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Michael Laing Chief Executive

17th July 2007

Dear Councillor,

I hereby give you Notice that a Meeting of the **CENTRAL RESOURCES COMMITTEE** will be held in the **COUNCIL CHAMBER, CIVIC CENTRE, CROOK** on **WEDNESDAY 25th JULY 2007** at **6.00 P.M.**

AGENDA

	Page No.
1. Apologies for absence.	
2. To consider the Minutes of the Meeting of the Committee held on 20 th June 2007, and the Minutes of the Special Meeting of the Committee held on 28 th June 2007, as true records.	Copies previously circulated
3. To receive further information on the assessment criteria used by Planning Officers.	1 - 2
4. To consider a request to purchase land to the north of New Row, Oakenshaw for Mr E Luke.	3 - 7
5. To consider a request to purchase land at Stanley, Crook for Mr C Picken.	8 - 11
6. To consider a request to purchase land adjacent to 14 Nelson Street, Crook for Mr J Blackett.	12 - 14
7. To consider the adoption of a Land Disposals policy.	15 - 17
8. To consider Capital Budget Monitoring for the Authority.	18 - 24
9. To compare the revenue expenditure of the Authority for the period 1 April 2007 to 30 June 2007, against budget.	25 - 29
10. To consider a revised corporate asset management plan.	30 - 31
11. To consider the Council's asset management performance for 2006/07.	32 - 36

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| 12. | To consider the treasury management activity of the first 6 months of the year. | 37 - 42 |
| 13. | To consider the financial performance of partnerships of the Resource Management Department. | 43 - 48 |
| 14. | To consider the Strategic Risk Register. | 49 - 57 |
| 15. | To receive a Risk Register update. | 58 - 62 |
| 16. | To receive a report on realising the benefits of e-government. | 63 - 66 |
| 17. | To consider offers received for 31 Middlewood Avenue, St Helen Auckland.* | 67 - 68 |
| 18. | To consider offers received for 33 Middlewood Avenue, St Helen Auckland.* | 69 - 70 |

To consider such other items of business which, by reason of special circumstances so specified, the Chairman of the meeting is of the opinion should be considered as a matter of urgency.

* It is likely that items 17 & 18 will be taken in the closed part of the meeting in accordance with paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006.

Yours faithfully



Chief Executive

Members of this Committee: Councillors Buckham, Mrs Burn, Harrison, Hayton, Grogan, Kay, Kingston, Mairs, Mowbray, Murphy*, Miss Ord, Mrs Pinkney, Mrs Seabury*, Shuttleworth, Stonehouse, Taylor and Zair.

*Ex-officio, non-voting capacity

Chair: Councillor Hayton

Deputy Chair: Councillor Mrs Pinkney

TO: All other Members of the Council for information
Management Team

CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Strategic Director for Environment and Regeneration **ASSESSMENT BY PLANNING OFFICERS**

purpose of the report

1. To give Members further information on the assessment criteria used by planning officers when assessing applications to purchase Council land.

background

2. The Council regularly receives requests to purchase areas of Council-owned land. These are often small pieces of public open space, adjacent to residential property. The requests are processed by the Legal Department who consult with various parties, including the Head of Development and Building Control.

assessment

3. Any change of use of land will require a planning application. The applications to purchase land are considered as a pre-planning application enquiry. The applicant is therefore given an indication of whether or not planning permission is likely to be granted, should the purchase of the land proceed.
4. The pre-planning application enquiries are assessed by reference to the planning history of the site and the merits of the proposal are assessed against national and Council planning policies. In particular, the following issues are addressed:
 - Is the open space necessary as a visibility splay for highway safety?
 - Is the open space in a Conversation Area? If so what does it contribute to the aesthetics of the Conservation Area?
 - What contribution does the open space make to the host property and the surrounding area?
 - Does the open space make a valuable contribution to the streetscene?
 - Would the enclosure of the open space affect the security of the area?
 - Would it create a tunnelling effect?
 - Would the enclosure of the open space affect the amenity of neighbouring properties in terms of overbearing and overshadowing impacts?

- Would the enclosure of the open space afford better privacy to the occupiers of the host property?
- Would the enclosure of the open space adversely affect the amenity of neighbouring properties?
- If the open space is at the entrance to an estate would its enclosure affect the openness of the entrance to the estate?
- Would the proposed boundary treatment be appropriate for the area?
- Has the sale of any neighbouring areas been previously considered? If so, was the request approved or refused and on what basis?

planning application

5. If the request to purchase land is approved, the sale will be conditional upon the applicant obtaining planning permission for their proposed use of the land. At this stage, a formal planning application is submitted. The process outlined in paragraphs 3 and 4 above is gone through in further detail. Additionally, the Council carries out consultation in accordance with statutory requirements. It is unlikely, but possible, that a planning application will be refused at this stage. However, it should be appreciated that a pre-planning application enquiry is just that and the full assessment carried out at planning application stage may result in additional matters being considered.

RECOMMENDED that Members note the report

Officer responsible for the report
 Robert M Hope
 Strategic Director for Environment
 & Regeneration

Authors of the report
 Sinead Folan – Planning Officer
 Anna Barker – Assistant Director of
 Legal & Administration Services

CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Asset Management Group
LAND TO THE NORTH OF NEW ROW OAKENSHAW

purpose of the report

1. Consideration of a request to purchase land at the above location.

background

2. On 24 April 2007 it was agreed under delegated powers that the two tree planted areas edged in black on the plan at Annex A be sold to Mr. E. Luke of Oakenshaw Farmhouse, 1 Stockley Lane, Oakenshaw subject to their use remaining unchanged and subject also to the rights of any third parties.
3. Prior to the sale being agreed a notice was inserted in the Wear Valley Advertiser advising that an application to purchase the land had been received. No objections were received and the proposed sale was therefore agreed under delegated powers. Unfortunately it was not appreciated at the time that this newspaper is not circulated in Oakenshaw. This was addressed once this fact was brought to the Council's attention by writing to neighbours.

consultation

4. The occupiers of twenty two properties in the vicinity of the land were written to seeking their views on the proposal. This resulted in eleven letters of objection being received with one letter, on behalf of two properties, offering no objection subject to no building taking place within the next 10 years. That letter also confirmed that there were problems with dog fouling and children in the area.

objections/observations

5. The main comments contained in the eleven letters of objection are as follows:-
 - (a) Used as a thoroughfare and recreation area by many people.
 - (b) Used by residents out for a stroll and by dog walkers. There is no major problem with dog fouling although it is acknowledged in one letter that some owners do not pick up after their dogs. Another resident advises that there is sometimes a little dog waste in the woods but it is insignificant in amount and being organic it vanishes into the ground. Thinks this form of disposal is preferable to putting it in a plastic bag and then in a metal bin, until it stands until it is put in landfill.

- (c) No big problem with fly tipping, but when it has occasionally occurred residents alert the Council.
- (d) In summer children do use the areas to build dens which last year did produce associated litter. This was a first and was soon removed. Feel the claim that children use the land is grossly exaggerated.
- (e) Litter that usually accumulates on the land is usually dropped or blown there on the day that the refuse bins are collected - especially on recycling days because plastic recycling bins are not covered.
- (f) Used on a daily basis by residents of the village, by visitors, by workmen taking a lunch break and by wildlife, i.e. the area was and is used with pleasure for its designated purpose. Hardly surprising over such a long period of use that problems have occasionally arisen but they have not been major, continuous or even obvious. They have not all occurred together and have been effectively tackled by residents in co-operation with the police and the Council if necessary.
- (g) Never come across youths acting in an anti social manner. Never seen people drinking in the woods or smoking. Has seen some garden rubbish on a couple of occasions but since this was organic it soon disappeared. Can recall that a small amount of litter was left by workmen working in the vicinity but as this was mainly sandwich remains and a bit of paper most of it disappeared over a period of time.
- (h) There would be a considerable loss of amenity and wild life value if purchased and developed by anybody.
- (i) Local residents have adopted these areas – planting extra trees and putting up bird boxes.
- (j) The woodland is not actively managed and as such provides an interesting opportunity for flora and fauna. squirrels, birds, mosses and fungi have flourished for many years in the woods.
- (k) The road which runs between the two plots of land is a right of way and it is felt that the applicant would wish to close it.
- (l) Assume that the applicant would wish to fence it off otherwise why bother to buy it – he could tidy it up without owning it.
- (m) At no point have the wooded areas or the roadway been unusable, unsafe or unsightly apart from occasional gale damage.
- (n) In short the land is used by many people for various positive purposes.

comments received from applicant

- 6. Some of the reasons given by the applicant, Mr. E. Luke, in support of his request to purchase the two parcels of land are as follows:-
 - (a) This is the entrance to my business; the only resident business in the whole of Oakenshaw. It is a total disgrace that my customers must see

such an eyesore upon approaching my home. Pleaded for years to have the land tidied up but due to lack of funds was informed that it wasn't possible.

- (b) The land will remain unchanged, but fenced around, trees trimmed, grass cut and rubbish removed. It would look very similar to the land at the top of my boundary which was also a planted area when I purchased my property from the National Coal Board. This work would be carried out by me at my expense.
- (c) The roadway between the two areas of land is an adopted highway and is not in the ownership of the Council, therefore this will still be accessible to the public.
- (d) The land at present is being used for, drug dealing, dog fouling, sexual activities, fly tipping, stolen vehicle dumping ground and under age drinking.
- (e) When the parcels of land were first planted they were completely fenced but over the years the fencing bordering the adopted road has been pulled down to allow access.
- (f) All I wish to do is enhance the entrance to both my home and Oakenshaw.

author's comments

- 7. The applicant has confirmed that he does not wish to change the use of the land and if Members are mindful to sell the two tree planted areas to Mr. Luke a covenant would be imposed restricting the use to that which exists at present.
- 8. Reference is also made in both the comments received from the objectors, as well as the applicant himself, regarding the fencing in of the land. If Members are mindful to approve the request the sale would be subject to any existing rights of way.
- 9. The roadway referred to in paragraph 5 (k) and paragraph 6 (c) is indeed an adopted highway, and not owned by the Council. It will not therefore be possible for this to be closed unless a formal closure order was made by Durham County Council who are the Highway Authority.

conclusion

- 10. In line with the Council's policy of public speaking at this Committee both the applicant and the parties who have commented on the request have been invited to attend to afford them the opportunity to put their respective cases to you.
- 11. If after considering the report Members are of the opinion that the request should be approved it is recommended that the sale to Mr. Luke should be subject to the following terms and conditions:-
 - a) Valuation to be agreed with, or given by, the District Valuer.

- b) A covenant to be imposed restricting the use of the land to its current use.
- c) Any existing rights of way.
- d) Applicant to be responsible for the Council's legal and valuation fees.

RECOMMENDED that Members' instructions be sought.

background papers

File Number 81480

Officer responsible for the report

Gary Ridley
Strategic Director for Resource
Management
Ext 227

Author of the report

Christine Graham
Legal Executive
Ext 318

CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Strategic Director for Resource Management **LAND AT STANLEY, CROOK**

purpose of the report

1. To seek Members' instructions regarding a request to purchase land at the above location.

introduction

2. A request has been received from Mr. Craig Picken of Wooley Grange Farm, Stanley, Crook to purchase the land shown hatched black on the plan at Annex B for agricultural purposes. The Applicant confirms the land is currently used by people on motocross bikes and for fly tipping. He wishes to use the land for grazing and producing hay and is willing to accept restrictive covenants on the land restricting the land to agricultural land only.

consultations

3. The Strategic Director of Environment and Regeneration confirms that he agrees to the land being sold. He would recommend that the land shown hatched black should be sold for the purpose of grazing or the growing of hay or similar crops. He would also suggest a restriction be included in the transfer that the land be used for no purpose other than for grazing or the growing of hay or similar crops.
4. The Strategic Director for the Community raises no objections of a technical nature to the sale of the land for agricultural purposes. He suggests that the applicant be requested to secure all boundaries of the land with suitable fencing to prevent unauthorised access and that the public right of way adjacent to the south boundary of the land be maintained in a reasonable condition and be left unobstructed.

author's comments

5. As this parcel of land is open space a notice, in accordance with Sections 122/123 of the Local Government Act 1972, under which the Council is obliged to give notice and consider any objections to the proposed disposal of land, was inserted in the local press.
6. This exercise resulted in four letters being received and the grounds given for the objection are as follows:-
 - (i) The land has been used by football teams and recently as a BMX track.

- (ii) There is very little open space at all in the centre of the village and approx. 83 new houses are currently being built in the village which will almost double the population of the village. Children of the village use the land as a safe play area away from the traffic.
 - (iii) The land is used on a daily basis by children riding their bikes on the BMX track and for playing football. It is also used by people flying model planes and for practising golf.
 - (iv) The land is used for the flying of model aeroplanes and in winter it is a safe place for the children to sledge.
7. In respect of the BMX track, a licence was granted to the local BMX club in 1987 for one year at a nominal rent but the land has not been used by the BMX club for numerous years.
8. In response to the points raised in the letters of objection, it is accepted that the open space is for the enjoyment of residents but due to the nuisance being caused by the use of motocross bikes being driven on the land and the level of fly-tipping the Council feel that the sale would help eradicate these anti - social problems. The land is not in a good condition at the present time and the sale would eliminate the need to maintain the land.
9. There is another play area in the centre of Stanley which could be utilised by children and adults and therefore the loss of this piece of open space would not be harmful, nor be a loss of visual amenity.
10. Other parties have now come forward to express their interest in purchasing the land and therefore the Council should consider placing it on the open market inviting sealed tenders to obtain the best price achievable.

conclusion

11. If after considering the report Members are of the opinion that the land should be sold I would recommend that the sale be approved subject to the following terms and conditions;
- (a) The land be advertised in the local press inviting offers by sealed tender.
 - (b) Offers received to be agreed with the District Valuer.
 - (c) Successful Applicant to be responsible for the erection and future maintenance of the boundary structures.
 - (d) Successful Applicant to obtain planning permission for change of use of the land from open space to agricultural land.
 - (e) Successful Applicant to be responsible for the Council's legal and valuation costs.
12. However in line with the Council's policy of public speaking at this Committee the Applicant and the Objectors have been invited to attend this meeting to afford them the opportunity to present their respective cases to you.

13. Members' instructions are requested.

background papers

File no. 81561

Officer responsible for the report

Gary Ridley
Strategic Director for Resource
Management
Ext. 227

Author of the report

Diane Hathaway
Legal Executive
Ext. 319

CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Asset Management Group
LAND ADJACENT TO 14 NELSON STREET, CROOK

purpose of the report

1. To seek Members' approval to refuse a request to purchase land at the above location.

background

2. A request to purchase the land edged in black on the plan at Annex C has been received from Mr. J. Blackett of 14 Nelson Street, Crook to enable him to have a garden and patio area. However, although the Council maintain this land it only has title to the land shaded black on the plan.

consultations

3. The Strategic Director for the Community offers no objection of a technical nature to the sale of the land.
4. The Strategic Director for the Environment and Regeneration states that the land comprises an area of open space backing onto four dwellings and feels there would be an unacceptable impact on the amenity of the occupiers of the three remaining properties. This area of Crook is characterised by parcels of land forming small areas of informal open space which add to the character and open aspect of the immediate area.
5. It is considered that open spaces which contribute to the character and amenity of an area should be retained in accordance with policies GD1 and BE14 of the Wear Valley District Local Plan.

financial implications

6. The sale of the land would produce a capital receipt.

conclusion

7. As the Strategic Director for the Environment and Regeneration is unable to support the proposal it is recommended that the request be refused.
8. However, in line with the Council's policy of public speaking at this Committee Mr. Blackett has been invited to attend to afford him the opportunity to put his case to you.

