

CABINET

Thursday, 14 September 2006

10.00 a.m.

Conference Room 1,
Council Offices,
Spennymoor

AGENDA and REPORTS

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যদি আপনি এই ডকুমেন্ট অন্য ভাষায় বা ফরমেটে চান অথবা যদি আপনার একজন ইন্টারপ্রেটারের প্রয়োজন হয়, তাহলে দয়া করে আমাদের সাথে যোগাযোগ করুন।

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ਜੇ ਇਹ ਦਸਤਾਵੇਜ਼ ਤੁਹਾਨੂੰ ਕਿਸੇ ਹੋਰ ਭਾਸ਼ਾ ਵਿਚ ਜਾਂ ਕਿਸੇ ਹੋਰ ਰੂਪ ਵਿਚ ਚਾਹੀਦਾ ਹੈ, ਜਾਂ ਜੇ ਤੁਹਾਨੂੰ ਗੱਲਬਾਤ ਸਮਝਾਉਣ ਲਈ ਕਿਸੇ ਇੰਟਰਪ੍ਰੈਟਰ ਦੀ ਲੋੜ ਹੈ, ਤਾਂ ਤੁਸੀਂ ਸਾਨੂੰ ਦੱਸੋ।

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Democratic Services



01388 816166

AGENDA

1. **APOLOGIES**
 2. **DECLARATIONS OF INTEREST**
To notify the Chairman of any items that appear in the agenda in which you may have an interest.
 3. **MINUTES**
To confirm as a correct record the Minutes of the meeting held on 27th July 2007.
(Pages 1 - 6)
- KEY DECISION**
- STRATEGIC LEADERSHIP PORTFOLIO**
4. **LARGE SITES ELECTRICITY SUPPLY CONTRACT (KEY DECISION)**
Report of Head of Financial Services. (Pages 7 - 10)
- OTHER DECISIONS**
- STRATEGIC LEADERSHIP PORTFOLIO**
5. **REVENUE BUDGETARY CONTROL REPORT - POSITION AT 31ST JULY 2006**
Report of Head of Financial Services. (Pages 11 - 28)
 6. **CAPITAL PROGRAMME EXPENDITURE AND FINANCING POSITION - POSITION AT 31ST JULY 2006**
Report of Head of Financial Services. (Pages 29 - 38)
 7. **UPDATE ON PLANNING FOR A PANDEMIC 'FLU OUTBREAK'**
Report of Head of Financial Services. (Pages 39 - 44)
- HOUSING PORTFOLIO**
8. **PRIVATE SECTOR HOUSING RENEWAL - SEDGEFIELD BOROUGH HOUSING RENEWAL ASSISTANCE POLICY 2006 - 07**
Report of Director of Neighbourhood Services. (Pages 45 - 54)
- LEARNING AND EMPLOYMENT PORTFOLIO**
9. **STRATEGIC TRAINING ALLIANCE**
Report of Head of Strategy and Regeneration. (Pages 55 - 58)

MINUTES

10. OVERVIEW AND SCRUTINY COMMITTEES

To consider the minutes of the following:

- (a) Overview and Scrutiny Committee 3 - 11th July 2006 (Pages 59 - 62)
- (b) Overview & Scrutiny Committee 1 - 29th August 2006 (Pages 63 - 68)

11. AREA FORUMS

To consider the minutes of the following:

- (a) Area 3 Forum - 5th July 2006 (Pages 69 - 72)
- (b) Area 4 Forum - 18th July 2006 (Pages 73 - 78)
- (c) Area 5 Forum - 25th July 2006 (Pages 79 - 84)

EXEMPT INFORMATION

The following items are not for publication by virtue of Paragraphs 2 and 3 of Part 1 of Schedule 12 A of the Local Government Act 1972. As such it is envisaged that an appropriate resolution will be passed at the meeting to exclude the press and public.

SOCIAL REGENERATION AND PARTNERSHIP AND HOUSING PORTFOLIOS

12. DEVELOPMENT OF HAWKSHEAD PLACE, NEWTON AYCLIFFE - AWARD OF TENDER

Joint report of Director of Neighbourhood Services and Head of Financial Services. (Pages 85 - 88)

STRATEGIC LEADERSHIP PORTFOLIO

13. REVISED ESTABLISHMENT STRUCTURE - ACCOUNTANCY SERVICES

Joint report of Head of Financial Services and Chief Executive. (Pages 89 - 102)

14. PROPOSED ORGANISATION OF BUILDING CONTROL

Joint report of Director of Neighbourhood Services and Chief Executive. (Pages 103 - 118)

15. APPOINTMENT OF DIRECTOR OF RESOURCES

To consider the recommendation made by the Chief Officer Appointments Panel at its meeting on 13th September 2006. A copy of the minutes will be circulated at the meeting. (Pages 119 - 120)

16. ANY OTHER BUSINESS

Lead Members are requested to inform the Chief Executive or the Head of Democratic Services of any items they might wish to raise under this heading by no later than 12 noon on the day preceding the meeting. This will enable the Officers in consultation with the Chairman to determine whether consideration of the matter by the Cabinet is appropriate.

B. Allen
Chief Executive

Council Offices
SPENNYMOOR
6TH September 2006

Councillor R.S. Fleming (Chairman)

Councillors Mrs. A.M. Armstrong, Mrs. B. Graham, A. Hodgson, M. Iveson, D.A. Newell, K. Noble, R.A. Patchett and W. Waters

ACCESS TO INFORMATION

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Item 3

SEDGEFIELD BOROUGH COUNCIL CABINET

Conference Room 1,
Council Offices,
Spennymoor

Thursday,
27 July 2006

Time: 10.00 a.m.

Present: Councillor R.S. Fleming (Chairman) and

Councillors Mrs. B. Graham, A. Hodgson, M. Iveson, D.A. Newell,
K. Noble, R.A. Patchett and W. Waters

In Attendance: Councillors W.M. Blenkinsopp, Mrs. J. Croft, V. Crosby, A. Gray, B. Hall,
J.M. Khan, B. Meek, J.P. Moran, Mrs. E.M. Paylor, Mrs. C. Potts,
A. Smith, Mrs. I. Jackson Smith, T. Ward and J. Wayman J.P

Apologies: Councillor Mrs. A.M. Armstrong

CAB.46/06 DECLARATIONS OF INTEREST

Councillor K. Noble indicated that he would be declaring a prejudicial interest in Items 8, 9 and 10 – Local Improvement Programme Applications as he was a board member of Groundwork East Durham.

Councillor A. Hodgson indicated that he would be declaring a prejudicial interest in Items 8, 9 and 10 – Local Improvement Programme Applications as he was a board member of Groundwork East Durham.

Councillor M. Iveson indicated that he would be declaring a prejudicial interest in Item 16 – Asset Management – Sale of Business Development Land At Green Lane Industrial Estate, Spennymoor – as his wife was a member of Durham County Council.

CAB.47/06 MINUTES

The Minutes of the meeting held on 13th July 2006 were confirmed as a correct record and signed by the Chairman.

CAB.48/06 SEDGEFIELD BOROUGH LOCAL DEVELOPMENT FRAMEWORK: CORE STRATEGY ALTERNATIVE OPTIONS REPORT (KEY DECISION)

The Lead Member for Planning and Development presented a report of regarding the above. (For copy see file of Minutes).

The Core Strategy Development Plan Document would provide the overall strategic spatial planning policies for the Borough up to 2018. Regulation 25 of the Town and Country Planning (Local Development)(England) Regulations 2004 stated that to take the document forward, the Council needed to undertake an early consultation exercise to identify what were the planning issues and options that the document would seek to address.

Members noted that officers were requesting the community's views on 19 spatial planning issues and providing them with a range of options to address the issues. The responses would be fed into a Core Strategy Preferred Options Report, which was scheduled for publication in February 2007.

RESOLVED : That the Council be recommended to endorse the Core Strategy Alternative Options Document to enable the document to be published.

CAB.49/06 SEDGEFIELD BOROUGH HOUSING STRATEGY 2006/07 - 2008/09 - DEVELOPING A FIT FOR PURPOSE HOUSING STRATEGY (KEY DECISION)

The Lead Member for Housing presented a report regarding the above draft Strategy. (For copy see file of Minutes).

It was explained that the Government had significantly changed its approach to the development of housing strategies and wanted to see all local authorities adopt a housing strategy which was "fit for purpose" i.e. met certain requirements in terms of key content and monitoring arrangements. Consequently, a new Housing Strategy had been developed to take account of the national, regional and local policy issues and priorities and had clear links to the Council's Corporate Plan and the Local Strategic Partnership's Community Strategy.

Members noted that the draft strategy had been submitted to the Government Office for the North East for assessment against a "fit for purpose" standard and had been signed off as meeting the standard.

RESOLVED : That Council be recommended to adopt the Sedgefield Borough Housing Strategy 2006/07 – 2008/09.

