



# Penrith Town Council

Unit 1, Church House, 19-24 Friargate, Penrith, Cumbria, CA11 7XR  
Tel: 01768 899 773 Email: [office@penrithtowncouncil.co.uk](mailto:office@penrithtowncouncil.co.uk)

**DATE: 18 January 2022**

**NOTICE IS HEREBY GIVEN** that an **ORDINARY MEETING** of **PENRITH TOWN COUNCIL** will be held on **Monday 24 January 2022**, at **6.00pm** and you are hereby **SUMMONED** to attend to transact the business as specified in the agenda and reports hereunder.

The meeting will be held at **Unit 2, Church House, Friargate, Penrith.**

To assist in the speedy and efficient dispatch of business', Members should read the agenda and reports in advance of the meeting. Members wishing to obtain factual information on items included on the Agenda are asked to enquire of the relevant officer **PRIOR** to 9.00am Friday 21 January 2022.

Members are asked to indicate if they wish to speak on an item **PRIOR** to the meeting (by 1.00pm on the day of the meeting at the latest) by emailing [office@penrithtowncouncil.co.uk](mailto:office@penrithtowncouncil.co.uk)

## FULL COUNCIL MEMBERSHIP

Cllr. Bowen	Pategill Ward	Cllr. Jackson	North Ward
Cllr. Burgin	South Ward	Cllr. Kenyon	North Ward
Cllr. M. Clark	South Ward	Cllr. Knaggs	West Ward
Cllr. S. Clarke	Carleton Ward	Cllr. Lawson	Carleton Ward
Cllr. Davies	West Ward	Cllr. M. Shepherd	North Ward
Cllr. Donald	North Ward	Cllr. C. Shepherd	East Ward
Cllr. Fallows	East Ward	Cllr. Snell	West Ward
Cllr. Hawkins	East Ward		

Mrs V. Tunnadine, Town Clerk, PSLCC

## **Public Participation**

Members of the public are welcome to attend. Details about how to attend the meeting remotely, and how to comment on an agenda item are available on the Town Council Website.

## **Filming**

**Please note that this meeting may be filmed for live or subsequent broadcast via the internet or social media.**

**Please be advised that the Town Council does not record or live stream meetings.**

Penrith Town Council fully supports the principle of openness and transparency and has no objection to filming and reporting at its Full Council, and Committee meetings that are open to the public. It also welcomes the use of social networking websites, such as Twitter and Facebook, to communicate with people about what is happening, as it happens. Filming will only commence at the beginning of a meeting when the Chair opens the meeting with apologies and will finish when the meeting is closed or when the public may be excluded from an exempt item. The Council, members of the public and the press may record/film/photograph or broadcast this meeting when the public and the press are not lawfully excluded.

## **General Power of Competence**

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence)(Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

# **AGENDA FOR THE ORDINARY MEETING OF FULL COUNCIL 24 JANUARY 2022**

## **PART I**

Members are asked to:

### **1. Apologies**

Receive apologies from Members.

### **2. Minutes**

#### **a) Committee Minutes**

Note that the draft and approved minutes from committees have been circulated and published on the Council website since the previous ordinary meeting.

#### **b) Confirmation of Full Council Minutes**

Authorise the Chair to sign, as a correct record, the minutes of the meetings of Full Council held on Full Council Monday 29 November 2021.

### **3. Declarations of Interest and Requests for Dispensations**

Receive declarations by Members of interests in respect of items on this agenda and apply for a dispensation to remain, speak and/or vote during consideration of that item.

#### **ADVICE NOTE:**

Members are reminded that, in accordance with the revised Code of Conduct, they are required to declare any disclosable pecuniary interests or other registrable interests that have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting.) Members may, however, also decide, in the interests of clarity and transparency, to declare at this point in the meeting, any such disclosable pecuniary interests that they have already declared in the Register, as well as any other registrable or other interests. If a Member requires advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote, he/she is advised to contact the Monitoring Officer at least 24 hours in advance of the meeting.

### **4. Public Participation**

a) Receive questions or representations from members of the public. A period of up to 15 minutes for members of the public to ask questions or submit comments.

b) Receive reports from District and County Councillors

#### **ADVICE NOTE:**

Members of the public may make representations, answer questions and give evidence at a meeting that they are entitled to attend in respect of the business on the agenda. The public must make a request in writing to the Town Clerk **PRIOR** to the meeting, when possible. A member of the public can speak for up to three minutes. A question shall not require a response at the meeting nor start a debate on the question. The Chair of the meeting may direct that a written or oral response be given.

## **5. Excluded Item: Public Bodies (Admissions to Meetings) Act 1960**

Note that item **14** and **15** should be considered in detail, without the presence of the press and public, pursuant to Section 1(2) of the Public Bodies (Admission to Meetings) Act, 1960, as publicity relating to that (any of those) matter/s may be prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for the other special reasons noted in relation to that matter on the agenda. Report 14 may be considered as part of item 12 providing salary scale grades are not discussed in the public domain.

### **Routine Business Matters**

## **6. Penrith Neighbourhood Development Plan**

Consider the proposed response to the draft policy for Beacon Hill unilaterally prepared by the Independent Planning Inspector for possible inclusion within the Neighbourhood Development Plan, which is currently being consulted upon, on his behalf, by Eden District Council, noting the deadline to respond is 11.59pm on 4 February 2022.

## **7. Report from the Council Chair**

Note the duties undertaken by or on behalf of the Town Mayor.

## **8. Reports from Members**

Receive and note oral reports from Councillors regarding meetings that they have attended as representatives of the Town Council and an opportunity for members to bring matters of interest to the attention of the council for information or future discussion.

## **9. Resolutions Report**

Note the written report.

## **10. Matters from the CCEG Committee**

- a) Ratify virements and amendments to budgets as considered and recommended by the Councils CCEG Committee.
  - i. Creation of an Arts and Culture Development budget of £22,500 by transferring £6,300 from the Arts and Cultural Strategy budget, £13,200 from the Town Projects budget and £3,000 from the Large Grants budget in order to fund an allocation of £8,500 for the 1940's Event and £14,000 for the Queen's Platinum Jubilee.
  - ii. The transfer of £3,000 from the Grow Nature Grants budget to the Greening budget.
- b) Approve the Penrith Events, & Community Projects Framework and the amendment of the CCEG draft 2022/23 Budget including the transfer of £5,000 from Town Projects to a new Marketing Penrith budget and £10,000 from Large Grants to the Arts & Culture Development budget. These amendments have been allowed for in the Proposed Budget 2022/23.

## **11. Business Plan**

Approve the Refreshed Business Plan.

## **12. Matters from Finance Committee**

Ratify the following approved matters a) to c) from the Council's Finance Committee from their meeting held on Monday 10 January 2022 which have been considered and approved by the members of the Council's Finance Committee. The Committee Chair, has requested that these matters be brought to the Full Council for ratification.

### **a) Budgetary Control Statement 2021/22: 30 November 2021**

Ratify the Budgetary Control Statement for the period 30 November 2021.

### **b) Draft Financial Policies**

Ratify the following draft policies to operate during the 2022/23 financial year:

- i. Reserves Policy
- ii. Investment Strategy

### **c) Thacka Beck Field**

Ratify the recommendation from Finance Committee to agree an additional budget of £3,000 to be allocated to the Thacka Beck Field budget from the Devolution Reserve to meet the costs of boundary works.

### **d) Proposed Budget 2022/23**

The 2022/23 Budget and Precept application was developed, and considered by Council's Finance Committee. The Finance Committee Chair recommends that Council approves:

- i. The proposed budget report for 2022/23.
- ii. The Forecast Outturn expenditure for 2021/22 of £439,504.
- iii. The salaries payable to Council staff in 2022/23, as detailed in the supporting confidential report (NOTE – this matter may remain in PART1 providing salary scale grades are not discussed in the public domain.)
- iv. The allocation of £25,000 for financial growth in 2022/23 to the two service development proposals set out in the report.
- v. The proposed level of financial reserves.
- vi. The parameters and forecasts in the Proposed Medium Term Financial Plan.
- vii. The Proposed Budget 2022/23 which would, based on the Council Taxbase, require a precept of £454,570.
- viii. Request Eden District Council to pay the sum of ££454,570 to Penrith Town Council as its precept for the year 2022/23, representing a nil increase in Council Tax.

**13. Next Meeting**

Note the next meeting of Council is scheduled for Monday 28 March 2022 at 6.00pm, Unit 2, Church House, Friargate, Penrith.

**PART II – PRIVATE SECTION**

The following is exempt information as it relates to the financial or business affairs of any particular person (including the authority holding that information) and personal sensitive information relating to members of staff.

**14. Proposed Budget 2022/23: Staff Salaries Information**

Staff salaries report for 2022/23.

**15. Grants Report**

Note the written report and consider the recommendations contained within.

**FOR THE ATTENTION OF ALL  
MEMBERS OF THE TOWN COUNCIL****Access to Information**

Copies of the agenda are available for members of the public to inspect prior to the meeting. Agenda and Part I reports are available on the Town Council website:

<https://www.penrithtowncouncil.gov.uk/>

**Background Papers**

Requests for the background papers to the Part I reports, excluding those papers that contain exempt information, can be made between the hours of 9.00 am and 3.00 pm, Monday to Wednesday via

[office@penrithtowncouncil.gov.uk](mailto:office@penrithtowncouncil.gov.uk)



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**DRAFT** Minutes of the meeting of

## **PENRITH TOWN COUNCIL**

Held on **Monday 29 November 2021**, at 6.00 pm, at Penrith Parish Centre, St Andrews.

### **PRESENT**

Cllr. Bowen	Pategill Ward	Cllr. Kenyon	North Ward
Cllr. Burgin	South Ward	Cllr. Lawson	Carleton Ward
Cllr. Davies	West Ward	Cllr. M. Shepherd	North Ward
Cllr. Fallows	East Ward	Cllr. C. Shepherd	East Ward

Town Clerk  
 Deputy Town Clerk  
 Services and Contracts Manager

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

# **DRAFT MINUTES FOR THE MEETING OF THE FULL COUNCIL**

**29 November 2021**

## **PTC21/83 Apologies for Absence**

Apologies for absence with reasons were received from Councillors M. Clark, S. Clarke, Jackson, Knaggs.

Councillors Donald and Hawkins were absent without apologies.

Councillor Snell has a dispensation from attendance at meetings.

## **PTC21/84 Late Item**

The Chair informed the Members that a late agenda item had been accepted to the Agenda as Matter 13 Assets.

## **PTC21/85 Minutes**

### **a) For members to note:**

The minutes from the following committees had been circulated, and published on the Council website since the previous meeting:

- i. Planning Committee: 04 October, and the Extra Ordinary meeting held on 09 November 2021
- ii. Finance Committee: 15 November 2021
- iii. CCEG Committee: 18 October 2021

Members considered the minutes for 27 September 2021 and 1 November 2021.

### **b) RESOLVED THAT:**

- i. An amendment show that Councillor C. Shepherd represented Penrith East Ward on the first page of the minutes for Monday 27 September.
- ii. The Chair be authorised to sign, as a correct record, the minutes of the meeting of Penrith Town Council held on Monday 27 September 2021.
- iii. The Chair be authorised to sign, as a correct record the minutes of the Extra Ordinary Meeting held on 1 November 2021.

## **PTC21/86 Declarations of Interest and Requests for Dispensations**

Members were asked to disclose their interests in matters to be discussed whether disclosable pecuniary or other registrable interest, and to decide requests for dispensations:

## **PTC21/86 Declarations of Interest and Requests for Dispensations, continued**

Councillor Burgin declared an interest in relation to item 9f, Local Government Reorganisation. Councillor Burgin informed the meeting that he had put his name forward for elections for the new shadow authority, although not within Penrith.

## **PTC21/87 Public Participation**

### **a) Public Representations**

Members noted that there were no questions or representations from members of the public.

### **b) Reports from District and County Councillors**

#### **County Councillors**

County Councillor Bell thanked Penrith Town Council for the financial contribution towards the restoration of the finger post on Beacon Edge and reported that the work should be complete in the New Year.

Cllr Bell reported that Cumbria County Council had undertaken public consultation around Beaconside School.

Cllr Bell informed the meeting that County Council officers were assessing how the junction at Folly Lane and Benson Row could be redesigned to improve safety for pedestrian routes.

## **PTC21/88 EXCLUDED ITEM: Public Bodies (Admissions to Meetings) Act 1960**

Members were asked that item 13, should be considered without the presence of the press and public, pursuant to Section 1(2) of the Public Bodies (Admission to Meetings) Act, 1960.

### **RESOLVED THAT:**

As the matter was commercially sensitive the item should be considered in Part Two, private session without the presence of the press and public.

## **ROUTINE BUSINESS MATTERS**

### **PTC21/89 Report from the Council Chair**

Members noted that the Mayor had attended the Cumbria in Bloom awards, the Remembrance Day Service and the Judges Service at Carlisle Cathedral at the invite of the High Sheriff.

## **PTC21/90 Reports from Members**

Members noted oral reports from Councillors regarding meetings that they had attended as representatives of the Town Council and matters of interest to the attention of the Council for information or future discussion:

- i. Councillor Bowen reported that she had attended a meeting with Eden District Council regarding the repair and potential improvements of the Pategill Play area.
- ii. Councillor Davies reported that he had held a Ward Surgery which highlighted Play Areas and speeding issues and issues caused by HGV's travelling through Castletown.
- iii. Councillor M. Shepherd reported concern about capacity for Zone A Parking and asked if there are proposed changes arising from the Car Parking and Movement Study, and would these be consulted upon with the public. Cllr. M Shepherd was informed that officers would provide him with a response.
- iv. Councillor Fallows reported that he had attended the Scaws Tenants and Residents Association meeting and reported that a community planting of daffodils had been undertaken and there was discussion about Bus Shelter provision relating to the new Persimmon housing development, and issues relating to the Scaws Play Area.

## **PTC21/91 Resolutions Report**

Members noted the report.

## **PTC21/92 Matters from Finance Committee**

Members were asked to ratify matters a, b, c, d, e and f as approved by Finance Committee on 15 November 2021.

### **RESOLVED THAT:**

The following matters approved by Finance Committee be ratified:

- a. **Budgetary Control Statement** for the period 31 October 2021.
- b. **Cornmarket Area**  
The fee of £750 be charged to the Board and Elbow for use of the Cornmarket area in 2022.
- c. **External Audit**
  - i. The External Audit Report noting that the Council's external auditors, PKF Littlejohn LLP, had signed off the accounts ending 31 March 2021 with no qualifications.
  - ii. To comply with The Accounts and Audit Regulations 2015 the Council had published on its website, Sections 1 and 2 of the 2020/21 Annual Return (the Annual Governance Statement and the Summary Accounts), together with the Audit Certificate Section 3.
- d. **Project Budget Allocation**  
The Project budget be allocated against the following schemes of work:
 

i. Speed Indicator Device	£2,500
ii. Eden District Council – Castle Park	£5,500

## **PTC21/92 Matters from Finance Committee, continued**

### Tennis Court Redevelopment Scheme

#### **e. Recycling Centre Adoption Agreement**

The Recycling Centre Adoption Agreement with Eden District Council is not renewed.

#### **f. Local Government Reorganisation**

The Terms of Reference for a Local Government Review Strategic Planning Group be approved.

## **NEW BUSINESS**

### **PTC21/93 Motion from Cllr Davies Community Participatory Budget**

Members considered a motion.

#### **RESOLVED THAT:**

- i. A Community Participatory Budget be approved in principle, and an allocation of £10,000 be included in the 2022/23 budget.
- ii. A proportion of unspent budget in the CCEG Committee budget be approved in principle and allocated to supplement the initial £10,000 budget with the caveat that this is dependent upon the level of interest and subject to further Council approval midway through the 2022/23 financial year to agree the amount of supplementary budget.
- iii. A further report be brought to Council to consider governance implications and the approach, to enable the Community Participatory Budget to be formally approved and implemented.

### **PTC21/94 A66 Northern Trans-Pennine Project**

Members considered the report and recommendations contained within for the disposal of land at Thacka Beck Field to accommodate the A66 Project.

#### **RESOLVED THAT:**

- i. The Council approves the disposal of land to Highways England at Thacka Beck Field which is required for the A66 Northern Trans-Pennine Project.
- ii. The Council's Solicitor appoints an agent to negotiate any compensation which is due from Highways England.
- iii. The Solicitor is given delegated authority to accept the valuation and progress the general vesting declaration.

### **PTC21/95 NEXT MEETING**

Members noted that the next meeting which is the Precept Setting Meeting of Council would be held on Monday 24 January 2021 at 6.00pm, at Unit 2, Church House, Friargate, Penrith.

## **PART II Private Section**

### **PART II – PRIVATE SECTION**

Members agreed that there was one item in this part of the agenda to be considered in private as it would involve the disclosure of exempt information under the following category of Part 1 of Schedule 12A of the Local Government Act 1972: Paragraph 3 Exempt information relating to the financial or business affairs of any particular person (including the authority holding that information.)

#### **PTC21/96 Assets**

Members considered the matter.

#### **RESOLVED THAT:**

- i. This matter is not progressed.
- ii. Officers continue to consider asset acquisitions.

**CHAIR:**

**DATE:**

**FOR INFORMATION FOR ALL  
MEMBERS OF THE TOWN COUNCIL**



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## **Penrith Neighbourhood Development Plan – Proposed Response**

Penrith Town Council wishes to object to the Inspector's proposed policy regarding Beacon Hill for the following reasons:

1. The policy proposed by the Independent Inspector completely changes the nature of what was intended within the Neighbourhood Plan from a protective document to a supportive document for the principle of development on every part of the front of the Beacon. The Town Council's position recognised the feedback from our three previous consultations, and taking responses submitted as part of Eden District Council's Masterplan exercise, the policy included elements for tourism potential but did not allow for overnight accommodation. This proposal allows small scale tourism development on Beacon Hill without limiting it to a specific area, in effect opening up the whole of the frontage to development.
2. Although the proposal states that accommodation has to be temporary in nature without curtilages; electricity, water and sewerage works would be required to service any development.
3. In the post-hearing note the Inspector said 'if it is impossible to reach a jointly agreed position, then I need to be advised and I will continue with the examination of this issue, based on the respective positions as set out already and make appropriate recommendations'. We understood that this meant that should a compromise not be reached, the Inspector would consider the policies as submitted and strike out the areas that he felt did not meet the criteria and national tests.

4. Policy 8 of the Neighbourhood Development Plan is about protecting local green spaces put forward by residents as being special to them. These spaces, which included the Beacon were areas used by the public for informal gatherings, play and recreation and which were maintained and sometimes cultivated by the local community. At the examination we were asked to clarify how the areas were chosen and explained that they had been identified by the public during our consultation events, visited by ward councillors who observed how they were used and who also talked to local residents. Policy 9 is about protecting and enhancing sport, leisure and recreation facilities. It is unclear why these policies should be removed as not meeting basic conditions 'as the criteria for their designation has not had regard to the Secretary of State Policy and advice'. We believe that they are and would ask the Inspector to identify individual areas of concern. This point was not raised in the hearing, other than the concern surrounding the area of the Beacon.

Should these policies be deleted, residents might reasonably ask why they had been consulted numerous times if their views about which spaces were important to them were to be unilaterally disregarded.

5. We do not believe that the Inspector has the power to propose what he does. He has to consider the matters set out in para 8 of Schedule 4B including general conformity with the strategic policies in the development plan. He can make recommendations as set out in para 10 of the schedule and no others as stated explicitly and expressly in para 10(1). The recommendations are not any of those permissible under the Act and the modifications he can make are prescribed too.
6. We have been repeatedly told by residents about the Beacon 'if the price of access is development, it is a price too high'.
7. We believe that with the inclusion of this proposed policy, we have a Neighbourhood Development Plan that we cannot support at referendum and which would ultimately fail – a situation that the system should not produce. The Inspector should not put EDC in this position or affect PTC as the proposer in this way.

#### Suggested Modifications:

1. Rather than deleting these policies and replacing them with a policy covering just Beacon Hill, Penrith Town Council would prefer a modification to remove Beacon Hill and other individually identified green and leisure spaces not determined to fit the criteria out of Policies 8 and 9.

- 
2. EDC has to consider the report and the recommendations contained within it with reference to the Act and strike out those areas not deemed to conform.

# FULL COUNCIL

## 24 JANUARY 2022

### Matter: Resolutions Report

#### Purpose of Report:

To note the progress against previous resolutions.

**Item no:** 9

#### Recommendations

Members are asked to NOTE the progress on resolutions agreed at Full Council on 29 November 2021.

<b>Minute Ref</b>	<b>Matter Title</b>	<b>Progress</b>
PTC21/92	<b>Cornmarket Area</b> The fee of £750 be charged to the Board and Elbow for use of the Cornmarket area.	Board and Elbow informed and meeting scheduled for late January to discuss arrangements for 2022.
PTC21/92	<b>Project Budget Allocation</b> Eden District Council – Castle Park awarded £5500  Speed Indicator devices.	Eden District Council officially notified of the financial support contribution. Awaiting project progression confirmation.  Partnership grant applications submitted.
PTC21/92	<b>Recycling Centre Adoption Agreement</b> with Eden District Council is not renewed	Eden District Council officially notified and responsibilities to cease 31 March 2022.
PTC21/92	<b>Local Government Reorganisation</b>  The Terms of Reference for a Local Government Review Strategic Planning Group be approved.	First internal informal briefing held on Wednesday 12 January 2022 with further dates to follow

PTC21/93

**Community  
Participatory Budget**

approved in principle,  
and an allocation of  
£10,000 be included in  
the 2022/23 budget.