RECOMMENDED that Mr. Blackett's request to purchase the land be refused in view of the fact that the Director for the Environment and Regeneration is unable to support the proposal.

background papers

File Number

Officer responsible for the report

Gary Ridley
Strategic Director for Resource
Management
Ext 227

Author of the report

Christine Graham
Legal Executive
Ext 318

CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Assistant Director – Legal and Administration Services
LAND DISPOSALS POLICY

purpose of the report

1. To propose to Council the adoption of a Land Disposals policy and the confirmation of an amended Scheme of Delegation in relation to land and property disposals.

background

2. The Council has the power to dispose of land in its' ownership, subject to statutory constraints. It is good practice for the Council to have a formal policy on the exercise of this power.
3. The development of a Land Disposals Policy is a core element in delivering the Council's Asset Management Plan. It also assists the Council in further pursuing the challenge of community ownership of assets, as required by the White Paper "Strong and Prosperous Communities".

land disposals policy

4. A draft Land Disposals Policy is attached at Annex D. This is based on the guidance issued by the Local Government Ombudsman – Guidance on Good Practice 5: Disposal of Land (November 1995) and takes into account the terms of the General Disposal Consent (England) 2003 and associated circular 06/03.
5. The purpose of the formal policy document is to make the Council's policies, guidance and procedures transparent and public. It is intended that the policy will be used by Council officers when processing land disposals but also that it will inform members of the public and developers, in their dealings with the Council.
6. It is proposed to append procedure notes to the policy showing the process followed in relation to requests to purchase Council land. Whilst these are appended to the policy, it is not intended that they form part of the policy. As these are operational matters, the procedure notes would be amended by officers as and when required. Any such amendments would be within the agreed policy framework and delegation scheme. The procedure note contains a proposed letter to applicants. Members will note that the proposed letter details various charges. In view of the amount of officer resource which is consumed by these requests, it is proposed to introduce charges, which proposal is detailed further in paragraph 10 below.

land and property delegation scheme

7. The Council has operated a delegation scheme in relation to land and property disposals for a number of years. This enables routine disposals to be processed quickly and efficiently, freeing up resources to handle larger or more complicated disposals.
8. In order to ensure that the process is as transparent as possible, it is proposed to issue the Land and Property Disposals Scheme of Delegation as a separate document. It will still form part of the Constitution but will also be used as a companion document to the Land Disposals Policy. This will enable officers and members of the public to easily identify the appropriate decision making mechanism. A copy of the proposed Scheme of Delegation is attached as appendix *
9. The Scheme of Delegation has been amended slightly from that operated in the past, in order to bring it in line with the Delegation Scheme for Development Control applications. The following amendments to the scheme are proposed –
 - (i) the current scheme requires all applications to purchase to be referred to Committee where there has been 1 objection. This is amended to give a Strategic Director power to determine an application to purchase where there have been no more than 3 objections.
 - (ii) the current scheme does not allow a Strategic Director to refuse an application to purchase. This is amended to allow a refusal where the proposal is either contrary to Council policy or to the advice of the Council's professional officers. The applicant will have a right of appeal to Committee.

financial implications

10. There will be no financial implications in relation to the adoption of the Land Disposals Policy. However, members are referred to the proposed procedure note in relation to requests to purchase Council land. Previously, the Council has processed these requests without charge, although the applicant has been asked to re-imburse the District Valuer's fee. In addition to the District Valuer's fee, it is proposed that the applicant be asked to contribute towards the following –
 - Council's administration costs (processing request) – it is proposed that a non-refundable fee of £150 be charged, regardless of whether the application is approved or not. This would be a contribution towards the costs of the consultation process and the preparation of reports (whether to Committee or under delegated powers). This is comparable with the practice adopted by other District Council's (e.g. Chester-le-Street, Durham City, Easington).
 - Council's legal costs (conveyancing) – it is proposed that the applicant be asked to contribute £250 towards the Council's legal costs. It is common practice to require applicants to contribute towards the Council's legal costs (e.g. when completing s106 agreements). A contribution towards legal fees is sought by the majority of Councils in the area.

- Cost of advertisement in press (when required) – it is estimated that the cost of an advert would be approximately £500, although press adverts are not required for the majority of sales. The Council has previously advertised proposed land sales in the press but has not recovered the costs from the applicant. In order to reduce costs, it is proposed to only advertise on those occasions where it is a statutory requirement to do so. In all other cases, consultation letters would be sent to neighbours inviting comments.

conclusion

11. The adoption of a formal Land Disposals Policy will enable the Council to demonstrate transparency and fairness in its' property dealings and will comply with good practice. The amendments to the Scheme of Delegation will achieve consistency of approach across the Council and will clarify the lines of responsibility.

RECOMMENDED that the Committee recommend to Council that:

- (i) The Land Disposals Policy be adopted with effect from 1 September 2007.
- (iii) The Scheme of Delegation in relation to Land and Property Disposals be amended with effect from 1 September 2007.

Officer responsible for the report

Gary Ridley
Strategic Director for Resource
Management
Ext 227

Author of the report

Anna Barker
Assistant Director – Legal & Admin.
Ext 310

CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Strategic Director of Resource Management **CAPITAL BUDGET MONITORING**

purpose of the report

1. To consider the capital expenditure of the Authority for the first three months of 2007/08 against budget.

background

2. Details of the capital programme are shown in Annex E. Each scheme shows spend to 30 June, projected outturn and commentary on progress based upon information provided by budget holders. Sub totals are shown by corporate objective. The financing of the capital programme is shown at the bottom of the Annex.
3. Figures are split between income and expenditure for schemes that are fully or partially externally funded. This enhances transparency and is in line with external audit recommendations. The projected outturn for each scheme will be used to assist in determining the level of resources available to support the capital programme for 2008/09.

capital budget

4. The Council set a net capital programme budget for 2007/08 of £5,876,860. Following the achievement of a 2 star rating for the housing service, permission from Government to borrow a further £5m was received in April. Repayment of this money is fully funded by Government through the housing subsidy mechanism.
5. The additional £5m has been passed to Dale and Valley Homes as the first tranche of the total extra £27m to be received to bring all dwellings up to the decent homes standard. However, accountability for the use of the money remains with the Council and it forms part of the Authority's capital programme.
6. Due to slippage in expenditure arising from the previous year's programme, members approved additions to the budget of £477,266. In total, this results in a revised budgeted programme of £11,354,126. This is affordable taking into account the capital resources of the Council.
7. The annex shows projected net spend for the year as £9,705,000. This represents an underspend of £1,649,126. This is largely due to the cost of the planned Dale and Valley Homes capital programme for the year being less than the additional monies awarded by Government. This will be carried forward into 2008/09. There is also slippage due to a number of schemes

such as a stock condition survey that were in the original programme which can now be financed from the additional monies delegated to Dale and Valley Homes. The resources have still to be allocated and proposals will be brought to members in due course.

8. Expenditure against the agreed capital budgets will continue to be monitored closely by budget holders.

financial implications

9. Expenditure at the end of the 1st quarter is approximately 3% of the programme. The cash flow implications are additional investment income due to a delay in expenditure compared to the receipt of capital resources. This will be reflected in revenue budgets.
10. The Council remains within its locally set prudential indicators in relation to capital expenditure and its affordability.

links to corporate objectives

11. The capital programme was set with regard to the Council's medium term financial strategy and capital strategy and Annex E is shown against the Council's corporate objectives. Commentary is included which demonstrates the links between scheme and corporate objective.

RECOMMENDED that the capital budget monitoring report for April – June 2006 be approved.

Officer responsible for the report

Gary Ridley
Strategic Director for Resource
Management
Ext 227

Author of the report

Stuart Reid
Assistant Director - Finance and I.T.
Ext 258

CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Strategic Director for Resource Management **REVENUE BUDGET MONITORING**

purpose of the report

1. To compare the revenue expenditure of the Authority for the period 1 April 2007 to 30 June 2007, against budget.

background

2. This report covers the revenue expenditure of the Authority financed by the General Fund and the Housing Revenue Account (HRA).
3. The summary revenue position for financial year 2007/08 as at the end of 30 June 2007 for the General Fund is shown in Annex F. The figures for the HRA are shown in Annex G. The annexes compare the approved budget for each service against forecasted outturn for 2007/08. Major over and under spends within each departmental budget are noted and some indication given of reasons for the variance.

conclusion

4. The forecasted outturn for the General fund indicates an under spend of £60,000 for 2007/08 against budget at this stage. This represents an under-spend of 1% on the overall budget although this represents only a snapshot in time and may alter during the remainder of the financial year.
5. The forecasts for the current year have been refined to present the most accurate position of resources available to support the 2008/09 budget. The notes for each Service that form part of the Annexes highlight only the major budget differences and exclude minor ones. Members should bear in mind that £498,000 of reserves is planned to be used in 2007/08 to support the General Fund revenue budget.
6. The forecasted outturn for the HRA is £210,000 better than budget. This is because of an increase in expected rental income due an additional rental week which was not budgeted for.
7. Revenue budgets continue to be closely monitored and further reports will be brought to Committee.
8. The projected spend on the General Fund for the year will not impact upon the Council's policy of maintaining a minimum reserve balance of £850,000. Similarly, the projected spend on the HRA for the year will not impact upon achieving a desired minimum balance of £1.50m.

- 9 Areas of over spend will be examined and action taken, the results of which will be reported to Members in the next quarterly monitoring report

RECOMMENDED

1. That Members note the report.
2. Relevant budget holders resolve areas of overspend in line with Financial Regulations.

Officer responsible for the report

Gary Ridley
Strategic Director for Resource Management
Ext 227

Author of the report

Alan Cooper
Accountancy Manager
Ext 258



CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Asset Management Group **ASSET MANAGEMENT PLAN 2007**

purpose of the report

1. To consider a revised corporate asset management plan.

background

2. The Asset Management Plan sets out the Council's plan for managing its land and buildings property portfolio (excluding council dwellings) over the next year.
3. The Audit Commission's Use of Resources assessment includes consideration of the Council's management of its asset base. One of its criteria is that the Council

"has an up to date Asset Management Plan that details existing asset management arrangements and outcomes and planned action to improve corporate asset use."

4. The 2005/06 Use of Resources assessment was that the Council met minimum requirements in managing its asset base. Failure to update the plan in the current year may lead to a judgement that the Council has failed to meet minimum requirements in the 2006/07 assessment.

asset management plan

5. The updated Asset Management Plan is attached as Annex H. The core of the document is largely unchanged from the 2006 version. The plan does included reference on how we meet the various Use of Resources criteria that would allow a score of 3 "performing well" to be awarded.
6. The action plan appended to the document is more strategic in nature following a study into our asset management arrangements by external consultants. It also reflects Audit Commission requirements which emphasis the need for a strategic approach to the management of land and property.
7. The Asset Management Plan will continue to be revised in the future so that it always support the strategic aims of the Authority set out in the most recent Council Plan.

RECOMMENDED that Members approve the 2007 Asset Management Plan as per the annex.

Officer responsible for the report

Gary Ridley
Strategic Director for Resource
Management
Ext 227

Author of the report

Stuart Reid
AD – Finance & I.T.
Ext 258



CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Asset Management Group
ASSET MANAGEMENT PERFORMANCE – 2006/07

purpose of the report

1. The purpose of this report is to present to Members the Council's asset management performance for 2006/07 compared with the previous year.

background

2. Excluding Council dwellings, the Council still own a considerable number of properties. Many of these are used to deliver Council services directly (operational properties such as office buildings, depots, leisure centres etc.). However, a number are not used for Council services but leased or let to other organisations (non-operational properties such as Innovation House).
3. Our stock of buildings represents a considerable resource in terms of service delivery. They can also represent a significant drain upon finances with property running costs in excess of £0.5m per annum. Consequently, it is important that they are effectively performance managed. Analysis of the performance of these assets also provides information to members and officers to influence both strategic and service decisions.

performance indicators

4. Performance of our stock of land and buildings for 2006/07 compared with the previous year is presented in the tables below. This covers all properties owned by the Council excluding Council dwellings.

PI1A – Property Condition

5. This indicator measures the number of assets as well as the proportion of total floor area of all assets owned by the Council (excluding council housing) which fall into the following categories/conditions:

<u>Category</u>	<u>Condition</u>
A	Good
B	Satisfactory
C	Poor
D	Bad

Category	2006/07		2005/06	
	Number of Assets	% Floor Area	Number of Assets	% Floor Area

Category A:				
Operational	6	4	5	3
Non-Operational	1	2	1	2
Surplus	-	-	-	-
Sub Total Category A	7	6	6	5
Category B:				
Operational	33	54	33	48
Non-Operational	20	20	19	12
Surplus	2	1	1	1
Sub Total Category B	55	75	53	61
Category C:				
Operational	3	12	3	20
Non-Operational	4	4	5	9
Surplus	2	1	3	3
Sub Total Category C	9	17	11	32
Category D:				
Operational	1	1	1	1
Non-Operational	-	-	-	-
Surplus	2	1	3	1
Sub Total Category D	3	2	4	2
GRAND TOTAL	74	100	74	100

6. This table shows that:

- The majority of the council's assets are in satisfactory condition (84% fall within categories A and B)
- The number of surplus building assets has reduced from 7 to 6
- The number of assets within the worst category (D) has fallen

PI1B – Backlog maintenance by priority

Priority	Description	Backlog Maintenance 2006/07 (£'s)	Backlog Maintenance 2005/06 (£'s)
1	Urgent works that will prevent immediate closure of premises and /or address an immediate high risk to the health and safety of the occupants and/or remedy a serious breach of legislation	14,050	59,700
2	Essential work required within 2 years that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health and safety of the occupants and/or remedy a minor breach of the legislation	76,000	648,925
3	Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or a minor breach of legislation	996,250	1,278,450

Priority	Description	Backlog Maintenance 2006/07 (£'s)	Backlog Maintenance 2005/06 (£'s)
4	Long term work required beyond a period of 5 years that will prevent deterioration of the fabric or services	1,094,480	1,004,980
Total		2,180,780	2,992,055

7. This table shows that backlog maintenance on council assets has decreased substantially over the last 12 months. This is due to additional investment financed in the 2006/07 capital programme to improve a range of buildings.

PI2 – Non-Operational Assets

Category	2006/07 Net Surplus /(Deficit) £000	2005/06 Net Surplus /(Deficit) £000
Industrial	1	-
Retail	(33)	3

8. The return on retail investments for 2006/07 has worsened due to an increased bill received from Durham County Council for management of the Dales Centre.

PI3 – Management Costs Per Square Metre

Property Type	2006/07 Actual (£'s)	2005/06 Actual (£'s)
Operational	6.17	5.74
Non Operational	5.90	5.32
All	6.11	5.67

9. The costs in 2006/07 increased above inflation due to the time spent by the Facilities Manager in procuring improvement work to a number of buildings.

PI4 - Running Costs

Repairs and maintenance per Sq.m.

