

COUNCIL 30 JANUARY 2019**1 Budget and Funding Proposal**

- 1.1 At the previous meeting the Town Council agreed its Budget and Precept for 2019/20 along with an allocation of £35,000 from Balances and the Precept request has been submitted to the collection authority Northumberland County Council.
- 1.2 As usual a number of project heads were included in the budget and at the same meeting it was agreed to accept the lowest tender for the major refurbishment scheme for the public toilets at the Church Point. This project has a specific allocation of £20,000 in the current budget which will either be spent or carried forward on 31 March depending on the progress of the works. A similar allocation is identified in the 2019/2020 budget and Members need to consider how the balance of the tender price of £31,000 is to be met as it was not added to the Precept.
- 1.3 It is open to the Council to consider virement from other budgets but that would prevent further development of those schemes during the next year and an early start date is required to ensure there are no increases in the cost of materials and fittings.
- 1.4 At the meeting I mentioned that it is open to the Council to borrow money to support capital expenditure. This is governed by the Local Government Act 2003 and requires formal Borrowing Consent from the Department for Communities and Local Government upon application submitted through County Association of Local Councils.
- 1.5 The scheme criteria can be easily met for approval as the project fits well with the aims of the Town Plan to increase tourism and support the elderly with public toilet provision being the town's top priority. The strategic location of these public toilets adjacent to the main visitor car park and public transport terminal close to the Bay and visitor attractions strengthens that position. The specific scheme was included and discussed in public last year when the 2018/19 Budget was set last January and again for 2019/20.
- 1.6 The affordability of the project is demonstrated by the budget provision of £20,0000 part of which can be utilised to finance the repayments of the loan over 3 or 5 years and avoid any increase in the Precept to fund the loan.

It is **RECOMMENDED** that Members consider the report and authorise both the application for borrowing and subsequent loan over the preferred period.