A further report be  
brought to Council to  
consider governance  
implications and the  
approach, to enable the  
Community  
Participatory Budget to  
be formally approved  
and implemented.

£10,000 included in the Proposed Budget  
2022-23.

No progress to date.

PTC21/94

**A66 Northern  
Transpennine Project**

The Council approves  
the disposal of land to  
Highways England at  
Thacka Beck Field  
which is required for  
the A66 Northern  
Trans-Pennine Project

The Council's Solicitor  
appoints an agent to  
negotiate any  
compensation which is  
due from Highways  
England.

Highways England informed of the Council  
resolution.

Awaiting further correspondence from  
Highways England.

## **FULL COUNCIL**

**24 January 2022**

### **Matter: Arts and Culture - Penrith Events, & Community Projects Framework**

#### **Purpose of Report:**

This report sets out how Penrith Town Council will work and support stakeholders to encourage and deliver arts, culture, heritage, recreation and tourism events and projects in Penrith.

#### **Item no: 10b**

**Author:** Economic Development Officer

#### **Recommendations**

- i. That the Penrith Events, & Community Projects Framework be approved.
- ii. That the terms of reference for the stakeholder group be approved.
- iii. That the Economic Development Officer have delegated authority for associated budgets and delivery work.

#### **Law**

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

#### **Link to Council Priorities**

This report aligns with the strategic priority 1 for Health and Wellbeing.

## **1. Introduction**

- 1.1 The Communities, Culture and Economic Growth Committee resolved on 18 October 2021 CCEG21/25:
- i. The programme of events, namely the ongoing Music in Penrith project, the 1940's Event and the Queen's Platinum Jubilee Event be agreed.
  - ii. Council be requested to approve the creation of an Arts and Culture Development budget of £22,500 by transferring £6,300 from the Arts and Cultural Strategy budget, £13,200 from the Town Projects budget and £3,000 from the Large Grants budget in order to fund an allocation of £8,500 for the 1940's Event and £14,000 for the Queen's Platinum Jubilee. From the CCEG 2021/22 Budget
  - iii. It be noted that plans for a Medieval Market to mark 800 years of Penrith Town being awarded the Market Charter would be brought to the next meeting; and
  - iv. The funding applications submitted to Cumbria County Council be noted.
- 1.2 The draft framework at Appendix A (which is for members consideration), includes the terms of reference for the stakeholder group and the officer delegations. The draft framework has been shared and considered by the stakeholder group. The group support this approach to delivering arts and culture in Penrith and are keen to play their part.

## **2. Risk Assessment.**

### **2.1 Risk**

That the following Council Business Plan priorities are not delivered:

- Develop a Culture and Arts Strategy.
- Secure external funding, where possible, to develop and improve amenities, leisure, art, and cultural facilities.
- Fund new and existing events and provide match funding support to sports, recreational, culture and arts and work to improve their funding base.
- Provide funds to support initiatives that raise the profile of Penrith nationally and for marketing activities that support and encourage tourism.
- Encourage local retailers and restaurants to use, and publicise their use of local products to encourage a reputation with residents and visitors of Penrith as a "Food Town".
- Secure external funding, where possible, to develop the existing offer for sports, recreation, arts, entertainment and culture.
- Explore and develop international cultural and art exchanges.

- Support Keep Penrith Tidy Campaign and Plastic Clever Penrith, Conservation volunteering events, community gardening and in-bloom greening events.
- Work with community groups and stakeholders to participate in these and similar campaigns, and act as the lead organisation for the Town when required. Facilitate Penrith in Bloom/Cumbria in Bloom/Britain in Bloom, encouraging vibrant and sustainable planting throughout the year.
- Provide opportunities for volunteers to actively get involved with improving Penrith's sports facilities, open spaces, working with community groups to maintain sports, green spaces, and recreation facilities.
- Provide support for Castle Park Development Group, Fairhill Community Group and similar groups who support green spaces.
- Support events to showcase the town's parks & green spaces such as open days with the Allotment Society.
- Provide grants and on-going support to Penrith Greening Projects, Penrith Community Gardeners, and Penrith in Bloom.
- Review tourism product/marketing/heritage/interpretation offer and develop a strategy for tourism and marketing.
- Develop a thriving monthly market/farmers'/themed market and exploring the potential transfer of the Town's Market Charter to the Town Council.
- Work with EDC and other stakeholders to rekindle interest in improvements to Castle Park and develop the park as a major tourist attraction.
- Support/facilitate initiatives and projects that invest, preserve, or interpret Penrith's heritage for the inspiration, learning and enjoyment for all.

## 2.2 Consequence

- i. Impact on the Council's reputation and perceived ability to deliver community/town centre projects.
- ii. The Town's recovery and rejuvenation after the Covid 19 Pandemic will be impeded.
- iii. Loss of confidence in the Council during a period of significant change in local government.
- iv. Inability to demonstrate effective management of the public purse.

## 2.3 Controls Required

The Framework as appended at "A" be approved.

### **3. Financial and Resource Implications**

- 3.1 The Economic Development Officer successfully applied for a £4500 grant from Cumbrian County Council to pay for the development of a marketing plan.
- 3.2 The Economic Development Officer also successfully applied for a £4000 grant to enable an arts and cultural professional to work with the stakeholder's group to develop an arts and cultural programme for 2022, to identify potential funding and to write draft applications.
- 3.3 A budget heading for marketing Penrith is required for 2022/23. Members are asked to agree to transfer £5,000 from Town Projects budget, to enable the delivery of a marketing plan which will act as matched funding for grant applications and stakeholder contributions.
- 3.4 A budget for Arts and Culture development/programme is required for 2022/23. Members are asked to agree to transfer £10,000 from the Large Grant Fund, which will act as matched funding for grant applications and delivery work.

### **Background Papers**

Report to Committee item 9 - 18 October 2021

## **DRAFT PENRITH EVENTS, & COMMUNITY PROJECTS FRAMEWORK**

### **Supporting Arts, Culture, Heritage, Recreation and Tourism in Penrith**

### **Making a Difference in Penrith**

#### **Supporting Documents:**

- Grants Scheme
- Scheme of Delegation
- Financial Regulations
- Procurement Policy
- Climate Change Strategy
- Policies related to Equality, Diversity, Inclusion
- Council Business Plan

## 1. Introduction

- a) Penrith Town Council recognises that arts and culture is a major contributor to Penrith's growing visitor economy and their value in terms of health and wellbeing and quality of life. Penrith's cultural offer is varied. It comprises community theatre, a thriving music scene, award winning nationally acclaimed festivals, creative arts, galleries, a town centre cinema, a museum and the Rheged Centre, which is a cinema, retail exhibition, arts, and conference centre.
- b) The Council has engaged and consulted with the community and stakeholders to develop and enhance Arts and Culture in Penrith and the following key priorities have been identified:
  - i. Need for a network of organisations.
  - ii. Desire to share facilities and resources.
  - iii. Sharing of skills and ideas.
  - iv. Encouragement of innovation and new set up businesses.
  - v. Mutual support.
  - vi. Joint marketing and promotion.
  - vii. Shared branding.
  - viii. Coordination and development of a program of events, festivals and activities.
- c) There are partnerships of cultural and artistic leaders and providers with ambitions to develop the current offer and to do new and different things.
- d) This document sets out how the Council will achieve these priorities working collaboratively with stakeholders, partners and community organisations as the Council currently plays a key role supporting arts and culture in several different ways:
  - i. **Partnership**  
The Council adopts a leadership and enabling partnership role providing free advice and guidance to event organisers.
  - ii. **Democratic mandate**  
The Council provides a mandate formalising support for an approach to arts and culture.
  - iii. **Land and Buildings**  
Now and in the future the Council owns and has access to land and buildings that provide the basis of the infrastructure required for some organisations, activities, and events.
  - iv. **Arts Investments**  
The Council have supported several key organisations and events for some years allowing for longer term planning for core delivery.
  - v. **Promotion and Marketing**  
The Council encourages promotion and marketing of the town's cultural activities to wide audiences within and beyond the town.

## **2. Aim**

Develop a programme of high-quality sustainable community inspired and tourism-based events, activities, resources, and festivals to provide inclusive community benefit, economic benefit, and social enjoyment.

## **3. Principles**

- a) This framework supports the Council's overall support for arts, heritage, tourism, recreation and culture in Penrith. It details the impact the Council seeks to achieve and the criteria it will use to appraise and evaluate the projects, and delivery by organisations that the Council may wish to support.
- b) It is intended that this will improve the cultural offering in Penrith through a varied programme of high-quality performances, events and activities that are designed to build an audience within the community, and to appeal to visitors and tourists.
- c) It is intended that this approach ensure that the Council's engagement in arts and culture (including heritage) is purposeful, has a clear rationale, and delivers value for money and outcomes that are positive for the town.
- d) The Council's approach does not seek to direct the development of arts and culture in the town, as this is creative, innovative and, at times, has strong local ownership. This document it is hoped provides guiding principles and criteria that reflect the Council's priorities and underpin its investment and use of public resources.
- e) The Council has a strong role facilitating, supporting, developing, investing, promoting arts and cultural events in the town.
- f) The framework links with the core priorities the Penrith Town Council Business Plan 2019 to 2023, Climate Change Strategy 2020, and Grant Awarding Scheme 2021 and strives to obtain a balance between tourism-based events and facilitating community-led not for profit events.
- g) The Grant Award Scheme criteria are used to appraise grant requests, evaluate the suitability of projects, and gauge the impact of delivery.

## 4. The Community, Culture and Economic Growth Committee

### a) Strategic Role

The Town Council's Community, Culture and Economic Growth Committee plays a valuable strategic role by the enabling, delivering, and facilitating events, projects, programmes and resources for arts, recreation, sport, heritage, and culture.

In support of these outcomes, the Council states in its Council Business Plan 2019-2023 that the committee will:

- Develop a Culture and Arts Strategy.
- Secure external funding, where possible, to develop and improve amenities, leisure, art, and cultural facilities.
- Fund new and existing events and provide match funding support to sports, recreational, culture and arts and work to improve their funding base.
- Provide funds to support initiatives that raise the profile of Penrith nationally and for marketing activities that support and encourage tourism.
- Encourage local retailers and restaurants to use, and publicise their use of local products to encourage a reputation with residents and visitors of Penrith as a "Food Town".
- Secure external funding, where possible, to develop the existing offer for sports, recreation, arts, entertainment and culture.
- Explore and develop international cultural and art exchanges.
- Support Keep Penrith Tidy Campaign and Plastic Clever Penrith, Conservation volunteering events, community gardening and in-bloom greening events.
- Work with community groups and stakeholders to participate in these and similar campaigns, and act as the lead organisation for the Town when required. Facilitate Penrith in Bloom/Cumbria in Bloom/Britain in Bloom, encouraging vibrant and sustainable planting throughout the year.
- Provide opportunities for volunteers to actively get involved with improving Penrith's sports facilities, open spaces, working with community groups to maintain sports, green spaces, and recreation facilities.
- Provide support for Castle Park Development Group, Fairhill Community Group and similar groups who support green spaces
- Support events to showcase the town's parks & green spaces such as open days with the Allotment Society.
- Provide grants and on-going support to Penrith Greening Projects, Penrith Community Gardeners, and Penrith in Bloom.

- Review tourism product/marketing/heritage/interpretation offer and develop a strategy for tourism and marketing
- Develop a thriving monthly market/farmers'/themed market and exploring the potential transfer of the Town's Market Charter to the Town Council.
- Work with EDC and other stakeholders to rekindle interest in improvements to Castle Park and develop the park as a major tourist attraction.
- Support/facilitate initiatives and projects that invest, preserve, or interpret Penrith's heritage for the inspiration, learning and enjoyment for all.

#### b) **Democratic Role**

This framework strives to meet these priorities. The Council provides a mandate formalising support for an approach to arts, culture, heritage, tourism, and recreation.

#### c) **Statutory Role**

- i. The Council expects that all statutory requirements be followed.
- ii. The Town Council **resolved from 20 May 2019**, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the which means that Councils, once adopting the power, no longer need to ask whether they have a specific power to act.
- iii. The General Power of Competence Localism Act 2011 S1 (1) gives Local Authorities including ... local councils "the power to do anything that individuals generally may do as long as they do not break any other laws". It is a power of first resort. This means that when searching for a power to act, the first question to ask is whether you can use the General Power of Competence. To find the answer, you ask whether an individual is normally permitted to act in the same way.
- iv. If the Council must relinquish this power the following powers provide the Council with the authority to support activities, resources, events, and scheme of work related to art, culture, tourism, heritage, and recreation:

<b>FUNCTION</b>	<b>POWERS AND DUTIES</b>	<b>STATUTORY POWERS</b>
Conference facilities	Power to provide and encourage the use of facilities	Local Government Act 1972, s.144
Community Centres and Village Halls	Power to provide and equip premises for use of clubs having athletic, social, or educational objectives	Local Government (Miscellaneous Provisions) Act 1976, s.19
Entertainment and the Arts *	Provision of entertainment and support of the arts	Local Government Act 1972, s145
Environment	Power to act for the benefit of the community by tackling and promoting awareness of environmental issues	Local Government Act 1972, ss 111
Land	Power to acquire land for or to provide recreation grounds, public walks, pleasure grounds and open spaces and to manage and control them	Public Health Act 1875, s 16. Local Government Act 1972, Sched. 14, para 27; Public Health Acts Amendment Act 1980, s 44. Open Spaces Act 1906, ss 9 and 10; Local Government (Miscellaneous Provisions) Act 1976, s 19
Litter*	Provision of receptacles Obligated to keep own land free of litter	Litter Act 1983, ss 5 and Environmental Protection Act 1990;
Open Spaces	Power to acquire land for or to Public Health Act 1875, s 164. provide recreation grounds, public walks, pleasure grounds and open spaces, and to manage and control them.	Local Government Act 1972, Sch. 14, para 27; Public Health Acts Amendment Act 1980, s 44. Open Spaces Act 1906, ss 9 and 10; Local Government (Miscellaneous Provisions) Act 1976, s 19.
Public Buildings and Village Halls	Power to provide buildings for offices and for public meetings and assemblies	Local Government Act 1972 s 133

<b>FUNCTION</b>	<b>POWERS AND DUTIES</b>	<b>STATUTORY POWERS</b>
Recreation*	Power to acquire land for or to provide recreation grounds, public walks, pleasure grounds, and open spaces and to manage and control them. Power to provide gymnasiums, playing fields, holiday camps	Public Health Act 1875, s 164. Local Government Act 1972, Sch 14 para 27; Public Health Acts Amendment Acts 1890, s 44. Open Spaces Act 1906, ss 9 and 10; Local Government (Miscellaneous Provisions) Act 1976, s 19; Commons Act 1899
Tourism*	Power to contribute to the encouragement of tourism	Local Government Act 1972, s.144
Transport*	Power to (a) establish car sharing schemes (b) make grants for bus services, (c) provide taxi-fare concessions; (d) investigate public transport, road use and needs; (e) provide information about public transport services  Community Transport Schemes	Local Government and Rating Act 1997, s 26-29

Where a function is marked with an asterisk \*, a council also has the power to give financial assistance to another person or body performing the same function.

**d) Marketing Role**

- i. The Council encourages promotion and marketing of the town's cultural activities within and beyond the town.
- ii. The Council has established a multi- disciplinary/authority town marketing group to improve collaboration, messaging, and the reach of marketing. Joint marketing and branding will be delivered.

**e) Funding Role**

- i. Penrith Town Council is committed to helping to make Penrith the best it can be, and a way of doing this is by supporting non-profit organisations who provide invaluable services within our communities.
- ii. The Council have supported key organisations and events for several years via grants and officer support.
- iii. The Council have reviewed the grant award process and a revised Grants Scheme has been approved to support this framework. The Large Grants Scheme offers local groups and organisations a chance to access much needed funding to make Penrith an even better place to live, work and learn. The Council receives diverse applications that support a range of communities within the area.
- iv. The CCEG Committee agrees a budget annually, which is monitored regularly by the Responsible Finance Officer (RFO) and EDO and Finance Committee.
- v. An annually agreed budget will be available to support the framework. The EDO is responsible for the budget and has delegated authority for the expenditure. The Committee considers Bi- Monthly budget statements.
- vi. The EDO has authority to contract work to external providers and suppliers having sought advice and guidance from the relevant officers and Town Clerk. The EDO has responsibility to secure new funding streams to deliver outcomes and to attract inward investment through the stimulation of the creative footprint in Penrith.

**f) Officer Role:**

The Committee's functions are delegated to officers; the Economic Development Officer supported by the Deputy Town Clerk, Services and Contracts Manager and Responsible Finance Officer who:

- i. Manage the Council's assets and resources responsibly and transparently.
- ii. Manage the Council's services effectively to meet the needs to the communities.
- iii. Manage activities to ensure that they become greener and cleaner.
- iv. Promote opportunities for economic success of the area.
- v. Strive for continuous improvement and service development.

- vi. Manage income, the Grants Award Scheme, and service level agreements to achieve a balanced budget.
- vii. Work with partners and stakeholder to deliver the Council's priorities and core values.

#### g) **Delegated Authority**

The Economic Development Officer will have delegated authority to manage an agreed budget to work with the stakeholder group to manage, support and deliver events, & community projects for Penrith.

#### h) **Partnership Role**

- i. The Council adopts a leadership and enabling partnership role with the community-led stakeholder group, which will provide free advice and guidance to event organisers, grant applicants and recipients, and community projects as there are benefits to be gained by engaging existing groups, organisations and individuals:
  - Sharing of facilities, resources, skills and ideas.
  - Joint funding bids and shared procurement bringing the benefits of economies of scale.
  - Encouragement of innovation.
  - Joint marketing and promotion.
  - Shared branding.
  - Enhanced coordination and communication.
- ii. Officers will work with the stakeholder group to manage, support and deliver events & community projects for Penrith. The Group will:
  - Enable, facilitate, and offer guidance to assist local community groups and organisations to arrange events and community projects.
  - Facilitate, and actively encourage events and festivals throughout the year.
  - Support events and projects that are diverse ranging from community, charitable, sporting, cultural and arts-based events to major national festivals.
  - Ensure that the projects and events generate social and economic benefits for the Town, as well as raising the image and profile of the destination and the Penrith Town Council.
  - Develop an enhanced community-based events calendar or promote the use of an existing event calendar platform.
  - Seek private sector income and attract external funding to offset the annual events programme maximising commercial and sponsorship opportunities through events and high-profile promotional sites to generate an income for reinvestment into service delivery.
  - Ensure good event management to minimise reputational risk and hiring contractors to assist in event delivery.

- Ensure that the events and projects are successfully and safely delivered, and managed, conforming to national event legislation, local by-laws and restrictions as required by the Principal Authority.

## **5. Terms of Reference: Events, & Community Projects Stakeholder Group**

### **a) Classification**

- i. Large events led by external bodies/organisations.
- ii. Small events led by the community, charities and local bodies.
- iii. Annual festivals typically a large-scale event of more than one days duration.
- iv. Small-scale projects and activities for example themed trails around the town, window dressing competitions, arts and crafts demonstrations etc.

### **b) Scope**

The Group's remit extends to:

- i. Creating and delivering an annual events programme which encourages community cohesion and inclusivity, ensuring a good mix of regular family friendly, accessible events with one-off events.
- ii. Developing and managing events, festival and projects.
- iii. Working in partnership with others to develop and manage events.
- iv. Provide sponsorship for events developed and managed by other organisations.
- v. Encouraging, supporting and promoting community events.
- vi. Seeking additional external funding/income streams.
- vii. Promoting events, which attract visitors to the Town and boost the local economy.
- viii. Monitoring events.
- ix. Coordinating in Bloom and any entries to any national or regional competitions.

### **c) Membership**

The group will be composed of Council Officers, stakeholders, and the Chair of CCEG Committee.

**d) Purpose**

- i. The Group will take the lead role in organising any events that Penrith Town Council may decide to hold, facilitate or support.
- ii. The role of the Group is to oversee the general management, maintenance, and administration of events.
- iii. The Group will meet at least quarterly at dates and times as determined.
- iv. No business may be transacted at a meeting unless at least one-third of the number of members of the Group are present and in no case should the quorum of a meeting be less than three.
- v. The conduct of meetings (declaration of interests, debate, voting etc) will be governed by the Council's standing orders.
- vi. The Economic Development Officer (EDO) has authority to proceed with all items within an agreed budget but must refer to Council when non-budgeted expenditure is anticipated.
- vii. The Group shall make whatever recommendations to the EDO it deems appropriate on any area within its remit where action or improvement is needed.
- viii. Where necessary, the Chair of the CCEG Committee will provide a report to either CCEG Committee or Full Council on any substantive matters of importance and any material issues or concerns.
- ix. Any urgent matters requiring expenditure will be dealt with according to the Council's Financial Regulations.