Category	2006/07 Actual (£'s)	2005/06 Actual (£'s)
Office Buildings	12.3	8.5
Leisure Facilities	5.0	4.5
Community Centres	1.4	0.7
Depot	1.0	1.5
Public Conveniences	21.7	8.7
Other	5.3	4.1

10. This shows that spend on repairing and maintaining our assets has increased compared to the previous year for most building types.

Energy Costs per Sq.m.

Category	2006/07 Actual (£'s)	2005/06 Actual (£'s)
Office Buildings	14.4	9.2
Leisure Facilities	22.9	17.5
Community Centres	6.3	4.7
Depot	6.7	6.0
Public Conveniences	9.3	4.6
Other	4.2	5.4

11. Increases reflect recent rises in wholesale energy prices. The management of energy consumption is being tackled as part of the Asset Management Plan. This has included awareness sessions for staff at the Civic centre and at leisure centres and identifying programmes of work e.g. major replacement of light fittings

Water Costs Per Sq.m.

Category	2006/07 Actual (£'s)	2005/06 Actual (£'s)
Office Buildings	1.6	1.6
Leisure Facilities	3.4	3.3
Community Centres	1.5	1.5
Depot	0.9	1.0
Public Conveniences	23.0	28.8
Other	0.8	1.0

12. Water costs have remained broadly constant.

PI5 – Cost and Time Predictability

	2006/07 Actual	2005/06 Actual
Cost predictability	83%	92%
Time predictability	92%	69%

13. There have been improvements in estimating the delivery time for capital projects which helps with financial planning. However, estimates of cost have decreased in accuracy. Members are appraised quarterly on the progress of the capital programme.

conclusion

14. The condition of the Council's property portfolio has improved in the last 12 months due to increased investment. However, operating costs remain high due to energy prices. Measures are being taken to address this issue.

RECOMMENDED that Members approve the performance of the land and buildings portfolio as set out in the report

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 Strategic Director for Resource Management
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Author of the report
 Stuart Reid
 AD – Finance & I.T.
 Ext: 258

CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Strategic Director for Resource Management
TREASURY MANAGEMENT ACTIVITY

purpose of the report

1. To inform Members of the treasury management activity of the first 6 months of the year.

background

2. It is regarded as best practice to inform Members of the Council's treasury management activity on a 6 monthly basis. This report at Annex I sets out the treasury management activity for the period 30 September 2006 to 31 March 2007. It has been produced in line with the Authority's treasury management policy.

conclusion

3. The treasury management activity has been conducted as outlined in the Authority's treasury management strategy.
4. The Council's treasury management position remains stable in terms of:
 - (i) It's levels of external debt
 - (ii) It's maturity profile of it's debt
 - (iii) It's investment levels
 - (iv) The security of it's investment levels

RECOMMENDED that Members note the report.

Officer responsible for the report

Gary Ridley
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Author of the report

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CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Strategic Director for Resource Management **USE OF RESOURCES – PARTNERSHIP PERFORMANCE**

purpose of report

1. To inform Members of the financial performance of partnerships of the Resource Management Department.

background

2. Within the Use of Resources assessment, Key Line of Enquiry No. 2.2.12 requires that “the financial performance of partnerships is regularly reviewed, linked to outputs, and the results shared with partners and acted upon”.
3. Annex J to this report outlines the financial performance of the partnerships within the Resource Management department as required by the Key Line of Enquiry. The actions will be shared with partners.

human resources implications

4. The requirement to review the financial performance of its partnerships annually will place further burdens on the Authority in relation to officer time. However, this can be accommodated from within overall existing resources.

conclusions

5. The annex shows that progress is being made across the partnerships within the department. However these need to be kept under continuous review to ensure that delivery of its aims and objectives are achieved. The annex contains certain key actions which need to be undertaken during 2007/08 and these will be reported on in the future reports.

RECOMMENDED that Members endorse the report.

Officer responsible for the report

Gary Ridley
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CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Strategic Director for Resource Management **STRATEGIC RISK REGISTER**

purpose of the report

1. To seek Member agreement to a revised strategic risk register for the Authority and to receive an update on the 2006/07 register.

background

2. Members will be aware that the Council has in place a strategic risk register which seeks to manage the larger risks facing the Council. Such risks are reported to Committee on an annual basis along with the commentary as to how they are being managed. A review has been carried out of the strategic risks and these are attached at Annex K along with an estimate of their probability and impact. The annex also shows lead officers and links to corporate objectives.
3. Strategic risk management forms part of business planning and is also a theme within the Use of Resources Assessment. The Council needs to be able to demonstrate that it is managing its key risks in an appropriate manner, and this report is part of that process.

commentary

4. Members role in relation to risk management is set out in the Risk Management strategy. Such roles are outlined below.
 - **To gain an understanding of risk management and its benefits**
 - **To require officers to develop and implement an all-encompassing approach to risk management**
 - **Receive reports on significant risks.**
5. The risks included in the Annex, are derived from work done by the Business Continuity Group, interviews held in the past with Directors and the Council's Insurers, and an analysis of current internal and external influences. Operational risks are included within each departmental risk registers which are reported regularly to all committees.

6. The annex also includes an initial assessment of relevant risk mitigation/management actions. This will be further developed and implemented within the coming months. That said, there is already in place a control and assurance framework for most risks facing the Council. These need to be reviewed to ensure that they remain fit for purpose as part of the overall risk management process.

2006/07 strategic risk register

7. Annex L of the report shows the progress in managing the 2006/07 strategic risks of the Authority. Overall, progress has been made in this area.

human resource implications

8. Human resource implications arise in the management of risks. The level of human resources support needed to manage each risk will be dependent upon the response to individual risks. Human resource issues will be considered on a risk by risk basis. However, the human resource management of risks are expected to be met from within existing staffing resource. Where this is not the case, it will be reported to Committee as appropriate.

legal implications

9. There are no direct legal implications arising from this report. However, the management of legal issues will be continued as part of the management of strategic risks.

Legal issues can, naturally, expose the authority to considerable risk. In the main, those risks would be either procedural (where the authority is prevented from carrying out agreed actions), financial (where the authority is exposed to a claim for damages or costs) and reputation risks. However, the level of risk varies in individual cases. The management of strategic risks give an effective structure to address operational risks and enables the legal impact to be properly assessed.

financial implications

10. Although no direct financial implications arise from this report, it is clear that there may be (as yet unquantifiable) costs in the management of strategic risks. The Council holds a £40,000 reserve for risk management which may be used to manage the financial risks in Annex K. It is important to note that the cost of managing a risk should not outweigh the benefits derived otherwise it is more cost effective to do nothing.

conclusion

11. Regardless of whether or not risk management is included within the Use of Resources Assessment, strategic risk management is an essential tool in the overall management of the Authority's affairs. It is important that both Officers and Members are aware of key risks and what is being done to manage them. As a minimum, an annual report is produced each year on the management of key risks. This will continue.

RECOMMENDED that Members note the report and agree the strategic risks in Annex A.

Officer responsible for the report

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CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Strategic Director for Resource Management
RISK REGISTER UPDATE

purpose of the report

1. To inform Members of the progress in managing the risks of the Resource Management Department for 2006/07 and 2007/08.

background

2. Members will recall that the Service Plan for the Department includes an analysis of the main risks facing the department. This report seeks to give assurance to Members of the management of those risks.
3. A key line of enquiry within the Use of Resources assessment relates to the extent to which risks are managed and Members are kept informed of said management. The table below shows the risks as agreed within the Service Plan and progress in managing them.

risk analysis – 2006/07

4. The following table shows the main departmental risks to be managed during 2006/07.

Financial – S Reid	Impact	Likelihood	Impact x Likelihood	Response	Actions	Progress
1 Asset Management and Capital Investment Failure to effectively manage/maintain assets leading to reduced efficiency and increased costs	2	2	4	Develop Asset Management Plan and Capital Strategy	Action Plan established	Asset Management Plan updated and agreed at Committee July 2007. Revised action plan in place. Annual report on progress to go to Committee Revised documents submitted to external auditors as part of Use of Resources Assessment

Financial – S Reid	Impact	Likelihood	Impact x Likelihood	Response	Actions	Progress
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2	Budgetary Control and Financial Management Lack of effective budgetary control leading to poor allocation and control of resources	2	2	4	Develop a financial control framework and effective budget process	Report agreed at Man. Team. New financial management system (Agresso) introduced	Regular budget monitoring reports now produced for budget holders, Corporate Management Team and Members. System to be reviewed as part of Use of Resources assessment. Propose to delete from risk register Ongoing need to embed Medium Term Financial Strategy
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Administration – A Foster	Impact	Likelihood	Impact x Likelihood	Response	Actions	Progress
1 Sickness/Absence Monitoring Failure to manage sickness leading to impact on service delivery and reduced efficiency	2	2	4	Review of relevant policies and procedures	Improvement plan produced	Sickness figures have risen in 2006/07. Ongoing monitoring still necessary. First quarter of 2007/08 figures are approximately 1.4 days per employee which is an improvement

I.T. – A Maxwell	Impact	Likelihood	Impact x Likelihood	Response	Actions	Progress
1 Security Corruption of data and/or programs via malicious or accidental means	2	1	2	<ul style="list-style-type: none"> Security Policy Security Handbook for Users 	<ul style="list-style-type: none"> Access to the network(s) is controlled by passwords which are required to be changed regularly (by the user) Access to system 	Revised security arrangements in place. Security training given to staff is ongoing. Internet and e-mail access policies in place and Committee approval now obtained.

					<p>functions is controlled by passwords set up by system administrators</p> <ul style="list-style-type: none"> • IT Section are informed immediately when staff leave Council employment – user ids and passwords deleted 	
2	Systems Implementation Failure	2	2	4	<ul style="list-style-type: none"> • Requirements • Specification • Project Planning • Acceptance Testing • Post Implementation review(s) 	<p>Systems not installed on time/budget and/or not producing required functionality</p> <p>Project management methodology being piloted for Document Image Processing project. Lessons learnt report to be produced. Methodology used on DIP project to be used as a model for other projects</p>

6. Overall progress has been made in managing departmental risks during the year.

risk analysis – 2007/08

Risk Heading	Responsible Officer	Risks	Risk Management Actions
Asset Management and Capital Investment	Asst. Dir. Of Finance and I.T	Failure to effectively manage/maintain assets leading to reduced efficiency and increased costs	Updated Asset Management Plan due for Committee approval July 2007.
Budgetary Control and Financial	Asst. Dir. Of Finance and I.T	Lack of effective budgetary control leading to poor	Established budget process followed. Quarterly reports on

Risk Heading	Responsible Officer	Risks	Risk Management Actions
Management		allocation and control of resources	budget submitted to members.
Treasury Management	Asst. Dir. Of Finance and I.T	Risk of losing investment leading to monetary loss and loss of reputation	Adopt CIPFA treasury management practices and ensure regular bank reconciliation. Checked as part of external audit processes.
Staff Security (revenues and benefits)	Revenues and Benefits Manager	Possibility of staff assault/accident whilst working alone	Review lone worker policy in conjunction with Health and Safety Officer.
Benefit Payment	Revenues and Benefits Manager	Failure to process benefit on time	Performance data monitored weekly and prompt response to prevent backlogs
Collection Rates	Revenues and Benefits Manager	Failure to collect NNDR and Council Tax leading to financial loss	Effective recovery procedures necessary/ staff training /collection rates monitored monthly
Physical Damage to Computer Room Equipment	Head of I.T.	Flood, fire, sabotage etc. resulting in loss of service	<ul style="list-style-type: none"> • Reduce effect of disaster • Control access to computer room • Disaster Recovery Plan in place with Sedgefield
I.T Security	Head of I.T.	Corruption of data and/or programs via malicious or accidental means	<ul style="list-style-type: none"> • Security Policy • Security Handbook for Users. • Regular awareness raising sessions with staff carried out.
Systems Implementation Failure	Head of I.T.	Systems not installed on time/ budget and/or not producing required functionality	<ul style="list-style-type: none"> • Requirements Specification • Project Planning • Acceptance Testing • Post Implementation review(s) • To be reviewed during 2007/08.

7. Certain progress has been made in managing the 2007/08 risks for the department. These will be further reported to Committee during the year.

conclusion

8. From the above table it can be seen that progress is being made on managing the main risks facing the department. These will be continued to be monitored and this report will be submitted as evidence for the Use of Resources assessment.

RECOMMENDED that Members endorse the report.

Officer responsible for the report

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CENTRAL RESOURCES COMMITTEE

25 JULY 2007

Report of the Strategic Director for Resource Management **REALISING THE BENEFITS OF E-GOVERNMENT**

purpose of the report

1. To inform Members of the extent to which the benefits of the Council's e-government investment has led to improved access to services.

background

2. Members will be aware from previous committee reports of the progress made in delivering E-government Priority Service Outcomes. These outcomes are a range of services and standards designed to improve access to services by our citizens and customers.

Service access

3. As members will be aware, electronic govt. is about more than just technology. It is about improving the range and added value of services. This includes:
 - Access - how easy it is to get through to the Council.
 - Contact experience – how well customers were treated.
 - Outcome – was the service received satisfactory from the customers view point.
 - Time – was the transaction done in a timely manner.
4. Priority Service Outcomes assist all of the above and in particular can improve the “ Access” and “Time” aspects of service delivery.

commentary

5. Set out below are certain Priority Service Outcomes and the impact that they have had. Overall, during 2006/07 approx. 102,000 visitors made almost 0.25m visits , viewing just over 5m pages on the Council's website.
 - Homeworking. 5 staff in benefits now work from home. Average productivity for these staff has increased by approx. 15%. This is a clear efficiency gain and has been partly responsible for improving processing times for benefit claims which benefits the customer, as well as improving relevant BVPIs.

- Electronic payments. This service is mainly used for the payment of council tax and housing rents. During 2006/07 1,343 electronic payments were made.

The benefit for the customer is a service which is available 24-7. The benefit for the Council is that by offering citizens more ways to pay amounts owed, it not only increases cash flow but also council tax collection rates which is a Best Value Performance Indicator.

- Electronic service requests. This has had the effect of freeing up staff time who would otherwise had had to deal with these requests either face to face or via the telephone. The benefit for the customer is a service which is available 24-7. Numbers of service requests are as follows:

On line mapping – approx 1010 hits in 2006/07

On line leisure bookings - 19 enquiries and 2 bookings made in 2006/07

On line licensing – approx. 60 enquiries in 2006/07

On line planning – approx 70 applications submitted in 2006/07

Online service requests(mainly environmental services) - 2078 in 2006/07.

These are relatively low numbers and further publicity is needed to maximise the return on our investment.