CAB.50/06 DISPOSAL OF HEIGHINGTON LANE WEST STRATEGIC EMPLOYMENT SITE (KEY DECISION)

Consideration was given to a report regarding the above strategic employment site, which was jointly owned by Sedgefield Borough Council, Durham County Council and ONE NorthEast. (For copy see file of Minutes).

It was explained that a number of bids had been received from national property developers, which would result in the development of the site for regional logistics facilities. Cabinet approval was therefore sought to the principle of the disposal of the Council's interest in the site and to authorise senior officers of the Council to assist in the selection of the optimum bid. Once selected the detail of the bid would be presented to Cabinet.

It was pointed out that the sale of Heighington Lane West represented a significant potential receipt for re-investment in the authority's priorities as the Council would receive a one third share. It would also create employment opportunities in line with longstanding economic development aspirations for the site.

RESOLVED : That the disposal of Sedgfield Borough's interest in Heighington Lane West be agreed in principle and that officers be authorised to select the optimum bid.

CAB.51/06 HOUSING DEPARTMENT SERVICE IMPROVEMENT PLAN

The Lead Member for Housing presented a report seeking approval for the printing and design work, associated with the publication of a new Tenant's handbook. (For copy see file of Minutes).

It was reported that discussions had taken place with the Council's preferred design and print contractor regarding the presentation and publication of the handbook and it was proposed that the revised handbook should be in the form of an A4 ring binder, containing 28 sections ranging from Equity and Diversity to Right to Buy.

RESOLVED : That authorisation be given to engage Hillprint Media to design and print 12,000 copies of the Tenant's Handbook for the sum of £52,800 (£4.40 per copy).

CAB.52/06 LOCAL IMPROVEMENT PROGRAMME - CHILTON ENVIRONMENTAL IMPROVEMENTS

N.B. In accordance with Section 81 of the Local Government Act 2000 and the Members' Code of Conduct, Councillors A. Hodgson and K. Noble declared a prejudicial interest in the above item and left the meeting for the duration of discussion and voting on the item.

Consideration was given to a report regarding the above. (For copy see file of Minutes).

The project, which had been developed and championed by Chilton Town Council, included the redevelopment of the tennis courts including lighting, installation of a floodlit multi- use games area and two youth shelters, two CCTV cameras as well as a range of street furniture in Chilton Welfare Park.

It was reported that in view of the sport and recreation focus of the project, the allocation of any funding would be conditional upon the applicant working with the Council's Leisure Services Department to develop a robust Sports Development Plan to ensure that the completed facilities were fully utilised.

It was also pointed out that given that a key part of the application aimed to provide appropriate floodlighting, the Town Council had committed to review the opening times of the Welfare Park to provide extended evening use during the winter months.

RESOLVED : That the application for Local Improvement Programme funds, based upon the information provided, be approved.

CAB.53/06 LOCAL IMPROVEMENT PROGRAMME - TRIMDON COLLIERY COMMUNITY CENTRE - ARCHITECTS FEES

N.B. In accordance with Section 81 of the Local Government Act 2000 and the Members' Code of Conduct, Councillors A. Hodgson and K. Noble declared a prejudicial interest in the above item and left the meeting for the duration of discussion and voting on the item.

Consideration was given to a report regarding a Local Improvement Programme application from Trimdon Colliery Community Association for funding to commission an architect to provide a robust design and costing for a new community centre. (For copy see file of Minutes).

The application had been supported by Area 3 Forum at its meeting on 5th July 2006.

RESOLVED : That the application for Local Improvement Programme funds, based upon the information provided, be approved.

CAB.54/06 LOCAL IMPROVEMENT PROGRAMME - TRIMDON MUGA

N.B. In accordance with Section 81 of the Local Government Act 2000 and the Members' Code of Conduct, Councillors A. Hodgson and K. Noble declared a prejudicial interest in the above item and left the meeting for the duration of discussion and voting on the item.

Consideration was given to a report regarding a Local Improvement Programme application from Groundwork East Durham for funding to install a multi-use games area on an area of under-used open space next to Trimdon Colliery Community Centre. (For copy see file of Minutes).

The application had been endorsed by Area 3 Forum at its meeting on 5th July 2006.

RESOLVED : That the application for Local Improvement Programme funds based upon the information provided be approved.

CAB.55/06 ANNUAL REVIEW OF TREASURY MANAGEMENT 2005 - 06

Consideration was given to a report reviewing the performance of the Council's Treasury Management activities during the 2005/06 financial year. (For copy see file of Minutes).

The report confirmed that the Council had fully complied with its approved strategy, treasury management practices and all prudential indicators in accordance with the Prudential Code for Capital Finance in Local Authorities in 2005/06.

Members' attention was drawn to the following key aspects of performance in 2005/06:

- The policy of ensuring that long-term borrowing and the capital financial requirement were at broadly the same level had been achieved with figures of £18.349m and £19.147m respectively.
- Rescheduling of £3.9m of debt during the year, replacing loan debt at 8.35% with a relatively low rate of 3.7% had resulted in revenue savings of £90,000 per year.
- Average rate of return on achieved on investments was 4.80% - 0.27% greater than the benchmark comparator of 4.53%.
- Reduction in the average rate of interest paid on external debt from 7.4% to 7.2%.

RESOLVED : That the performance and compliance with the approved Treasury Management Strategy in 2005/06 be noted.

CAB.56/06 OVERVIEW AND SCRUTINY REVIEW GROUP REPORT - AREA FORUMS

Consideration was given to a schedule detailing the Cabinet's response to recommendations made by the Overview and Scrutiny Review Group regarding Area Forums. (For copy see file of Minutes)

RESOLVED: That the schedule be received.

CAB.57/06 OVERVIEW AND SCRUTINY COMMITTEE 2

Consideration was given to the Minutes of the meeting held on 27th June 2006. (For copy see file of Minutes).

RESOLVED : That the Committee's recommendation be received and appropriate action be taken.

CAB.58/06 AREA 2 FORUM

Consideration was given to the Minutes of the meeting held on 20th June 2006. (For copy see file of Minutes).

RESOLVED : That the report be received.

EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That in accordance with Section 100(a)(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business on the grounds that they may involve the likely disclosure of exempt information as defined in Paragraph 3 of Schedule 12a of the Act.

**CAB.59/06 DEVELOPMENT OF HAWKSHEAD PLACE, NEWTON AYCLIFFE -
AWARD OF TENDER (KEY DECISION)**

Consideration was given to a report seeking approval for the Council to sell 1.70 hectares of land at Hawkshead Head, Newton Aycliffe. (For copy see file of Minutes).

RESOLVED : That the recommendations detailed in the report be adopted.

**CAB.60/06 ASSET MANAGEMENT - SALE OF BUSINESS DEVELOPMENT LAND
AT GREEN LANE INDUSTRIAL ESTATE, SPENNYMOOR**

N.B. In accordance with Section 81 of the Local Government Act 2000 and the Members' Code of Conduct, Councillor M. Iveson declared a personal interest in the above item and left the meeting for the duration of discussion and voting on the item.

Consideration was given to a report regarding an application received for an option on 0.99 hectares of business development land at Green Lane Industrial Estate, Spennymoor, which was in the joint ownership of Sedgfield Borough and Durham County Councils.

RESOLVED : That the recommendation detailed in the report be adopted.

Published on 28th July 2006.

The key decisions contained in these Minutes will be implemented on Monday 7th August 2006 five working days after the date of publication unless they are called in by three Members of the relevant Overview and Scrutiny Committee in accordance with the call in procedure rules.

ACCESS TO INFORMATION

Any person wishing to exercise the right of inspection, etc., in relation to these Minutes and associated papers should contact Gillian Garrigan, on Spennymoor 816166 Ext 4240

REPORT OF HEAD OF FINANCIAL SERVICES

Portfolio: RESOURCE MANAGEMENT

LARGE SITES ELECTRICITY SUPPLY CONTRACT

1. SUMMARY

- 1.1 The current contract for the supply of electricity to Green Lane Offices, Depot and Leisure Centres expires on 30th September 2007. In light of a substantially changed energy supply marketplace, this report considers how the Council's major site electricity requirements from 1st October 2007 should be procured. As an Associate Member of the North East Purchasing Organisation (NEPO), the Council can participate in NEPO's electricity contract with N Power and this option is recommended with effect from 1st October 2007.

2. RECOMMENDATION

- 2.1 That the Council joins the NEPO contract with N Power for the supply of electricity to the large user sites, with effect from 1st October 2007.