**e) Areas of Responsibility**

- i. To agree and arrange a programme of events for the benefit of the residents of Penrith, including but not limited.
- ii. To use the opportunities provided by the Events Programme to raise the profile of the town as a tourist destination, working with surrounding parishes to ensure the benefits of Cumbria's rich cultural heritage are fully maximized.
- iii. To assess and budget for events for which it is responsible and obtain sponsorship, donations and other sources of funding where possible.
- iv. To prepare an annual budget for recommendation to the CCEG Committee.
- v. To assist external organisers planning to deliver events in Penrith using the events framework to guide the external organiser through the process for permissions, approvals, licences etc.
- vi. To consider and agree where appropriate, requests from community groups and others for use of the Council's land and assets for an event, festival or project.
- vii. To make recommendations to the CCEG Committee of any events requiring 'Large Event Status'.

- viii. To ensure necessary risk assessments are completed and any required permissions, event licenses or other agreements are obtained prior to any event in conjunction with the Council's Services and Contracts Manager.
- ix. To agree publicity for each event, including promotional material and any press releases prior to or post the event.
- x. To agree the rules and procedures for any competition run as part of an event or promotion.
- xi. To encourage and promote direct community volunteer involvement with local events and community endeavours including local businesses and community groups as well as individuals and appoint volunteers when required to assist in any planned event.
- xii. Review the town centre market provision in Penrith, encourage, and promote the delivery of a new regular market.
- xiii. Encourage and facilitate any opportunities to develop the cultural, educational and social life of Penrith's residents.
- xiv. Support and promote local tourist attractions in both Penrith and surrounding parishes.
- xv. Create, design and review publications or apps relating to the community, events, heritage and recreation including but not limited to: A Town Guide, A Town Events Guide, a new residents welcome pack.
- xvi. Encourage young people to take an active interest in their community and getting involved in local democracy.
- xvii. Work collaboratively with the local Police, and other public bodies where appropriate, to ensure that the events are safe.
- xviii. Review and develop marketing for events – website, apps and other forms of social media to publicise and promote events, community activities and tourism across the town to both residents and the wider community.
- xix. Monitor the impact of events, reviewing the programme annually.
- xx. Ensure that events mitigate against climate change under the Climate Emergency Declaration and that waste and environmental damage are avoided.

## Responsibilities

### f) **Event/Project Assessment**

In determining its use of financial or other resources, the Council considers overall impact and the outcomes to be achieved. These are weighted and measured using the Grant Awarding Scheme criteria. It is expected that the Stakeholder Group would follow the same criteria, which broadly include:

- i. **Economic impact and contribution to local wealth** in a range of ways such as jobs created and safeguarded, number of visitors and visitor spend, local spend and businesses benefitting, contribution to Place and to the attractiveness of the town and the wider region to businesses and to those who live, work, study and visit the area.
- ii. **Impact on local communities and social value**, including quality of life, skills and prospects for local people, health, and well-being, inclusive and engaged communities, satisfaction with the area as a place to live, reduced reliance on public support services, impact on priority groups or areas.
- iii. **Contribution to Place** outcomes, including improving the reputation and profile of the area for a quality and distinctive cultural offer, protecting, and enhancing heritage, increased local, national, and international audiences.
- iv. **Contribution to Council's agreed corporate priorities and outcomes**  
The Council expects that use of resources would reflect Council priorities at any given point in time.
- v. **Contribution to the agreed outcomes of cultural funding partners**  
The Council works in partnership with strategic, funding and delivery partners and endeavours to support delivery of shared priorities where possible and where the Council's own objectives are not compromised.
- vi. **Added value and Additionality**  
The Council aims to use its resources to deliver that which is over and above what would otherwise be delivered. The intention is to complement and add to existing services rather than to displace or compete. A broad awareness of other relevant cultural services is necessary to ensure that new and developing proposals add value in the right way.
- vii. **Value for Money**  
The Council provides services from public funding and therefore must ensure that all expenditure achieves value for money requirements, which may include consideration of opportunities for income or efficiencies for the Council, availability of match funding, voluntary contributions as well as other financial and resource information.

viii. **Sustainable and deliverable**

The Council considers sustainability, deliverability and risks associated with any investment or resource requirements and proposals with the objective of ensuring strong outcomes and safeguarding its investment. The Council endeavours to reduce or minimise negative impact on the environment and in terms of climate change, because of any cultural activities it supports, whether delivered by the Council itself or by partners the Council supports. Achieving a positive environmental impact is encouraged and a sustainability guide for projects and events is included within this framework.

ix. **Quality, innovation, and distinctiveness**

The Council supports delivery of quality services but also encourages innovation, by taking a positive approach to new ideas and developments.

x. **Governance, leadership, management, and skills**

Appropriate governance, leadership, management, and skills are important in term of successful delivery for cultural activities, particularly when delivery is at scale. The Council seeks to ensure that good arrangements are in place for delivery supported by its investments and resources as a means of protecting its investment but also to achieve the best possible results.

xi. **Accessibility, equality, and diversity**

Accessibility should be at the heart of arts and culture and a guiding principle for organisations. The Council seeks to ensure that the arts and culture it supports are accessible to all and that equality of opportunity and diversity are reflected in line with the Council's policies.

xii. **Protect & Support Heritage, Local Amenity & Green Spaces**

Protects and conserves historic and notable buildings, and the heritage and character of Penrith.

Protects local amenity, green spaces, and the environment.

### g) **Events Programming**

- i. Event programming supports the aim of this framework through the delivery of events/projects facilitated by the stakeholder group, working in partnership with community groups and by commissioning activities from community and professional organisations.
- ii. The programme will focus on family friendly, community entertainment and broad appeal community events as well as the Town Council's civic events.
- iii. Events and activities programming will be carefully considered to complement the town's cultural offer and to ensure that activities do not weaken the audiences for existing programmes of work.
- iv. The stakeholder group will prioritise the booking of local performers, artists, and suppliers when possible and will strive to facilitate or support four events/projects a year. This programme will include civic events and national events such as jubilee celebrations.

### h) **Customer Needs**

The Council and the stakeholder group will operate within its guidelines and policies related to equality, inclusion and diversity and the Disability Discrimination Act framework.

### i) **Operations**

- i. The stakeholder group will work with residents and relevant authorities to minimise the impact of events and activities on the community.
- ii. Organisers will be required to implement the Sustainability Guidance.(as appended A) and will be required to risk assess (Example appended B) the event or project.
- iii. Where appropriate, the Group will inform residents and businesses of major event in advance, if they are likely to cause disruption.
- iv. In the instance of severe weather, causing unsafe conditions, the Council reserves the right to cancel any event.
- v. The Council does not allow the release of balloons or lanterns due to the environmental impact of the activity.
- vi. Where external organisations are likely to have significant contact with children, young people, and/or vulnerable adults, on behalf of, or in partnership with the Council, organisations are required to have safeguarding procedures in place and must provide the Council with a copy of their Safeguarding Policy.
- vii. Performances, events, and activities will be planned and delivered in accordance with wider Town Council policies, with particular focus on Health and Safety, Equal Opportunities, Sustainability and Safeguarding policies.

- viii. Organisations in receipt of a Town Council grant award in excess of £1,000 to deliver an event, cultural resource or similar, are required to agree to a Service Level Agreement.
- ix. The agreement records expected outcomes, the review process, the requirement to return Council any underspending when the activity ceasing or not being delivered and the requirement to promote the Town Council's support using the Council's logo in promotional and marketing literature.
- x. When required, Penrith Town Council will secure any necessary licences or permissions to deliver an event, performance, or cultural activity

j) **Documenting Events**

- i. In order to document and continually improve the range of events and activities offered, the Town Council may contract photographers to take an array of photographs throughout the events programme. These will take place in accordance with Section 85 of the Copyright, Designs and Patents Act 1988 and the Data Protection Act 2018. Model/minor release forms should be provided to individuals to indicate permission, where required, for use of their photograph for Town Council publications.

**Sustainability Guide**

In 2019 Penrith Town Council declared a climate emergency and we have committed to making the Council's activities net zero carbon by 2030. This includes activities that we permit to take place from our land and assets, Organisers are required to mitigate for their environmental impact as part of the risk assessment process.

**Waste:**

- a) Follow the waste hierarchy – prevent, reduce, reuse, and dispose responsibly.
- b) Make sure bins are located throughout the event site, ensuring they are clearly marked and accessible to event users.
- c) Clearly mark bins for recycling.
- d) Ensure event staff regularly check bins to make sure no waste has been built up in key locations.
- e) Use receptacles of an appropriate category and size (e.g., 1100L).
- f) Confirm with suppliers and specifically caterers how do they manage waste during and after the event.
- g) Provide clearly signed collection points at their stalls where items can be deposited for compostable purposes, rather than the items ending up in general waste.
- h) Eliminate single use plastics where there is an alternative, this includes
- i) plastic bottles, plastic bags, stirrers, straws, sachets, milk pots. Where possible, use serve-ware such as cups, cutlery and plates which are re-useable / compostable instead.

**Water**

- a) Discourage sale of plastic bottles, provide refill stations, water fountains or signpost users to refill scheme providers in the town.
- b) Erect signs at water points and ensure water wastage is kept to a minimum.
- c) Aluminium cans have the highest recycling rate of any drink on the market and could be used as an alternative.

**Grey water**

- a) Hire compostable toilets where possible.
- b) Use water efficient, waterless, or dual flush toilets.
- c) Work with traders to reuse grey water.

## **Travel & Transport**

- a) Use local suppliers.
- b) Encourage and promote event staff, participants, and visitors to the event to use sustainable travel such as walk or cycle.
- c) Discourage single occupancy car journeys and increase car occupancy when car journeys are unavoidable.
- d) Promote routes that minimise environmental impact.
- e) Promote bike parking or create a zone within the event allocated for cyclists. Make the most of websites, social media, and messaging to promote travel preferences. Plan journeys to avoid peak times and minimise impact on rush hour congestion and transport emissions.
- f) Encourage and publicise public transport links available for the destination/event location.

## **Promotion & Marketing**

- a) Use social media channels to communicate your green commitment to the people that are looking to attend your event.
- b) Use digital technology where possible, lessen printing ink use.
- c) Use web-based e-tickets to reduce paper waste.
- d) Add to the signature of your email "think before you print".
- e) For events, spread across a large area, use an event app for visitors to navigate larger events sites to prevent the use of guides and maps and highlight bins are located, free water refill stations, travel advice of how to get to the festival by cycle routes footpaths, public transport etc.
- f) Avoid date-marking event banners allowing the banners and signage to be re-usable year after year.
- g) Where possible do not use single plastic-coated laminates for identification and signage.
- h) Use lanyards and wristbands made from sustainable materials.
- i) Use only recycled, sustainably sources, un-chlorinated and uncoated paper and card for posters and merchandising.
- j) When working with sponsors try to ensure giveaways are made from sustainable materials and minimize the use of giveaways.
- k) Communicate your expectations to your suppliers and traders.

## **Energy**

- a) Minimise energy use, working with suppliers to see if they can reduce the amount of power required.
- b) Assess of how much power you will need prior to the event and book generators accordingly. Where possible do not use generators, or ensure generators are hybrid
- c) Switch off equipment when not in use.
- d) Ensure staff are aware of how to use energy responsibly to minimise energy use.
- e) Use energy efficient equipment.
- f) Do not use water coolers.

## **Food and Drink**

- a) Try an eliminate single use plastic - plastic bags, stirrers, straws, condiment sachets, milk pots etc.
- b) Ensure all containers and cutlery are recyclable or compostable and conform to EN13432.
- c) Use local businesses.
- d) Provide clearly signed collection points at their stalls where items can be deposited for compostable purposes, rather than the items ending up in general waste.

## **Catering, Procurement and Suppliers**

- a) Use companies that area ISO14001 certified, that have an environmental certification or at least an environmental policy.
- b) Hire equipment, props, and decorations rather than purchase single use.
- c) Try and source Fairtrade products, locally sourced and organic.
- d) Use wood products from a certified sustainable source.
- e) Use chemical free cleaning products.
- f) Develop targets to minimise your environmental impact and publish a report post event to display clearly what results you have achieved.

**Operating Safely**

The Council has a responsibility and duty of care for meeting legislative, best practice and industry management standards for the protection of the Councils, community, visitors, and participants. These include but are not limited to:

**a) General**

- Health & Safety at work act 1974
- Management of Health and Safety at work regulations 1992
- Data Protection act
- Freedom of Information act
- Compliance with Councils Procurement Policy, Financial Regulations and Grant Award Scheme

**b) Events & Festivals**

- The Purple Guide to Health, safety and welfare at music and other events" documentation produced by the Events Industry Forum
- Managing crowds safely (HSG 154)
- Crowded Places Guidance – National Counter Terrorism Security Office
- Licensing Act, CDM Regulations
- Fire Regulatory reform (Fire Safety) order 2006
- Security Industry Act, HSE "Fairgrounds and Amusement Parks" – Guidance on safe practice (HSG 175)
- Coronavirus-covid-19 organised events guidance

**c) Safeguarding**

Where external organisations are likely to have significant contact with children, young people, and/or vulnerable adults, on behalf of, or in partnership with the Council, organisations are required to have safeguarding procedures in place and must provide the Council with a copy of their Safeguarding Policy.

Overleaf are examples of risks and how they should be managed.

## Risks

Hazard/Risk	Impact/Consequence	Mitigation/Control
1. Health & Safety at events and activities organised on Council land and assets	Economic, social, financial, income, Health & Safety, and reputation	a) Protocols and policies in place which are reviewed regularly. b) SC Manager has responsibility for assessing risks and will have oversight of external provider risk assessments and will write risk assessments for the Council and will ensure the following are considered:
2. Management of Safety and clear responsibilities	Poor communication of health and safety issues and unawareness of hazards that could cause injury leaving the organiser potentially negligent	a) Produce a safety policy statement that describes how the event organiser intends to manage safety; who has specific responsibilities; and how these will be carried out. b) Ensure that Public Liability Insurance covers the event (with a minimum cover of £10 million). c) Equipment hired for the event from an outside body or organisation (e.g., inflatables) is the organiser's responsibility to obtain written confirmation that they have their own public liability insurance to meet claims resulting from their property/activities at the event. d) A safety management team should be formed to put the actions outlined in the safety policy into practice. Two to three people would be sufficient for a small event. e) A list of site safety rules should be drawn up and distributed to all workers or helpers who need to be aware of safety procedures. f) Ensure responsibilities are agreed and communicated out to all stakeholders and that copies of the documents are available onsite during the event.

Hazard/Risk	Impact/Consequence	Mitigation/Control
3. Slip, Trips and Falls	<p>Injury</p> <p>Death</p> <p>Arising from slips, trips, and falls from uneven ground or obstructions and debris in access/egress routes and pedestrian areas</p>	<p>a) Organiser has carried out a pre-event site visit to ensure that the area is suitable to hold event and has developed a suitable risk assessment.</p> <p>b) Emergency routes to be of adequate width and always kept clear.</p> <p>c) Any uneven or damaged surfaces must be appropriately highlighted usually by means of a physical barrier or hazard tape to warn others of the risks until it can be suitably repaired or replaced.</p> <p>d) All working at height must be avoided wherever possible. Where not, it must be risk assessed, properly planned and organised. Any equipment used (e.g. ladders, cherry pickers) must be properly inspected and maintained in accordance with the Work at Height Regulations (2005) and the Lifting Operations and Lifting Equipment Regulations (1998).</p> <p>e) Event Organiser/Stewards to carry out walk through visual inspection (prior to start of event) to ensure access/egress routes are unobstructed, free from slip and trip hazards and lighting levels are adequate.</p>
4. Vehicle movement, car parking, reversing vehicles, carnival floats etc,	Injury caused by collision	<p>a) Organiser to arrange adequate parking signage, and ensure all persons are informed of event and traffic arrangements</p> <p>b) Entrances to car park/car parking area clearly always marked and kept clear.</p> <p>c) Car Park surface to be regularly maintained and check for damage, potholes and debris etc.</p> <p>d) Parking spaces for visitors with disabilities available close to entrances/event location.</p> <p>e) For large events, parking to be controlled by marshals wearing high visibility vests.</p> <p>f) Car Park well lit.</p> <p>g) Speed limit signage clearly displayed.</p> <p>h) Temporary traffic cones appropriately placed, if necessary.</p> <p>i) Police/highways liaised with for large events</p>

Hazard/Risk	Impact/Consequence	Mitigation/Control
5. Equipment and Electrical Failure	Injuries to those using or working on the equipment, Including collapse	a) Ensure equipment is well maintained and in a good state of repair. b) Where equipment requires statutory inspection (such as portable appliances, lifting equipment, Fairground rides, bouncy castles etc.) ensure that inspections have been carried out according to required frequency and documentation is available onsite during the event (e.g., bouncy castles require annual inspection by a competent person under the PIPA industry standards, lifting equipment that lifts people requires a six-monthly examination by a competent person) c) Only reputable fairground ride suppliers to be used at the event. d) Copies of all inspection certification (ADIPS) and public liability insurance to be obtained in advance of the event. e) Any stages and marquees to be erected by a competent person/contractor. f) Contractor(s) to provide sign off certificates for all structures. g) Equipment should be visually inspected prior to use to ensure that it has not been damaged and that there are no obvious defects
6. Manual Handling	Musculoskeletal injuries such as back injury from people attempting to move heavy or awkward objects	a) Avoid manual handling where possible. Where significant manual handling will be involved, carry out a manual handling risk assessment and provide suitable information and training. Employees/volunteers should be informed of the dangers of manual handling and instructed to assess loads before handling. Minimise repetitive bending wherever possible and ensure employees/volunteers take regular breaks. Use individuals who have been trained in techniques or provide basic training in manual handling techniques. b) Organiser/team leader to give pre-event briefing session with all employees/volunteers to include instructions on manual handling, including: <ul style="list-style-type: none"> <li>▪ Not to lift unless comfortable in doing so</li> <li>▪ Young persons and others at significant risk (e.g., persons with a previous back injury) instructed not to lift heavy weights.</li> <li>▪ All lifting by young persons to be supervised</li> <li>▪ Wherever possible, lift items with assistance rather than alone</li> </ul>

Hazard/Risk	Impact/Consequence	Mitigation/Control
7. Weather Issues	Extremes of weather can cause injuries and present hazardous	<ul style="list-style-type: none"> <li>a) Employees/volunteers should be informed beforehand of the need to wear sensible outdoor clothing, including trousers and warm clothing where appropriate.</li> <li>b) Organiser/Council to cancel activity if there is extreme weather (e.g., high winds, rain, snow, lightning etc)</li> <li>c) Ensure there is an adequate supply of water to prevent dehydration.</li> <li>d) Organiser to give pre-event briefing session with all participants to cover, where applicable, working in the heat (need to keep hydrated and avoiding sunburn)</li> </ul>
8. Emergency Arrangements and first aid	Delayed response to casualty	<ul style="list-style-type: none"> <li>a) Organiser to ensure that adequate first aid arrangements have been provided, including adequate numbers of first aiders (proportionate to the level of risk e.g. size of event, type of activities, audience profile).</li> <li>b) Ensure that first aid provision is clearly signposted at the event. Where necessary, liaise with the Emergency Services to ensure that adequate emergency arrangements are in place and that all involved are informed.</li> <li>c) Ensure emergency services have adequate access / parking on day of event.</li> </ul>
9. Children and Young Persons	A young person taking Unnecessary risks resulting in injury or lost children	<ul style="list-style-type: none"> <li>a) Organiser to carry out a pre-event site visit to ensure that the area is suitable for young persons and ensure they have a Lost Child Policy. Check CRB status of person to take responsibility for lost children at the event.</li> <li>b) young persons and ensure they have a Lost Child Policy. Check CRB status of person to take responsibility for lost children at the event.</li> <li>c) Age plays a big part in the ability to recognise and avoid risk. Accordingly, were</li> <li>d) young persons are volunteering in an event, there should be adequate supervision</li> <li>e) at all times.</li> <li>f) If volunteering, there should be no groups of children under the age of 16 working in an area without direct supervision of an adult.</li> <li>g) All staff and stewards made aware of the Lost Child policy.</li> <li>h) Where young persons and/or children are volunteering, the organiser must take specific time to explain procedures and take particular care to describe and point out the potential hazards identified within the risk assessment.</li> </ul>
10. Contractors	Inadequate Health and Safety procedures leading to hazardous situations and potential injuries	<ul style="list-style-type: none"> <li>a) Ensure contractors are given adequate safety information regarding the event.</li> <li>b) Ensure that any contractors or subcontractors hired to build the stages erect</li> <li>c) marquees or stalls etc, are competent in managing their own health and safety on</li> <li>d) site.</li> <li>e) Request copies of the contractors' safety policies, risk assessments for their work,</li> <li>f) safety method statements and public liability insurance prior to employment.</li> </ul>

Hazard/Risk	Impact/Consequence	Mitigation/Control
10. Fire Safety	Uncontrolled burning of barbeque or food stations and subsequent spread of fire due to proximity of wooden stalls/stands	<p>a) Organiser to nominate a named 'responsible person' and carry out a fire risk assessment to meet requirements of the Regulatory Reform (Fire Safety) Order 2005. The risk assessment should assist in ensuring that all necessary fire safety procedures, fire prevention measures, and fire precautions (plans, systems, and equipment) are in place and working properly.</p> <p>b) Establish a suitable means of contacting the emergency services and provide them with any relevant information about any dangerous substances at the event.</p> <p>c) Ensure that the premises and any equipment provided in connection with firefighting, fire detection and warning, or emergency routes and exits are covered by a suitable system of maintenance and are maintained by a competent person in an effective manner, in efficient working order and in good repair</p> <p>d) If leasing a premises or parts of premises which is an empty and unsupervised facility (e.g., temporary structures and marquees), the fire safety responsibilities of those leasing the premises (and, therefore, in charge of the activities conducted within the premises), and those of the owner/lessee, need to be established as part of the contract of hire. Inform non-employees, such as residents, temporary or contract workers, of the relevant risks to them, and provide them with information about the fire safety procedures for the event.</p> <p>e) Provide agency staff with appropriate instructions and relevant information about the risks to them. The risk assessment should consider the implications of the venue design, and the handling and storage of flammable substances and materials, and other sources of ignition such as pyrotechnics and fireworks. It should also consider people particularly at risk such as those unfamiliar with the site, lone workers, unaccompanied children and young persons, veterans, animals, and those with a disability.</p>

Hazard/Risk	Impact/Consequence	Mitigation/Control
11. Crowd Management	Lack of adequate evacuation procedures leading to crowd crushing and associated injuries	a) Consider anticipated crowd capacity and ensure facilities are adequate, including provision of adequate facilities for refreshments, sanitary requirements, etc. b) Ensure adequate access for wheelchair users and pushchairs is provided. c) Ensure there are adequate entrance and exit routes with no obstructions, which are clearly signposted. d) Consider the design of the venue and need for barriers to allow good entry and exit routes with no obstructions and allow for crowd movement. e) Ensure there is sufficient supervision for the event (e.g., stewards on site) and that there is an effective means of communication between stewards and to the audience (e.g., radios/PA system) if necessary. f) Event Organiser to carry out walk through visual inspection (prior to start of event) to ensure access/egress routes are unobstructed and free from slip and trip hazards. g) Ensure that checks are made of all fire and emergency facilities and that: <ul style="list-style-type: none"> <li>▪ All exits are unlocked</li> <li>▪ Escape routes are clear</li> <li>▪ Emergency lighting works</li> <li>▪ Fire-fighting equipment and alarms are in full working order</li> <li>▪ PA system for use in emergencies can be heard clearly in all parts of the venue.</li> </ul>
12. Public Disorder	Violence, Aggressive or antisocial behaviour	a) Security staff trained to spot potential troublemakers, defuse tension/situations etc. b) Security staff trained in procedures re-entry, queuing, searches, etc and signs displayed for public. c) Control of numbers at event particularly in performance areas and marquees. d) No alcohol allowed /drinks not served to people obviously under the influence. e) No glass at the event. f) Consider providing advance information of prohibited items (glass and alcohol) the public can bring to the event. g) public can bring to the event. h) Consult with the local Police on security plans.