- Public access to Committee reports. The Council has reduced the number of committee reports it distributes. This has saved stationery and postage. The benefit for the customer is access to information 24-7. During 2006/07 the Committee diary was visited 8,659 times and viewed 39,942 times (i.e. people looking at different months).
- E-procurement. Paperless ordering has saved the Council stationery and has also resulted in the earlier receipts of goods and services.
- Online consultation. The facility exists to carry this out. Examples where this has been used include:
 - Financial accountability
 - Local Strategic Partnership review
 - Regeneration of Weardale
 - Post office network review by the DTI

Figures for the above are relatively low suggesting that we need to do more to encourage online consultation.

financial implications

6. The Council has received over £400,000 of external grant to implement all PSOs, not just those mentioned above. This was a requirement of the Government's e-government programme. Ongoing cash savings are estimated to be approximately £25,000. This is based on:
- Estimated savings arising from stationery/postage (approx £5,000 per annum)
 - Estimated savings arising from staff time in benefit administration arising from homeworking(approx £20,000 per annum)
7. Non cashable savings are estimated to be £6,000. This is based on:
- (i) £2,000 saving in staff time regarding electronic payments
 - (ii) £1,000 saving in staff time regarding committee diary
 - (iii) £3,000 saving in staff time regarding service requests
8. The above are very much estimates but serve to illustrate the point that staff time is saved and able to be spent on other tasks as a result of the Council's investment.

future targets

9. Future targets are set out below:

Service Area	Target for 2007/08	Comments
Electronic Payments	1,500	
On line mapping	1,100	
On line leisure bookings	25	Split between 20 enquiries and 5 bookings
On line licensing	65	
On line planning	80	
Website visitors	130,000	
Committee minutes	9,500	
No. of homeworkers	9 staff	This represents an increase of 4 staff

10. The above will be monitored and reported to committee annually.

human resources/legal implications

11. There are no direct human resource/legal implications arising from this report.

i.t. implications

12. A certain amount of resource is required to maintain the I.T. infrastructure associated with PSOs. This is built into existing staffing levels and budgets.

conclusions

13. It is clear from the report that benefits to both the Council and citizens/customers are starting to accrue. This has led to improved customer access as well as to efficiencies within the Council. There is a further need, however, to continue to maximise the use/take up of PSOs in order to

maximise the potential/return from our investment in terms of customer access.

RECOMMENDED that Members endorse the actions taken outlined in the report and agree the targets in paragraph 9.

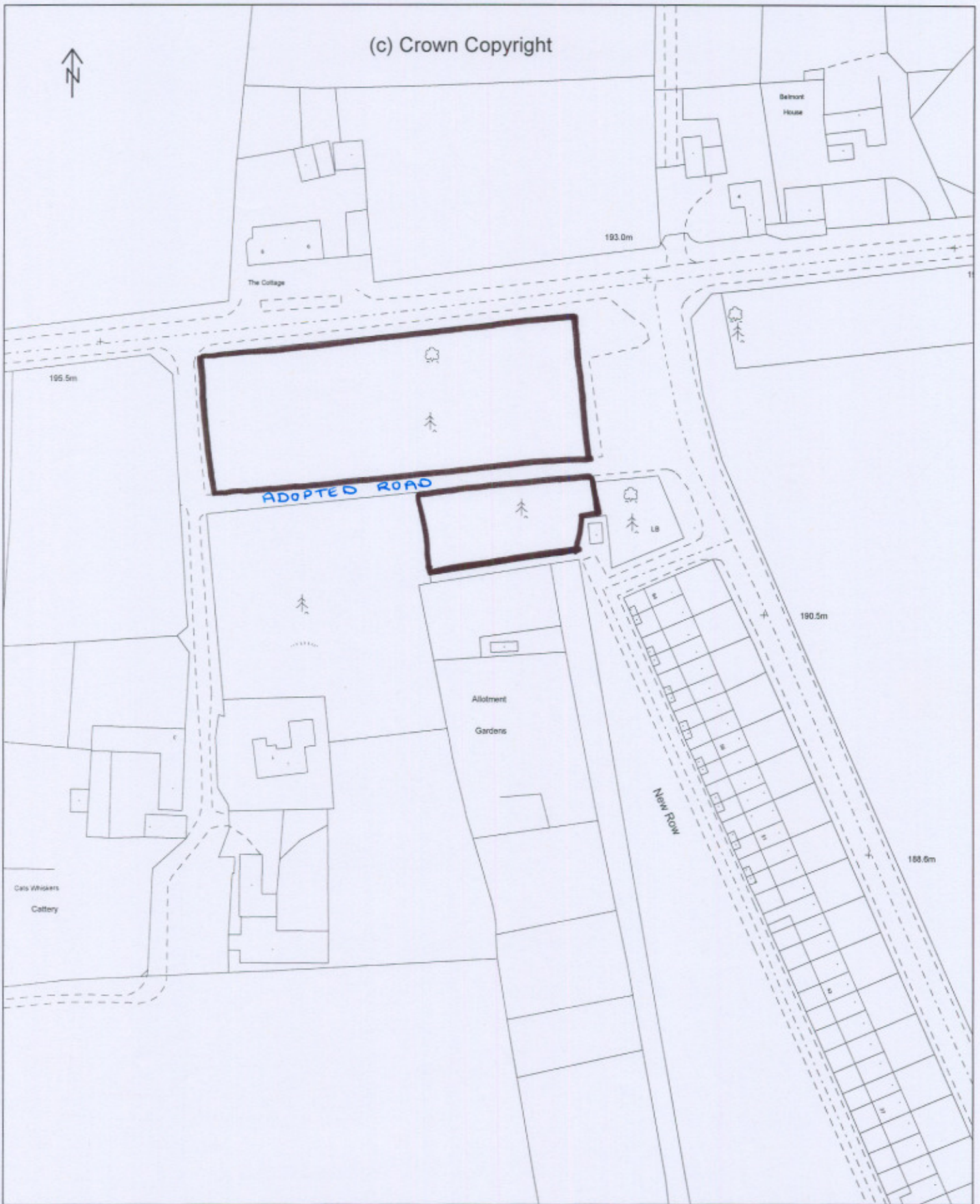
Officer responsible for the report

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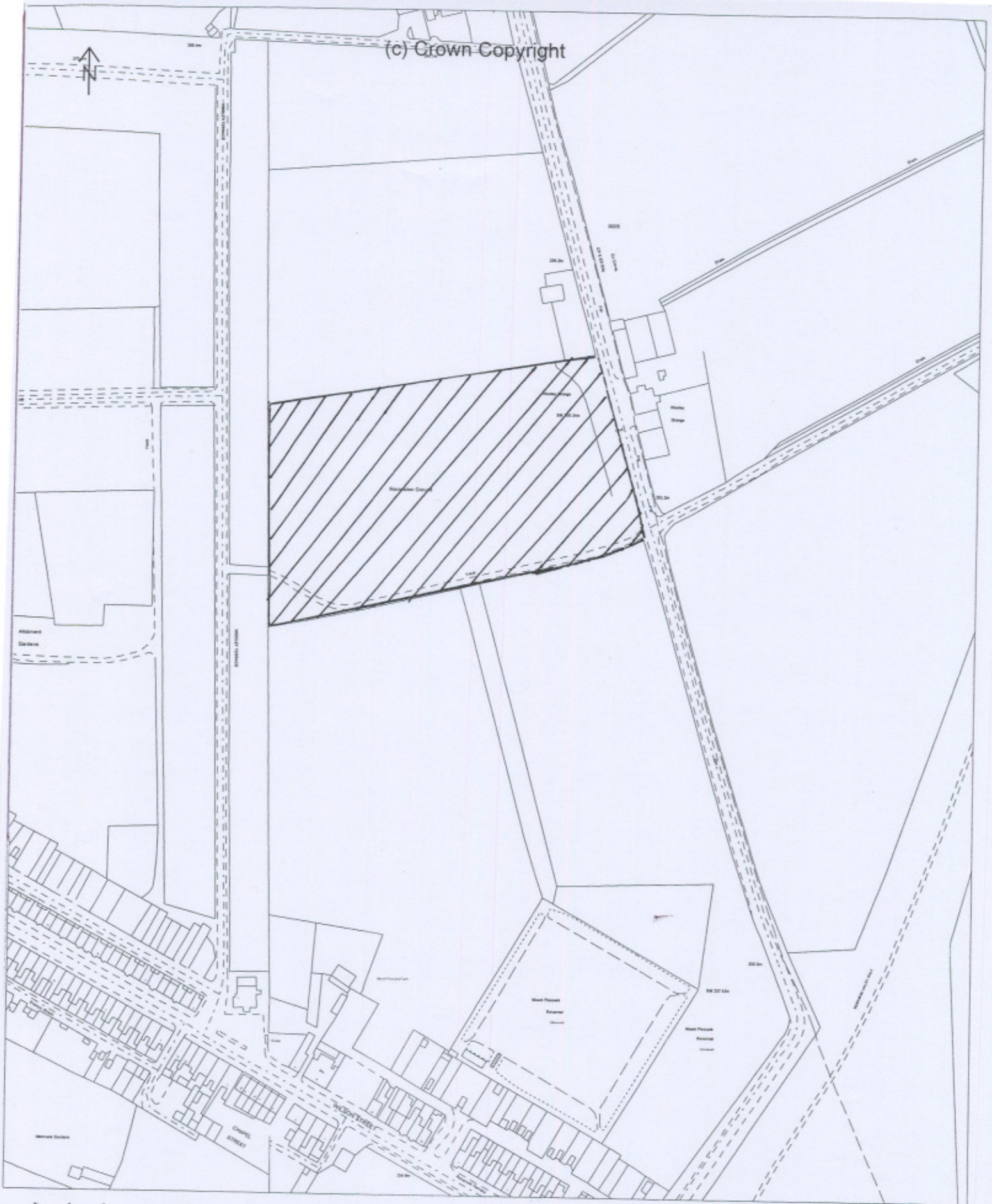


LAND TO THE NORTH OF NEW ROW OAKENSHAW

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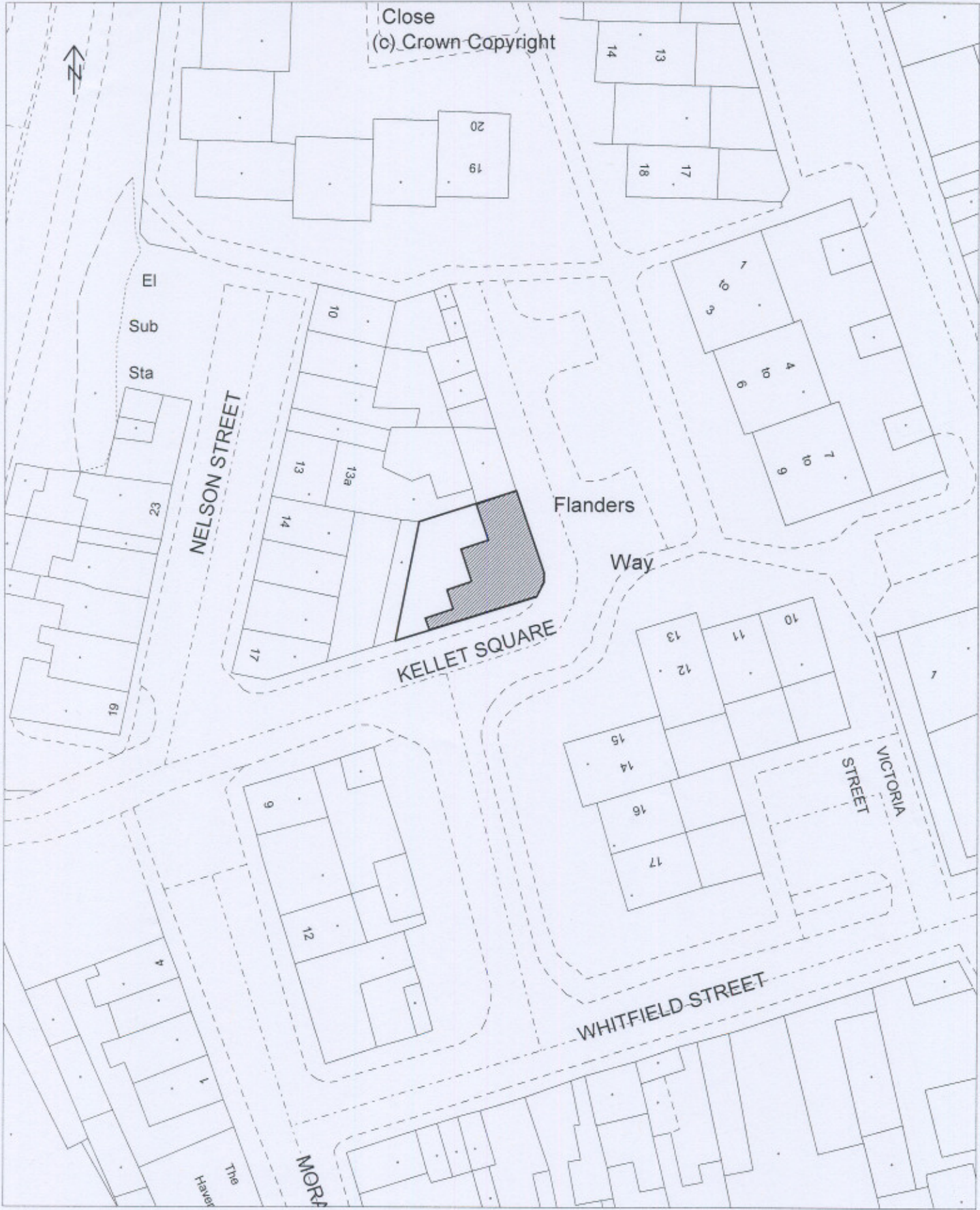
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Land to the east of Wooley Terrace, Stanley, Crook

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Land adjacent to 14 Nelson Street Crook

WEAR VALLEY DISTRICT COUNCIL



W E A R
V A L L E Y
D I S T R I C T C O U N C I L

LAND DISPOSALS POLICY

WEAR VALLEY DISTRICT COUNCIL

LAND DISPOSALS POLICY

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1. SCOPE AND PURPOSE

- 1.1 It is good practice for local authorities to have a document describing their policy when disposing of land. This policy document details Wear Valley District Council's policies and internal guidance relating to disposals of land. For the purposes of this policy, a disposal of land means any freehold disposal, by sale or exchange, of Council owned land or buildings and any disposal by the granting of a lease for a period greater than 7 years. Other disposals (such as the granting of an easement) will be considered with regard to this policy. Leases of 7 years or less and licences are not covered by the main part of this policy document but are dealt with separately in appendix 1. This policy does not apply to the letting of Council houses, which is carried out in accordance with the Allocations Policy or to the sale to existing tenants under the right to buy.
- 1.2 The purpose of this document is to make the Council's policies, guidance and procedures transparent and public. It is intended for use by Council officers and to inform developers and members of the public.
- 1.3 It is important that each land disposal is treated on its own merits and nothing in this document will bind the Council to a particular course of action in respect of a land disposal. Alternative methods of disposal, not specifically mentioned in this policy, may be used where appropriate, subject to obtaining proper authority, (see section [4.2](#) below). The Council's actions in disposing of land are subject to statutory provisions, in particular, to the overriding duty on the Council, under section 123 of the Local Government Act 1972, to obtain the best consideration that can be reasonably obtained for the disposal of land. This duty is subject to certain exceptions that are set out in government documents, referred to in this policy as 'the General Disposal Consent' and the 'General Housing Consents' – see below.
- 1.4 In this Policy and Guidance document –
- “the General Disposal Consent” means the “Local Government Act 1972 : General Disposal Consent (England) 2003” and the accompanying circular 6/03, where relevant
- “the General Housing Consents” means the “General Housing Consents 2005 - S32 of Housing Act, S25 of Local Govt Act” and/or “the General Housing Consents 2005 - S133 Housing Act 1988 (Subsequent disposals)”

2. SUMMARY OF LAND DISPOSAL TYPES

- 2.1 The Council will usually use one of five means to dispose of land. Further guidance upon when it will be appropriate to use any particular means of disposal are contained in paragraphs 5-9 below. The means of disposal are:-
- **Private Sale** -a sale of land negotiated with one or a small number of purchasers. The land may or may not have been marketed as available for sale. A binding legal agreement is created on 'exchange of contracts' between the Council and the purchaser.
 - **Public Auction** -a sale of land by open auction available to anyone. The sale will be publicly advertised in advance. A binding legal agreement is created upon the acceptance of a bid by the auctioneer.
 - **Formal Tender** - a sale of land by a process of public advert and tenders submitted by a given date in accordance with a strict procedure. A binding legal agreement is created upon the acceptance of a tender by the Council.
 - **Exchange of Land** -a transaction involving the exchange of Council owned land with another land owner. The land acquired by the Council will meet at least one of its corporate objectives and will be 'equal' to the land exchanged.
 - **Informal Negotiated Tender** -a sale of land after a public advert that requests

informal offers or bids that meet a given specification or set of objectives. The Council may then negotiate further or more detailed terms with one or more individuals submitting the most advantageous bid or bids. A binding legal agreement is not created until the exchange of contracts between the authority and the chosen bidder.