3. DETAIL

- 3.1 The contract for large sites electricity was awarded to Scottish and Southern Energy from 1st October 2004. This 3 year fixed price contract, with an annual value of £245,000, has provided excellent value for money over the last 2 years and this will continue for the next year. The substantial increases in prices within the energy markets since the contract started has totally vindicated the decision to enter into the 3 year fixed price contract. However, the Council will inevitably be faced with a substantial increase from October 2007 and early consideration on how to procure electricity is necessary.
- 3.2 The last 2 years have seen major increases in electricity prices. To a significant extent this has been caused by the volatility within the gas market, since a large proportion of electricity is generated by burning gas. It is likely that energy prices will continue to be subject to the pressures of world markets and industry experts consider that following the traditional formal tender routes is extremely risky, with timing so crucial to the results.
- 3.3 Research has shown that major energy procurers, such as the Office of Government Commerce (OGC) and NEPO, as well as leading energy consultancy businesses, are entering into contracts which allow the forward buying of energy in numerous 'tranches' at various flexible dates during the year. The expertise of market analysts, in making judgements of when prices

are 'attractive', should help secure prices that are lower than the market averages.

- 3.4 The Council is an Associate Member of NEPO and is entitled to participate in any contract arranged by NEPO. The NEPO electricity contract commenced in April 2004 and, with extension options, will expire in March 2009. Following a full tender process, the contract was awarded to N Power, on the fundamental basis of flexible forward buying. Up to 72 tranches of electricity can be purchased in any year at times when market prices are deemed 'attractive', leading to an annual calculation of prices fixed for the next financial year.
- 3.5 Advance purchasing of electricity for 2007/08 year will commence shortly and it is therefore necessary for the Council to consider whether to participate in the NEPO contract and, if so, to give its commitment to NEPO for participation from 1st October 2007.

4. RESOURCE IMPLICATIONS

- 4.1 The proposal contained in this report is designed to secure favourable prices within an increasingly expensive, complex and volatile market. The proposed contract arrangement with NEPO would operate from 1st October 2007 and an assessment of the financial impact will be carried out as part of the 2007/08 Revenue Budget exercise. The impact of energy price increases formed part of the Medium Term Financial Plan (MTFP) undertaken in June 2006 and the next MTFP will review the assessment using the latest available pricing data.

5. CONSULTATION

- 5.1 Proposal has been formulated following full consideration of relevant information sources, including energy market analysts and purchasing organisations.
- 5.2 The Council's Energy Management Group has considered the content of this report.

6. OTHER MATERIAL CONSIDERATIONS

6.1 *Links to Corporate Objectives/Values*

Impacts on the effective delivery of all Council services , and the corporate objective to be responsible with and accountable for public finances is reinforced by the action proposed.

6.2 *Sustainability*

The proposed contract provides for electricity generation based upon High Quality Combined Heat and Power (CHP) sources , rather than renewable sources. NEPO and NPower are currently discussing possible changes to the contract terms to further recognise sustainability issues. Of course Energy sustainability issues are within the remit of the recently reformed Energy Management Group. An initial target saving of 10% on energy usage has been set.

6.3 *Risk Management*

- 6.3.1 The dramatic changes in the energy market are causing serious problems to all substantial users of energy, in both the public and private sectors. The Council's Medium Term Financial Plan recognises the major resource implications and regular re-assessments will take place to reflect continuing market supply changes.
- 6.3.2 The proposal to participate in the NEPO electricity contract is regarded as the preferred way of minimising the financial risks, compared with the uncertain traditional open tender procurement route. The expertise of market analysts in buying energy in tranches throughout the year should ensure that a below market average price is achieved.
- 6.3.3 The work of the Energy Management Group should help identify further energy efficiency measures to control usage around the Council.
- 6.4 **Health and Safety**
No additional implications have been identified.
- 6.5 **Equality and Diversity**
No material issues have been identified.
- 6.6 **Legal and Constitutional**
The Council is an Associate Member of NEPO and entitled, under the NEPO Constitution, to participate in contracts negotiated by them on behalf of Members. The arrangements proposed are submitted to Cabinet for approval in accordance with Contract Procedure Rules 1(1) and 1(2).
- 6.7 **Procurement**
Full consideration has been given to the alternative methods of contracting for electricity and the report's proposals should ensure that the procurement process produces the most advantageous prices whilst minimising risk.
- 6.8 **Efficiency**
The Energy Management Group will be identifying areas where energy efficiency can be improved and the measures needed to secure increased efficiency. Any proposals will take investment payback periods into account in determining priorities.

7. OVERVIEW AND SCRUTINY IMPLICATIONS

- 7.1 There are no additional implications beyond normal budgetary performance reporting.

Contact Officer:	Dennis McKinnell
Telephone No.:	01388-816166 ext. 4245
E-Mail Address:	dmcklnnell@sedgefield.gov.uk
Ward(s):	Not Ward Specific
Key Decision Validation	Expenditure over £100,000
Background Papers:	Cabinet – 13 th May 2004 'Large Sites Electricity Supply Contract'.

Examination by Statutory Officers

	Yes	Not Applicable
1. The report has been examined by the Councils Head of the Paid Service or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Councils S.151 Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. The report has been approved by Management Team	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Item 5

REPORT TO CABINET

14th SEPTEMBER 2006

REPORT OF HEAD OF FINANCIAL SERVICES

Portfolio: STRATEGIC LEADERSHIP

REVENUE BUDGETARY CONTROL REPORT – POSITION AT 31st JULY 2006

1. SUMMARY

This report summarises individual spending forecasts for the nine portfolios for 2006/2007, which shows that:

- The General Fund is expected to use balances of around £602,000 compared to a budgeted use of £500,000.
- The Housing Revenue Account is currently predicting a break-even position before the use of £100,000 use of balances to fund the first year costs of the HRA service improvement plan.
- The Training and Employment Service is anticipated to make an operating loss in the region of £125,000, a small reduction on the initial budget forecast.

Details in respect of significant Balance Sheet items previously only reported within the Annual Statement of Accounts are also included in order to provide a wider perspective on the Council's financial standing.

2. RECOMMENDATIONS

- That the financial position for 2006/2007 be noted.
- That a further report be submitted to Cabinet, detailing the position as at the 30th September 2006, 31st December 2006 and final outturn as at 31st March 2007 in line with the budgetary Control Monitoring Arrangements 2006/07 reported to Management Team on 10th July 2006.
- Detailed reports be submitted to future Strategic Working Groups in order to monitor progress throughout the year.

3. DETAILED FINANCIAL POSITION AT 31st JULY 2006

3.1 Monitoring Arrangements for 2006-2007

The budgetary control monitoring arrangements for 2006-2007 have been enhanced by ensuring that the Councils five Strategic Working Groups receive regular reports in respect of those areas of responsibility, but at a more detailed level than is presented to Cabinet for consideration.

The expectation is that issues arising from any significant variances from approved budgets will be considered by the Groups who will instigate corrective

action where necessary and ensure that their deliberations are reported back to Cabinet at the next budgetary review opportunity.

Several of the Councils budgets are susceptible to market forces and as such if not closely monitored could lead to budget problems [E.g. Leisure Centre income, Planning & Building Regulation fees etc.]. Research is currently being undertaken as to how best to monitor these budgets and report on them. It is anticipated that once the framework has been agreed with the Director of Resources and relevant Heads of Service it will lead to monthly reporting to Management Team on the selected items. The results of the exercise will then influence future budgetary control reports commencing with the six-month position to Cabinet due in November 2006. The first element of this monitoring process has been developed covering expenditure on salaries, wages and other employment expenses, the results of which have been built into the individual Strategic Working Group reports which are the foundations for this report.

3.2 General Fund

The following table covers the first four months of 2006/2007 (April – July) and shows: -

- The approved budget for each of the main portfolios.
- The profiled budget for the first four months of 2006/2007.
- The actual income and expenditure as recorded in the Council's Financial Management System.
- Projected Probable Outturn for 2006/2007 based on spend to date and known commitments.
- Variance between the annual budget and the projected probable outturn.

The original approved budgets have been revised to take account of a full re-apportionment of asset charges across all Portfolios in line with the new SORP arrangements that eliminate any charges for notional interest.

The overall financial position for the General Fund is therefore as follows: -

	Budget 2006/07 £'000	Budget To Date £'000	Spend To Date £'000	Probable Outturn £'000	Variance £'000
Strategic Leadership Healthy Borough	1,754.55	1,105.72	1,095.18	1,685.75	(68.80)
- Community Health	144.45	74.15	70.73	140.59	(3.86)
- Leisure & Culture	3,610.68	1,163.16	1,095.65	3,721.01	110.34
Strong Communities					
- Housing	554.41	232.65	225.92	578.55	24.14
- Safer Communities	797.00	368.89	363.51	841.85	44.85
Prosperous Borough					
- Learning & Employment	232.21	(45.32)	(53.11)	168.87	(63.34)
- Social Regeneration & Partnership	1,953.75	343.57	343.82	1,942.20	(11.55)
Attractive Borough					
- Environment	5,205.64	1,768.92	1,668.47	5,235.52	29.88
- Planning & Development	467.75	154.13	25.12	385.28	(82.47)
Contingency & Salary Savings	(174.96)	-	(52.30)	(52.30)	122.66
	14,545.48			14,647.32	101.84
Use of Balances	(500.00)			(601.84)	(101.84)
Budget Requirement	14,045.48			14,045.48	-

Revenue Budgetary Control Report – Position at 31st July 2006

The main features that contribute to the overall overspend include: -

Salaries and Wages costs amount to approximately 30% of the gross spend on the Council's General Fund services, and as a consequence the relevant budgets are monitored very closely on a monthly basis. The full impact of any changes to the approved establishment structures, regradings as a consequence of exam success / skills matrix progression and staff turnover are factored into a financial model and the probable outturn for each individual Portfolio has been adjusted accordingly. The Council set a savings target of £260,000 equivalent to a turnover rate of 2.5% that on current projections will be achievable by the 31st March 2007.