Hazard/Risk	Impact/Consequence	Mitigation/Control
14. Failure to secure external sponsorship, income, or inadequate financial provisions to offset annual budget	Financial losses and reputational concerns	Regular review of arrangements.
15. Failure to carry out and develop service initiatives to stimulate economic and social well-being	Reputation, Economic and Social	<ul style="list-style-type: none"> <li>a) Annual programme providing a diverse range of event &amp; festivals.</li> <li>b) Reviewed annually.</li> </ul>
16. Staff capacity to address new work / priorities	Economic, reputation, reduced income	<ul style="list-style-type: none"> <li>a) Recruitment of Community Officer - community projects, community liaison and engagement</li> <li>b) Employ contractors</li> </ul>



# Penrith Town Council

## COUNCIL PLAN 2019-2023

2022-2023 UPDATED EDITION

### **Making a Difference in Penrith**

Viv Tunnadine



# Welcome

## **This business plan is about our future.**

This has been a particularly challenging year. The Council's primary focus, both for this year and beyond, is on a strong and healthy recovery from the pandemic, for our residents, communities, businesses, and partners, whilst continuing to successfully deliver and develop services for Penrith efficiently and effectively, as we move through democratic changes in Local Government in Cumbria.

The Council's growth is inevitable, and we will be focussing on how we deliver services through this period of change and uncertainty.

Whether focusing on the recovery of the local economy or choosing which assets and services should be devolved, decisions will be made through the lens of a looming environmental crisis that cannot be ignored as the climate emergency continues to shape the way we want our town

and county to develop for future generations to enjoy.

This refreshed business plan is a high-level document covering the period 2022 to 2023 and describes the Council's priorities that will make a real difference to the quality of lives of Penrith residents, and the environment. The business plan sets out what the Council can realistically achieve rather than what it seeks to influence and its aspirations. It informs schemes of work to be delivered by Council Officers and committees and is supported by:

- The 2022-2023 precept and budget.
- The priorities of the Town Working Group and associated stakeholder projects.
- The framework to deliver and support arts, culture, heritage, tourism, and recreation.
- The Climate Change Strategy.
- The Strategic Working Group for Local Government Reorganisation.

## Executive Summary

Penrith Town Council provides a democratic and representational voice for the community and works with its residents, principal authorities and other service providers, businesses, and community organisations to ensure that:

"Penrith will be a successful, vibrant market town providing a sustainable environment for quality of life, attracting investment and tourism whilst enhancing the best of its built and natural character."<sup>1</sup>

The aim of the Business plan is to give residents a clear understanding of what the Town Council is trying to achieve and deliver. The Plan details what the Town Council intends to focus on over the next few years and provides an agreed strategic framework for the Town Council to work within, enabling it to operate a coordinated approach for the best interests of all those who live and work in Penrith. It is a statement of the Council's vision and priorities and provides an overview of the Council's approach to improve the quality of life for the town's residents, businesses, and visitors.

The first Council business plan was developed in 2017 using feedback from the Penrith Community Led Plan. The second plan was developed in 2019 when a new Council was elected and was broadly populated using community feedback from the Penrith Neighbourhood Development Plan Regulation 14 consultation. The 2019 Plan went out to public consultation and was duly adopted. It is essential that for the Council to be responsive to important matters and consequently the 2019-2023 Council Business plan has been reviewed and refreshed:

- Council Operations and Local Government Reorganisation in Cumbria
- Recovery from the effects of Covid-19
- Climate Change

1. Neighbourhood Draft Development Plan

The successful delivery of the Business plan requires collaborative working with new and existing partners, sharing resources to improve outcomes through joint priorities, and commissioning activities, such as the Town Working Group, Borderlands Projects, and Parking and Movement Study.

The Covid-19 Pandemic has highlighted how important it is that the Council has the power and resources to respond and support community resilience.

The business plan helps the Council to minimise risks. It clearly justifies the budget and shows that the Council has planned its activities with care.

**The Council will continue to:**

- Promote and represent the community's views and aspirations at local, county, and national level.
- Provide high standard, cost-effective services, and amenities to help meet the needs and wishes of residents.
- Ensure that the Council can support the community and accept growth because of Local Government Reorganisation.
- Work to retain the General Power of Competence and maintain the standards required within the Local Council Award Scheme.
- Work in partnership, to ensure and improving standard of services and facilities to meet the needs and expectations of the community.
- Influence service delivery and development in the town to ensure that the best interests of Penrith are considered.
- Seek a fair share of investment in the town by local and regional authorities.
- Encourage and accept the devolution of services to the Town Council.
- Enhance and promote the historic and cultural heritage of Penrith and safeguard its unique identity and its natural and built environment.
- Encourage and promote the economic and commercial vitality of the town.

- Promote and support local voluntary groups and clubs that seek to assist residents and encourage visitors through advice, guidance, and the provision of grants.
- Be well-informed about the needs and opinions of the town's residents, businesses, and local organisations by consulting them on relevant issues.
- Improve services to the public by encouraging members and staff to develop their skills, by undertaking appropriate training and ensure councillors are offered the opportunity to keep abreast of new opportunities and policies.
- Continuously promote public participation in all Town Council meetings and initiatives.
- Deal with enquiries, complaints, and fault reports from members of the public effectively and efficiently.
- Continue to review policies and procedures to ensure that the Council operates and delivers services in an open, transparent, legal, and business-like manner.
- Encourage and promote the social, economic, environmental, and commercial vitality of the town to support its future prosperity, sustainability and enhance the cultural wellbeing of its residents and local businesses.
- Work towards agreement to deliver these priorities, establish common goals with partners and stakeholders and be prepared to reassess and adjust goals to facilitate success.

The plan will be updated and adapted to take account of changes along the way.

## **Opportunities 2022-2023**

### **Local Government Reorganisation in Cumbria**

Plan for local government reorganisation and the devolution of services, resources, and assets so that the services and assets are retained in Penrith and are managed, maintained, and delivered efficiently.

Maintain high quality services while balancing the Council budget and delivering Local Government Reorganisation.

### **Living Well - Vibrant Town and Economy**

A growing economy contributes to a healthy population. We will work with partners and stakeholders to build on our approach for business growth, branding and promotion of strong, sustainable tourism.

Encourage Penrith's economic and social growth by working collaboratively to encourage business, health, arts, culture, heritage, tourism, and recreation, initiatives, and projects, that are essential to enjoying a good quality of life, for well-being and the vitality of Penrith.

Focus on everyone matters, encouraging best possible inclusive quality of life.

### **Climate Change**

Valuing our environment by responding to climate change, safeguarding our heritage and developing schemes to adapt to climate change and encourage sustainability.

Reduce Penrith's carbon footprint by delivering the Council's Climate Change Strategy.



## Local Government Reorganisation

Since 2015, we have been actively involved in devolution of services and assets from Eden District Council and Cumbria County Council.

Devolving powers and responsibilities has the potential to foster greater degrees of civic pride. The devolution process is about to change in Cumbria as we undergo Local Government Reorganisation (LGR). This is an exciting opportunity for Penrith and is the Council's most significant priority for 2022-2023. LGR will have a direct impact on the governance, resources, growth, and operations of the Town Council. From 1 April 2023, the current six district councils and Cumbria County Council will be replaced by two new unitary authorities. The new unitary councils will provide all the services currently provided by district councils and the county council. There will be one new council covering Allerdale, Carlisle and Copeland. The council's name will be Cumberland Council. A second new council will provide services to those in the current areas of Barrow, Eden and South Lakeland and will be called Westmorland and Furness Council. Westmorland and Furness will have 65 members. A shadow authority will be elected in May 2022 to become the vested Council in May 2023. Shadow arrangements are designed to ensure that members safely manage the transition from seven councils into two. The primary task of the shadow authority is to monitor the delivery of their implementation plan.

Penrith Town Council want to provide good public services that local people and businesses can rely on. To do this, we must ensure that the Council organises itself and uses its resources effectively, to effect positive change for Penrith. We want to provide accessible and efficient local services, that people and partners can have confidence in.

## **What are we going to do?**

- Support the transition to a unitary authority with the Council accepting devolved services and assets that are delivered efficiently to provide satisfaction to users.
- Through the Council's Local Government Reorganisation Strategic Planning Group proactively plan for Local Government Reorganisation (LGR) and the devolution of services, resources, and assets so that the services and assets are retained in Penrith and are managed, maintained, and delivered efficiently and effectively.
- Work alongside the shadow authority, stakeholders and partners representing the interest of the Council at formal meetings with the shadow authority and their representatives, to establish a positive and constructive relationship at the earliest stage of its operation.
- Keep Council Members and the community apprised of developments and their implications.
- Plan for growth to enable the Council to become a larger Town Council on an exemplar governance and business footing.
- Continue as an open, transparent, inclusive, and enabling Council.
- Work constructively and effectively with partnerships.
- Ensure a balanced budget and stable council finances.

## **How will we measure improvement?**

- Be a role model for good governance and best practice.
- Performance Management is embedded to ensure that we deliver on our commitments and that regular reporting of performance is taking place.
- Employee satisfaction with the Council as an employer.
- Resident satisfaction with the Council and our services.
- Financial Reporting.
- Assumption of devolved services.

## How will we achieve this?

- Continue to provide high quality, resilient services that are continuously improving to address the changing needs and expectations of residents, visitors, and businesses across Penrith.
- Continue to give all our residents the opportunity to make their voice heard especially during the period of Local Government Reorganisation in Penrith when we will actively consult to help shape and influence future Council services.
- Plan proactively for change, involving stakeholders and community to shape service direction and growth.
- Continue to involve the public, businesses, and stakeholders in the design, deliberation, and decision-making process.
- Ensure that meaningful consultation with a diverse range of groups forms the basis of decisions made by the Council.
- Continue and further develop effective partnership working with the community, voluntary groups, partners, stakeholders, organisations, local businesses, our suppliers, and other public bodies.
- Enhance technology and the digital service to enable online forms, payments for customer transactions to support growth and the assumption of responsibilities from other authorities supported by a Customer Charter.
- Ensure that Council decisions, our services, assets and developments take account of disability, diversity, and accessibility.
- Continue regular reporting to Council on performance.
- Invest in our staff and Members making the most of their skills and talents.
- Maintain and improve the community's access to information and ensuring transparency and accountability.



## Living Well – An Inclusive Vibrant Town

We want to ensure the town is vibrant and that it offers the right mix of facilities, services, businesses, and events to support the town's recovery from the Covid 19 Pandemic and raises the town's profile as a destination for arts, culture, heritage, recreation, and tourism.

The Council recognises that arts and culture are a major contributors to Penrith's growing visitor economy and are important in terms of health, wellbeing, and quality of life.

We want Penrith to be an area where there is opportunity for all, and everyone can fulfil their potential. This can only be done if we work together to support our communities, businesses, and organisations on what matters most.

City and town centres have a key role to play in driving the local economy as we rebuild after Covid-19, but the look and feel of town centres is changing, with less focus on retail and more on a mixed use of shops, offices, community facilities, places to live and leisure.

The Council has been supporting and working with stakeholders and public bodies to prioritise and deliver key projects that will bring growth and vitality to Penrith, as well as raising the town's profile locally, regionally, nationally, and internationally.

We want to ensure that Penrith is a place for everyone to visit, spend time and enjoy.

## **What are we going to do?**

- Provide a wide range of high-quality sustainable community inspired and tourism-based events, activities, resources, and festivals to provide inclusive community benefit, economic benefit, and social enjoyment.
- Support residents, local businesses, and organisations to create a town full of great life, opportunities and choices, business growth and economic security.
- Encourage increased opportunities for job creation, new and relocating businesses and enterprises, local spend and active travel.
- Encourage diversity of stakeholder, partners, residents, and businesses involved in ensuring that our services work for all to support the town's vitality whilst protecting and enhancing its heritage.
- Provide well-managed attractive public facilities and green spaces with space for relaxation and play that enhance wellbeing and quality of life
- Support the town's economic growth through increased opportunities for high quality, well-paid employment across the town.
- Younger people choosing to live and work in the town and to improve and prospects for young people.
- Hear the views of all in our communities so that our plans can factor in a balance of views to benefit the broadest range of people.

## **How will we measure improvement?**

- Visitor numbers at venues.
- Footfall.
- Number of events and projects.
- Jobs/growth created.
- Number of vacant shops and new businesses.
- Value of inward investment.
- Number of activities and events in neighbourhoods to promote social integration and create opportunities for engagement.

## How will we achieve this?

- Encourage, facilitate, and offer a wide range of accessible activities, projects, and events for all, working in partnership with a community-led stakeholder group who will lead this priority on the Council's behalf via the Council's Arts, Culture, Heritage, & Tourism Delivery Framework.
- Support communities and community groups to extend the range of sports and cultural facilities across Penrith, upgrading and enhancing open spaces, parks, maintaining assets and providing grants via the Council's Grants Scheme.
- Enable and promote safe cycle ways and pathways to make it safer and more appealing for residents and visitors to cycle and walk to their destination.
- Deliver actions for the Borderlands Project and Parking and Movement Study.
- Work with key stakeholders to position Penrith as a centre for digital, creative, knowledge networks.
- Use partnership working to strengthen the appeal of Penrith by promoting and marketing Penrith's cultural, heritage and natural environment assets.
- Consider how to reduce inequalities within local decisions by strengthening our Equalities Impact Assessments.
- Encourage young people, people from the LGBTQ+ community, and people from different nationalities to shape and influence decision-making by reviewing equality and accessibility practises. Provide opportunities for people to give their opinions to inform the Council about issues they feel are important and to identify local priorities.
- We will continue to listen, and we will strive to make a difference in Penrith, changing the way we operate to meet our community's needs whilst balancing budgets efficiently.
- Promote independent businesses and supporting start-ups.
- Deliver the Neighbourhood Development Plan.



## Climate Change

The climate and ecological crisis remains a significant, long-term challenge. Penrith Town Council has committed to playing its part to tackle this global challenge.

Our commitment to addressing the climate change and ecological emergency is a key priority for the Council.

The details of this work are included in our Climate Strategy, and we are looking to our residents and businesses to help us find solutions to cut the town's carbon footprint.

We will reduce the carbon emissions of the Council to become carbon neutral by 2030 and aim to achieve the same for the Town by 2030.

We recognise the importance of working with others on this journey; We will work with partners and contractors, businesses, visitors, and community groups to support them in reducing their carbon footprint and to help find new ways of doing things to reduce, manage and mitigate the impact of climate change.

The Council will review and if necessary change its current working practices to reduce its carbon emissions to the minimum.

In recent times, we have seen the value of green and open space for recreation, health, and wellbeing.

We place the highest emphasis on the natural capital of our stunning environment – the Lakes, mountains, and countryside – and the value and importance of biodiversity within it. As custodians for future generations, preserving and enhancing our natural environment is key.

We want to provide a healthier, more beautiful natural environment that inspires, educates, and involves residents and visitors. We will implement and support re-wilding, nature recovery and conservancy schemes to enhance our precious environment, where appropriate.

## What are we going to do?

- Penrith to be carbon neutral by 2030.
- Reduce levels of waste and increased recycling.
- Reduce the usage of single use plastic and food waste.
- Everything most residents in Penrith need should be in reach by foot, bike, or public transport.
- Safeguard and enhance Penrith's green spaces and extensive natural habitats.
- Encourage a greener, more sustainable economy.
- Prepare the community for climate change so we can all become more aware.

## How will we measure improvement?

- Number of passenger journeys on public transport.
- Use of infrastructure and facilities such as recycling, repair cafes and training/awareness workshops.
- Improvement in air quality.
- Lower carbon emissions, Nitrogen Dioxide (NO<sub>2</sub>) and Particulate Matter (PM) 2.5/10 levels.
- Percentage of household waste recycled.
- Improved energy and thermal efficiency in homes.
- Number of grants awarded for "green" projects.
- Number of trees planted on Council owned land.

## How will we achieve this?

- Deliver the Council's Climate Strategy, which sets out our approach to carbon neutrality. The community-led principles behind the strategy underpins all activities of the Council and are reflected in all its strategic aims and policies, including this Council Plan as carbon neutrality is central to everything we do.
- Promote and support through the planning process and Council's Neighbourhood Development Plan low carbon development, sustainable travel, and increased biodiversity.
- Encourage and provide grants for green projects.
- Continue to work and collaborate with partners and stakeholders through the Zero Carbon Cumbria Partnership, Penrith Action for Community Transition, and Cumbria Action for Sustainability to deliver projects that mitigate climate change.

- Assist the delivery of the actions from the joint authority Parking and Movement Study and the Local Cycling and Walking Infrastructure Plan to improve the pedestrian experience, foot flow, reduce town centres emissions, improve, and provide safe cycling and walking routes, and support community transport schemes.
- Encourage the energy efficiency of new and existing homes towards zero carbon.
- Supporting business in meeting the challenge of carbon neutrality and encouraging 'green growth'.
- Improve the Town's natural environment.
- Ensure that all planning and development decisions take account of environmental and sustainability considerations.
- Ensure Penrith is a "bee-friendly" town with suitable habitats.
- Work with local groups to publicise 'fix-it' days, recycle, clean up, reuse projects
- Reduce plastic use by continuing to participate in and supporting the water bottle refill scheme and making the Council single-use plastic free.

## Monitoring the Business plan



The Business plan is a 'live' document, which the Town Council will update regularly, enabling it to track and monitor its progress. Penrith residents will also be able to monitor progress as the plan will be publicly available. The successful achievement of the Council's objectives is dependent on the Council, and Council Officers managing and delivering projects, processes, strong governance, and activities to a high standard. This was born out when the Town Council achieved the Local Council Award Scheme Quality Award in 2020 and is the first Council in Cumbria to achieve this level of sector excellence.

Penrith Town Council will provide consistent, quality services and strive for continuous improvement for all activities, processes, operations, policies, and decisions that support the Council's business plan.

The Council provides a democratic and representational voice for the community and services are provided to a good quality standard, in an efficient, effective, and responsive way, at an affordable cost. Where others provide services, the Town Council will endeavour to ensure that they are dealt with effectively, and in accordance with the wishes of the community. The Council works with its residents, principal authorities and other service providers, businesses, and community organisations with the aim of achieving a safe, healthy, prosperous, and sustainable community.

