit Fees	2,240	0	2,240
1,191	Bank Charges	1,260	517	1,260
12,576	Insurances	13,210	13,035	13,210
6,790	Accountancy Charges	5,500	980	3,000
11,332	Professional Fees	0	2,937	3,500
35,849		23,890	15,869	24,890
	Capital Finance			
9,802	Capital Charges - Principal	9,958	4,878	9,894
1,209	Capital Charges - Interest	1,052	627	1,116
173,705	Capital Schemes:			
	Cemetery		305	310
	Dean Bank Regeneration		5,312	5,310
	Town Hall Renewables		56,985	56,990
	Dean Bank Renewables		2,387	2,390
	Carlton Street Play Equipment		17,995	18,000
	Dog Walking Area Path		18,668	18,670
0	Revenue Contribution to Capital	14,800	0	0
184,716		25,810	107,157	112,680
21,232	Interest Received	12,500	9,986	17,500
121,111	Capital Grants			
0	Town Hall Renewables	0	65,250	56,990
0	Earmarked Reserves - Carlton Street Play	0	0	0
0	Earmarked Reserves - Dog Walking Area	0	0	0
142,343		12,500	75,236	74,490
42,373		13,310	31,921	38,190
	Community Support			
7,650	Donations - Local Groups/MIF	7,650	3,200	7,650
3,500	Donations - Ladder Centre	0	0	3,500
60	Room Hire - Parish Plan	0	0	0
96	Insurance - Banner	100	96	100
152	Gifts	300	63	250
310	Legion Wreaths	80	0	100
396	Santa Claus	500	0	500

5,991	Christmas Decorations	10,000	4,350	7,000
18,155		18,630	7,709	19,100
22	Sales	20	16	20
22		20	16	20
18,133		18,610	7,693	19,080
	Community Events			
32,958	All Events	25,000		25,000
	D-Day Commemoration		125	
	Senior Citizens Trip		2,945	
	Party in the Park		11,090	
	Summer Gala		2,213	
	Traffic Management		2,585	
	Awards Ceremony		320	
32,958		25,000	19,278	25,000
7,585	All Income	5,000		5,000
	Senior Citizens Trip-Ticket sales		2,017	
	Senior Citizens Trip-Grant		999	
	Stall a Summer Gala		8	
	Christmas Fayre		21	
	Caravan Rally		250	
7,585		5,000	3,295	5,000
25,373		20,000	15,983	20,000
	Allotments			
1,120	Repairs & Maint	1,250	30	1,250
4,775	Repairs & Maint - Storehouse	0	0	0
2,603	Water	2,000	97	1,200
298	Contingencies	0	0	0
55	Subscriptions	60	55	60
0	Pest Control	1,000	0	1,000
8,851		4,310	182	3,510
7,398	Rents	8,500	7,491	7,600
31	Sales	20	14	20
7,429		8,520	7,505	7,620
1,422		-4,210	-7,323	-4,110
	Open Spaces			
2,450	Repairs & Maint - Bus Shelters	1,000	0	2,450
296	Energy - Electricity	300	101	280
7,787	Energy - Lighting A167	6,250	0	8,170
2,613	Equipment - Purchase	1,400	100	1,400
3,774	Commemorative Benches	0	0	0
1,570	Tree Surgery	2,500	0	2,500
3,925	Seats & Bollards	500	0	500
1,624	Information Signs	500	520	600
24,039		12,450	721	15,900
0	Fees and Charges	0	825	820
5,524	Grants Received	3,940	0	3,940
1,671	Sales - Dog Bags	1,200	805	1,400