The following sections therefore concentrate on factors other than staffing which are having an impact on budgets.

3.2.1. Strategic Leadership

The projected spend to the 31st March 2007 is £1,685,750 compared to an initial budget of £1,754,550; an estimated underspend of £68,800

The main factor that contributes to this underspend relates to the Capital Financing Charges & Asset Management Account Charges which is showing an additional charge to the Council. This is partly due to lower than anticipated investment income on surplus monies invested, in addition the Housing Revenue Accounts share of any investment interest received has increased as a consequence of higher levels of HRA reserves.

3.2.2. Healthy Borough

The projected spend to 31st March 2007 is £3,861,600 compared to the initial budget approval of £3,755,130, a net overspend of £106,470

There are a number of reasons for the projected overspend which are detailed below:-

- As a result of the recent large price increases in gas and electricity, costs for the four leisure centres have increased significantly. It is anticipated that by the 31st March 2007 costs will exceed budgetary provision by about £43,000.
- The current projected overspend on the Locomotion budget of £39,000 reflects increases in electricity prices and employee costs. The Museum Manager is currently reviewing the operations at Locomotion in order that the budget can be brought back within target by the 31st March 2007
- The income target for the Council's bar & catering operations within the four leisure centres are unlikely to be achieved resulting in a potential reduction in the trading profits amounting to £23,600. A review is being undertaken to resolve some of the issues affecting this service

3.2.3. Strong Communities

Projected net expenditure to 31st March 2007 is £1,420,400 compared to the original budget approved of £1,351,410 - an overspend of £68,990 (or 5.1%).

The main issue that are having an impact on the anticipated final position is a projected overspend on homeless accommodation costs

3.2.4. Prosperous Borough

Projected spend to the 31st March 2007 is £2,111,070 compared to a revised budget approval of £2,186,960; an estimated underspend of £74,890, which is mainly as a result of :-

- The income target for rental income in respect of the Shildon Business Centre are expected to be exceeded as a consequence of higher occupancy levels of the offices and industrial units.
- The income targets set for Industrial Estates will not be achieved even though occupancy levels are in excess of 90%. This is a result of rental incentives that have been offered to attract tenants; however as these incentives expire the rental stream should increase.

3.2.5. Attractive Borough

The projected spend to the 31st March 2007 is £5,620,800 compared to an original budget approval of £5,673,390; an estimated underspend of £52,590.

The main reason for the underspend shown above are detailed below:-

- Staffing costs and increased transport costs in respect of the Refuse Collection Service amount to an additional £41,800. The Environmental Services Manager is currently examining the reasons for the potential overspend with the aim of achieving a balanced budget by the 31st March 2007. Progress on achieving this target will be highlighted in the next report to this Group based on the position as at 30th September 2006.
- Additional income over and above that normally expected has been received from both Planning and Building Regulation fees amounting to £96,000.

3.2.6. Contingency Sum & Virement

In determining the Budget Framework for 2006-2007 the Council allocated the sum of £504,480 to meet the impact of Job Evaluation [£350,000] with the remainder set-aside to meet any unforeseen cost demands throughout the year [£154,480].

The contingency sum that was set-aside for Job Evaluation has been fully reallocated to the services that were affected by the review.

The Council has already received several requests for use of the general contingency sum and Cabinet has now approved supplementary budgets as detailed below

- Concessionary Travel Scheme - £72,000 [Cabinet - 15th June 2006]
- Communications Officer – 5,800 [Cabinet - 29th June]
- Audit Committee - Special Responsibility Allowances – £6,160 [Council 28th July 2006]
- External Consultation Strategy - £20,000 Cabinet 11th November 2004
- **The balance remaining unallocated amounts to £50,520**

There have been no requests received to date to Vire budgets between Portfolios or Service budgets within Portfolios.

3.3 Housing Revenue Account (HRA)

The projected position to the 31st March 2007 is broadly in line with the original budget forecasts approved in February 2006 that projected a breakeven position. The budget also assumed a use of HRA balances towards the first year costs of the HRA Service Improvement Plan amounting to £100,000.

The main factors that have been taken into account in preparing this financial position are:-

- An increase in net rental income after accounting for losses in respect of empty houses and a reduced bad debts provision. This is as a result of the downturn of Right to Buy Sales experienced in the first four months of the year.
- The budgetary position at the end of July 2006 indicates that the Housing Maintenance Budget will be overspent by around £100,000. However the Director of Housing is carefully examining the current spending profile in order to see what action can be taken to mitigate the overspend position.
- At this stage of the financial year it has been assumed that the balance on the Contingency sum after accounting for the costs of the job evaluation exercise will be fully utilised during 2006-2007.
- It has been assumed that the full amount of the revenue contribution will be required to support the HRA capital programme

3.4 Training and Employment Services

The initial budget prepared for 2006/2007 predicted that the trading account would make an operating loss of about £138,000 [excluding asset charges] during the year. Current projections indicate that this forecast now amounts to £125,000.

4. Further revenue developments during 2006-2007

Since the budgets were approved in February there have been a number of developments that have provided the Council with additional resources that could be made available to provide enhanced service delivery.

Planning Development Grant [PDG]

- The Council has been notified that it will receive £288,073 in 2006-2007, which is broadly in line with the Budget Framework expectations. The rules governing the use of the PDG mean that 25% of the award has to be used for capital purposes.
- As at the 1st April 2006 the Council still had £233,000 of PDG unused from prior years, this together with the current year allocation means that the Council has approximately £449,000 available to support Planning Initiatives. It is anticipated that £260,000 will be used in 2006-2007 as detailed in the 2006-2007 Budget Framework leaving £144,500 to support revenue initiatives in 2007-2008 and beyond. £44,545 of the funds held at the 1st April 2006 has been transferred into Capital Reserves in accordance with the Grant conditions outlined above.

DEFRA Performance Standards Grant

- The Council has again been awarded a DEFRA Performance Standards Grant for Recycling and Composting amounting to £71,951 which has to be spent 50% on revenue and 50% on capital, this is in addition to the 2005-2006 award of £27,267 which was unspent last year and which is now being used to fund the current green waste scheme in Newton Aycliffe. Notification has already been received that an additional £75,363 will be made available in 2007-2008. A full report on how the resources will be spent is currently being prepared by the Head of Environmental Services

Local Public Service Agreement

- Over the last few years the Council has been participating in a county-wide Local Public Service Agreement and in particular the element relating to cost efficiency indicators. The Council has achieved its stretch performance target to which it signed up to which should release a performance reward grant in the region of £268,000 over the next two years.[50% of the grant has to be used for capital purposes]. This grant has not been factored into the budget plans as these payments are one off and will be used for specific performance improvement initiatives.
- In addition the Council is to receive at least £47,000 on the same basis as the cost efficiency award in respect of Waste Recycling.
- A report outlining how these resources will be used will be prepared for Cabinet's consideration in due course.

Local Authority Business Growth Initiative

- The Council has recently been notified that a further £45,141 has been allocated to Sedgfield Borough under the above initiative. The Council has not yet formulated its plans in respect of these funds and in the meantime they will be added directly to the Budget Support Fund.

5. Annual Efficiency Savings

The Council in line with Government targets will be pursuing opportunities to ensure that efficiency savings are achieved in the region of £400,000 per annum over the three-year period 2005-2006 to 2007-2008. The target saving for the current financial year is £406,000. The aim is to secure savings to reinvest and direct resources towards achievement of both corporate and service specific objectives.

Efficiency will be improved by examining methods of raising productivity and enhancing value for money, following best practice guidance. An update on progress in achieving the target will be included in the next report.

6. Collection Fund Surplus

The Council as billing authority for council tax and non domestic rates purposes maintains on behalf of the authorities which precept on the Council a separate set of accounts known as the Collection Fund.