3. POLICY STATEMENTS

3.1 The Council will dispose of land in accordance with:

- statutory provisions;
- Corporate and Community Plan objectives;
- the policies and procedures recorded in its Constitution, this policy document and the Council's asset management plan;
- the proper council authority having been obtained

3.2 Land will not be disposed of at less than the best consideration than can be reasonably obtained, unless the transaction is covered by one of the exceptions detailed in the General Disposal Consent or the General Housing Consents or specific consent has been obtained from the Secretary of State.

4. COUNCIL PROCEDURES

4.1 The following Council procedures apply to the disposal of land:

- Contract Procedure Rules - govern offers to tender sought by the authority. They will be used in the case of land disposals by formal tender. In respect of land disposals by informal or negotiated tender, only the Rules relating to the submission and opening of tenders will be followed. The Rules are contained in the Council's Constitution and can be inspected on the Council's internet website www.wearvalley.gov.uk.
- This Land Disposals Policy and Guidance - will be followed in disposing of land. It can also be inspected on the Council's internet website.

4.2 All decisions to dispose of land are made either by one of the Council's committees or by officers under the 'Land and Property Scheme of Delegation' which is a companion document to this policy. Decisions taken by a committee are recorded in the minutes of the meeting and may be inspected on the Council's website. Decisions taken by officers under delegated powers are recorded by means of a formal delegated decision report to the appropriate Strategic Director of the Council. Copies of the delegated decision report is available on request from the Assistant Director – Legal and Administration Services.

5. DISPOSAL BY PRIVATE SALE

5.1 A disposal by Private Sale may take place after a period during which the land is marketed for sale, including advertising that it is available for sale. In this case, the Council will be able to consider the highest bid as representing the best consideration that can be reasonably obtained.

5.2 If land is to be sold by Private Sale without being marketed, then the reasons justifying a private sale must be recorded in writing. In some circumstances the Council may seek an independent valuation to verify that 'best consideration' is being obtained. A private sale without the land being marketed may be justified where:

- (a) the land to be disposed of is relatively small in size and an adjoining or closely located landowner is the only potential or likely purchaser.
- (b) the nature of the Council's land ownership and that of the surrounding land

ownership is such that the land must be sold to adjoining or surrounding landowners if best consideration is to be obtained.

- (c) the Council's land is part of a larger area of land that is proposed for development, redevelopment or regeneration. Also, the nature and complexity of the proposed development of the overall site is such that the Council's corporate objectives and best consideration can only be achieved by a sale to a purchaser with an existing interest in land in the area.

5.3 A legally binding agreement will not be reached until either contracts for the lease or sale of land are exchanged or a development agreement is signed.

6. DISPOSAL BY PUBLIC AUCTION

6.1 Sale by public auction may be appropriate where there is no obvious potential purchaser and where speed and the best price can be obtained by auction.

6.2 The authority from Council's committee or the delegated decision report must record in writing

- (a) the reasons justifying a sale by public auction;

- (b) reserve price, if any, for the auction;

- (c) the authority for a Council officer to attend the auction and to act on behalf of the Council on the sale.

6.3 The contract for sale or lease must be ready for exchange at the auction.

6.4 The binding contract will be made on the acceptance of the highest bid providing it has reached the reserve price. Contracts for the sale or lease will immediately be signed and exchanged.

7. DISPOSAL BY FORMAL TENDER

7.1 A sale of land by formal tender may be appropriate where the land ownership is not complex and the Council is seeking obligations to be placed on the successful tenderer which are clear and capable of specification in advance. For example; the disposal of land to a developer with an obligation to build industrial units for lease. Or, for example; the conservation of a listed building. In such instances, a process of formal tender may be appropriate in gaining best consideration.

7.2 Formal tenders will not be appropriate where the land ownership position is complex or the development proposals for the land are insufficiently identified or otherwise incapable of detailed specification at the pretender stage.

7.3 Authority for the sale will be by either committee minute or delegated decision report. In either case, the reasons justifying a sale by formal tender must be recorded in writing. The Council's rules for tender offers contained in the Contract Procedure Rules will be followed. Any exceptions to the usual tendering process must be authorised and recorded in accordance with those Rules.

7.4 The nature of the formal tender process is that a legally binding relationship is formed when the Council accepts a tender in writing. It is essential therefore, that every aspect of the disposal is specified in the tender documents. The tender documents should include a contract for sale or lease which should be completed with the

tenderer's details, the tender price and be signed by the tenderer. It will be released unconditionally to the Council on submission of the tender.

- 7.5 Sale of land by formal tender will require a detailed specification to be drawn up. This needs to specify the land to be sold, any requirements to be met by the tenderer and any obligations that must be met.
- 7.6 The Council will place a public advertisement seeking expressions of interest and publicise the selection criteria by which it will assess tenders. Those individuals selected will then be invited to submit their tender bids.

8. DISPOSAL BY EXCHANGE OF LAND

- 8.1 Disposal by exchange of land will be appropriate when it is advantageous to the Council and other parties to exchange land in their ownerships and will achieve best consideration for the Authority.
- 8.2 Authority for a disposal of land by exchange with another land owner for alternative land will be by either committee minute or delegated decision report. In either case, reasons for justifying this manner of disposal must be recorded in writing. A binding legal agreement will be created when a contract is exchanged for the exchange.
- 8.3 The exchange will usually be equal in value. However, an inequality in land value may be compensated for by other means where appropriate. For example, where the Council in exchange for a larger piece of land receives a smaller piece of land but the recipient of the larger plot agrees to build industrial units on the Council's smaller area to equalise the consideration. In such circumstances the Council may seek an independent valuation to verify that 'best consideration' will be obtained.

9. DISPOSAL BY INFORMAL / NEGOTIATED TENDER

- 9.1 A disposal by informal/negotiated tender differs from a formal tender in that neither the Council nor the successful bidder is legally obliged to enter into a contract for the disposal of the land. The informal/negotiated tender process allows the Council to identify one preferred bidder with whom it may then negotiate further detailed terms or proposals for the development of the land concerned.
- 9.2 The Council uses a public advert to request informal development proposals for land that meet a given specification. This process is particularly useful for large or complex development or regeneration sites requiring development and where the proposals may need to be developed in co-operation with the preferred bidder to meet the Council's corporate objectives and to achieve the best consideration that can be reasonably obtained.
- 9.3 Authority for the sale will be by either committee minute or delegated decision report. In either case, the reasons justifying a sale by informal or negotiated tender must be recorded in writing. The Council's rules for tender offers contained in the Contract Procedure Rules will be followed in respect of the receipt of tenders. Any exceptions to that process must be authorised and recorded in accordance with these Rules.
- 9.4 A binding legal agreement is not created until the exchange of contracts for sale or lease or the signing of a development agreement.

10. EXCEPTIONS

Other methods of disposal may be used where circumstances warrant see Para 1.3 above.

Authority needs to be obtained in accordance with Para 4 above.

11. LATE BIDS AND OTHER CONSIDERATIONS

11.1 The Guidance from the Local Government Ombudsman¹ recognises the problem caused to local authorities by 'late bids'. The Guidance says that difficulties are less likely if Councils ensure that exchange of contracts take place as quickly as possible after the decision to sell (or lease) is made. It suggests that local authorities should be allowed to sell at an agreed price within a reasonable period of reaching a 'subject to contract' agreement.

11.2 In the context of the methods of land disposal dealt with in this document, a late bid may occur:

- (a) in the case of a private sale, after a sale or lease has been agreed, but before exchange of contracts
- (b) in the case of a public auction, after the auction has been closed, but the reserved price not having been met.
- (c) in the case of a formal tender, after the closing date for tenders, but before selection of the successful tender.
- (d) in the case of an informal or negotiated tender, after receipt of bids, but before exchange of contracts or signing of a development agreement.
- (e) in the case of disposal by exchange after, a sale or lease has been agreed, but before exchange of contracts.

11.3 Each 'late bid' must be considered in the context of the individual circumstances at the time. The Council's approach to 'late bids' will vary depending upon the method of land disposal used. In each case, its overriding duty will be to obtain best consideration that it can reasonably obtain (subject to any exceptions in the General Disposal Consent). The Council's approach to late bids is as follows:

- (a) The Council discourages the submission of late bids in all cases when it is disposing of land. It will attempt to minimise problems by aiming for early exchange of contracts.
- (b) Where land is being disposed of by way of formal tender, bids received after the deadline for tenders, will not be considered.
- (c) Late bids cannot be considered where land is being disposed of by public auction after a successful bid has been accepted.
- (d) Except as provided in 11.3.2 and 11.3.3 above, until the Council has entered a legally binding contract or agreement with another person it will consider late bids unless there are good commercial reasons for not doing so. This should be explained to any purchaser when a disposal of land by private sale or negotiated/informal tender is agreed.
- (e) Consideration of a late bid does not mean that it will necessarily be accepted even if it is the 'highest' bid. The Council will take into account the likelihood of the late bid proceeding to completion in a timely manner and the possibility of late bids

¹ Local Government Ombudsman's Guidance on Good Practice 5: Disposal of Land (November 1995)

being used as a spoiling or delaying tactic.

- (f) Subject to the above, the Council may, in appropriate circumstances, ask both the late bidder and the person to whom the land was previously to have been sold, to submit their last and final bids in a sealed envelope by a set deadline.
- (g) A decision on whether to accept a late bid for a private sale, informal tender or by exchange are to be made either by the appropriate Council committee or in accordance with the Land and Property Scheme of Delegation by the Strategic Director for Resource Management.

11.4 A last minute bid may be rejected for sound commercial reasons. For example; if there is no real certainty of it leading speedily to a contract or is suspected as a spoiling bid.

11.5 The Council cannot be concerned with the issue of “gazumping” – the overriding duty, with certain exceptions as mentioned in the General Disposal Consent, is to obtain best consideration.

11.6 In considering what amounts to ‘monetary value’ in terms of best consideration to be obtained, the creation of jobs or desirable social outcomes, although desirable, cannot be considered by the Council.

12. DISPOSING OF LAND FOR LESS THAN FULL MARKET VALUE

12.1 In certain circumstances, the Council may dispose of land for less than the full market value. Those circumstances are clearly defined by law and consent is needed from the Secretary of State. General Disposal Consents have been given by the Secretary of State for certain transactions. In any other cases, the specific consent of the Secretary of State will be needed.

12.2 The General Disposal Consent makes provision for the Council to dispose of non-housing land at less than full market value, known as an ‘under-value’. Specified circumstances must apply as follows:-

- (a) The Council considers that the purpose for which the land is to be disposed of is likely to contribute to the promotion or improvement of the economic, social or environmental wellbeing of the whole or part of its area, or any person resident or present in its area.
- (b) The difference between the unrestricted or market value of the land to be disposed of and the consideration for the disposal does not exceed £2 million. For example; land may be sold at an under-value for only affordable housing rather than all residential types, as long as the difference between the consideration obtained for development for affordable housing and the land’s unrestricted value for all residential types, is less than £2 million.

12.3 The Council must still comply with its duty to obtain best consideration for the restricted value. So, using the above example, the Council must ensure that it achieves the best consideration that may be reasonably obtained for land restricted to development for only affordable housing.

12.4 The Council must also comply with normal and prudent commercial practices including obtaining the view of a professionally qualified valuer as to the likely amount of any under-value.

12.5 The Housing Consents² set out the circumstances in which the Council may dispose of housing land. They also set out the provisions in relation to discounts which may be offered. The Council will follow the principles set out in this policy document when disposing of land under the Housing Consents.

Appendix 1 - Procedure note for granting short leases and licences

The Council's Land Disposal Policy sets out the policy and procedure in relation to the freehold disposal of land or the granting of a lease for more than 7 years. This procedure note relates to the granting of short leases (i.e. those less than 7 years) and licences. Regard should be had to the Land Disposal Policy, where appropriate. In particular, paragraphs 1.1 – 1.3 are of relevance to this procedure note.

The Council will consider the grant of a short lease or a licence of land when –

- (a) the land is surplus to the Council's current requirements and it would be an appropriate short-term use for the land, and
- (b) the granting of a lease or licence would be within the Council's current policy and objectives, and
- (c) the terms of the lease or licence are the best that can reasonably be obtained and are value for money, or
- (d) where the granting of the lease or licence on terms that are less than would be commercially available, would further one of the Council's strategic objectives.

The Council will usually grant short leases or licences after negotiations with one or a small number of prospective occupiers. The land may or may not have been marketed as available for let. A binding legal agreement is created on grant of the lease or licence by the Council. This method will be often be used when negotiating the renewal of existing short leases and licences (particularly grazing licences).

The grant of a short-term lease or licence will be in accordance with the Council's Land and Property Delegation Scheme. Usually, a short-term lease or licences will be granted by officers under delegated authority.

Appendix 2 – Procedure note for considering requests to purchase land

The Council receives a number of requests each year from persons wishing to purchase Council land. In general, these requests relate to small parcels of land for private use (e.g. garden extensions). This procedure note sets out the process that will be followed, where requests are received to purchase Council land. Applicants will be invited to complete a standard request form, which is shown on page 10. Following receipt of a completed application form, the Council will follow the procedure set out on the flow chart on page 11.

² A copy of the Housing Consents is available from the Department of Local Government and the Communities website – www.communities.gov.uk



Civic Centre,
Crook,
County Durham.
DL15 9ES
Tel: 01388 765555 Fax: 01388 766660
Minicom: 01388 761515

Resource Management Department

Strategic Director - Gary Ridley

Our Ref: RMD/ /ND/Pending Requests

This matter is being dealt with _____

Your Ref:

Direct Line 01388 7616____

e-mail address: _____ @wearvalley.gov.uk

19 July 2007

Please address all correspondence to the LEGAL SECTION

Without Prejudice

Dear

Request to Purchase Land

Thank you for your enquiry in respect of the above.

I would inform you that the Council charges a non-refundable fee of [] ([] + VAT) for considering such matters and I enclose an application form for completion and return. Upon receipt of your application and fee the application will be processed and, if the Council agrees in principle to disposal, you will be sent a detailed offer letter setting out the main terms and conditions for the sale.