The Council's performance is monitored by several mechanisms:

- Evaluating progress at regular Town Council and committee meetings.
- Internal and external audit reports.
- Eligibility for the Power of General Competence.
- Publicly reporting performance via newsletters, annual reports, and social media posts.
- Undertaking satisfaction surveys on its services.
- Retaining the Local Council Awards Scheme Quality Award and working towards the Quality Gold Award.

## <sup>66</sup> Our Values

The Town Council has 5 core values:

**Equality** Everyone is of equal value and should be respected according to individual needs and abilities in accordance with Council Policy.

**Reasonableness** To be fair, reasonable, and just in all Council activities.

**Accessibility** Provide equal access for all in employment and service delivery.

**Empowerment** - Assist individuals take on responsibility so that they can influence and participate in the decision-making process.

**Quality** Obtain the highest standards in service delivery.

A person's mental health or disability is only one aspect of who the person is. Our actions and the words we choose and the meanings we attach to them, influences attitudes.

Our language choices have a powerful effect on how mental health and people living with mental health conditions and other disabilities are viewed.

The Town Council will act respectfully, using language which emphasises the person, not the condition or disability and will encourage partners and stakeholders to do the same.

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This plan is published on the Council's website and is available in hard copy from the Town Council Office.

It is our intention to review the business plan regularly, publish progress and make any changes considered necessary as a result.

For budget reports and precept information, please contact us or view our website use the underlined link below

[This link will open our website - https://www.penrithtowncouncil.gov.uk/](https://www.penrithtowncouncil.gov.uk/)

# CONTACT US

**Tel:** 01768 899 773

**Email:**  
[office@penrithtowncouncil.gov.uk](mailto:office@penrithtowncouncil.gov.uk)

If you wish to raise any matters concerning Penrith this can be done by contacting the Town Council at:

Penrith Town Council,  
Unit 1, Church House  
19-24 Friargate  
Penrith  
Cumbria  
CA11 7XR



# FULL COUNCIL

## 24 January 2022

### **Matter: Budgetary Control Statement 2021/22: Expenditure to 30 November 2021**

#### **Purpose of Report:**

To ratify the budgetary control statement for the eight-month period to 30 November 2021

#### **Item no: 12a**

**Author:** Jack Jones, RFO

**Supporting Member:** Cllr Roger Burgin, Committee Chair

#### **Recommendations**

The Committee is recommended to:

- i. Ratify the budgetary control statement.

#### **Law and legal implications**

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

The Local Government Act 1972 requires the Council to have sound financial management.

#### **Link to Council Priorities**

Robust budgetary control supports the Council in its delivery of priorities within the approved budget framework.

### **1. Report Details**

#### **A. Budgetary Control Statement (Appendix A)**

The attached budgetary control statement shows the following information, analysed over the most detailed budget headings:

- The full year's Approved Budget for 2021/22, which was ratified by Council on 25 January 2021.
- The Latest Budget for the full year; the agreed changes from the Approved Budget include the transfer of budgets to allocate resources for the implementation of the new Grants scheme and the use of the Devolution Reserve to fund an extra £2,000 budget at Thacka Beck. CCEG Committee has requested that Council approve the transfer of budgets to create an Arts & Culture Development budget and to deal with an overspending on Greening; the Latest Budget assumes that these will be agreed by Council on 24 January.

- The budget to date, based on the latest budget for the year. This proportion is the anticipated budget for the first eight months of the year, based on a forecast of the expected pattern of income and expenditure, known as the budget profile. For most headings, this profile will be a simple pro-rata of the annual budget (ie 8/12ths for the current period), however more detailed profiles have been used for several budget headings (eg Greening expenditure is weighted towards the first half of the year).
- Actual income and expenditure to 30 November, based on the matching principle, which means taking account of all income and expenditure which relates to the period, irrespective of when it is paid/received. An exception to the general matching rule is that grants approved but not yet paid at the end of the period are included as expenditure, on the basis that this gives a truer view of expenditure against budget.
- The variance between the actual income and expenditure and the profiled latest budget for the period. Variances are expressed as favourable (positive) where there is an underspending or increased income, and as adverse (negative and bracketed) where there is an overspending or reduced income.
- The position on the Council's three reserves: its General Reserve, Devolution and Acquisitions Reserves, at the end of November. To give a truer view of the General Reserve, it is assumed that contributions to the Devolution Reserve are made during the year at each month-end.

## **B. Commentary**

The statement shows underspendings on most budget headings. It is clear that the current staffing situation, coupled with the effects of the pandemic, is adversely affecting key spending programmes.

### **B.1 Income**

Overall income of £305,215 is just below the profiled budget of £305,633.

- The full year's precept and CTRS grant income has been received from Eden DC; the appropriate proportion of each has been allocated to this period.
- Investment returns remain poor and will fail to meet the budget target.

### **B.2 Planning Committee**

Expenditure of £887 is shown against the profiled budget of £14,057, an underspending of £13,170.

- £5,780 of the variance relates to Planning services; expenditure is difficult to profile as it is largely dependent on progress with the Neighbourhood Plan, however the Committee plans to use some of the budget to purchase speed indicator devices.
- The Climate Change annual budget of £13,300 excludes the associated staffing costs, which are reported in the Finance Committee. The budget is profiled over the final three quarters of the year and totals £7,390 to 30 November. There has been no spend against this amount, for reasons which are known to the Committee.

### **B.3 CCEG Committee**

Net spend of £24,240 is shown against the profiled budget of £62,221, an underspending of £37,981.

- Expenditure on Town Projects has been offset by a grant of £3,750 from Cumbria CC towards a marketing plan, leading to a £1,338 underspend.
- The Covid-19 Response budget, created as a contingency, is underspent by £2,587.
- Staff time of £1,192 has been charged to the Arts & Cultural Strategy rather than Officer Support. Overall, Arts & Entertainment shows an underspending of £4,292.
- Greening records expenditure of £7,825 to date, a potential overspend of £2,825, which should be met by a transfer of estimates from Grow Nature Grants. The overspend arose from the £2,864 purchase of planters for the Monument; these were ordered in January to be met from last year's budget, however they were only supplied this year.
- The Grants scheme was approved on 24 May so the budget has been profiled over the final three quarters of the year. The only expenditure to date is on four Large Grants and the overall budget is underspent by £25,388.
- The Corporate Communications budget, which includes Community Engagement, is currently underspent by £4,201, a variance which is likely to increase in the next few months.
- In response to several of these variances, the CCEG Committee has requested Council to approve the following budget amendments:
  - the transfer of £3,000 from Grow Nature Grants to Greening; and
  - the creation of an Arts & Culture Development budget of £22,500 by transferring £6,300 from the Arts & Cultural Strategy budget, £13,200 from Town Projects and £3,000 from the Large Grants budget.

As noted above, these changes have been assumed in the Latest Budget figures.

### **B.4 Finance Committee**

Net expenditure of £210,972 is shown against the budget to date of £236,852, an underspending of £25,880. The main variances are as follows:

- The approved Staffing budget allows for the salary of the Sustainability Officer from 1 July, so the profile includes the post's costs from that date. In overall terms, the budget is underspent by £9,894, mainly on costs associated with staffing. Within this figure, direct staff costs are currently underspent by £7,714; to date, underspendings from the vacant Community Engagement Officer post and sickness absence have been offset by untaken annual leave, the allowance paid to the Acting Town Clerk and additional staff cover for the Town Clerk's absence.

The approved budget includes an allowance of 1.0% for the annual inflationary pay award. This was set in January, based on an expectation that public sector pay might be frozen. Nationally, local government unions have submitted a claim for a

10% pay increase; currently they are consulting their members on industrial action in reply to an offer of 1.75% from the employers' side.

- Civic Regalia shows an overspend of £717 due to the £485 purchase of a press and seal and £221 for past Mayors' brooches; this is currently offset by underspends on other Civic Functions and can be set against administrative cost underspendings in the future.
- The IT budget is currently underspent by £5,728; it appears that there will be an underspend at outturn.
- Devolved Services budgets are underspent by £4,940 in total, which is mirrored by a similar variance on the amount contributed to the Devolution Reserve. Currently there are variances on several headings:
  - Allotments show an underspending of £1,740, after meeting the surveyor's costs for Salkeld Road and the budgeted drainage works at Brackenber.
  - Benches are underspent by £738; two memorial benches have been purchased with income from relatives.
  - The single main reason for the underspend of £1,093 on the Bandstand is the £500 income from the Board and Elbow.
  - The Approved Budget provided £1,500 for Play Area inspection costs; as the assets are not to transfer from Eden DC, this heading is currently underspent by £1,000.
  - The budget for producing an action plan for Local Government re-organisation has not yet been used, but Officers are now actively progressing the work.
- The £2,667 profiled budget for Council Projects has not been used; Council has agreed the use of the funds so expenditure is expected to increase up to the annual budget.
- Expenditure on Other Overheads is £1,465 below the profiled budget, the largest variance being £1,361 on Legal Fees, which records nil expenditure, and £770 on Accountancy Fees.
- Repairs and Renewals show an underspending of £3,647 to date as there has been minimal expenditure on the budget.

## **B.5 Contingency**

- The profiled portion of the contingency provision, £667, is shown as fully underspent as any unforeseen expenditure is allocated to the correct budget heading.

## **B.6 Total Expenditure & Increase/Decrease in General Reserve**

- The individual variances result in an underspending of £77,698 against the profiled total expenditure budget of £313,797. As there is £418 less income, there is a net variation of £77,280 on the profiled amount transferrable to the General Reserve.

## **B.7 Reserves**

- The Actual to date column includes the General Reserve balance at 1 April 2021 of £340,432 which was £63,945 higher than forecast in the Approved Budget because of underspendings in 2020/21.

The profiled budget assumes that the Reserve should decrease by £8,164 in the period, resulting in a balance of £268,323 at 30 November. The actual balance on the reserve at the month end is £409,548, which is £141,225 higher than expected.

- The Devolution Reserve opened the year with a balance of £135,948, which was £14,070 higher than the Approved Budget. As noted above, the actual amount of £12,389 transferrable into the Devolution Reserve is £4,940 higher than profile, resulting in a total of an additional £19,010 in the Reserve.
- The Approved Budget assumes that no use will be made of the £50,000 held in the Acquisitions Reserve during 2021/22, although this money will be available if required.

## **C. Balance Sheet (Appendix B)**

Appendix B shows the Council's balance sheet as at 30 November 2021. The following points may be noted:

- The total invested of £624,773 includes monies placed with CCLA pending its use to fund expenditure towards the end of the year.
- The main debtor balance is £3,049 VAT reclaimed from HMRC in respect of November's transactions.
- Prepayments of £10,088 include adjustments for insurance, office rental, licences, subscriptions and maintenance agreements.
- The HSBC Bank balance stands at £147,332, including cover for cash flow requirements in the coming months.

- Accruals of £12,594 represent goods and services received before 30 November, where the payment was not made by that date. Individual items include £1,100 staff time, £2,120 for Town Projects, £4,400 grants, £964 for accommodation, £820 Community Caretaker costs, £1,506 for printing and other office costs and £1,372 audit and accountancy fees.
- The Payroll Control balance of £7,974 relates to deductions calculated in the November payroll; the total is due to HMRC for income tax and national insurance and to the Cumbria Pension Fund for superannuation.
- The Receipts in Advance figure comprises £154,776 income for December 2021 to March 2022, already received from Eden DC as precept or devolved services grants, together with £2,129 from United Utilities for planting maintenance.

## **D. Conclusion**

The budgetary control statement shows that overall spending to 30 November was around £78,000 below the Latest Budget for the period. This is a similar figure to the position at the end of October, suggesting that the trend for increasing underspends may have slowed down. However, as the Council is now eight months into the financial year, the underlying underspending is expected to continue into the coming months and could, given the current staffing situation, increase as the year progresses. This position may be tempered by several budgeted programmes planned for the latter part of the year, however it appears almost certain that there will be a substantial underspend at year-end. The current assumption in the 2021/22 forecast outturn calculated for the 2022/23 Draft Budget is that there will be a £75,000 underspend against the Approved Budget at year end.

Finally, there are no issues arising from the Council's balance sheet at 30 November.

## **2. Options Analysis including risk assessment**

### **Risk & Consequences**

The Council may fail to receive expected income or may incur unexpected overspending, potentially leading to the curtailment of planned expenditure.

Adverse criticism of over or underspending.

### **Controls Required**

A sound budgetary control system with regular reporting and identification of issues.

## **3. Financial and Resource Implications**

This report is concerned solely with financial management.

## **Appendices**

- Appendices - Income & Expenditure and Balance Sheet statements

## **Background Papers**

- Transaction and trial balance reports from the Sage accountancy system
- Budgetary control working papers



## Penrith Town Council

### BUDGETARY CONTROL STATEMENT: EIGHT MONTHS ENDED 30 NOVEMBER 2021

Approved Budget 2021/22	Latest Budget 2021/22	Heading	Budget to Date	Actual to Date	Favourable/ (Adverse) Variance
£	£		£	£	£
		<b>INCOME</b>			
		<b>Precept:</b>			
450,069	450,069	Council Tax	300,046	300,046	0
7,700	7,700	<b>EDC - CTRS Grant</b>	5,133	5,034	(99)
		<b>Other Income:</b>			
670	670	Investment Income	447	135	(312)
10	10	Miscellaneous Income	7	0	(7)
<b>458,449</b>	<b>458,449</b>	<b>TOTAL INCOME</b>	<b>305,633</b>	<b>305,215</b>	<b>(418)</b>
		<b>EXPENDITURE</b>			
		<b>PLANNING COMMITTEE:</b>			
		<b>Planning:</b>			
}	}	Officer Support	0	554	}
10,000	10,000	Planning Consultancy	6,667	333	5,780
}	}	Consultation	0	0	}
10,000	10,000		6,667	887	5,780
		<b>Climate Change:</b>			
5,000	5,000	Community Consultation	2,778	0	2,778
2,000	2,000	Internal Business Plan	1,111	0	1,111
1,000	1,000	Carbon Footprinting: High level baseline	556	0	556
500	500	Carbon Footprinting: Calculator licence	278	0	278
3,000	3,000	BIG STEP	1,667	0	1,667
800	800	Staff Development/Exceptional Expenses	444	0	444
1,000	1,000	Carbon Literacy Training	556	0	556
13,300	13,300		7,390	0	7,390
<b>23,300</b>	<b>23,300</b>	<b>Planning Committee Total</b>	<b>14,057</b>	<b>887</b>	<b>13,170</b>
		<b>CCEG COMMITTEE:</b>			
		<b>Town Projects:</b>			
15,000	1,800	Town Projects	1,200	(138)	1,338
5,000	5,000	Covid-19 Response	3,333	746	2,587
20,000	6,800		4,533	608	3,925
		<b>Arts &amp; Entertainment:</b>			
5,000	7,500	Officer Support	5,000	0	5,000
7,500	1,200	Arts & Cultural Strategy	800	1,508	(708)
0	22,500	Arts & Culture Development	0	0	0
29,000	0	Events Grants	0	0	0
41,500	31,200		5,800	1,508	4,292
		<b>Environment:</b>			
14,500	8,000	Greening	8,000	7,825	175
31,000	0	<b>Community Grants</b>	0	0	0
		<b>Grants:</b>			
	15,000	Small Grants	8,333	0	8,333
	12,500	Grow Nature Grants	6,944	0	6,944
	33,500	Large Grants	18,611	8,500	10,111
0	61,000		33,888	8,500	25,388
		<b>Corporate Communications:</b>			
12,500	12,500	Community Engagement	8,333	3,599	4,734
2,500	2,500	Press Support	1,667	2,200	(533)
15,000	15,000		10,000	5,799	4,201
<b>122,000</b>	<b>122,000</b>	<b>CCEG Committee Total</b>	<b>62,221</b>	<b>24,240</b>	<b>37,981</b>

Approved Budget 2021/22	Latest Budget 2021/22	Heading	Budget to Date	Actual to Date	Favourable/ (Adverse) Variance
£	£		£	£	£
		<b>FINANCE COMMITTEE:</b>			
		<b>Staffing:</b>			
195,170	195,170	Salaries	127,000	118,369	8,631
16,910	16,910	National Insurance	11,059	10,793	266
34,120	34,120	Superannuation	22,249	23,432	(1,183)
1,000	1,000	Recruitment Expenses	667	58	609
950	950	Staff Training	633	362	271
1,500	1,500	Conferences	1,000	131	869
700	700	Staff Expenses	467	36	431
250,350	250,350		163,075	153,181	9,894
		<b>Accommodation:</b>			
7,500	7,500	Rent	5,000	5,000	0
1,700	1,700	Heat, Light & Water	1,133	1,082	51
920	920	Service Charges	613	648	(35)
230	230	Room Hire & Meetings	153	469	(316)
380	380	Insurances	253	260	(7)
(10)	(10)	Letting Income	(7)	0	(7)
10,720	10,720		7,145	7,459	(314)
		<b>Civic Functions:</b>			
400	400	Civic Functions	267	68	199
700	700	Mayoral Expenses	467	0	467
300	300	Deputy Mayor's Expenses	200	0	200
100	100	Civic Regalia	67	784	(717)
1,500	1,500		1,001	852	149
		<b>Cost of Democracy:</b>			
200	200	Annual Meeting	200	302	(102)
1,000	1,000	Members' Training	667	84	583
200	200	Members' Expenses	133	0	133
200	200	Notice/Honours Board	133	95	38
1,600	1,600		1,133	481	652
21,000	21,000	<b>IT</b>	14,000	8,272	5,728
2,050	2,050	<b>Website</b>	1,367	375	992
		<b>Devolved Services:</b>			
(1,400)	(1,400)	Bring Site	(933)	(933)	0
1,550	11,550	Allotments	11,033	9,293	1,740
400	400	War Memorial	267	838	(571)
790	790	Benches	527	(211)	738
5,410	5,410	Bus Shelters	273	655	(382)
1,700	1,700	Bandstand	1,133	40	1,093
420	420	Musgrave Monument	280	130	150
1,200	1,200	Fairhill Park	800	1,155	(355)
1,500	1,500	Play Areas	1,000	0	1,000
0	0	Fairhill United Utilities Planting Maintenance	0	0	0
3,000	5,000	Thacka Beck	2,000	1,619	381
300	300	Signage, etc	200	0	200
8,800	8,800	Community Caretaker	5,867	5,921	(54)
3,000	3,000	Local Government Re-organisation: Action Plan	1,000	0	1,000
19,674	7,674	Contribution to/(from) Devolution Reserve	7,449	12,389	(4,940)
46,344	46,344		30,896	30,896	0
		<b>Council Projects:</b>			
3,000	3,000	Officer Support	1,000	0	1,000
8,000	8,000	Project Budget	2,667	0	2,667
11,000	11,000		3,667	0	3,667
		<b>Other Overheads:</b>			
1,800	1,800	Printing, Postage & Stationery	1,200	1,409	(209)
1,700	1,700	Audit Fees	1,133	1,230	(97)
4,000	4,000	Insurance	2,667	2,260	407
100	100	Bank Charges & Interest	67	71	(4)
2,800	2,800	Accountancy Fees	1,867	1,097	770
2,500	2,500	Legal Fees	1,667	306	1,361
450	450	Licences	300	277	23
3,000	3,000	Subscriptions	2,000	2,786	(786)
16,350	16,350		10,901	9,436	1,465
8,000	8,000	<b>Repairs &amp; Renewals</b>	3,667	20	3,647
<b>368,914</b>	<b>368,914</b>	<b>Finance Committee Total</b>	<b>236,852</b>	<b>210,972</b>	<b>25,880</b>

Approved Budget 2021/22	Latest Budget 2021/22	Heading	Budget to Date	Actual to Date	Favourable/ (Adverse) Variance
£ 1,000	£ 1,000	Contingency	£ 667	£ 0	£ 667
0	0	Transfer to/(from) Acquisitions Reserve	0	0	0
<b>515,214</b>	<b>515,214</b>	<b>TOTAL EXPENDITURE</b>	<b>313,797</b>	<b>236,099</b>	<b>77,698</b>
<b>(56,765)</b>	<b>(56,765)</b>	<b>INCREASE/(DECR) IN GENERAL RESERVE</b>	<b>(8,164)</b>	<b>69,116</b>	<b>77,280</b>
		<b>RESERVES:</b>			
		<b>General Reserve:</b>			
276,487	276,487	Balance brought forward 1 April 2021	276,487	340,432	63,945
(56,765)	(56,765)	Increase/(decrease) in year	(8,164)	69,116	77,280
<b>219,722</b>	<b>219,722</b>	<b>Balance carried forward</b>	<b>268,323</b>	<b>409,548</b>	<b>141,225</b>
		<b>Devolution Reserve:</b>			
121,878	121,878	Balance brought forward 1 April 2021	121,878	135,948	14,070
19,674	7,674	Contribution from/(to) 2021/22 Budget	7,449	12,389	4,940
<b>141,552</b>	<b>129,552</b>	<b>Balance carried forward</b>	<b>129,327</b>	<b>148,337</b>	<b>19,010</b>
		<b>Acquisitions Reserve:</b>			
50,000	50,000	Balance brought forward 1 April 2021	50,000	50,000	0
0	0	Contribution from/(to) 2021/22 Budget	0	0	0
<b>50,000</b>	<b>50,000</b>	<b>Balance carried forward</b>	<b>50,000</b>	<b>50,000</b>	<b>0</b>
<b>411,274</b>	<b>399,274</b>	<b>TOTAL RESERVES</b>	<b>447,650</b>	<b>607,885</b>	<b>160,235</b>



## Penrith Town Council

### BALANCE SHEET AS AT 30 NOVEMBER 2021

	£	£
<b>Investments</b>		
Penrith Building Society	85,941	
Cumberland Building Society	84,972	
CCLA Public Sector Deposit Account	<u>453,860</u>	
		624,773
<b>Current Assets</b>		
Debtors	116	
Debtor - VAT	3,049	
Prepayments	10,088	
HSBC Bank Account	<u>147,332</u>	
	160,585	
<b>Current Liabilities</b>		
Creditors	0	
Accruals	12,594	
Payroll Control	7,974	
Receipts in Advance	<u>156,905</u>	
	177,473	
<b>Net Current Assets</b>		(16,888 )
		<u><u><b>607,885</b></u></u>
<b>Represented by:</b>		
<b>Reserves</b>		
General Reserve		409,548
Devolution Reserve		148,337
Acquisitions Reserve		50,000
		<u><u><b>607,885</b></u></u>

# **FULL COUNCIL**

## **24 January 2022**

**Matter: Draft Reserves Policy 2022-23**

### **Purpose of Report:**

To approve a policy for the management of the Council's financial reserves.