7,195		5,140	1,630	6,160
16,844		7,310	-909	9,740
	Public Toilets-Station			
326	Repairs & Maintenance	500	0	500
2,217	Repairs & Maintenance-New Door	0	0	0
563	Energy - Electricity	750	11	100
221	Water	300	28	100
163	Cleaning Materials	200	0	100
3,490		1,750	39	800
	Market			
424	Rates	550	371	530
144	Equipment - purchase	150	0	150
568		700	371	680
6,468	Rents	6,000	4,850	7,500
6,468		6,000	4,850	7,500
-5,900		-5,300	-4,479	-6,820
	Ferryhill In Bloom			
1,253	Contingencies	700	620	700
419	Equipment - purchase	1,200	498	1,000
120	Equipment - hire	300	0	300
4,180	Plant Watering	0	0	0
14,260	Plants & Seeds	15,000	10,976	16,020
0	Top soil	700	329	700
145	New Flower Beds	0	0	0
20,377		17,900	12,423	18,720
250	Sponsorship	0	750	750
880	Grants	0	0	0
850	Sales - Plants etc	850	675	670
1,980		850	1,425	1,420
18,397		17,050	10,998	17,300
	Public Toilets-Town Centre			
362	Repairs & Maintenance	500	456	550
1,881	Energy - Electricity	2,500	597	2,000
749	Water	1,430	373	1,000
535	Cleaning Materials	500	153	500
106	Equipment - purchase	100	33	100
35	Equipment - Hire	50	0	50
3,668		5,080	1,612	4,200
25	Sale of Keys	10	11	10
25		10	11	10
3,643		5,070	1,601	4,190
	Market Place Car Park			
53	Repair and Maintenance	200	154	200

787	Water	800	853	860
0	Equipment - Purchase	100	0	100
840		1,100	1,007	1,160
103	Sales-Parking Discs	100	27	50
60	Rent-Parking	0	0	0
163		100	27	50
677		1,000	980	1,110
	Cemeteries			
804	Repairs & Maintenance	1,250	532	1,000
	Repairs & Maintenance-Stone wall	0	2,274	2,270
	Repairs & Maintenance-Chapel	0	960	960
	Repairs & Maintenance-Swann House	0	740	740
846	Grounds - Grasscutting	940	604	840
1,216	Energy - Electricity	1,110	407	1,000
253	Energy - Gas	180	57	160
155	Water	270	48	200
280	Water - Empty Septic tanks	200	0	200
1,985	Council Tax	2,880	2,385	3,000
956	Rates	990	737	1,050
307	Contingencies	100	0	100
77	Equipment - purchase	300	790	800
1,777	Equipment - seats	0	0	0
0	Equipment - hire	100	0	100
40	Equipment - inspection	80	51	80
373	Memorial Plaques	380	167	360
9,069		8,780	9,752	12,860
465	Rents	0	0	0
4,354	Fees and charges - Burials	11,000	5,572	9,000
997	Memorial Plaques	760	630	830
1,777	Grants	0	300	300
7,593		11,760	6,502	10,130
1,476		-2,980	3,250	2,730
	30 Market Street			
73	Repairs & Maintenance	0	0	0
83	Professional Fees	0	0	0
156		0	0	0
1,025	Rents	0	0	0
1,025		0	0	0
-869		0	0	0
	Dean Bank Sports Facility			
9,185	Repairs & Maintenance	2,000	140	2,000
10,000	Repairs & Maintenance - Pitch Renovation	11,730	13,723	13,720
3,057	Grounds - Grasscutting	3,400	2,183	3,060
4,349	Energy - Electricity	4,720	1,054	4,500
4,387	Energy - Gas	6,250	802	6,000
369	Water	1,000	0	700
2,495	Rates	2,580	1,745	2,500
313	Cleaning Materials	200	0	200
375	Contingencies	0	0	0