Whilst these accounts are not part of our normal budgetary control reporting arrangements any surplus or deficit on the fund has a direct impact on future council tax levels in the Borough. The balance on the collection fund as at 31st March 2006 was £758,000, £855,600 was used by Sedgfield Borough and the other Principal Precepting authorities to support council tax levels during 2006-2007. The projected surplus as at the 31st March 2007 is currently estimated to be in the region of £630,000 of which £145,000 represents this Council's share [compared with £200,000 for 2005-2006]. This estimated surplus is subject to fluctuation depending upon collection rates and levels of debt written off.

7. Revenue Reserves 2006-2007

The Council held reserves totalling £11.828m at the 1st April 2006 [excluding the Collection Fund] with the budget framework report in respect of 2006-2007 assuming that £0.50m would be utilised in this financial year.

Following the update of the Council's Medium Term Financial Plan 2006-2009 Cabinet approved a use of the Asset Management Fund to support the capital programme amounting to £100,000.

Attached at appendix 1 is a schedule detailing all of the Council's revenue reserves, which reflects the latest budget spending projection, outlined above. It is anticipated that reserves totalling £10.44m will be available to the Council at 31st March 2007.

However the Council still has to deal with the issue of Equal Pay. The report on Job Evaluation considered by Cabinet on 2nd March 2006 made it clear that whilst Job Evaluation had been introduced Equal Pay was still outstanding. Discussions with the Unions and ACAS are ongoing and it is too early at this stage to indicate the likely cost of any claims to be met. Any claims that are finally agreed will need to be met directly from either the General Fund or Housing Revenue Account reserves.

8. Revenue Provisions 2006-2007

In approving the Annual Statement of Accounts by the Council for 2005-2006 in June 2006 the Director of Resources was given authority to create revenue provisions in the sum of £349,500 that would be utilised to meet specifically identified commitments in 2006-2007 for which no budgetary provision had initially been made.

In addition the Council has other revenue provisions amounting to £733,200 that relate to Revenue Grants which were unused at the 31st March 2006, most of these grants will be utilised during 2006-2007 to support the activities for which the grant was awarded, though in the case of the Planning Delivery Grant it is likely that the grant will not be fully utilised until at least 2008-2009.

The remaining provisions relate to premiums and discounts that have been incurred on debt rescheduling, they will be charged to revenue accounts over a number of years in accordance with approved accounting practices.

A full schedule of all the Provisions held is attached at appendix 2.

9. Balance Sheet Management

Current best practice recommends that Council's should consider reporting significant items from the "balance sheet", and in particular those items that may have a material impact on the Council if not reviewed on a regular basis.

CIPFA is intending to issue some official guidance on Balance Sheet Management later this year. This will be reviewed and if there are any areas that are not currently included within our reporting arrangements they will be incorporated at the earliest opportunity.

In the absence of any official guidance it is considered prudent to consider the following items until the CIPFA guidance becomes available.[Publication date 28th September 2006]

- **External Loan Debt** – monies borrowed by the Council.
- **Short Term Investments** – surplus cash invested by the Council.
- **Current Debtors** – sums owed to the Council in respect of Rents, Council Tax, Overpaid Housing Benefits, Mortgages and Accounts Receivable.

Performance Management arrangements closely monitor the above areas on at least a monthly basis to ensure that the Councils Treasury Management strategy is being adhered to in respect of the first two items and in respect of the last item debt recovery action is instigated where debts are not settled within expected time scales.

- **External loan debt**
 - The value of loans outstanding at the 31st July 2006 was £18.662m, down from £18.679 at the 31st March 2006
 - The current strategy does not anticipate any new borrowing in the current financial year and consequently external loan debt at 31st March 2007 is expected to have reduced to £18.641m, an overall reduction in the year of £38,000.
 - Debt restructuring opportunities that arise throughout the year will continue to be examined to reduce the Councils long term financing costs
- **Short Term Investments**
 - As at the 31st July 2006 the Council had £27.00m on short-term deposit with Financial Institutions. The original budget forecast of investment income was £1.310m, the current year-end projections indicate a shortfall on the initial budget in the region of £1.291m which has been taken into account in the forecast for Strategic leadership Portfolio shown above.
 - The Council will however actively pursue investment opportunities throughout the year in order to maximise investment returns taking into account the Treasury Management Strategy approved by Council in February 2006.

- **Current Debtors**

- Recovery of all sums due to the Council promptly can have a significant material impact on the cash-flow of the Council and lead onto higher than expected investment returns as indicated above if it is actively managed.
- As at the 31st March 2006 the Council recorded in its Annual Statement of Accounts that the amounts due from debtors amounted to £9.899m. [£10,225 for 2004-2005]. A proportion of this debt related to year-end grant claims, which is a normal position at this time of year and will be certified and paid as an outcome of the external audit process.
- However some of the outstanding debt has to be actively managed to ensure that it is eventually collected and is not written off as a “bad debt”. As at the 30th June the following analysis is available [Appendix 3 attached provides a more detailed breakdown].

Type of Debt	Total Arrears	Current Arrears	Aged Arrears
	£	£	£
Current Housing Rents	641,477	322,327	319,150
Former Tenants Housing Rents	854,943	-	854,943
Council Tax – Current year	2,504,669	1,911,159	593,510
Council Tax – Prior Years	2,682,958	166,675	2,516,283
Accounts Receivable	753,339	623,882	129,457
Housing Benefit Overpayments	354,214	134,020	220,194
Mortgages	644	644	-
Total Outstanding debt	7,792,244	3,158,707	4,633,537

Current arrears is debt less than 60days old & Aged arrears is debt older than 60days

- Housing Rent is a weekly charge on the property. The five area Housing Management teams manage current arrears with former tenants being managed by a centralised debt recovery team. All Teams work to an approved policy document which involves a number of stages culminating in seeking repossession where a current tenant fails to make arrangements to pay and referral to a Certificated Bailiff in former tenant arrears cases.
- Council Tax is an annual charge and the arrears above reflect those accounts where no arrangements have been agreed to collect the initial charge by instalments. When accounts fall into arrears Liability Orders are obtained from the Magistrates Court. Where this procedure fails to obtain settlement of the debt a range of other recovery processes are initiated including use of Certificated Bailiff and committal proceedings. Whilst the level of arrears looks high it must be taken in the context of the overall total debit raised since the introduction of Council Tax now exceeds £283 million, and as appendix 3 illustrates that the Councils collection rate is in excess of 99% of amounts due.
- Accounts Receivable debt can relate to any of the services that the Council provides. Debt recovery action is the responsibility of the department that provides the service and raises the initial invoice. If the

department is unable to collect the debt the Director of Resources may refer the debt to a Certificated Bailiff for further recovery action.

- Housing Benefit overpayments usually arise where a person in receipt of benefit has failed to notify the Council of a change in circumstances that would effect their entitlement. If the claimant is still in receipt of benefit the overpayment is automatically recovered at the rate of £8.70 per week. Where the claimant is no longer in receipt of benefit or has vacated the property an accounts receivable invoice is sent to the person if a forwarding address is known. In instance where a former claimant moves back into the Borough and becomes eligible for benefit the debt is reinstated and recovered from on-going entitlement.
- Mortgages debt is all current arrears [i.e. less than 60 days old] and arrangements are in hand to recover the debt outstanding from the one debtor in arrears.

10. Training Issues

It is accepted by Accountancy Section that financial training needs to be developed in respect of two specific areas:-

- *Users of the Agresso Financial Management System*
- *Budget Holders / Heads of Service*

The Council's financial management system (Agresso) is a complex piece of software and continues to be developed and upgraded. It is also very flexible in terms of its reporting capabilities and the management information available.

It is acknowledged that training for all accounts payable and accounts receivable users and authorisers of expenditure needs to be developed, as well as training for budget holders to enable them to make most efficient use of the reporting facilities available.

This will be particularly important as the 'Invoice Manager' module continues to be rolled out to all departments during the year. This will improve the Council's knowledge about procurement activities that are undertaken and allow more effective purchasing decisions to be made.

Arrangements need to be put in place with the Council's ICT Trainer for her to be trained in order to provide the requisite training required on an ongoing basis, which should resolve most of the problems currently being encountered. When this has been achieved, a series of training updates could then be established as part of the Council's annual training programme.

Accountancy Services delivered financial training for all Heads of Service and budget holders during 2005/06, with emphasis on budgetary control responsibilities. This training package will continue to be developed and will be delivered during 2006/07 as required.

During 2004 the Council used the services of IPF Ltd. to deliver a course on Integrating Financial Planning And Three-Year Budget Forecasts. With the Government having now introduced three-year grant settlements, it is now considered appropriate to run this course again.

11. LINKS TO CORPORATE OBJECTIVES & VALUES

The details contained in the report support the Council's corporate value of being responsible with and accountable for public finances.

12. RESOURCE IMPLICATIONS

There are no further resource implications arising from this report.

13. CONSULTATIONS

Comprehensive consultation has previously been held during the construction of the 2006/2007 Budget Framework. This report does not contain any proposals or recommendations requiring further consultation.