**Item no: 12bi**

**Author:** Jack Jones, RFO

**Supporting Member:** Cllr Burgin, Finance Committee Chair

### **Recommendations**

Council is recommended to approve the draft Reserves Policy.

### **Law and legal implications**

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

The Council is required, under statute, to maintain adequate financial reserves to meet the needs of the organisation.

The requirement for financial reserves is acknowledged in statute. Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

There are also a range of safeguards in place that help to prevent local authorities over-committing themselves financially. These include:

- The balanced budget requirement:  
Sections 31A, 42A of the Local Government Finance Act 1992, as amended.
- The legislative requirement for each local authority to ensure the proper administration of their financial affairs and that the proper officer has responsibility for the administration of those affairs.  
Section 151 of the Local Government Act 1972.

For best practice Penrith Town Council has referred to:

- LAAP BULLETIN 99, Local Authority Reserves and Balances July 2014
- Joint Panel on Accountability and Governance Practitioners' Guide March 2020

## **Link to Council Priorities**

The annual budget and reserves should provide resources to deliver the Council's priorities for the financial year ahead and, as appropriate, for future years. Robust reserves should protect the Council against financial risk and offer the opportunity to take advantage of unexpected circumstances.

## **1. Report Details**

### **Introduction**

This report sets out the background for the determination of a reserves policy; the resulting draft makes no material changes from the 2021-22 policy for the coming financial year. The Finance Committee has reviewed the document and recommends its approval.

### **Legal Framework**

Legislation recognises that local councils require financial reserves and must take account of them in determining their precept, however there is no statutory guidance on the nature or level of funds to be set aside in reserves, unlike in other tiers of local government, where the responsible finance officer has a duty to report on the adequacy of reserves at each budget setting. All reserves are legally part of the general fund, ie the Council's revenue account.

### **Types of Reserve and Accounting Framework**

Two types of reserve are relevant to the Town Council:

- The general reserve or general fund working balance, which is used to provide working capital, smooth the impact of uneven cash flows to avoid unnecessary temporary borrowing and act as a contingency in the event of sharp budgetary changes or unexpected events or emergencies. The availability of resources also offers scope to pursue opportunities when they are recognised. Unless allocated for a specific purpose, revenue budget underspendings and windfalls are added to the working balance. The size of the general reserve should be set at a prudent level based on a risk assessment.

- <sup>80</sup> Earmarked reserves, which are set aside for a specific purpose, being used to build up funds to meet known, planned or predicted spending requirements.

It used to be common for councils to build up many small reserves for very specific, narrowly defined purposes; it is now more usual for fewer reserves to be set up in a way which permits their use for a range of purposes.

In accounting terms, similar to the legal position, all reserves belong to the general fund and are interchangeable, unless restricted by deed or covenant. Distinct book entries in the budget and accounts should be made to record the transactions to and from reserves. It should also be noted that the terms "reserve" and "fund" are interchangeable, and it is common to refer to each by either name.

Accounting convention does not permit the payment of interest directly to reserves. If it is decided that interest should be allocated to a reserve, the mechanism is for an equivalent contribution to be made from the revenue account (where the interest is earned) to the reserve.

Similarly, expenditure should not be charged directly to a reserve; the expenditure is accounted for in the revenue account and an equivalent amount transferred from the reserves to replenish the revenue account.

### **Creation and Use of Reserves**

As a general and prudent rule, reserves should not be used to fund recurring expenditure (ie the day to day operational costs of running the Council) as this could lead to funding problems in subsequent years when the expenditure continues after the reserve has been exhausted. An exception is the general reserve, which can be used as a regulator to limit precept and council tax increases or to avoid an unacceptably high level being carried forward.

Because they have a potential to affect the Council's budget, the creation of reserves and the transfers between the revenue account and those reserves should be explicit and conscious decisions taken by the Council as a whole, as should any decision to allocate interest to a reserve.

### **Draft Policy**

The attached draft policy summarises the principles from this report and suggests target levels for each of the Council's reserves. The 2021-22 Policy reduced the target balance for the General Reserve from 50% to 35% of net expenditure, to be achieved by 31 March 2025. This target should be maintained, for several reasons:

- The Council has matured considerably in both governance and financial terms and has gained a better knowledge of the potential

risks to the environment in which it operates and its susceptibility to major unforeseen financial risk.

- The General Reserve has accumulated more quickly than previously forecast and has already reached the existing medium term target, indicating that the target is realistic.
- Recent years have seen a tendency to underspend at year-end, so that the reserve is naturally boosted by unplanned funds. There is no indication that this trend will not continue in the short term. These monies will be held temporarily in the Reserve and be the primary source of funding for new initiatives.
- Members should note that the JPAG accounting guidance suggests that, for an authority with a budget over £200,000, a general reserve of 3 months' net expenditure (ie 25%) should be appropriate, depending on its circumstances. The RFO's view is that this percentage level would be inappropriate in the context of the Council's ambitions and potential risk.

The Council's Medium Term Financial Plan forecasts that the Devolution Reserve will have a balance of £167,000 at the end of 2022-23, rising by around £20,000 in each of the following years, to reach £259,000 at 31 March 2027. This money is set aside to include the risk of the existing devolved assets requiring refurbishment or repair costs. At present, the continuing accumulation of funds appears unnecessary and a lower medium term target would seem to be more appropriate. However, a review of both the purpose and the target level of this reserve would best be carried out in a year's time as part of the exercise to identify potential assets and services transferrable under local government reorganisation.

The Council's working capital also includes the £50,000 held in the Acquisitions Reserve. No use of this money is planned in the 2022-23 Draft Budget.

## **2. Options Analysis including Risk Assessment**

### **2.1 Risk**

The Council is unable to meet regular or unforeseen expenditure due to a lack of readily available funds.

### **2.2 Consequence**

Overspendings leading to unwelcome curtailment of spending programmes; possible unpalatable council tax increase; potential reputational damage

## **2.3 Controls Required**

An analysis of the financial risks and the maintenance of adequate reserves to meet all reasonably foreseeable eventualities

## **3. Financial Implications**

The approach to reserves is a fundamental aspect of the financial management of the Council.

## **4. Legal Implications**

The draft Strategy is compliant with the relevant legislation.

## **Appendices**

Draft Reserves Policy.

## **Background Papers**

- Local Government Finance Act 1992
- CIPFA LAAP Bulletin 99 Reserves & Balances
- JPAG Practitioners Guide 2021
- 2022-23 Budget working papers.

## **DRAFT RESERVES POLICY**

### **PURPOSE**

The Town Council maintains two types of reserves, for differing reasons:

- a General Reserve (the General Fund working balance), which provides working capital and a buffer against financial risks; and
- earmarked reserves to meet known, planned or predicted spending requirements which have been identified specifically.

The Council acknowledges that there is a balance to be struck between holding excessive reserves raised from public monies and retaining a prudent level of funds. It will therefore take advice from its Responsible Finance Officer on the adequacy and appropriateness of its reserves, primarily when setting its revenue budget.

### **1. GENERAL RESERVE**

This reserve represents the balance on the Council's revenue account, ie the account which records all its financial transactions. Unless allocated for a specific purpose, revenue budget underspendings and windfalls are added to the working balance, while overspendings are taken from the balance.

The balance provides working capital to assist the Council's cash flow, acts as a buffer against unexpected events or expenditure and provides funds for opportunities to be pursued. The optimum level for the working balance is determined by an assessment of the Council's potential exposure to financial risks, together with a judgement of the extent to which earmarked reserves can support its cash flow on a temporary basis.

The medium-term target for the reserve is to accumulate a balance equivalent to 35% of net revenue expenditure by 31 March 2025. This is to be achieved by regular annual contributions from the revenue account, where necessary. The level of contributions will be determined annually, taking account of the impact on council taxpayers and the availability of earmarked reserves.

## <sup>84</sup>**2. EARMARKED RESERVES**

Other than any funds governed by legal conditions, the earmarking of reserves is at the discretion of the Council and monies can be moved from one to another if required. Reserves do not generally accrue interest on the investment of their funds.

In order to avoid future over-commitment, the day to day operational costs of running the Council are to be met from the revenue budget and reserves shall not be used to fund recurring expenditure.

The Council maintains two earmarked reserves:

- **Devolution Reserve:** This reserve is credited with the difference (while positive) between the council tax income equivalent to the special expenses previously levied in Penrith and the net cost of the assets transferred from Eden DC. The reserve will provide a cushion against the full cost of those assets being higher than expected, renovation and/or improvements.
- **Acquisitions Reserve:** This reserve supports a scheme of delegation for land and property, which created an allocation of £50,000 for a Capital Programme to support the activities associated with buying, surveying, legal fees, investing and managing land and property. The intention is to use these resources in the short term after which the reserve will be discontinued.

## **3. ESTABLISHMENT AND USE OF RESERVES**

The Annex to this policy provides further details of the Council's current reserves with a target range for each one.

The establishment or closing of an earmarked reserve requires a formal decision of Council. Similarly, the approval of Council is required for all contributions and transfers to reserves, and all use of reserves to fund expenditure.

### **Review**

This policy will be subject to annual review.

## CURRENT RESERVES

Reserve	Purpose	Target level
<b>General Reserves</b>		
General Reserve (General Fund Working Balance)	<ul style="list-style-type: none"> <li>• Provision of working capital.</li> <li>• Buffer against uneven cash flows, inflationary pressures, sharp budgetary changes, unexpected events or emergencies.</li> <li>• Ability to pursue opportunities when identified.</li> </ul>	<ul style="list-style-type: none"> <li>• Assessed primarily on the basis of financial risks to the Council.</li> <li>• Medium-term target to be 35% of net revenue expenditure at 31 March 2025 and thereafter.</li> <li>• Minimum level: £150,000</li> <li>• Range: £150,000 to £300,000</li> </ul>
<b>Earmarked Reserves</b>		
Devolution Reserve	<ul style="list-style-type: none"> <li>• Accumulation of funds in the early years of devolved asset transfers from Eden DC when grant income from that council is available.</li> <li>• Cushion against the longer-term full costs of devolved assets being higher than expected, renovation and/or improvements.</li> </ul>	<ul style="list-style-type: none"> <li>• Based on the allocation of the difference (while positive) between the income equivalent to the special expenses previously levied in Penrith via council tax and the net cost of devolved assets transferred from Eden DC</li> <li>• Typical Range: £50,000 to £260,000</li> </ul>
Acquisitions Reserve	<ul style="list-style-type: none"> <li>• To support the activities associated with buying, surveying, legal fees, investing and managing land and proper.</li> </ul>	<ul style="list-style-type: none"> <li>• The Reserve was established with a single contribution; it is anticipated that regular contributions will not be required and that the resources will be expended in the short to medium term.</li> <li>• Range: £nil to £50,000</li> </ul>

**DATE OF APPROVAL: 24/01/2022**

**REVIEW: ANNUAL: January 2023**

# **FULL COUNCIL**

## **24 January 2022**

**Matter: Draft Investment Strategy 2022-23**

### **Purpose of Report:**

To approve a strategy for the management of the Council's financial investments in 2022-23.

**Item no: 12bii**

**Author: Jack Jones, RFO**

**Supporting Member: Cllr Burgin, Finance Committee Chair**

**This is a public report**

### **Recommendations**

Council is recommended to approve the draft Investment Strategy.

### **Law and legal implications**

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

The Council has the power to invest for any purpose relevant to its functions under any enactment, or for the purposes of the prudent management of its financial affairs (section 12 of the Local Government Act 2003, the '2003 Act').

Statutory Guidance on Local Government Investments (3rd Edition)<sup>1</sup> issued under section 15(1)(a) of the Local Government Act 2003 is effective from 1 April 2018 and provides guidance on investments. The Guidance has statutory force and is mandatory where the investments of a town council exceed or are expected to exceed £100,000 at any point in a financial year. Town councils where investments are expected to exceed £10,000 are encouraged to adopt the principles in the Guidance.

Where the Guidance is mandatory, or where a council has adopted the principles in the Guidance, the Council must, at a Full Council meeting, adopt an investment strategy

<sup>1</sup> The Government is currently reviewing this guidance as part of an exercise to update the capital finance framework.

for each financial year. Where a material change is proposed during the year, a revised strategy must be approved before the change is implemented.

The Guidance encourages transparency and local accountability in investment management.

Two codes of practice issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) contain investment guidance which complements the Government guidance. These publications are:

- Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes
- The Prudential Code for Capital Finance in Local Authorities.

## **Link to Council Priorities**

Proper investment of reserves and working balances ensures that these monies are secure and available when required to fund expenditure to deliver the Council's priorities as resolved in the Council Plan.

### **1. Report Details**

#### **1.1 Background**

This report proposes no changes to the Council's current investment practices. The detailed rationale for the policy is described here so that Members are fully aware of the considerations underlying investment decisions, notably the risks involved with investing funds with other organisations. The Finance Committee has reviewed the document and recommends its approval.

The statutory guidance details safeguards for financial and non-financial investments, focusing on:

- Excessive exposure to financial risk through borrowing and investment decisions;
- Insufficient transparency to understand that exposure; and
- Councillors' understanding of complex financial transactions.

#### **1.2 Types of Investment**

The guidance classes investments into two main categories:

- Investments held for treasury management purposes; and
- Other investments, including non-financial assets.

In each case, the Council must state the contribution that the investment makes to its objectives; for the first category, it is sufficient to state that they support effective

treasury management activities. Those activities should then follow the principles set out in the Treasury Management Code.

The Town Council does not have any investment in non-financial assets and has no plans to acquire any (operational assets used in service delivery are not considered to be investments). The remainder of this report therefore deals solely with investments managed as a treasury activity; should the Council decide to invest in non-financial assets, the guidance will need to be revisited and the Strategy revised.

### **1.3 Principles**

Prudent investment has two underlying objectives, in this order:

- **Security** – protecting the capital sum invested from loss; and
- **Liquidity** – ensuring the funds are available when needed.

Only when these objectives have been fulfilled, should **yield** be considered. An individual investment must be assessed in terms of the Council's appetite for risk, within the parameters stated in the strategy.

Members should note that the Financial Services Compensation Scheme no longer applies to the Council, however its compensation value of £85,000 should continue to be used in the Council's strategy as a workable limit which accepts a reasonable degree of risk for investments in suitable organisations.

### **1.4 Financial Investments**

These can be categorised as:

- Specified investments
- Loans; and
- Other, Non-specified investments.

Specified investments are in sterling, repayable within 12 months and made with a high quality investment scheme, the UK Government or another local authority.

The guidance outlines controls on loans made by authorities; again, these do not affect this Council.

Non-specified investments are any other financial investment; these carry a higher level of risk and would need specialist advice. For 2022-23, the Council's strategy should exclude this type of investment.

### **1.5 Capacity and Skills**

The strategy should include a description of the steps taken to ensure that elected members and statutory officers have the appropriate capacity and skills to enable them to make informed decisions.

## **1.6 Investment Prospects 2022-23**

Members will realise that the Covid-19 pandemic continues to suppress investment interest and returns. The Bank of England is in a difficult position, trying to stimulate the economy whilst containing inflation at an acceptable level. Many observers predicted that the historically low base rate of 0.1% would be increased in November, but the Bank held the rate. By December, the emergence of the Omicron variant suggested that a rate rise would be inappropriate, however an increase to 0.25% was confirmed by the Bank. Two reasons were given: after an initial fall, global asset prices had recovered from the news of the new variant, while action needed to be taken to address the current rate of inflation, with CPI being 5.1%.

Observers forecast further rises in the base rate during 2022, potentially to 1.0%. It should be noted that investment returns do not necessarily follow the base rate closely, rather its general trend. The Council's income from investments has reduced dramatically and low levels will almost certainly continue during next year; however this is not a major concern as the budget is not reliant on this income. More importantly, as returns are very flat, it is essential that the Council finds secure investments for its reserves and working capital.

## **1.7 Draft Strategy**

The attached draft strategy is unchanged from the existing policy, other than the section relating to 2022-23 activities. It sets out the approach that the Town Council should take in respect of financial investments. Councillors should consider particularly the section on risk parameters and the suggested organisations with which the Council should invest, so the following paragraphs repeat the advice given in previous years.

The Council invests in accounts with the Penrith and Cumberland Building Societies. Building societies are not credit rated so it is difficult to assess the risk attached to investing in an individual society, therefore the draft policy generally excludes smaller building societies.

Penrith Building Society has assets of around £122 million and is the smallest of 43 societies in the country; although a rigid policy would exclude it as a counterparty because of its small size, Members have previously felt that it is a well-run organisation which they would wish to support. The draft strategy acknowledges this but limits the investment to the £85,000 limit.

The Cumberland Building Society has an asset base of around £2,700 million and is the 10<sup>th</sup> largest in the country; this is considered to be a secure organisation in which to invest, again with a limit of £85,000.

(Members should note that the £85,000 limit refers to the principal investment of funds; interest will accrue in these accounts and may increase the investment above the limit by a modest amount.)

The Council's main investment is in the CCLA Public Sector Deposit Fund, which is a pooled investment available to local authorities. The Fund currently has a value of £1,800 million, invested in a range of high quality institutions, and itself has the highest credit rating for a money market fund. By investing in the Fund, an authority has the benefit of buying into a share of that pool, with a consequent reduction in risk.

## **2. Options Analysis including Risk Assessment**

### **2.1 Risk**

Failure of an investment counterparty leading to the loss of Council funds.

Non-compliance with legal requirements or statutory guidance.

### **2.2 Consequence**

Unwelcome curtailment of spending programmes; possible unpalatable council tax increase; potential reputational damage.

Criticism from internal/external audit; reputational damage.

### **2.3 Controls Required**

Adherence to a robust and prudent investment strategy.

The strategy should incorporate the safeguards in the Government's guidance.

## **3. Financial Implications**

The Council's reserves and surplus working capital are invested pending their use and therefore need to be protected against loss. The income earned from investment is of secondary importance.

## **4. Legal Implications**

The draft Strategy is compliant with the relevant legislation.

## **Appendices**

Draft Investment Strategy 2022-23

## **Background Papers**

- Building Societies Association factsheet
- CCLA website

## **DRAFT INVESTMENT STRATEGY 2022-23**

### **PURPOSE**

The Town Council invests reserves and surplus funds which are not immediately required to meet expenditure.

This strategy provides a framework for the secure and prudent investment of those monies and adopts the relevant principles of statutory guidance issued under the Local Government Act 2003 and of CIPFA codes of practice.

### **INVESTMENT OBJECTIVES**

The Council invests monies for treasury management purposes.

Its priorities in investing surplus funds are:

- **Security** (protecting the investment from loss);
- **Liquidity** (ensuring the money is available for expenditure when needed); and, providing the above objectives have been met,
- Obtaining the best **Yield**.

Investment opportunities are assessed in terms of these objectives; the Council aims to obtain the best possible return commensurate with proper levels of security and liquidity.

### **TYPES OF INVESTMENT**

The Council will not invest in non-financial assets such as commercial property.

The Council will only place funds in specified investments, as defined by the Secretary of State, which offer high security and high liquidity. These investments are made in the Council's name and are:

- made in sterling;
- have a maturity of no more than one year; and
- with a counterparty which is the UK Government, a local authority or a body of high credit quality.

For the 2022-23 financial year, the Council does not intend to use non-specified investments (ie those which do not meet these criteria) as these are generally considered to be of higher risk and would require specialist advice.

## **RISK ASSESSMENT**

The Council's investments no longer qualify for the Financial Services Compensation Scheme up to £85,000; however, this is considered to be an acceptable limit for investments in organisations of good credit quality. Larger amounts can be invested with organisations of high credit quality.

The Council does not employ external treasury advisors or subscribe to a credit rating agency. It bases its assessment of the risk attaching to potential investments with counterparties on their publicly available information, organisational structure and asset size.

The Council will also have regard to the amount of funds placed with a single institution.