Alternatively, if your application is refused you will be sent a detailed letter explaining the reasons for the refusal.

In addition to the above mentioned fee you will also be responsible for the following (approximate) costs;

1. The price of land (which cannot be provided at this stage)
2. Advertising costs for 'Notice on Intention to dispose of public open space' (in the region of [£500], where applicable.
3. Council's Legal and Surveyors fees (in the region of [])
4. Planning application fee []
5. Your own Solicitors fees.

There may also be other costs involved specific to your sale and these can only be confirmed and clarified once your application has been assessed.

Yours sincerely

LAND PURCHASE APPLICATION



Name	
Address	
Post Code	
Location of Land	
Area of Land	
Proposed Use	

Signed _____

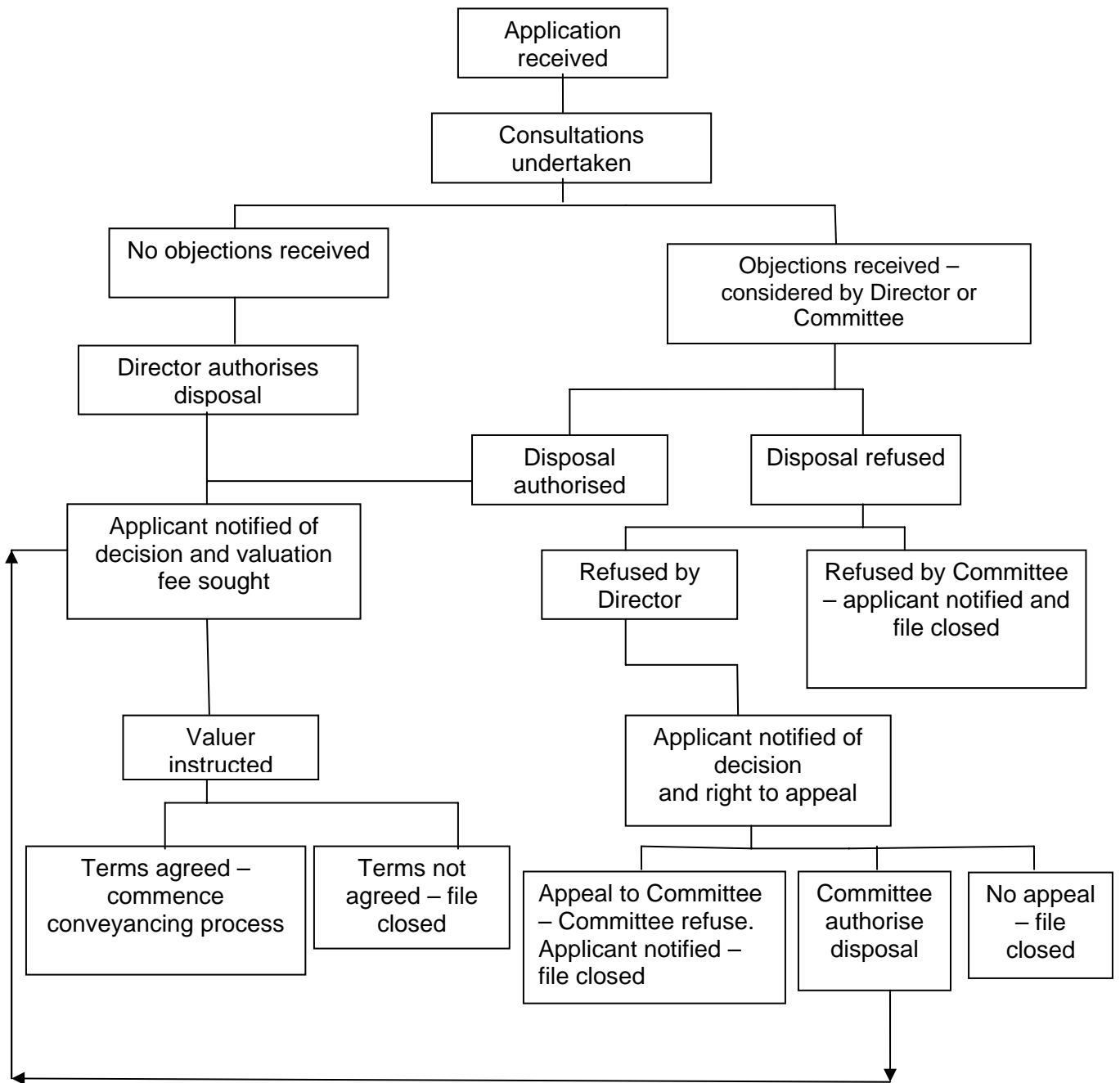
THIS APPLICATION MUST BE ACCOMPANIED BY A SKETCH/PLAN TO ILLUSTRATE THE LAND REQUIRED

Plans must include the following;

- 1) a clear representational drawing of the area including **exact measurements** for the proposal in metric (width & depth)
- 2) an accurate site/location plan showing the property within its plot with the area of land clearly indicated

The fee of [] ([] + VAT) must be enclosed with the application (**this fee is non-refundable**).

Please return this application to:
Legal Section, Wear Valley District Council, Civic Centre, Crook, County Durham, DL15 9ES.



ENVIRONMENT								
Cost Centre	Scheme Name	Budget Holder / Dept.		Approved Budget	Actual Apr - Jun	Projected 2007/08 (£)	Overspend / (underspend)	Outputs / commentary
				£000	£000	£000	£000	
C014	Eldon Lane Renewal Area	D Milburn - Community		100	0	100	0	Improvements to private dwellings and external environment within Dene Valley area. Work still to commence
C041	Purchase of Refuse Vehicles	D Milburn - Community		135	0	135	0	New refuse vehicle to be purchased.
C042	Civic Centre Alterations	T Carlton - Resource Management		60	0	60	0	Options being investigated including extensive replacement of lighting with energy efficient alternatives
C055	Purchase of Grounds Maintenance Plant	D Milburn - Community		180	141	180	0	New grounds maintenance fleet purchased resulting in improved standards of maintenance
C056	Purchase of Street Cleansing Fleet	D Milburn - Community		115	0	115	0	New street cleansing plant to be purchased - improved performance on street cleansing
C059	Contaminated Land	I Bloomfield - Environment & Regeneration		100	0	100	0	Site prioritisation in progress. Spend anticipated on high priority sites during latter half of the year
C093	West Auckland Improvement Scheme	C Dillon - Environment & Regeneration	Expenditure	323	0	53	(270)	Delivery of project and funding secured by DCC. WVDC resource used as match funding and contribution to the scheme. Anticipated to be expended during 2007/8.
C093	West Auckland Improvement Scheme		Income	(270)	0	0	270	
			Sub Total	53	0	53	0	
C122	Asset Management	S Reid - Resource Management		30	0	30	0	Backlog maintenance assessment undertaken. Assets in poorest condition of those being retained to be targeted.
C125	Wear Valley Building Enhancement Scheme	S Dawson - Environment & Regeneration	Expenditure	286	0	274	(12)	Significant number of grant offers made committing this expenditure and awaiting claims to be made by the individual developers and project sponsors.
C125	Wear Valley Building Enhancement Scheme		Income	(200)	(188)	(188)	12	
			Sub Total	86	(188)	86	0	
C144	Liveability Energy Efficiency Scheme	I Bloomfield - Environment & Regeneration	Expenditure	30	20	30	0	Interest and delivery of scheme progressing well. Substantial expenditure anticipated during autumn.
C144	Liveability Energy Efficiency Scheme		Income	(30)	0	(30)	0	
			Sub Total	0	20	0	0	
C150	Renewable Energy at Innovation House	S Dawson - Environment & Regeneration	Expenditure	45	0	45	0	Options appraisal and feasibility work on-going. Full spend anticipated
C150	Renewable Energy at Innovation House		Income	(23)	0	(23)	0	
			Sub Total	22	0	22	0	
C149	Alternative Energy Systems in Public Buildings	S Dawson - Environment & Regeneration		60	0	60	0	Development work on-going. Full spend anticipated.
C151	Alternative Energy Grants	S Dawson - Environment & Regeneration		30	2	30	0	Development work on-going. Full spend anticipated.

Cost Centre	Scheme Name	Budget Holder / Dept.		Approved Budget	Actual Apr - Jun	Projected 2007/08 (£)	Overspend / (underspend)	Outputs / commentary
C502	Structural Repairs	D Milburn - Community		77	0	0	(77)	Budget allocated prior to receipt of £27m additional finance following award of 2 stars to Dale & Valley Homes. Monies no longer required for this budgets so proposals for reallocation to be developed and agreed with members
C529	Asbestos Survey	D Milburn - Community		30	2	30	0	Indentification of asbestos materials within council assets
C539	Electrical upgrades to domestic properties	D Milburn - Community		285	0	0	(285)	Budget allocated prior to receipt of £27m additional finance following award of 2 stars to Dale & Valley Homes. Monies no longer required for this budgets so proposals for reallocation to be developed and agreed with members
C118	Twin Bin Refuse and Recycling Service	D Milburn - Community	Expenditure	560	263	560	0	Twin bin recycling service to be introduced to all residents of Wear Valley
C118	Twin Bin Refuse and Recycling Service		Income	0	(7)	(25)	(25)	Waste performance and efficiency grant
	Twin Bin Refuse and Recycling Service		Sub Total	560	256	535	(25)	
C542 - C551	Major Repairs Allowance + Decent Homes Programme	A Senior - ALMO		7,650	0	6,485	(1,165)	Tendering exercise for major works in progress. Majority of spend estimated in latter part of year. Currently some doubt on whether the full programme will be spent this year. Slippage would be carried over into following year's programme.
ENVIRONMENT TOTAL				9,573	233	8,021	(1,552)	

Cost Centre	Scheme Name	Budget Holder / Dept.	Approved Budget	Actual Apr - Jun	Projected 2007/08 (£)	Overspend / (underspend)	Outputs / commentary
HEALTH & WELL-BEING							
Cost Centre	Scheme Name	Budget Holder	Approved Budget	Actual Apr - Jun	Projected 2007/08 (£)	Overspend / (underspend)	Outputs / commentary
			£000	£000	£000	£000	
C146	Leisure Centre Improvements	D Milburn - Community	50	1	50	0	Report to Community Services Committee of 13th June 2007 highlighting areas for improvements to leisure facilities. These include removal of water slide and replacement of flooring.
C527	Disabled Facilities Grants - Public	D Milburn - Community	189	12	189	0	Grants made available to individuals
C527	Disabled Facilities Grants - Public	D Milburn - Community	(15)	0	(15)	0	Contribution sought from Durham County Council
C001	Renovation Grants	D Milburn - Community	100	12	100	0	12 grants expected to be awarded during the year
C003	Disabled Facility Grants	D Milburn - Community	234	12	330	96	22 grants awarded to date. Additional grant received from Government. Extra £38,000 to be found from Council resources (see projected savings on C147 etc.). 200 grants targeted for whole year.
HEALTH & WELL-BEING TOTAL			558	37	654	96	

POPULATION							
Cost Centre	Scheme Name	Budget Holder	Approved Budget	Actual Apr - Jun	Projected 2007/08 (£)	Overspend / (underspend)	Outputs / commentary
			£000	£000	£000	£000	
C147	Stock Condition Update	D Milburn - Community	144	0	0	(144)	Budget allocated prior to receipt of £27m additional finance following award of 2 stars to Dale & Valley Homes. Monies no longer required for this budgets so proposals for reallocation to be developed and agreed with members
C523	Estate Demolitions	D Milburn - Community	100	25	100	0	Demolition of unwanted properties in partnership with dale and Valley Homes. Anticipated demolition of 30 properties
POPULATION TOTAL			244	25	100	(144)	

Cost Centre	Scheme Name	Budget Holder / Dept.		Approved Budget	Actual Apr - Jun	Projected 2007/08 (£)	Overspend / (underspend)	Outputs / commentary
ECONOMY								
Cost Centre	Scheme Name	Budget Holder		Approved Budget	Actual Apr - Jun	Projected 2007/08 (£)	Overspend / (underspend)	Outputs / commentary
				£000	£000	£000	£000	
C066	Bracks Farm	S Dawson - Environment & Regeneration		130	0	130	0	Grant commitment made to developer for this development, anticipated that this contract will be honoured during Q3.
C127	Economic Development Fund	Bob Hope - Environment & Regeneration		30	0	30	0	Fund likely to be used in latter part of year to lever in external financing for new projects
C128	BA Town Centre Renaissance	A Weston - Environment & Regeneration		300	0	300	0	Scheme undergoing development. Substantial development of external funding bid required and detailed design. Some expenditure anticipated but profile and contributions may need to be revised to maximise the external funding.
C065	Wolsingham Business Park	S Dawson - Environment & Regeneration	Expenditure	1,100	0	0	(1,100)	Planning permission granted this year, ongoing work now required with the developer and initial work may consist of additional detailed feasibility. Unlikely to secure external funding for delivery of scheme in 2007/8.
C065	Wolsingham Business Park		Income	(1,050)	0	0	1,050	
			Sub Total	50	0	0	(50)	
C082	Innovation House Extension	S Dawson - Environment & Regeneration	Expenditure	0	43	143	143	Building work now substantially completed and first tenant working from premises. Some minor improvement and fixtures and finishings still required.
C082	Innovation House Extension		Income	0	(143)	(143)	(143)	
			Sub Total	0	(100)	0	0	
C089	South West Crook Industrial Extension	S Dawson - Environment & Regeneration	Expenditure	249	0	270	21	Discussions on-going with developers over the delivery of this scheme. Feasibility work for development options still on-going and will be concluded during the summer.
C089	South West Crook Industrial Extension		Income	0	(21)	(21)	(21)	
			Sub Total	249	(21)	249	0	
C109	Eastgate - Stage 2	S Dawson - Environment & Regeneration	Expenditure	917	122	719	(198)	All contracts issued and work ongoing from 2006/7 into 2007/8. Project still on target to submit planning application in Autumn with substantial expenditure in next few months.
C109	Eastgate - Stage 2		Income	(821)	0	(623)	198	
			Sub Total	96	122	96	0	
ECONOMY TOTAL				855	1	805	(50)	

Cost Centre	Scheme Name	Budget Holder / Dept.	Approved Budget	Actual Apr - Jun	Projected 2007/08 (£)	Overspend / (underspend)	Outputs / commentary
ORGANISATIONAL EXCELLENCE							
Cost Centre	Scheme Name	Budget Holder	Approved Budget	Actual Apr - Jun	Projected 2007/08 (£)	Overspend / (underspend)	Outputs / commentary
			£000	£000	£000	£000	
C126	Positional Accuracy Tool	C Dillon - Environment & Regeneration	18	6	18	0	Successful pilot scheme. Commitment made to implement the full proposal on-going and expenditure expected to be incurred during Q2 / Q3.
C130	PC Replacement Programme	A Maxwell - Resource Management	100	0	100	0	Spend still to take place. Budget based upon 3 year replacement programme for all PC's
C148	Battery Back Up System for Civic Centre	T Carlton - Resource Management	7	0	7	0	Order still to be placed
ORGANISATIONAL EXCELLENCE TOTAL			125	6	125	0	

GRAND TOTAL	11,355	302	9,705	(1,650)
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CAPITAL PROGRAMME FINANCING