14. OTHER MATERIAL CONSIDERATIONS

14.1 *Links to Corporate Objectives/Values*

The Council's Corporate Objectives and Values have guided the preparation of the 2006/07 Budget Framework throughout. Resource availability has been fully re-assessed and directed to assist in achieving the Council's key priorities as set out in the Corporate Plan. Particular emphasis has been placed on the following Corporate Values:-

- *Be responsible with and accountable for public finances.*
- *Consult with service users, customers and partners.*

14.2 *Risk Management*

There has been no further risks identified other than those highlighted in the report to Council on the 24th February 2006.

14.3 *Health and Safety*

No additional implications have been identified.

14.4 *Equality and Diversity*

No material considerations have been identified.

14.5 *Legal and Constitutional*

The Budget Framework has been prepared in accordance with the Council's Constitution and full account has been taken of new statutory requirements, e.g. the new statutory minimum concessionary fares scheme. No other legal or constitutional implications have been identified.

There are no other significant material considerations arising from the recommendations contained in this report.

15. OVERVIEW AND SCRUTINY IMPLICATIONS

Consultation and engagement with Overview and Scrutiny Committees has previously been held in development and review of the 2006/2007 Budget Framework.

Contact Officer: John Hawes (Accountancy Services Manager)
Telephone: 01388-816166 Ext. 4358
E-Mail: jhawes@sedgefield.gov.uk

Ward(s): Not Ward Specific

Background Papers: ~ Report to Council 24th February 2006 – Budget Framework 2006/2007.
~ Report to Council 24th February 2006 – Treasury Management Strategy 2006 -2007.
~ Report to Council 30th June 2006 -- Statement of Accounts 2005-2006

Examination by Statutory Officers:

	Yes	Not Applicable
1. The report has been examined by the Council's Head of the Paid Service or his representative.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Council's S.151 Officer or his representative.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Management Team has approved the report.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

BALANCES STATEMENT 2006 - 2007

Appendix 1

	ACTUAL AT 31/3/06 £'000	CONTRIB. IN YEAR £'000	USE OF FUNDS £'000	EST. BAL. AT 31/3/07 £'000
<u>GENERAL FUND</u>				
70 406 : BUDGET SUPPORT FUND	1,721.5	0.0	(602.0)	1,119.5
70 407 : GENERAL FUND	2,240.3	0.0	0.0	2,240.3
70 413 : NON HRA HOUSING FUND	203.2	0.0	0.0	203.2
70 408 : INSURANCE FUND	1,236.6	0.0	(100.0)	1,136.6
70 409 : ASSET MANAGEMENT FUND	501.8	0.0	(100.0)	401.8
70 410 : ECONOMIC DEVELOPMENT FUND	183.3	0.0	(183.3)	0.0
70 411 : EMPLOYMENT TRAINING	458.4	0.0	0.0	458.4
70 412 : YOUTH DEVELOPMENT FUND	108.5	0.0	(108.5)	0.0
70 414 : ENERGY MANAGEMENT FUND	29.7	0.0	(10.0)	19.7
70 416: OTHER MINOR FUNDS	20.6	6.0	0.0	26.6
70 417: BUILDING CONTROL FUND	21.0	0.0	0.0	21.0
70 303: LOAN DEBT SUPPORT FUND	456.1	0.0	(200.0)	256.1
<u>TOTAL GENERAL FUND</u>	7,181.0	6.0	(1,303.8)	5,883.2
<u>HOUSING REVENUE ACCOUNT</u>	4,646.9	0.0	(88.0)	4,558.9
<u>COLLECTION FUND</u>	758.0	0.0	(855.6)	(97.6)
<u>TOTAL RESERVES</u>	12,585.9	6.0	(2,247.4)	10,344.5

PROVISIONS STATEMENT 2006 - 2007

Appendix 2

	ACTUAL AT 31/3/06 £'000	CONTRIB. IN YEAR £'000	USE OF PROVISION £'000	EST. BAL. AT 31/3/07 £'000
<u>GENERAL FUND</u>				
70 302 : PREMIUMS - DEBT RESCHEDULING	458.6	0.0	0.0	458.6
70 304 : SURE START - FERRYHILL & CHILTON	(153.7)	0.0	0.0	(153.7)
70 305 : SURE START - SHILDON & AYCLIFFE	(188.6)	0.0	0.0	(188.6)
<u>70 301 : SPECIFIC YEAR END PROVISIONS</u>				
: CREDITED BACK TO REVENUE IN 2006/2007	(338.8)	0.0	338.8	0.0
REVENUE GRANTS UNUSED BALANCES				
: COMMUNITY EMPOWERMENT NETWORK	(12.2)	0.0	12.2	0.0
: SUPPORTING PEOPLE - HOMELESS SUPPORT	(32.5)	0.0	32.5	0.0
: NEW OPPORTUNITIES FUND	(7.7)	0.0	7.7	0.0
: PLANNING DELIVERY GRANT	(233.0)	0.0	233.0	0.0
: LOCAL ENTERPRISE GROWTH INITIATIVE	(64.2)	0.0	64.2	0.0
: SHILDON SURE START - FULL DAY CARE GRANT	(41.3)	0.0	41.3	0.0
<u>TOTAL GENERAL FUND</u>	(613.4)	0.0	729.7	116.3
<u>HOUSING REVENUE ACCOUNT</u>				
76 042 : PREMIUMS - DEBT RESCHEDULING	1,175.9	0.0	0.0	1,175.9
76 042 : DISCOUNTS - DEBT RESCHEDULING	(186.6)	0.0	0.0	(186.6)
76 044 : ICT - DECENT HOMES SOFTWARE	(10.7)	0.0	10.7	0.0
<u>TOTAL H.R.A</u>	978.6	0.0	10.7	989.3
<u>TOTAL PROVISIONS</u>	365.2	0.0	740.4	1,105.6

Appendix 3

OUTSTANDING DEBT AS AT 30th June 2006

Current Housing Rents	Current Position £		Position at 31st March 2006 £	Position at 31st March 2005 £
Total arrears				
- Houses, Bungalows & Garages	559,762		502,240	461,193
- Other charges [HB overpayments etc.]	81,715		81,106	146,923
	641,477		583,346	608,116
Analyses as follows:-				
- Less than £500 outstanding	322,327	5471 tenancies	264,550	3645 tenancies
- Between £501 & £1000 outstanding	133,408	189 tenancies	139,128	200 tenancies
- over £1000 outstanding	185,742	106 tenancies	179,666	100 tenancies
	641,477	5766 tenancies	583,344	3945 tenancies

* No. tenancies at 30th June 2006 = 8765

Former Housing Tenants	2006-2007		2005-2006	
	£		£	
- Total arrears at 31st March	862,330		982,784	
- New Former Tenants since 1st April	64,658		224,300	
- Cash Receipts since 1st April	(29,103)		(158,326)	
- Total arrears written off at 31st March 2006	(42,942)		(186,428)	
- Total arrears	854,943	1800 cases	862,330	833 cases

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Appendix 3

Council Tax [2006-2007]

	2006-2007 £	2005-2006 £	Other Years £
Total Collectable Debit	<u>30,974,350</u>	<u>29,610,588</u>	<u>223,456,401</u>
Already Paid	6,863,656	28,501,067	221,838,999
Debit Outstanding	<u>24,110,694</u>	<u>1,109,521</u>	<u>1,617,402</u>
Instalments arranged	21,606,025	107,031	59,644
Reminders Sent	1,911,159	43,965	28,216
Final Notice issued	506,315	56,745	65,621
Summons	-	947	-
Liability Order Obtained	87,195	900,833	1,463,921
	<u>24,110,694</u>	<u>1,109,521</u>	<u>1,617,402</u>

The Council has a full range of recovery procedures in respect of council tax and has a recovery rate well in excess of 99% in this area.

Accounts Receivable	Current £	Previous £
Value of invoices outstanding	753,339	633,758
Analysed as follows:-		
- Between 0 & 60 days	623,882	516,644
- Between 61 & 120 days	32,326	62,770
- Outstanding over 120 days	97,131	54,344
	<u>753,339</u>	<u>633,758</u>
Housing Benefit Overpayments	Current £	Previous £
Value of Overpayments Outstanding	354,214	326,778
Analysed as follows:-		
- recovery from on-going entitlement	134,020	159,564
- recovery by Invoice	220,194	167,214
	<u>354,214</u>	<u>326,778</u>
Mortgages	Current £	Previous £
Value of Mortgages Outstanding	135,188	144,474
total arrears outstanding	644	295

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14th SEPTEMBER 2006

REPORT OF HEAD OF
FINANCIAL SERVICES

STRATEGIC LEADERSHIP PORTFOLIO

BUDGETARY CONTROL REPORT 2006/2007

CAPITAL PROGRAMME EXPENDITURE AND FINANCING POSITION TO 31ST JULY 2006

1.0 SUMMARY

- 1.1 This report provides a review of the position on the 2006/2007 Capital Programme as at 31st July 2006.
- 1.2 It includes an overview of progress made to date in meeting spending targets, details the carry forward approved by Council of commitments unspent on the 2005/06 capital programme, summarises the available capital resources for financing the programme and based on the estimated outturn sets out the proposed financing of the programme in 2006/07.
- 1.3 The report also outlines any new developments that have occurred since Council approved the 2006/07 Capital Programme Budget in February 2006.