## **APPROVED COUNTERPARTIES**

The following counterparties are approved for the investment of surplus funds by the Council, with a duration of no longer than twelve months:

- HM Government and its agencies
- Local Authorities
- UK Clearing Banks
- Building Societies with an asset base in excess of £1,000 million or smaller societies where there are strategic or local considerations, limited to a principal investment of £85,000 with a single society
- UK FCA regulated qualifying money market funds with an AAA rating (Fitch credit rating).

## **TREASURY MANAGEMENT RESPONSIBILITIES**

All investments are made in the name of the Town Council and will be approved by Full Council, having taken advice from the Responsible Financial Officer, who has knowledge and experience of the CIPFA codes of practice.

The Finance Committee oversees investment activities and the drafting of changes to this strategy.

Members of the Committee are suitably experienced and understand the nature of investment risks. Where necessary, their knowledge will be supplemented by formal or informal training.

**ACTIVITIES FOR 2022-23**

The Town Council plans to maintain its investments in the Penrith and Cumberland Building Societies. As it receives its full annual precept income early in the financial year, it will have surplus funds for most of the year and these will be invested in the CCLA Public Sector Deposit Fund until needed. As the Council does not have a long history of managing its cash flow actively, it will adopt a cautious approach to investing surplus monies to ensure that its bank account balance is always sufficient to meet short-term requirements.

**REVIEW**

This strategy will be subject to annual review in advance of each financial year.

**APPROVED:****REVIEW: ANNUAL**

# FULL COUNCIL

## 24 January 2022

### **Matter: Thacka Beck Field**

### **Purpose of Report:**

To approve a transfer of funds from the Devolution Reserve to the Thacka Beck Field budget to meet the cost of improvement works.

**Item no:** 12c

**Author:** Services and Contracts Manager

**Supporting Member:** Cllr. Jackson, Lead Member for Assets

### **Recommendations**

Council is recommended to approve the recommendation from Finance Committee to agree an additional budget of £3,000 from the Devolution Reserve to the Thacka Beck Field budget towards the costs of boundary improvement work.

### **Law and legal implications**

The Town Council resolved from 20 May 2019, until the next relevant Annual Meeting of the Council, which having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

### **Link to Council Priorities**

This report aligns with the strategic priority for Health and Wellbeing to protect and improve the environment, leisure and recreational community facilities, services and assets that contribute to our quality of life.

### **1. Report Details**

- 1.1 Members approved an approach for the enhancement of Thacka Beck Field (Finance Committee, 28 June 2021), which involved as part of Stage 1 improvements, surveys, work to signage, fencing and boundary improvements.
- 1.2 The Council initially budgeted £3,000 to the Thacka Beck Field budget for the current financial year. This was supplemented by a further £2,000 from the Devolution Reserve and approved by Council (27 September 2021), which was considered sufficient at the time to meet the cost of the proposed enhancements.
- 1.3 The Council has commissioned the Habitat Survey, Tree Hazard Survey and placed an order for the supply and installation of signage. Quotations have been received for the boundary fencing works which will leave the budget £2,600 overspent.
- 1.4 Members are asked to approve a budget of £3,000 from the Devolution Reserve towards the costs of the planned works. Members are aware that the Devolution Reserve is established to fund Council assets.

## **2. Risk Assessment**

2.1 There is a risk that should the Council not finance the improvement works the works will either not be undertaken, delayed or the standard of work will need to be reduced to a point that it may cost more in future years repairs and maintenance. The risk to the Council is low given that Devolution Reserve has sufficient reserve.

## **3. Financial Implications**

3.1 Members are being asked to approve a budget of £3,000 from the Devolution Reserve to meet the cost of enhancement works at Thacka Beck Field. The Devolution Reserve balance stood at £136,000 at the start of the current financial year and the approved budget provides for further £20,000 to be added to this balance.

## **4. Legal Implications**

4.1 There are no direct legal implications associated with this report.

## **Appendices**

None

## **Background Papers**

Previous reports, Finance Committee 28 June 2021, 20 September 2021, 10 January 2022, Council 27 September 2021.

## **FULL COUNCIL**

**24 January 2022**

### **Matter: Proposed Budget 2022-23**

#### **Purpose of Report:**

To consider and ratify the Proposed Budget and Council Tax Precept for 2022/23, Service Development Proposals and the Proposed Medium Term Financial Plan.

#### **Item no: 12d**

**Author:** Jack Jones, RFO

**Supporting Member:** Cllr Roger Burgin, Finance Committee Chair

#### **Recommendations**

Council is recommended to:

- a) Approve the Forecast Outturn expenditure for 2021/22 of £439,504.
- b) Approve the Proposed Budget 2022/23 with total expenditure of £529,484.
- c) Approve the salaries payable to Council staff in 2022/23, as detailed in the supporting confidential report. PINK CONFIDENTIAL PAPER  
(NOTE – this matter may remain in PART1 providing salary scale grades are not discussed in the public domain.)
- d) Confirm the allocation of the amount of £25,000 available for financial growth in 2022/23 to the two service development proposals set out in the report.
- e) Agree the budgeted transfers to and from financial reserves and the proposed level of those reserves.
- f) Approve the parameters and forecasts in the Proposed Medium Term Financial Plan.
- g) Have regard to the advice of the Responsible Finance Officer in relation to the robustness of estimates and the adequacy of reserves.
- h) Request Eden District Council to pay the sum of £455,209 to Penrith Town Council as its precept for the year 2022/23, representing a nil increase in Council Tax.

#### **Law and legal implications**

Sections 41 and 50 of the Local Government Finance Act 1992 require the Council to calculate its annual budget requirement and its resulting precept by 28 February. The precept is issued to the billing authority, Eden District Council, to collect the income on behalf of the Town Council.

#### **Link to Council Priorities**

The annual budget should reflect and support the Council's priorities for the financial year ahead.

# 1. Report Details

## A. Introduction

Draft estimates for 2022/23 were considered by the Budget Working Group on 6 December 2021. The Working Group proposed a nil increase in Council Tax for next year in view of the strength of the Council's reserves and the current circumstances, suggesting that a rise next year would be inappropriate. The comparatively high level of reserves was due to underspendings in 2020/21 and 2021/22, which would give scope for a release of resources to the annual budget over a period of years to fund new initiatives.

Proposed estimates were presented to Finance Committee on 10 January 2022, which determined to forward them to this meeting for approval. Since then, Eden District Council has confirmed the Council Taxbase, enabling firm proposals to be considered by Full Council.

This report presents the Proposed Budget for 2022/23 (**Appendix A**), including an allowance of £25,000 for growth items (**Appendix C**), which can be financed by a nil increase in Council Tax.

A Medium-Term Financial Plan (MTFP) has been produced alongside the Proposed Budget to demonstrate that budgets can be affordable in the longer term. The Plan summarised at **Appendix B** is based on the following parameters:

- A nil increase in Council Tax for 2022/23, with 2.0% rises thereafter.
- Small annual increases in the Council Taxbase
- Pay inflation of 2.5% for 2022/23 and 2.0% pa thereafter
- Average price inflation of 0.5% pa (which would imply a real terms reduction in several budgets, justified by the propensity for underspending)
- Achievement of a General Reserve equivalent to 35% of net expenditure by 31 March 2025, to be maintained thereafter
- Allowance for service development proposals totalling £100,000 over the life of the Plan, including the £25,000 proposed for 2022/23
- Contributions to the Devolution Reserve until expenditure on existing devolved assets reaches the agreed target figure of £46,344.

Based on these parameters, the Council will be able to set sustainable budgets for subsequent years, which will incorporate further financial growth in services and meet its target reserve level, with modest annual tax increases.

## B. Proposed Budget 2022/23

## Appendix A

The statement at **Appendix A** shows the following detailed information for the Council's Committees and services:

- a) The Actual Outturn income and expenditure for 2020/21, for comparison purposes.
- b) The Approved Budget for 2021/22, as agreed by Council on 25 January 2021.

- c) The Forecast Outturn for the current year, with the projected full year's expenditure based on trends identified from budget monitoring statements and including the effect of decisions made by Council to date and proposals for the redirection of estimates, notably the requested creation of the new Grants scheme and an Arts and Culture Development budget.

Total outturn expenditure for 2021/22 of £439,504 is forecast to decrease by £75,710 from the Approved Budget of £515,214. The major differences can be summarised in the following table:

	£	£
<b>Expenditure per Approved Budget 2021/22</b>		<b>515,214</b>
Climate Change Initiative delayed one year	(13,300)	
Town Projects budget transferred to Arts & Culture Development	(13,200)	
Reduced expenditure on Covid-19 Response	(2,500)	
Increased Officer Support to CCEG services	2,500	
Arts & Cultural Strategy budget transferred to Arts & Culture Development	(6,300)	
New Arts & Culture Development budget	22,500	
Events budget transferred in full to new Grants scheme	(29,000)	
Net reduction in Greening expenditure following transfer to Grants	(6,500)	
Community Grants budget transferred in full to new Grants scheme	(31,000)	
Forecast expenditure on new Grants scheme	31,000	
Reduced activity on Community Engagement	(4,500)	
Staffing:		
• Provision for April 2021 pay award transferred to Contingency (£2,440)		
• Community Engagement Officer vacancy (£16,550)	(23,110)	
• Sickness absence (£8,140)		
• Acting up and sick cover arrangements £5,670		
• Reduced Training, Conference and Expenses costs (£1,650)		
Reduced IT and Website expenditure	(3,050)	
Devolved Assets:		
• Brackenber Allotments drainage work £10,000		
• Bus shelter slipped to 2022/23 (£5,000)		
• Play Areas expenditure not undertaken (£1,500)	9,200	
• Additional expenditure on Thacka Beck £5,700		
• Reduction in contribution to Devolution Reserve	(9,200)	
Lower Repairs & Renewals costs	(2,500)	
Contingency provision: estimated costs of April 2021 pay award £3,930 less general reduction (£500)	3,430	
Other minor variations (net)	(180)	
		(75,710)
<b>Forecast Outturn Expenditure 2021/22</b>		<b>439,504</b>

- d) The Proposed Budget for 2022/23, which allows for a continuation (standstill) budget that identifies and provides for the current committed level of service to be maintained. This involves the current year's budget being adjusted to remove any one-off items and to include the estimated costs of contractually committed changes to expenditure or income; inflationary increases have only been allowed where necessary. The proposed budget is modelled to provide an allowance of £25,000 to fund service development proposals (growth items) in 2022/23, as detailed below.

Based on these estimates, the proposed precept for 2022/23 will be £455,209; the increase of £5,140 from the 2021/22 figure of £450,069 is due to a higher Council Taxbase and can be explained as follows:

	£	£
<b>2021/22 Precept</b>		<b>450,069</b>
Removal of Covid-19 Response budget	(5,000)	
Creation of new Grants budgets and support:		
• Officer Support £2,500		
• Events (£29,000)		
• Greening (£9,500)	0	
• Community Grants (£31,000)		
• Grants budget £67,000		
Removal of one-off Arts & Cultural Strategy budget	(7,500)	
Cessation of Community Engagement software	(5,000)	
Staffing:		
• Provision for April 2021 pay award (£2,440), offset by increase in NI rate £2,460		
• Replacement Community Engagement Officer £2,260	8,580	
• FYE of Sustainability Officer post £7,780		
• Lower Training, Conference and Expenses (£1,480)		
Increase in Room Hire/Meetings budget	1,500	
Reduction in IT budget	(1,000)	
Devolved Assets:		
• Cessation of grants from Eden DC £4,860 and Bring Site income £1,400		
• Removal of Play Areas (£1,500) and LGR Project (£3,000) budgets	460	
• Review of operating costs (net) (£1,300)		
• Reduction in contribution to Devolution Reserve	(460)	
Removal of one-off Project budget	(8,000)	
Cessation of benches programme	(5,000)	
Contingency provision: estimated costs of April 2021 pay award £4,480 and 2022 pay award £6,520	11,000	
Allowance for Growth Items	25,000	
Increase in contribution from General Reserve	(9,860)	
Other minor variations (net)	420	
	<hr/>	5,140
<b>Proposed Precept 2022/23</b>		<b>455,209</b>

- e) The position on the Council's three reserves over the two financial years.
- f) The resulting Council Tax based on the budgets for the two financial years, representing a nil increase in the Council Tax for 2022/23.

### **C. Proposed Medium Term Financial Plan (MTFP)**

### **Appendix B**

For planning purposes, **Appendix B** shows a summary of projected income and expenditure for the years 2022/23 to 2026/27, based on the figures in the 2022/23 Proposed Budget. These have been adjusted for planned variations, with pay and price inflation being allowed for as global figures. The Plan includes the ongoing effect of 2022/23 growth items and an allowance for further developments in subsequent years; aspirations beyond this allowance would have to be funded by larger Council Tax increases or by the reduction or redirection of existing budgets.

### **D. Service Development Proposals (Growth Items)**

### **Appendix C**

During the budget process, Committees, individual Councillors and Officers were asked to propose growth bids, which would improve services, for inclusion in the 2022/23 Budget. Two growth items were proposed:

- Creation of a £10,000 Participatory Budget, to be supplemented by in-year underspendings in the CCEG Committee budget for 2022/23; and
- Resources, legal and professional advice, consultation and marketing, totalling £15,000 in support of the Local Government Review (LGR) project.

The Medium Term Plan assumes that the Participatory Budget will continue at £10,000 pa and that there will be residual costs of £5,000 in 2023/24 relating to the LGR project.

Appendix C shows that the MTFP parameters would allow for these two proposals plus a further £30,000 of new financial growth over the next five years; the total growth of £100,000 is largely dependent on the phased use of reserves.

### **E. Detailed Budgets**

The following commentary provides details of the individual estimates within the Proposed Budget and the Medium Term Financial Plan.

#### **a) Income**

The precept income for 2022/23 is based on a 0.0% increase in Council Tax. The parameters in the Medium Term Plan project tax income which will allow sustainable budgets and maintain the General Reserve above its target level. The investment income budget has been reduced to a modest amount until there is a return to higher interest rates.

#### **b) Planning Committee**

Planning Services are expected to continue at their current level of £10,000 pa; however the inability to progress expenditure on Climate Change initiatives has delayed the full programme by one year, so as to start in 2022/23.

## c) CCEG Committee

The Forecast Outturn reflects the approved transfer of budgets to accommodate the new Grants scheme and its continuation into subsequent years. A further requested transfer to create an Arts & Culture Development budget for 2021/22 only is subject to approval by Council but is assumed in the Forecast Outturn.

CCEG Committee was also to be asked to consider changes to its 2022/23 budget at its meeting on 13 December; that meeting was cancelled, however the amendments have been included in the Proposed Budget so that its planned initiatives can proceed.

Based on previous years' outturns and budget monitoring in the current year, a significant underspending of £37,000 is forecast for the Committee's overall 2021/22 expenditure; it is important to note that this does not reduce the CCEG budget; in particular, the Committee will not be constrained by the forecast if it is able to encourage the take up of Grants.

### Town Projects

Most of the Town Projects budget, £13,200, has been transferred to the new Arts & Culture Development budget for 2021/22 only. CCEG Committee is being requested to consider transferring a further £5,000 in 2022/23 to a new Marketing Penrith budget.

### Covid-19 Response

Expenditure on Covid-19 Response has (up to now) been lower than budgeted, so the forecast shows a £2,500 underspend. The full budget of £5,000 is removed in 2022/23, although £1,000 has been transferred to the Finance Committee Room Hire/Meetings budget to allow for extra costs and/or Zoom meetings recommencing.

### Arts & Entertainment

Officer Support is increased by £2,500 for the Forecast Outturn and subsequent years, connected to the operation of the new Grants scheme. The Arts & Cultural Budget of £7,500 was for a single year only; the Forecast Outturn transfers £6,300 of this sum to part fund the Arts & Culture Development budget of £22,500. For 2022/23, CCEG Committee is being asked to transfer £10,000 from Large Grants to the Development budget.

The Events budget has been transferred to the new Grants scheme budget.

### Environment

The Greening budget was reduced by £9,500 on a continuing basis towards the new Grants scheme. The current year's £3,000 overspend of the resulting £5,000 budget is shown in the Forecast Outturn.

### Community Grants

The £30,000 budget has been transferred to the new Grants scheme on a permanent basis.

## Grants

The new Grants scheme budgets agreed by Council in April 2021 total £67,000 on an ongoing basis. In the current year, £3,000 has been transferred to Greening to meet its overspend and £3,000 to the Arts & Culture Development budget. The Forecast Outturn reflects these changes and a further £30,000 in potential underspending. For 2022/23, CCEG is to consider a transfer of £10,000 from Large Grants to the Arts & Culture Development budget.

## Corporate Communications

The Community Engagement Officer vacancy has resulted in fewer initiatives, reducing 2021/22 expenditure by £4,500. The 2022/23 Budget assumes the discontinuation of the licence for Dialogue software as its functions can be provided by other means.

## **d) Finance Committee**

### Staffing

The 2021/22 Forecast Outturn and 2022/23 Proposed Budget estimate the costs of the existing approved staff establishment. After adjusting for pay awards, the 2021/22 Forecast is £23,110 lower than the approved budget for the year. The main reasons for this are the vacant Community Engagement Officer post and two sickness absences, offset by cover arrangements.

The 2022/23 Proposed Budget assumes a full establishment and the forthcoming 1.25% increase in National Insurance contributions. Based on staff appraisals this year, each Officer will be due incremental progression on 1 April 2022, where appropriate. The supporting Part 2 confidential report shows the recommended salary points for each member of staff.

The staff pay award for 2021/22 has not yet been agreed so salary costs are effectively at March 2021 rates; allowance has been made in the Contingency budget for pay awards effective from April 2021 and April 2022. Future years' forecast pay awards are provided as a global sum alongside price inflation.

The pandemic has prevented face to face training so that events have either been cancelled or provided virtually at a lower cost. Training, conferences and staff expenses all show reductions to reflect this.

### Accommodation

Expenditure for Room Hire has been increased to cover the cost of hiring premises because of the Covid pandemic; a further increase of £1,000 in 2022/23 provides for the possible continuation of Zoom for meetings.

### Civic Functions

The Forecast Outturn includes £700 for the purchase of a Council press and seal.

## Cost of Democracy

Training and expenses show a reduction as events have been cancelled or provided virtually at a lower cost. The MTFP includes £6,000 in 2023/24 for the next election.

## IT

The Forecast Outturn shows a decrease of £2,000 due to a planned replacement computer which has not proved necessary and a further small reduction in demand.

## Website

Budgetary control statements suggest that the Forecast Outturn will be £1,050 below budget.

## Devolved Services

The Forecast Outturn for 2021/22 and the Proposed Budget 2022/23 include the latest estimated costs and income for assets already transferred from Eden DC. The Medium Term Plan no longer provides for the transfer of Play Areas and Toilets as these will be part of the larger discussion on Local Government Review. Service expenditure forecasts have been reviewed in the light of operating experience and are continued into future years; 2021/22 is the final year of the phased grants from Eden DC.

### ○ Bring Site

Council has decided that the arrangement with Eden DC will not be renewed past 31 March 2022. This will mean a loss of income of £1,400 pa. It is expected that offsetting savings will be made in terms of expenditure on the Community Caretaker and in staff time, however it is too early for these to be quantified.

### ○ Allotments

The ongoing budget includes the cost of asset maintenance, boundary repairs and hedge cutting. For 2021/22, there is an additional cost of £10,000 for the major drainage repairs at the Brackenber site. As these have now been completed, the 2022/23 Budget is reduced by £750.

### ○ Benches & Bus Shelters

A one-off provision of £5,000 was made in the 2021/22 Budget for the installation of one shelter; it has not been possible to proceed with this scheme, so it has been slipped into 2022/23 and planned for Scaws.

### ○ Bandstand

The 2021/22 Forecast Outturn includes income of £500 from the Board & Elbow public house for use of the area; in 2022/23, income of £750 has been agreed, while grant from Eden DC reduces by £800. No income is included in subsequent years.

- Musgrave Monument:

From 2022/23 onwards, costs are increased by £200 for a latchway inspection, clock inspection & survey, while grant of £180 is terminated.

- Fairhill Park

Grounds maintenance costs of £700 are transferred to Thacka Beck for its share of the new contract. The 2022/23 budget provides for £3,300 expenditure and the loss of the same amount of grant income.

- Play Areas & Fairhill Site Improvements

No expenditure is planned; these headings are shown because of earlier expenditure in the comparatives for 2021/22.

- Fairhill UU Planting Maintenance

Although the net budget is shown as £nil, the Council has received £4,000 income from United Utilities, which it is assumed will be used in annual instalments to meet the estimated £650 expenditure.

- Thacka Beck

The 2021/22 Budget comprised a "starter" estimate of £3,000 for grounds maintenance, gates and fences. Since then, a further estimate of £2,000 has been approved and £3,000 is being requested; together with £700 transferred from Fairhill for grounds maintenance costs, this gives a Forecast Outturn of £8,700. The ongoing budget is £3,700.

- Local Government Review

The Forecast Outturn repeats the approved £3,000 budget for the initial costs of the LGR plan.