	Approved Budget	Projected 2007/08 (£)	Difference (£)
	£000	£000	£000
SUPPORTED BORROWING (DECENT HOMES)	5,000	5,000	0
SUPPORTED BORROWING (OTHER)	800	800	0
MAJOR REPAIRS ALLOWANCE	2,650	1,485	(1,165)
CAPITAL RECEIPTS	2,905	2,420	(485)
TOTAL	11,355	9,705	(1,650)

Outcome
Improved environment
Potential for reduction in carbon footprint
Reduction in carbon footprint and efficiencies
Potential for reduction in carbon footprint
Potential for reduction in carbon footprint
Improvements to natural environment
Improvements to built environment and increased value for money
Improvements to built environment and potential for reduced revenue expenditure
Improvements to built environment
Reduction in carbon footprint and efficiencies
Reduction in carbon footprint and efficiencies
Reduction in carbon footprint and efficiencies
Reduction in carbon footprint

Outcome
Improvements to built environment
Improvements to built environment
Improvements to built environment
Improved recycling rate / environment
Improvements to built environment

Outcome

Outcome
Increased attractiveness of asset leading to improved customer satisfaction and potential for increased usage
Improved standard of living of grant recipients
Grants made available to most vulnerable of our society to improve lifestyle
Grants made available to most vulnerable of our society to improve lifestyle

Outcome
Improved future planning of housing need leading to stability of population
Potential for redevelopment leading to stability of population

Outcome

Outcome
Increased business opportunities
Increased business opportunities and increased value for money
Improvements in business opportunities in town centre as a result of increased attractiveness
Increased business opportunities
Increased business opportunities
Increased business opportunities
Increased business opportunities

Outcome

Outcome
To maintain standards of service delivery to customers
To maintain productivity of staff and standards of service delivery to customers
To maintain standards of service delivery to customers

**Housing Revenue Account Budget Monitoring Statement for
Period April 2007 – June 2007**

	Original Budget 2007/08	Projected Outturn 2007/08	Overspend/ (Underspend)
	£000	£000	£000
Supervision & Management	3,353	3,353	-
Repairs & Maintenance	3,076	3,076	-
Debt Charges	1,765	1,765	-
Housing Subsidy	3,210	3,210	-
Bad Debts	0	0	-
Total Expenditure	11,404	11,404	-
Rental Income	(11,170)	(11,380)	(210)
Other Income	(205)	(205)	-
Interest on Balances	(30)	(30)	-
Total Income	(11,405)	(11,615)	(210)
Deficit / (Surplus)	(1)	(211)	(210)

General Fund Budget Monitoring Statement for Period
April 2007 – June 2007

Service	Budget £000	Projected Outturn £000	Over/ (Under) spend £000	%age Over/ (Under) spend	Note
Highways	832	832	-	-	
Planning and Economic Development	1,397	1,483	86	6%	1
Recreation and Tourism	3,188	3,188	-	-	
Environmental Health	471	471	-	-	
Refuse Collection and Disposal	1,648	1,721	73	4%	2
Housing Services (General Fund)	450	450	-	-	
Corporate and Other Services	3,932	3,713	(219)	(6%)	3
TOTAL	11,918	11,858	(60)	(1%)	

Funding:			
Government Grant	7,441	7441	-
Council Tax	4,205	4205	-
Revenue Funding of Capital expenditure	(560)	(560)	-
Earmarked Reserves	334	334	-
Reserves	498	438	60
TOTAL	11,918	11,858	0

Total under spend £60,000

Planning and Economic Development – Note 1

- (i) Planning Fees - Fall in activity compared to previous years which is reflected in the number of applications received. A current vacant post will be held in abeyance whilst the demand situation is monitored - **£8,000 over spend**
- (ii) Building Control Fees - Fall in activity compared to previous years which is reflected in the number of applications received. Two current vacant posts will be held in abeyance whilst the demand situation is monitored - **£46,000 over spend**
- (iii) Durham Dales Centre - Fall in expected income from lettings in both 2006-07 and 2007-08 - **over spend £32,000.**

Refuse Collection and Disposal - Note 2

- (i) Refuse Collection Contract - Extra staff being employed than was allowed for in the Budget.- **£73,000 over spend**

Corporate and Other Services – Note 3

- (i) Street Cleansing - Underspends relating to vacant posts including the Contract Supervisor and the Street Scene Manager - **£113,000 under spend**
- (ii) Investment Income - Improved cash flow due to delays in capital programme coupled with increases in interest rates. **-£50,000 under spend**
- (iii) External Interest -Rescheduling of debt following advice from external advisors to replace expensive loans with cheaper ones. - **£40,000 under spend**
- (iv) Land Charges - Increased demand in first quarter - **£16,000 under spend**

ASSET MANAGEMENT PLAN

ACTION PLAN

<u>ACTION</u>	<u>DUE DATE</u>	<u>RESPONSIBLE OFFICER (S)</u>
Consider property services implications in developing access to service strategy	MARCH 2008	ASSET MANAGEMENT OFFICER
Review asset base – Depots	MARCH 2008	AD – POLICY & RESOURCES
Review asset base – Common Rooms	MARCH 2008	ASSET MANAGEMENT OFFICER
Review of surplus assets including identification, recommendation and implementation	ONGOING	ASSET MANAGEMENT OFFICER
Develop policy on community management of assets	DECEMBER 2007	ASSET MANAGEMENT OFFICER
Review and develop performance management framework for asset management	DECEMBER 2007	ASSET MANAGEMENT OFFICER
Conduct annual condition survey of all properties and update backlog maintenance requirements	ONGOING	FACILITIES MANAGER
Identify and implement energy efficiency measures in major buildings	MARCH 2008	FACILITIES MANAGER / ENERGY EFFICIENCY OFFICER
Increase proportion of buildings complying with DDA legislation	ONGOING	FACILITIES MANAGER
Develop corporate management database	DEC 2007	ASSET MANAGEMENT OFFICER

WEAR VALLEY DISTRICT COUNCIL

ASSET MANAGEMENT PLAN - 2007

Key Lines of Enquiry Checklist

Criteria Ref.	Criteria	AMP Ref.
2.3.2	The Council has an up to date asset management plan that details existing asset management arrangements and outcomes and planned action to improve corporate asset use	Paragraphs 1.7,2.1–2.7, 5.1 – 5.31, 6.3 -6.5, 6.13, Appendix E
2.3.3	The Council maintains an up to date asset register	Paragraphs 4.1-4.6
2.3.4	The Council has a designated corporate property function	Paragraphs 2.1-2.7
2.3.5	The Council's arrangements for reporting to members are sufficient to ensure that they fulfil their responsibility in relation to the Council's land and buildings portfolio at both a strategic and service level	Paragraphs 2.2, 2.5 - 2.6, 5.1,5.8
2.3.6	The council has an annual programme of planned maintenance based on a rolling programme of property surveys	Paragraphs 5.9 - 5.10
2.3.7	The Council has assessed the level of backlog maintenance	Paragraph 5.7 – 5.8
2.3.8	The Council's capital programme gives priority to potential capital projects based on a formal, objective approval process.	Paragraphs 6.6 – 6.10, Appendix C
2.3.9	A member has been allocated portfolio responsibility fore the organisation's fixed assets	Paragraphs 2.5 – 2.6
2.3.10	There is a plan in place to reduce the level of backlog maintenance and this has been approved by members	Paragraph 5.9
2.3.11	The Council has developed a set of local performance measures in relation to assets that link asset use to corporate objectives	Paragraphs 5.26–5.31
2.3.12	The Council makes investment and disposal decisions based on thorough option appraisal and whole life costing	Paragraphs 6.3, 6.8, Appendix B

ASSET DISPOSAL PRO-FORMA

To be used where disposal value > £25,000

Building and Address

Planned Disposal Date

Option Appraisal

<u>Option</u>	<u>Reasons why not appropriate</u>
Retain	
Lease	
Change of Use	

Completed forms should be sent to the Corporate Property Officer for comments.

Capital Programme 2007/08 – 2009/10

Bidding Pro-Forma

Project Title

Department

Bid Outline
(max 400 words)

Spend Profile

	<u>Q1</u>	<u>YEAR 1</u> <u>£000</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>YEAR 2</u> <u>£000</u>	<u>YEAR 3</u> <u>£000</u>
GROSS COST							
EXTERNAL FUNDING (indicate sources)							
NET COST TO COUNCIL							

Option Appraisal

Option	Y/N	Reasons
Do Nothing	N	
Lease	N	
Joint Working		
Outsourcing		
In House Provision		

Risks & Strategy for Mitigation

Exit Strategy

Revenue Implications

Per Annum	Annual Cost (£000)	Annual Cost x Expected Life (£000)
Employees		
Maintenance		
Energy		
Fuel		
Total Expenditure		
Income		
Net Cost		

Expected Asset Life (years)

Appendix C

Judgement Criteria	Bidding department score 0 – 5 (please complete)	Multiplier	Total Score (please complete)	Justification for score (please complete – max 200 words per criterion)
Does scheme relate to corporate objectives?		2		
Does scheme support priorities set out in the Council Plan?		2		
Will deferment of the scheme affect the existing service or its development?		1		
Does scheme satisfy customer / citizen demand?		1.5		
Does the Authority have a legal obligation for the scheme to progress?		2		
Does the scheme contribute to the health & safety of public & staff?		0.5		
Does the scheme contribute to effective asset management within the Authority?		1		
Does the scheme generate future revenue receipts / savings?		1		
Does the scheme generate future capital receipts?		1		
Does scheme promote partnership working?		1		
Is scheme sustainable in terms of ongoing revenue costs?		2		
Is the scheme partially externally funded?		1.5		
Adequacy of staff and resources available to deliver the project?		1		
TOTAL SCORE				

Capital Programme 2007/08 - 2009/10**Appendix D**

	<u>2007/08</u>	<u>2008/09</u>	<u>2009/10</u>
	<u>Value (£000)</u>	<u>Value (£000)</u>	<u>Value (£000)</u>
Renovation of Housing Stock	8,459	8,719	9,133
Asset Management	207	220	220
Public Realm Enhancements	209	107	0
Private Sector Housing	434	634	634
Liveability	589	0	0
Fleet Replacement	430	700	580
IT Systems	100	73	73
Economic Regeneration	449	523	200
Total	10,877	10,976	10,840
Funding:			
Supported Borrowing	5,800	5,800	6,300
Major Repairs Allowance	2,650	2,650	2,650
Specified Capital Grants	140	140	140
Capital Receipts Applied	1,707	2,386	1,750
Revenue Contributions	580	0	0
Total Resources	10,877	10,976	10,840
Surplus / (Deficit)	0	0	0
Land / Property Sales:			
Sale of Council Houses	1,000	1,000	1,000
General Fund Land / Property Sales	1,000	1,000	1,000
Application of Usable Capital Receipts:			
Usable Receipts Brought Forward	13,453	13,090	12,704
Receipts in Year	2,501	2,000	2,000
Receipts Applied in Year	2,864	2,386	1,750
Usable Receipts Carried Forward	13,090	12,704	12,954

TREASURY MANAGEMENT ACTIVITY

The table below shows the borrowing activity which took place in 2006/2007

Borrowing - Activity 01.04.2006 – 31.03.2007

	<u>Balance as</u> <u>at 01.04.06</u> £000	<u>New</u> <u>Loans</u> £000	<u>Principal</u> <u>Repaid</u> £000	<u>Balance as</u> <u>at 31.03.07</u> £000
Public Works Loans Board				
Fixed Rate Loans	32,550	10,500	13,426	29,624
Bank of Scotland				
Lender Option/Borrower Option	6,500	0	0	6,500
Temporary Loan				
Variable Rate Loan	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>39,051</u>	<u>10,500</u>	<u>13,426</u>	<u>36,125</u>

Total interest due to 31 March 2007 was £2.2m. This gives an average 'pool' rate of interest of 6.03%.

The split between fixed and variable rate interest is as follows:

	£m	%
Interest Due 2006/07 - Fixed Rate Loans	2.232	100
Interest Due 2006/07 - Variable Rate Loans	0	0

New loans from the P.W.L.B. were taken out as follows:

£1,000,000 @ 4.2%	Maturity – 50 years	Repayable 1 May 2056
£2,000,000 @ 4.25%	Maturity – 47 years	Repayable 7 June 2053
£2,000,000 @ 4.2%	Maturity – 48 years	Repayable 2 September 2054
£3,500,000 @ 4.05%	Maturity – 46 years	Repayable 15 May 2052
£2,000,000 @ 4.2%	Maturity – 48 years	Repayable 16 January 2055
£2,000,000 @ 4.3%	Maturity – 46 years	Repayable 2 March 2053

PWLB loans redeemed to 31 March 2007:

£1,000,000 @ 4.5%	Maturity – 25 years	Repaid 28 December 2006
£1,500,000 @ 4.5%	Maturity – 26 years	Repaid 28 December 2006
£1,000,000 @ 4.5%	Maturity – 26 years	Repaid 28 December 2006
£1,260,000 @ 4.625%	Maturity – 25 years	Repaid 8 January 2007
£2,000,000 @ 4.4%	Maturity – 26 years	Repaid 28 June 2006
£2,000,000 @ 4.35%	Maturity – 6½ years	Repaid 3 July 2006
£1,000,000 @ 4.4%	Maturity – 3 years	Repaid 21 September 2006
£1,500,000 @ 4.55%	Maturity – 1½ years	Repaid 26 April 2006

The following tables show the PWLB Long Term Debt Outstanding analysed into maturity profiles, average interest rates, and lenders:

	<u>Av. %</u>	<u>Balance 31.03.2007</u> £000
Maturing within 1 year	7.0	1,167
1 - 2 years	10.2	1,133
2 - 3 years	7.5	1,100
3 - 4 years	7.2	869
4 - 5 years	10.0	715
5 - 6 years	5.5	522
6 - 10 years	9.6	922
10 - 15 years	9.5	375
15+ years	5.6	22,821
Total	6.341	29,624

During the year, any surplus funds were invested with the Banks/Building Societies as outlined in the Treasury Management Strategy. This activity is shown below:

2. Lending - Activity 1 April 2006 – 31 March 2007

	<u>Balance as</u> <u>at 01.04.06</u>	<u>New</u> <u>Investments</u>	<u>Principal</u> <u>Recalled</u>	<u>Balance as</u> <u>at 31.03.07</u>
	£000	£000	£000	£000
Co-operative Bank	1,640	35,490	36,000	1,130
Nationwide Building Society	0	4,000	2,000	2,000
Halifax	2,000	0	1,000	1,000
Barclays Bank	0	0	0	0
Northern Rock	2,000	0	0	2,000
Alliance & Leicester	2,000	1,000	1,000	2,000
Britannia Building Society	2,000	0	2,000	0
Bradford & Bingley	1,500	3,500	3,500	1,500
Yorkshire Building Society	2,000	0	0	2,000
West Bromwich	2,000	0	0	2,000
Anglo Irish	2,000	0	0	2,000
Lloyds TSB	0	0	0	0
Newcastle Building Society	1,500	1,000	2,500	0
Abbey	2,000	1,000	2,000	1,000
Skipton	2,000	2,500	2,500	2,000
Bank of Scotland	0	15,700	15,700	0
Allied Irish	0	3,500	2,000	1,500
Yorkshire Bank	1,000	1,000	1,000	1,000
Bank of Ireland	0	2,000	0	2,000
	<u>23,640</u>	<u>70,690</u>	<u>71,200</u>	<u>23,130</u>

Any part of the investment with the Co-operative Bank and the Bank of Scotland can be recalled immediately.