2.0 RECOMMENDATIONS

It is recommended that:

- (i) Management Team note the four month spend position to 31st July 2006;
- (ii) Further reports be submitted to Management Team, Cabinet and all Strategic Working Groups detailing the position as at 30th September, 31st December and final outturn as at 31st March in line with the Budgetary Control Monitoring Arrangements 2006/2007 reported to Management Team on 10th July 2006.
- (iii) That Cabinet be requested to approve the additional carry forward request of £116,750 in respect of the Major Regeneration Initiatives Programme as highlighted in paragraph 3.3

3.0 CAPITAL SPEND AND RESOURCES MONITORING 2006/2007

Initial Spending Targets / Revised Capital Programme Budget

- 3.1 The Capital Programme for 2006/2007 was approved by Council on the 24th February 2006 as part of the overall Budget Framework 2006/2007. A total budget of £15,650,000 was set and allocated across all Council portfolios. The budget includes £4,400,000 for the General Fund Programme, £7,800,000 for the Council Housing Programme and a £3,450,000 special provision for

Major Regeneration Initiatives, to be financed from the capital receipts received in respect of the recent land sales in Newton Aycliffe.

- 3.2 The Capital Programme out-turn position for 2005/2006 was reviewed by Cabinet on the 29th June 2006. That report identified an underspend of £3.8 million on the 2005/06 budget and a number of outstanding commitments totalling £1.98 million were identified for carry forward into 2006/2007. These carry forward requests were subsequently approved by Council on 30th June 2006, when revised spending targets were agreed.
- 3.3 Since then, an additional request has been received to re-phase the resources set aside for the 2006/07 Local Improvement Programme within the Major Regeneration Programme. The additional resources totalling £116,750 have been added to the Major Regeneration carry forward shown in the table below and will be subject to Cabinet's approval of this report.
- 3.4 The approved Capital Programme shows the use of the Council's own resources towards capital spending along with any grants already secured when the Budgets were approved. However, the Council has traditionally been successful in securing significant levels of additional external funding towards its Capital Programme during the year in the way of government grant approvals, lottery funding and other grants and contributions. The total level of capital spending is therefore likely to be significantly higher once any additional external funding has been taken into account.
- 3.5 The following table shows the original approved 2006/2007 Capital Programme, together with the carry forward commitments from 2005/06. The table also shows all approved external funding secured to date and the total Gross Budget reflecting the total capital resources available for the year:

Portfolio / Capital Programme	Original Approved Net Budget £'000	Approved Carry Forward £'000	Revised Net Budget £'000	Additional External Funding £'000	Gross Budget £'000
Strategic Leadership:					
- ICT	900	635	1,535	20	1,555
- Green Lane	240	-	240	-	240
- Chilton Depot	90	16	106	-	106
- LPSA Initiatives	-	-	-	67	67
Healthy Borough:					
- Community Health	25	14	39	658	697
- Leisure and Culture	600	48	648	406	1,054
Prosperous Borough:					
- Social Regeneration	300	518	818	1,074	1,892
- Learning & Employment	300	281	581	555	1,136
- Major Regeneration	3,450	518	3,968	-	3,968
Attractive Borough:					
- Environment	70	-	70	36	106
Strong Communities:					
- Housing (HRA)	7,800	-	7,800	18	7,818
- Housing (General Fund)	1,800	-	1,800	58	1,858
- Safer Communities	75	67	142	50	192

Total	15,650	2,097	17,747	2,942	20,689
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The approved net budget already takes into account the following capital grants:-

	£'000
Major Repairs Allowance	5,043
Supported Capital Expenditure Allowance	213
Disabled Persons Facilities Grant	240
SHIP Grant	1,196
Total	6,692

Progress on Capital Programme / Developments during 2006/2007

3.6 This section of the report summarises all known developments on each Portfolio's Capital Programme Budgets that have arisen since the original spending targets for 2006/07 were approved.

3.6.1 Strategic Leadership

A full breakdown of the ICT and Green Lane Capital Programme Budgets for 2006/07 was reported to Cabinet on 13th April 2006.

In addition to the approved carry forward of unspent commitments from 2005/06 of £635,000, the ICT Budget also benefits from the carry forward of unspent Integrated Support Unit (ISU) grant from 2005/06 of £20,000. This will be utilised in helping to fund the project management of this capital programme.

The Council will also benefit from the Local Public Service Agreement (LPSA1) Grant in 2006/07 and 2007/08 of which approximately £67,000 must be set aside for capital expenditure in each of the next two years. A report on how these resources will be utilised will be presented to Cabinet in due course.

3.6.2 Healthy Borough - Community Health

The Community Health Capital Programme (formerly Supporting People) Budget of £39,000 is set aside for Supporting Independent Living Initiatives.

The above budget includes an approved carry forward of unspent resources from 2005/06 of £13,700 which is to be used to provide match funding in respect of the County Assistive Technology Programme to Support Independent Living.

It is anticipated that this will enable the Council to access the £350,000 Preventative Technology Grant, which is being administered by the Durham County Council Social Care and Health. A report on how these resources will be utilised will be presented to Cabinet in due course.

This Portfolio also includes the construction of the Sure Start Centres in Shildon and Newton Aycliffe which are being funded mainly from external grants and contributions. The Council is contributing £75,000 towards these projects and this contribution is being financed from the Major Regeneration Budget. A significant proportion of the work in respect of this project was completed during 2005/06. Both buildings are now completed and are now in full operational use.

The external funding carried forward into 2006/07 includes £387,000 Sure Start Grant and £272,000 in respect of other contributions including Durham County Council and Sedgefield PCT towards the same project.

3.6.3 Healthy Borough - Leisure & Culture

A detailed breakdown of the Leisure and Culture Capital Programme Budget was reported to Cabinet on 30th March 2006.

The Gymnastics Centre at Spennymoor Leisure Centre was successfully completed and opened in 2005/06. However, the project is not yet financially complete and there are a number of outstanding costs and retentions due to be paid during 2006/07. Cabinet have previously been made aware of the cost overrun on this scheme and legal advice continues to be sought as regard the recovery of such costs..

In addition, the Playground Equipment Programme, which is also being funded from the Major Regeneration Initiatives Budget, will continue throughout 2006/07. Projects are due to commence in a large number of locations throughout the Borough including Newton Aycliffe, Chilton, Tudhoe, Eldon and Trimdon. In addition to allocation from the Major Regeneration Budget of £513,000, this programme now benefits from external funding from the Big Lottery Fund of £230,000.

3.6.4 Prosperous Borough - Social Regeneration & Learning & Employment

A detailed breakdown of the Social Regeneration and Learning and Employment Capital Programme Budgets (formerly the Regeneration and Economic Development Capital Programmes) was reported to Cabinet on 15th June 2006.

This Programme continues to benefit from significant levels of external funding.

Single Capital Programme Grant totalling £668,000 has been brought forward from 2005/06 in respect of the major schemes currently being undertaken in Spennymoor Town Centre. An allocation of £216,000 is also available in 2006/07 towards the major programme of works being undertaken on Aycliffe Industrial Park.

Grants from the Countryside Agency and English Nature totalling £57,000 have also been secured in respect of Countryside Management Initiatives

The Council will also benefit from Planning Delivery Grant (PDG) in 2006/07 of £116,000 including £44,500 unspent grant brought forward from 2005/06, which must be set aside for capital expenditure. A report on how these resources will be utilised will be presented to Cabinet in due course.

A significant level of match funding contributions have also been secured from the Council's partners such as Durham County Council and Groundwork East Durham and from the private sector in respect of Social Regeneration and Learning and Employment capital schemes. These contributions total £571,700.

3.6.5 Prosperous Borough - Major Regeneration

The development of this Capital Programme was delayed during 2005/06 pending the recruitment of the Regeneration Capital Programme Team within

the Chief Executives Department and approval of the Regeneration Master Plan.

Significant progress has now been made in recruiting relevant staff for the Section and the posts of Programme Manager, Programme Development and Appraisal Officer and Community Project Development Officer posts have now been filled.

With the recruitment of the appropriate staff and approval of the Master Plan, it is expected that significant progress on this Programme will now be made during 2006/07.