454	Equipment - purchase	300	250	300
95	Equipment - hire	80	0	80
197	Equipment - inspection	500	1,293	1,430
35,276		32,760	21,190	34,490
1,900	Rents	1,900	1,900	1,900
2,900	Fees and Charges - Football	2,500	2,775	2,780
1,175	Fees and Charges - Electricity	2,500	816	1,500
1,117	Fees and Charges - Gas	1,750	590	1,000
11,732	Grants	11,730	0	11,730
18,824		20,380	6,081	18,910
16,452		12,380	15,109	15,580
	Dean Bank Recreation Park			
1,535	Repairs & Maintenance	2,500	650	3,000
	Repairs & Maintenance-Fencing	0	45	0
	Repairs & Maintenance-Bowls Pavilion	0	6	0
	Repairs & Maintenance-Play	0	1,569	0
225	Grounds - Grasscutting	270	0	0
2,375	Repairs & Maintenance - Workshop	0	292	0
483	Energy - Electricity (Bungalow)	420	214	220
202	Water	150	26	170
261	Contingencies	200	0	200
1,756	Equipment - Purchase	250	23	250
143	Equipment - Inspection	200	344	350
0	Telephones inc CCTV	200	0	0
6,980		4,190	3,169	4,190
1	Rent	0	0	0
189	Wayleave	190	0	190
0	Grants-Tree Grant	0	0	0
190		190	0	190
6,790		4,000	3,169	4,000
	Mainsforth Sports Complex			
10,924	Repairs & Maintenance	7,690	255	7,690
	Repairs & Maintenance-Football		2,197	2,200
	Repairs & Maintenance-Bowls		920	0
	Repairs & Maintenance-Bowls Pavilion		22	0
	Repairs & Maintenance-Play		385	0
	Repairs & Maintenance-Cricket		1,481	0
	Repairs & Maintenance-Cricket Pavilion		2,170	0
	Repairs & Maintenance-Rough Furze		28	0
970	Grounds - Grasscutting	1,080	693	970
5	Repair & Maint - Workshop	0	0	0
6,685	Energy - Electricity	7,800	1,611	7,000
1,690	Water	2,200	820	1,750
815	Council Tax	860	938	860
334	Contingencies	0	0	0
679	Rates	880	584	840
1,893	Equipment - purchase	440	0	440
95	Equipment-hire	90	0	90
313	Equipment - inspection	240	2,029	2,220
24,403		21,280	14,133	24,060
2,300	Rents - Cricket Pavilion	2,300	2,300	2,300
	Rents - Bowling Club	0	500	500
1,860	Rents - Rough Furze	1,860	930	1,860
180	Fees and charges - Football	300	280	300

33	Fees and charges	0	0	0
1,223	Grants	0	999	1,000
	Earmarked Reserves	2,670	0	2,200
5,596		7,130	5,009	8,160
18,807		14,150	9,124	15,900
	King George V Playing Field			
2,468	Repair and Maintenance	1,800	30	1,800
	Repair and Maintenance-Fencing	0	85	0
995	Grounds - Grasscutting	1,110	711	990
985	Energy - Electricity	1,200	235	900
306	Water	210	75	210
216	Contingencies	0	0	0
32	Equipment - purchase	100	0	100
40	Equipment - inspection	120	477	480
597	Lighting	440	189	420
5,639		4,980	1,802	4,900
324	Fees and charges - Football	300	140	40
324		300	140	40
5,315		4,680	1,662	4,860
	Surtees Doorstep Green			
454	Repairs & Maintenance	700	0	0
0	Repairs & Maintenance-Play	0	1,046	1,050
151	Equipment - inspection	180	160	160
605		880	1,206	1,210
	General Expenses			
1,763	Repairs & Maint - Football	1,500	1,657	1,800
453	Cleaning Materials	500	290	500
40	Equipment - purchase	100	197	200
72	Equipment - inspection	90	80	80
672	Tools - Purchase	800	1,511	1,600
2,118	Protective Clothing	1,000	538	1,000
706	Weedkiller	400	232	400
4,815	Waste Disposal	4,500	1,765	4,500
10,639		8,890	6,270	10,080
	Vehicles & Machinery			
3,838	Repair & Maint - Vehicles	1,750	1,131	2,500
2,077	Repair & Maint - Tractors	750	-530	750
4,442	Repair & Maint - Machinery	4,000	3,039	4,500
4,914	Fuel - Vehicles	5,250	1,805	5,000
2,534	Fuel - Machinery	2,890	1,726	2,800
11,711	Machinery - rental	11,640	3,603	6,220
3,408	Machinery - purchase	1,500	2,529	2,530
11,266	Van - hire	5,400	4,200	7,000
1,280	Road Fund Licence	1,100	335	1,280
180	MOT	120	56	220
45,650		34,400	17,894	32,800
7,032	Sales	0	0	0
143	Insurance costs recovered	0	0	0
7,175		0	0	0

38,475		34,400	17,894	32,800
773,307	**NET BUDGET**	710,850	394,338	747,460
			902	
			395,240	