The investments with the Building Societies are placed for periods between 1 month and 18 months, and on maturity are reinvested if this is considered appropriate.

The Council's Treasury Policy Statement specifies that investments are only made with U.K. and Republic of Ireland Clearing Banks or their wholly owned subsidiaries, the Top 10 Building societies, and other Local Authorities.

The Treasury Policy Statement also specifies a maximum of £2 million that can be invested with any one institution, with the exception of the Co-op bank whose limit is £2.5m.

The average rate of interest received on these Approved Investments was approximately 4.9%.

The average rate of interest received by the Council appears reasonable, especially as brokers were not used to invest this money, and if the investment with the Co-operative Bank falls below £1,000,000, which it did on four occasions in 2006/07, the interest rate is reduced by 2%. In addition, the security of the investment, rather than the interest rate offered is of prime importance.

3. Current Treasury Position

The Council's debt position at 31 March 2007 is as follows:

		£000	£000
<u>Fixed Rate Funding</u>	PWLB	29,624	
	Market/EIB	0	
	LOBOS	6,500	
	Temp. Loan		36,124

Total temporary investments are £23.63m as at 31 March 2007.

4. Profile of Debt Outstanding as at 31 March 2007

<u>Source of Loan</u>	<u>Range of Interest Rates Payable as at 31.03.2007</u>	<u>Total Outstanding as at 31 March 2007</u>
	%	£000
LOBOS	3.70 - 4.75	6,500
Public Works Loan Board	3.90 - 10.75	<u>29,624</u>
Total		<u>36,124</u>

The amounts for repayment are reasonably spread in different years, so that if in one year interest rates were very high and loans had to be replaced, the amount falling due in any one year is reasonable in relation to total debt outstanding.

The above does not include a £1,000 temporary loan.

5. Bank Base Rates

Both PWLB lending rates and investment returns are linked to bank base rates.

Bank base rates fluctuated during 2006/07 as follows:

%	
5.0	- 10 November 2006
5.25	- 12 January 2007

6. Prudential Indicators

The results for 2006/07 are as follows:

(i) Capital Finance Costs as % of Net Revenue Stream

	EST. %	ACTUAL %l
General Fund	2.8	2.2
Housing Revenue Account	15.5	15.3

(ii) Estimated Incremental Impact of Capital Investment

	EST. £	ACTUAL £
Rent	48.26	48.26
Council Tax	197.07	197.07

(iii) Estimated Capital Expenditure

	EST. £m	ACTUAL £m
General Fund	2.53	2.60
Housing Revenue Account	4.30	4.00

(iv) Estimated Capital Financing Requirement

	EST. £m	ACTUAL £m
General Fund	13.65	13.57
Housing Revenue Account	30.30	30.13

(v) Authorised Limit

	EST. £m	ACTUAL £m
Overall	56	56

(vi) Operational Boundary

	EST. £m	ACTUAL £m
Overall	54	54

7. Temporary Loans

22.12.06	Mansfield Bldg Soc.	£1,000,000	1 month	Repaid 22 Jan. 2007
22.12.06	Marsden Bldg. Soc.	£1,000,000	1 month	Repaid 22 Jan. 2007
21.02.07	Carmarthen County Council	£1,000,000	5 weeks	Repaid 30 March 2007
21.02.07	Edinburgh City Council	£1,000,000	5 weeks	Repaid 30 March 2007

PARTNERSHIP REVIEW

PARTNERSHIP NAME:

Joint I.T. Management with Sedgefield

PARTNERSHIP'S AIMS AND OBJECTIVES:

To share knowledge, experience and management of I.T. between Sedgefield and Wear Valley

INPUTS	OUTPUTS	OUTCOMES	ACTION POINTS	COMMENTS
£25,000 revenue cost	Management of I.T. Section based on 2 days per week	<p>Improved management of I.T. Section including management of staffing issues</p> <p>Improved joint working with Sedgefield (this has led to a joint disaster recovery project).</p> <p>Increased knowledge/expertise based on sharing of staff resource as appropriate.</p> <p>Development of an I.T. strategy</p>	Review of I.T. strategy to be undertaken	<p>Risk – Sedgefield withdraws.</p> <p>Response – continue to monitor arrangements with Head of I.T.</p> <p>Risk – resource constraints.</p> <p>Response - IT reserve in place to supplement revenue budget.</p> <p>Risk – LGR may delay projects.</p> <p>Response – revise strategy in light of LGR outcome</p>

PARTNERSHIP REVIEW

PARTNERSHIP NAME:

County Durham Partnership Against Poverty

PARTNERSHIP'S AIMS AND OBJECTIVES:

To increase benefit take-up within County Durham

INPUTS	OUTPUTS	OUTCOMES	ACTION POINTS	COMMENTS
1. Staff time	1. Quarterly meetings at County level. 2. Quarterly local meetings. 3. Attendance at launches of campaigns. 4. Attendance at individual events.	1. Increased benefit take-up improves well being and economy objectives of the Council. 2. Improved joint working in the area of benefit take up. 3. Improved awareness of other voluntary organisations. 4. Improved the disposal income of the residents in Wear Valley area (by approximately £0.24m in last 3 years). 5. Implementation of the Surestart video conferencing link. 6. Main risk is lack of progress leading to a failure to increase benefit take up.	1. Further campaign work to be undertaken. 2. Continued attendance at joint meetings.	Risk – lack of success. Response – regular benefit take up publicity Risk – lack of involvement. Response –continue to attend liaison meetings.

PARTNERSHIP REVIEW

PARTNERSHIP NAME:

County Durham e-government partnership

PARTNERSHIP'S AIMS AND OBJECTIVES:

To deliver e-government across County Durham regardless of geographical boundaries and means of access

INPUTS	OUTPUTS	OUTCOMES	ACTION POINTS	COMMENTS
1. Officer time – 10 hours per month. 2. £15,000 per annum revenue. 3. Member time for attendance at joint Committee.	1. Programme office established. 2. Joint Committee meets monthly and constitution in place. 3. Business analysts appointed. 4. CRM implemented.	1. This partnership improves access to services which contributes to the themes of citizen centred, community centred and management excellence. 2. Improved joint working in the area of e-government. 3. Economies of scale achieved with CRM. 4. Levels of knowledge re: e-government raised. 5. Commonality of services to be developed. 6. The main risk relates to sustainability of the partnership. 7. Average of 479 entries per week being entered on CRM.	1. Further work needed to re-engineer services/process to eliminate unnecessary tasks and will commence with environmental services. 2. Complaints information to be included on CRM system.	In relation to sustainability, funding has been agreed of the e-government programme office and revenue budgets for 2007/08. This will be further reviewed during 2007/08. Risk – lack of revenue resource. Response – agree future contributions with all partners during 2007/08

PARTNERSHIP REVIEW

PARTNERSHIP NAME:

HR partnership with Derwentside

PARTNERSHIP'S AIMS AND OBJECTIVES:

To provide strategic HR support to the council

INPUTS	OUTPUTS	OUTCOMES	ACTION POINTS	COMMENTS
1. Staff time. 2. £5,000 per annum revenue to buy advice/support from Derwentside.	1. Commonality of policies/ procedures established. 2. Strategic advice received on a range of issues. 3. Increase in knowledge transfer. 4. Job analyst used to progress job evaluation.	1. This partnership contributes to improved management excellence. 2. Improved quality of HR function. 3. Significant job evaluation progress made. All jobs now analysed.	Need to review partnership in light of corporate restructure.	Support from Derwentside has been very good in 2006/07. Therefore, for the input in terms of cost, Officers consider that "value added" has been significant. No significant risks identified

PARTNERSHIP REVIEW

PARTNERSHIP NAME:

Benefit partnership with Teesdale

PARTNERSHIP'S AIMS AND OBJECTIVES:

To provide benefit management/advice/support to Teesdale

INPUTS	OUTPUTS	OUTCOMES	ACTION POINTS	COMMENTS
1. Staff time.	1. Commonality of policies/ procedures established. 2. Processing of benefit claims. 3. Monitoring of performance. 4. Service Level Agreement established.	1. Joint committee established. 2. Staff transferred from Teesdale. 3. Partnership recognised by Department for Works and Pensions as good practice.	Need to develop benefit take up strategy for Teesdale	Risk – IT system failure. Response – Ongoing monitoring of link between Teesdale and Wear Valley. Risk – Reduction in Government grant. Response – need to re-negotiate agreement with Teesdale during 2007/08.

Corporate Operational Risk	Progress during 2006/07	Responsibility
1. Staff Levels/ Workloads	1. Issues of work load/staff levels discussed as part of personal development planning process between staff and line manager. PDP process has been reviewed for 2007/08.	Directors/Human Resources
2. Staff Sickness/ Absence/Stress	1. Best Value Performance Indicator included as a “low performing BVPI” and monitored quarterly by Management Team and Members. 2. Managers have attended/to attend sickness absence procedure training. 3. Review of sickness absence procedure carried out and reported to Management Team. 4. 2006/07 performance was 9.5 days per employee compared to 8.3 per employee in 2005/06. Performance for 2007/08 1st quarter is 1.4 days per employee which is an improvement.	Human Resources/ Directors
3. Staff Accidents	1. Revised procedure agreed by Policy and Strategic Development Committee.	CDU
4. Financial Management/Control	1. Use of Resources assessment has improved to an overall score of “3” i.e. performing well. Further work will be undertaken in this area during 2007/08.	Strategic Director for Resource Management
5. IT Systems Failure	1. Disaster recovery plan and procedure in place jointly with Sedgfield.	Strategic Director for Resource Management
6. Asset Management/ Capital Investment	Included as part of Use of Resources score of “3”. Asset Management Plan to be reviewed during 2007/08.	Strategic Director for Resource Management

Corporate Operational Risk	Progress during 2006/07	Responsibility
7. Office Environment – Open Plan/ Workstations not Health & Safety Compliant	<ol style="list-style-type: none"> 1. No significant progress made. 2. Improved use made of Royal Corner by Council staff and External Audit staff. 3. Arrangements in place for ALMO to locate to 1st Floor and Royal Corner. 	Strategic Director for Resource Management
8. Lack of Staff Training/ Failure to achieve IIP Ideals	Training reserve held within the Council. No progress made on IIP accreditation.	Strategic Director for Resource Management
9. Threats/Violence against Staff	Policy and guidance agreed at Policy and Strategic Development Committee.	CDU
10. Lone Workers (inside and out)	Policy and guidance agreed at Policy and Strategic Development Committee.	CDU
11. Contractors failure to follow Health & Safety requirements	Work ongoing in this area.	CDU
12. Health & Safety of Customers	<ol style="list-style-type: none"> 1. Addressed through the Emergency Response policy. 2. Training ongoing. 	CDU
13. Health and Safety Risk Management – COSHH policy	Ongoing.	CDU
14. Failure to meet the Disability Discrimination Act	<ol style="list-style-type: none"> 1. Policy relating to DDA agreed at Central Resources Committee. 2. DDA training delivered to staff. 3. Capital works carried out to public buildings e.g. Leisure Centres, Civic Centre, Community Centres etc. 	Strategic Director for Resource Management
15. Security of Premises/	Report produced for Management Team on security issues in Civic	Strategic Director for Resource

Corporate Operational Risk	Progress during 2006/07	Responsibility
Equipment	Centre.	Management
16. Prescribed Industrial Diseases/ Needlestick Injuries	Training to departments given on request.	CDU
17. Complaints Procedures	Work ongoing.	Strategic Director for Resource Management
18. E-government and Property Gazetteer	Work ongoing as part of County Durham e-Government partnership. Benefits of e-government to be reported to Committee.	Strategic Director for Resource Management
19. Property/Facilities Management	<ol style="list-style-type: none"> 1. Improvements to properties re: DDA made (see 14 above). 2. Ongoing planned maintenance programmes developing for Council assets (offices and common rooms). Assessed as part of the Use of Resources review. 	Strategic Director for the Community/ Strategic Director for Resource Management
20. ALMO	ALMO established and 2 star service confirmed via external inspection.	Strategic Director for the Community
21. Gershon	2006/07 Annual Efficiency statement produced and agreed. No negative feedback received. Overall targets met.	Strategic Director for Resource Management

Corporate Strategic Risk Area	Type of risk	Probability (1 = low 2 = medium 3 = high)	Impact (1 = low 2 = medium 3 = high)	Score (likeli- hood x impact)	Mitigation/ Management of Risk	Lead Officer	Link to corporate objectives/ CPA
1. Local Government Review	Corporate	3	3	9	Separate report to be produced	Chief Executive	All
2. Achievement of corporate goals	Corporate	3	3	9	<ul style="list-style-type: none"> • Bi-annual monitoring of Council Plan • Further embedding of performance management framework 	Chief Executive/ Directors	All/Direction of Travel
3. Equality and Diversity	Corporate	3	3	9	<ul style="list-style-type: none"> • Carry out gap analysis of level 2 equality standard and develop action plan • Establish diversity group • Carry out impact assessment of key services 	Equality and Diversity Officer	Organisational Capacity/ Direction of Travel
4. Partnerships	Corporate	2	3	6	<ul style="list-style-type: none"> • Carry out annual review of partnerships • Improve performance management arrangements in partnerships 	Policy and Performance Manager	All/Direction of Travel

Corporate Strategic Risk Area	Type of risk	Probability (1 = low 2 = medium 3 = high)	Impact (1 = low 2 = medium 3 = high)	Score (likeli- hood x impact)	Mitigation/ Management of Risk	Lead Officer	Link to corporate objectives/ CPA
5. Lack of outcome focussed targets/plans	Customer and Citizen	2	3	6	<ul style="list-style-type: none"> • Include in revised performance management framework 	Directors	All
6. Value for Money	Corporate	2	3	6	<ul style="list-style-type: none"> • Deliver VFM strategy • Carry out self assessment of VFM KLOEs and develop action plan 	Value for Money Officer	All/Use of Resources
7. Performance Management	Management	2	3	6	<ul style="list-style-type: none"> • Review performance management framework • Roll out revised framework 	Policy and Performance Manager	Organisational Capacity/ Direction of Travel
8. Delivery of Human Resource Strategy including Job Evaluation	Management	2	2	4	<ul style="list-style-type: none"> • Carry out actions in strategy • Identify additional capacity to support HR function 	Human Resources Manager	Organisational Capacity/ Direction of Travel

Corporate Strategic Risk Area	Type of risk	Probability (1 = low 2 = medium 3 = high)	Impact (1 = low 2 = medium 3 = high)	Score (likeli- hood x impact)	Mitigation/ Management of Risk	Lead Officer	Link to corporate objectives/ CPA
9. Data Quality	Manage- ment	2	2	4	<ul style="list-style-type: none"> Data Quality action plan developed. To be monitored during year 	Chief Officer Corporate Development / Directors	Organisational Development
10. Complaints Procedures not effective/poor access to services	Customer and citizen	2	2	4	<ul style="list-style-type: none"> Review complaints procedure Roll out new procedure 	Chief Officer Corporate Development	All/Organisatio nal Development