- Contribution to Devolution Reserve

The 2018/19 Approved Budget set a target of £45,594 for Devolved Services, being the reduction in Special Expenses charged by Eden DC. This target was increased to £46,344 because of the Signage budget being added to the Devolved Services heading. Since the MTFP no longer includes the potential transfer of Toilets and Play Areas, it is now forecast that the total cost of services will be permanently lower than £46,344 so that the difference is contributed to the Devolution Reserve, which will accumulate until decisions are made on its use.

Members will appreciate that the services transferred from Eden DC are forecast to cost £23,500 in the longer term, so that Penrith residents will be charged only around half of the corresponding cost that applied when they were in Eden's ownership.

## Council Projects

The project budget of £8,000 applies to 2021/22 only; it is planned to spend this on a speed indicator device and support to Eden DC's improvement scheme at Castle Park.

## Other Overheads

A review of expenditure on these budgets has resulted in several minor variations. Although the Subscriptions budget has been increased, this is offset by a rationalisation of costs previously charged to other headings.

## Repairs & Renewals

For three years from 2019/20, the normal £3,000 budget has been enhanced by £5,000 pa for a programme of bench replacements. There has been little expenditure on routine items, so the Forecast Outturn is reduced to £5,500 and the 2022/23 Budget reverts to £3,000.

### **e) Contingency**

The general contingency provision is reduced to £500 for the remainder of 2021/22, then reverts to £1,000 for subsequent years. Because of the uncertainty regarding pay awards, in a change to previous practice, the anticipated costs of the April 2021 award (£3,930 in 2021/22 and £4,480 in 2022/23) are budgeted in Contingencies, representing the national employers' final offer of a 1.75% award. Similarly, the 2022/23 Contingency allows for a possible 2.5% increase in pay, amounting to £6,520.

### **f) Inflation**

Anticipated pay and price inflation has been included in the detailed budgets for 2022/23. For 2023/24 onwards, the MTFP allows for compound pay inflation of 2.0% pa and price inflation at an average rate of 0.5% pa as a global figure.

### **g) Allowance for Growth Items**

Largely due to the forecast level of reserves at 31 March 2021, the parameters adopted for the preparation of the 2021/22 Budget and the Medium Term Financial Plan suggest that there will be approximately £100,000 available over the life of the Plan to fund new service development proposals. After allowing for the ongoing costs of Participatory Budgeting and the Local Government Review project, £30,000 could be available over the life of the Plan for new initiatives. Members should note that the phasing shown in Appendix C is illustrative and has been chosen to fit the Plan.

## **F. Reserves**

The Proposed Budget and Medium Term Plan assume a continuation of existing plans for reserves.

## General Reserve

The Council has a policy of reaching a target balance in the Reserve equivalent to 35% of its forecast net expenditure by 31 March 2025. Underspendings in previous years, notably £64,000 in 2020/21, coupled with £75,000 this year, mean that this target has already been exceeded. As a result, there are resources in the Reserve which can be used to fund financial growth over the life of the Plan.

Based on the Plan's parameters, the 35% target for 31 March 2025 of £179,900 can also be exceeded, as shown in Appendix B, and maintained in subsequent years. The illustrative phased use to fund growth results in the balance at 31 March 2027 being slightly above its target.

## Devolution Reserve

As noted above, the Reserve is being built up from contributions from the Devolved Services budget heading until the total cost of those services reaches £46,344. Appendix B shows that the MTFP projections forecast that this target figure will not be reached and that contributions will stabilise at £22,839 in 2025/26, leading to a balance of £258,752 at 31 March 2027. The reserve is intended to act as a cushion against the longer-term full costs of devolved assets being higher than expected, necessary renovation and/or improvements.

## Acquisitions Reserve

The reserve was established in 2018/19 with a contribution of £50,000. No use of this money is budgeted or forecast, however it will be available when required for expenditure associated with acquisitions.

## **G. Council Tax**

The current year's Band D Council Tax is £83.09 per property. Adoption of the Proposed Budget for 2022/23 would result in a nil increase. The Medium Term Plan indicates that a 2.0% increase in Council Tax in each of the following four years would fund sustainable base budgets with an allowance for growth and meet the Council's target reserve.

## **H. Robustness of Estimates and Adequacy of Reserves**

Legislation requires major precepting and billing authorities to "have regard" to the advice of their chief finance officer relating to the robustness of estimates and the adequacy of financial reserves when setting its budget requirement. Although this duty is not extended to local councils, it represents good practice which should be followed and it has been incorporated in the draft Reserves Policy.

The RFO's advice is that the Council's estimates contained in the Proposed 2022/23 Budget are sufficiently robust to enable the Council to set its precept for the year. In particular:

- The estimates provide for existing committed levels of service, based on known expenditure and trends, and for agreed growth items;

- A prudent allowance has been made for incremental advances in staff pay and inflationary pay awards effective from both April 2021 and April 2022;
- Appropriate allowance has been made for potential future non-pay inflation;
- A small contingency provision has been made for unforeseen expenditure;
- Operational risks are identified, assessed and managed, with appropriate insurance cover obtained where required;
- A prudent approach has been taken to the generation of income; and
- In financial terms, the Council has matured since its creation and has a good record of sound budget and financial management.

Councillors' attention is drawn to the following risk factors:

- The Medium Term Financial Plan assumes average inflationary price increases of 0.5% pa. This may appear to be low, particularly when CPI is expected to peak at 6.0% in early 2022 and to be above the target 2.0% until well into 2023. In reality, the Council has not automatically inflated budgets in recent years, only where contractually committed, yet there has been no pressure on budgets and significant overall outturn underspendings. At the present time, while acknowledging that a 0.5% increase may suggest a real terms cut in budgets, this is not considered to be a problem.
- Unusually for January, we do not know the outcome of the negotiations for the April 2021 staff pay round. The national employers have made a full and final offer of a 1.75% increase and declined to negotiate further; in response, trade unions are balloting their members on taking industrial action, with a result expected in January. The Proposed Budget and MTFP assume settlement at the 1.75% offer; an extra 1.0% would represent a cost of around £12,000 over the life of the Plan. For subsequent years, the MTFP's allowance of a 2.5% pay award in 2022 and 2.0% pa thereafter appears reasonable.
- Superannuation contributions could be a potential risk factor for the Plan. Employer contributions are assessed triennially; we are currently in the final year of three with a contribution rate of 19.9%. Contributions are based on actuarial forecasts such as age of the workforce, working lives and life expectancy, together with economic factors such as inflation and investment returns. The effect of a 1.0% increase in contributions from April 2023 would be around £11,000 over the life of the Plan.
- By far the biggest unknown in the Medium Term Plan is the implication of Local Government Review. The Plan assumes business as usual, with no increased responsibilities taken over by the Council. It appears that this is unlikely, with the Council being expected to adopt services and/or assets which may or may not come across with adequate funding, presenting a potential risk to future Council Tax levels. There is no way to predict the consequences at present but the Council is in a strong financial position, with sustainable standstill budgets and healthy reserves. It will be important to revise the medium term projections when new responsibilities are being considered, to ensure that the Council's longer term budgets remain viable.

Finally, the RFO advises that the Council's budgeted reserves, being consistent with the Reserves Policy, are adequate for the 2022/23 financial year and as the basis for subsequent years, when the Council's target level of reserves can be met by modest increases in Council Tax. The overall picture is therefore one of a sound financial position.

## **2. Options Analysis including risk assessment**

### **Risk & Consequences**

The Council sets an invalid or inadequate budget.

An inability to raise a valid precept or insufficient resources to deliver the Council's objectives.

Overspendings leading to unwelcome curtailment of other spending programmes; possible unpalatable council tax increase; potential reputational damage.

### **Controls Required**

A sound budget process will address these risks.

## **3. Financial and Resource Implications**

This report is concerned solely with financial management. All figures other than the current year's budget and last year's outturn are provisional at this stage.

### **Appendices**

2022/23 Proposed Budget:

- Budget Summary
- Summary Medium Term Financial Plan
- Service Development Proposals (Growth Items)
- Staff Salaries – PINK CONFIDENTIAL SEPARATE PAPER

### **Background Papers**

2022/23 Budget Working Papers



## PROPOSED BUDGET 2022/23

ACTUAL OUTTURN 2020/21	APPROVED BUDGET 2021/22		BUDGET HEADING	FORECAST OUTTURN 2021/22		PROPOSED BUDGET 2022/23	
	£	£		£	£	£	£
			<b>INCOME</b>				
			<b>Precept:</b>				
454,233		450,069	Council Tax		450,069		455,209
7,829		7,700	<b>EDC - CTRS Grant</b>		7,551		7,390
			<b>Other Income:</b>				
515		670	Investment Income		200		250
0		10	Miscellaneous Income		10		10
<b>462,577</b>		<b>458,449</b>	<b>TOTAL INCOME</b>		<b>457,830</b>		<b>462,859</b>
			<b>EXPENDITURE</b>				
			<b>PLANNING COMMITTEE:</b>				
			<b>Planning:</b>				
4,739	0		Officer Support	0		0	
1,367	10,000		Planning Consultancy	10,000		10,000	
503	0		Consultation	0		0	
<b>6,609</b>		10,000	Sub-Total		10,000		10,000
			<b>Climate Change:</b>				
0	0		Website & initial costs	0		0	
0	5,000		Community Consultation	0		5,000	
0	2,000		Internal Business Plan	0		2,000	
0	1,000		Carbon Footprinting: High level baseline	0		1,000	
0	500		Carbon Footprinting: Calculator licence	0		500	
0	3,000		BIG STEP	0		3,000	
0	800		Staff Development/Exceptional Expenses	0		800	
0	1,000		Carbon Literacy Training	0		1,000	
2,038	0		Unallocated Project budget	0		0	
<b>2,038</b>		13,300	Sub-Total		0		13,300
<b>8,647</b>		<b>23,300</b>	<b>Planning Committee Total</b>		<b>10,000</b>		<b>23,300</b>
			<b>CCEG COMMITTEE:</b>				
			<b>Town Projects:</b>				
4,377	15,000		Town Projects	1,800		10,000	
0	0		Marketing Penrith	0		5,000	
17,314	5,000		Covid-19 Response	2,500		0	
<b>21,691</b>		20,000	Sub-Total		4,300		15,000
			<b>Arts &amp; Entertainment:</b>				
928	5,000		Officer Support	7,500		7,500	
2,484	7,500		Arts & Cultural Strategy	1,200		0	
0	0		Arts & Culture Development	22,500		10,000	
1,430	29,000		Events	0		0	
<b>4,842</b>		41,500	Sub-Total		31,200		17,500
			<b>Environment:</b>				
1,600		14,500	Greening		8,000		5,000
1,571		31,000	<b>Community Grants</b>		0		0
			<b>Grants:</b>				
0	0		Small Grants	8,000		15,000	
0	0		Grow Nature Grants	8,000		15,500	
0	0		Large Grants	15,000		26,500	
<b>0</b>		0	Sub-Total		31,000		57,000
			<b>Corporate Communications:</b>				
450	12,500		Community Engagement	8,000		7,500	
1,440	2,500		Press Support	2,500		2,500	
<b>1,890</b>		15,000	Sub-Total		10,500		10,000
<b>31,594</b>		<b>122,000</b>	<b>CCEG Committee Total</b>		<b>85,000</b>		<b>104,500</b>
			<b>FINANCE COMMITTEE:</b>				
			<b>Staffing:</b>				
172,871	195,170		Salaries	173,740		196,850	
15,378	16,910		National Insurance	15,730		19,960	
30,636	34,120		Superannuation	35,270		39,170	
0	1,000		Recruitment Expenses	1,000		500	
893	950		Staff Training	700		950	
289	1,500		Conferences	500		1,000	
325	700		Staff Expenses	300		500	
<b>220,392</b>		250,350	Sub-Total		227,240		258,930

ACTUAL OUTTURN 2020/21	APPROVED BUDGET 2021/22		BUDGET HEADING	FORECAST OUTTURN 2021/22		PROPOSED BUDGET 2022/23	
	£	£		£	£	£	£
7,500	7,500		<b>Accommodation:</b>				
1,383	1,700		Rent	7,500		7,500	
765	920		Heat, Light & Water	1,700		1,800	
0	230		Service Charges	920		920	
367	380		Room Hire/Meetings	700		1,730	
0	(10)		Insurances	380		380	
			Letting Income	0		(10)	
10,015		10,720	Sub-Total		11,200		12,320
			<b>Civic Functions:</b>				
143	400		Civic Functions	200		400	
567	700		Mayoral Expenses	700		700	
267	300		Deputy Mayor's Expenses	300		300	
51	100		Civic Regalia	800		100	
1,028		1,500	Sub-Total		2,000		1,500
			<b>Cost of Democracy:</b>				
0	200		Annual Meeting	300		200	
0	0		Elections	0		0	
85	1,000		Members' Training	300		1,000	
80	200		Members' Expenses	150		200	
0	200		Notice/Honours Board	200		200	
165		1,600	Sub-Total		950		1,600
17,995		21,000	<b>IT</b>		19,000		20,000
3,901		2,050	<b>Website</b>		1,000		2,050
			<b>Devolved Services:</b>				
(1,400)	(1,400)		Bring Site	(1,400)		0	
2,530	1,550		Allotments	11,550		800	
418	400		War Memorial	400		400	
(420)	790		Benches	790		1,500	
(98)	5,410		Bus Shelters	630		5,780	
625	1,700		Bandstand	1,200		1,750	
719	420		Musgrave Monument	420		800	
(3,515)	1,200		Fairhill Park	500		3,300	
0	1,500		Play Areas	0		0	
0	0		Fairhill United Utilities Planting Maintce	0		0	
7,050	0		Fairhill Site Improvements	0		0	
(4,221)	3,000		Thacka Beck	8,700		3,700	
1,150	300		Signage	300		300	
8,617	8,800		Community Caretaker	8,800		8,800	
0	3,000		Local Government Re-organisation: Plan	3,000		0	
34,889	19,674	46,344	Contribution to Devolution Reserve	11,454		19,214	
46,344		46,344	Sub-Total		46,344		46,344
			<b>Council Projects:</b>				
0	3,000		Officer Support	3,000		3,000	
0	8,000		Project Budget	8,000		0	
0		11,000	Sub-Total		11,000		3,000
			<b>Other Overheads:</b>				
1,119	1,800		Printing, Postage & Stationery	1,600		1,800	
1,405	1,700		Audit Fees	1,750		1,450	
3,786	4,000		Insurance	3,600		3,800	
135	100		Bank Charges & Interest	130		130	
3,322	2,800		Accountancy Fees	2,600		2,600	
3,204	2,500		Legal Fees	1,500		1,500	
283	450		Licences	500		500	
2,841	3,000		Subscriptions	4,160		4,160	
16,095		16,350	Sub-Total		15,840		15,940
2,118		8,000	<b>Repairs &amp; Renewals</b>		5,500		3,000
318,053		368,914	<b>Finance Committee Total</b>		340,074		364,684
0		1,000	<b>Contingency</b>		4,430		12,000
n/a		0	<b>Allowance for Growth Items</b>		0		25,000
0		0	<b>Transfer to/(from) Acquisitions Reserve</b>		0		0
358,294		515,214	<b>TOTAL EXPENDITURE</b>		439,504		529,484
			<b>INCREASE/(DECREASE) IN GENERAL RESERVE</b>		18,326		(66,625)
104,283		(56,765)					

ACTUAL OUTTURN 2020/21	APPROVED BUDGET 2021/22		BUDGET HEADING	FORECAST OUTTURN 2021/22		PROPOSED BUDGET 2022/23	
	£	£		£	£	£	£
236,149		276,487	<b>General Reserve:</b>		340,432		358,758
104,283		(56,765)	Balance brought forward 1 April		18,326		(66,625)
			Increase/(decrease) in year				
<b>340,432</b>		<b>219,722</b>	<b>Balance carried forward 31 March</b>		<b>358,758</b>		<b>292,133</b>
			<b>Devolution Reserve:</b>				
101,059		121,878	Balance brought forward 1 April		135,948		147,402
34,889		19,674	Contribution from Annual Budget		11,454		19,214
<b>135,948</b>		<b>141,552</b>	<b>Balance carried forward 31 March</b>		<b>147,402</b>		<b>166,616</b>
			<b>Acquisitions Reserve:</b>				
50,000		50,000	Balance brought forward 1 April		50,000		50,000
0		0	Increase/(decrease) in year		0		0
<b>50,000</b>		<b>50,000</b>	<b>Balance carried forward 31 March</b>		<b>50,000</b>		<b>50,000</b>
<b>526,380</b>		<b>411,274</b>	<b>TOTAL RESERVES AT 31 MARCH</b>		<b>556,160</b>		<b>508,749</b>

ACTUAL OUTTURN 2020/21	APPROVED BUDGET 2021/22		COUNCIL TAX	FORECAST OUTTURN 2021/22		PROPOSED BUDGET 2022/23	
£454,233		£450,069	Precept		£450,069		£455,209
5,466.76		5,416.64	Taxbase (Band D properties)		5,416.64		5,478.50
£83.09		£83.09	Council Tax (Band D)		£83.09		£83.09
0.00%		0.00%	Increase (%)		0.00%		0.00%



## Penrith Town Council

### PROPOSED MEDIUM TERM FINANCIAL PLAN 2022/23 TO 2026/27

BUDGET HEADING	2022/23	2023/24	2024/25	2025/26	2026/27
	£	£	£	£	£
<b>INCOME</b>					
Council Tax	455,209	471,268	487,932	505,161	522,972
All Other Income	7,650	7,450	7,250	7,050	6,850
<b>TOTAL INCOME</b>	<b>462,859</b>	<b>478,718</b>	<b>495,182</b>	<b>512,211</b>	<b>529,822</b>
<b>EXPENDITURE</b>					
Staff Costs	258,930	260,260	262,230	262,230	262,230
All Other Expenditure	226,340	214,790	208,260	208,415	208,415
Inflation: Staff Costs: 2.0% pa	0	5,450	10,710	16,380	22,290
Inflation: Other Expenditure: Average 0.5% pa	0	1,070	2,080	3,130	4,170
Contribution to Devolution Reserve	19,214	23,464	22,994	22,839	22,839
Transfer to/(from) Acquisitions Reserve	0	0	0	0	0
Allowance for Growth Items (Illustrative)	25,000	30,000	15,000	15,000	15,000
<b>TOTAL EXPENDITURE</b>	<b>529,484</b>	<b>535,034</b>	<b>521,274</b>	<b>527,994</b>	<b>534,944</b>
<b>INCREASE/(DECR) IN GENERAL RESERVE</b>	<b>(66,625)</b>	<b>(56,316)</b>	<b>(26,092)</b>	<b>(15,783)</b>	<b>(5,122)</b>

RESERVES:	2022/23	2023/24	2024/25	2025/26	2026/27
	£	£	£	£	£
<b>General Reserve:</b>					
Balance brought forward 1 April	358,758	292,133	235,817	209,725	193,942
Increase/(decrease) in year	(66,625)	(56,316)	(26,092)	(15,783)	(5,122)
<b>Balance carried forward 31 March</b>	<b>292,133</b>	<b>235,817</b>	<b>209,725</b>	<b>193,942</b>	<b>188,820</b>
<i>Target General Reserve: 35% of Expenditure</i>			179,900	182,300	184,800
<b>Devolution Reserve:</b>					
Balance brought forward 1 April	147,402	166,616	190,080	213,074	235,913
Contribution from Annual Budget	19,214	23,464	22,994	22,839	22,839
<b>Balance carried forward 31 March</b>	<b>166,616</b>	<b>190,080</b>	<b>213,074</b>	<b>235,913</b>	<b>258,752</b>
<b>Acquisitions Reserve:</b>					
Balance brought forward 1 April	50,000	50,000	50,000	50,000	50,000
Contribution from Annual Budget	0	0	0	0	0
<b>Balance carried forward 31 March</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>TOTAL RESERVES AT 31 MARCH</b>	<b>508,749</b>	<b>475,897</b>	<b>472,799</b>	<b>479,855</b>	<b>497,572</b>

COUNCIL TAX:	2022/23	2023/24	2024/25	2025/26	2026/27
Precept	£455,209	£471,268	£487,932	£505,161	£522,972
Taxbase (Band D properties)	5,478.50	5,560.68	5,644.09	5,728.75	5,814.68
Council Tax (2021/22 £83.09)	£83.09	£84.75	£86.45	£88.18	£89.94
Increase (%)	0.00%	2.00%	2.00%	2.00%	2.00%



## Penrith Town Council

### PROPOSED MEDIUM TERM FINANCIAL PLAN SERVICE DEVELOPMENT PROPOSALS (GROWTH ITEMS)

REF	PROPOSAL	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
		£	£	£	£	£	£
<b>CCEG 1</b>	<b>Participatory Budgeting:</b> Creation of a participatory budget to give residents greater participation in the spending and allocation of public money on community driven projects. To be supplemented by identified underspending of the CCEG Committee budget in 2022/23.	10,000	10,000	10,000	10,000	10,000	50,000
<b>FIN 1</b>	<b>Local Government Review:</b> Resources, legal and professional advice, consultation and marketing, in support of the project	15,000	5,000				20,000
	<b>Allowance for New Growth in Future Years (Illustrative)</b>	-	15,000	5,000	5,000	5,000	30,000
	<b>TOTAL GROWTH ITEMS</b>	<b>25,000</b>	<b>30,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>100,000</b>