The Programme Budget for 2006/07 has been broken down into the following broad areas:-

Area Programmes and Strategic Investments	£1,713,000
Local Improvement Programmes	£1,267,000
Other Portfolio Schemes*	£751,000
Capital Programme Team	£237,000
Total Budget	£3,968,000

Further details on the Local Improvement Programme and Area Programmes and Strategic Investments were detailed in the reports to Cabinet on the 30th June 2005 and 8th December 2005.

* *Playground Equipment Programme, Gymnastics Centre, Sure Start Centres*

3.6.6 Attractive Borough - Environment

The Environment Capital Programme Budget of £70,000 is expected to be utilised mainly on the replacement of domestic and trade waste bins and the purchase of additional dog and litter bins.

The Council will also benefit from DEFRA grant funding in respect of recycling initiatives in 2006/07 and 2007/08, of which approximately £35,000 must be set aside each year for capital expenditure. A report on how these resources will be utilised will be presented to Cabinet in due course.

3.6.7 Strong Communities - Council Housing

The significant areas of the Council Housing Capital Programme in 2006/2007 were all designed to help the Council achieve the Government's Decent Homes standard.

A report outlining how available housing capital resources are to be aligned to spending programmes in order to achieve the decent homes targets by 2010 was considered by Cabinet on 16th March 2006.

3.6.8 Strong Communities – Private Sector Housing

A detailed breakdown of the Private Sector Housing Capital Programme Budget was reported to Cabinet on 13th July 2006.

The General Fund Housing Capital Programme was significantly boosted this year by the approval of £1,196,000 from the Regional Housing Board's Single Housing Investment Pot (SHIP). The Council has also been awarded Disabled Facilities Grant (DFG) totalling £240,000. These grants were built into the original approved net budget of £1,800,000.

A total of £1,416,000 SHIP funding has also been approved for 2007/08.

A detailed report was presented to Management Team in May 2006 highlighting how these resources will be utilised in tackling private sector housing suffering from market failure. Ferryhill Station, Dean Bank and Chilton have already been identified as three priority areas.

The programme has since been increased by a further £8,000 unspent DFG brought forward from 2005/06 and a provision for repaid DFG's during the year of £50,000.

3.6.9 Strong Communities – Safer Communities

A report outlining the Safer Communities Capital Programme for 2005/06 to 2006/07, which was linked to the outcomes of a review of the CCTV service was reported to Cabinet on 16th February 2006.

Following on from the conclusions and recommendations of the review regarding the urgent investment required in relation to a replacement CCTV matrix and generator and the creation of a new secure plant room for the control room, Cabinet approved a revised Safer Communities Capital Programme Budget for 2005/06 and 2006/07 of £193,000.

Any unspent resources in 2005/06 would therefore form the basis of the 2006/07 Capital Programme. On this basis, the 2006/07 Budget is £142,000.

In addition, a contribution of £50,000 has been received from the Public Transport Group in respect of the installation of CCTV cameras at Newton Aycliffe and Bishop Auckland Rail Stations.

Revised Capital Programme and Actual Spend to 31st July 2006

3.7 The adjustments explained above have resulted in a revised spending target of £17.747 million for 2006/07. A summarised statement of actual spend to 31st July 2006 across all portfolios is shown as follows:

Portfolio	Revised Gross Budget £'000	Actual Gross Spend £'000	% Gross Budget Spent
Strategic Leadership:			
- ICT	1,555	324	21%
- Green Lane	240	97	40%
- Chilton Depot	106	23	22%
- LPSA	67	-	0%
Healthy Borough:			
- Community Health	697	542	78%
- Leisure and Culture	1,028	393	38%
Prosperous Borough:			
- Social Regeneration	1,892	101	5%
- Learning & Employment	1,136	17	1%
- Major Regeneration	3,994	317	8%
Attractive Borough:			
- Environment	106	13	12%
Strong Communities:			
- Housing (HRA)	7,818	1,891	24%

- Housing (General Fund)	1,858	403	22%
- Safer Communities	192	79	41%
Total	20,689	4,200	20%

- 3.8 A gross total of £4.2m has been spent in the first four months to 31st July 2006 or 20% of the gross capital programme budget of £20.7m.
- 3.9 Due to the nature of capital projects it is difficult to predict exactly when financial payments will be made, unlike revenue budgets which can be profiled accurately. Therefore an accurate assessment of expected spending at this point in time cannot be made. Capital spending has traditionally been concentrated in the latter half of the year, particularly in the last quarter, and this is again likely to be the case for 2006/07. Some capital projects have significant lead-in times, major programmes of works may require a dedicated staffing resource and in other cases there may be a need to secure funding approval from other agencies before expenditure is incurred. All of these issues can all lead to delays in capital projects. The Budgetary Control Reports later in the year will be able to provide a clearer picture of progress on the 2006/07 Capital Programme.
- 3.10 In light of the substantial capital resources available as highlighted in paragraph 3.11 below, the Council will be able to maintain its flexible approach to managing the capital programme. As in 2005/06, underspends on key capital projects, which have commenced or been committed to during the year, will be able to be carried forward into 2007/08.

Capital Resources

- 3.11 Based on current projections the total level of capital resources likely to be available to finance this year's (and future years) Capital Programme are summarised in the table below. Capital resources are split between those brought forward from 2005/06 and those expected to be received in 2006/07:

Available Capital Resource	Brought Forward Resources £'000	Received/ Anticipated In Year £'000	Total Anticipated Resources £'000
Capital Receipts:			
- Right To Buys	2,311	1,880	4,191
- Housing Land Sales	12,824	3,325	16,149
- General Fund Receipts	16	755	771
- Section 106 Agreements	166	60	226
Total Capital Receipts	15,317	6,020	21,337
Capital Grants:			
- Single Programme	-	719	719
- SHIP	-	1,196	1,196
- DFG	8	240	248
- Lottery	-	230	230
- Sure Start	387	-	387
- Other Grants	64	231	295
Total Capital Grants	459	2,781	3,240
Capital Contributions	107	1,032	1,139
Supported Capital Expenditure	-	213	213
Major Repairs Allowance (HRA)	-	5,043	5,043
Direct Revenue Financing (HRA)	-	1,744	1,744

Use of Asset Management Fund	-	100	100
Use of HRA Balances	-	500	500
Total Available Resources	15,883	17,433	33,316

Financing the Capital Programme

- 3.12 Assuming that revised spending targets are achieved at the year-end, and that the above capital resources are realised, the financing of the 2006/07 capital programme is likely to be as follows:

	Initial 2006/07 £'000	Revised* 2006/07 £'000
Gross Capital Spending Target *	15,650	20,689
Financed by:		
Government Allocations:		
- Supported Capital Expenditure	213	213
- Capital Grants and Contributions	1,400	4,379
- Major Repairs Allowance	5,043	5,043
Capital Receipts		
- General Fund	755	755
- Housing	2,145	3,687
- Regeneration	3,750	4,268
Direct Revenue Financing – HRA	1,744	1,744
Use of HRA Balances	500	500
Use of Asset Management Fund	100	100
Total Resources	15,650	20,689

** The target has been increased to reflect the approved carry forward from 2005/06 and the phasing in of additional grants and contributions secured in respect of specific capital schemes*

- 3.13 Assuming the revised spending targets are achieved, there will be unused capital receipts and other resources of around £12.6 million available at the end of the financial year which can be used to support future spending commitments in line with estimations made in the Medium Term Financial Plan. However, it should be noted that around £11.6 million of this figure relates to Housing Land Sales and must therefore be ring-fenced against capital schemes meeting the Regeneration or Affordable Housing definitions, leaving only £1 million available to support General Fund Programmes in later years.

4.0 CORPORATE POLICY CONSIDERATIONS

- 4.1 This report does not contain proposals that would require any changes to the Council's agreed policy framework and corporate objectives.

5.0 RESOURCE IMPLICATIONS

- 5.1 There are no further resource implications arising from this report.

6.0 CONSULTATIONS

6.1 Comprehensive consultation has previously been held during the construction of the 2006/2007 Budget Framework. This report does not contain any proposals or recommendations requiring further consultation.

7.0 OTHER MATERIAL CONSIDERATIONS

7.1 *Links to Corporate Objectives/Values*

The Council's Corporate Objectives and Values have guided the preparation of the 2006/2007 Budget Framework throughout. Resource availability has been fully re-assessed and directed to assist in achieving the Council's key priorities as set out in the Corporate Plan. Particular emphasis has been placed on the following Corporate Values:-

- *Be responsible with and accountable for public finances.*
- *Consult with service users, customers and partners.*

7.2 *Risk Management*

There have been no further risks identified other than those highlighted in paragraph 3.9 and in the report to Council on the 24th February 2006.

7.3 *Health and Safety*

No additional implications have been identified.

7.4 *Equality and Diversity*

No material considerations have been identified.

7.5 *Legal and Constitutional*

The Budget Framework has been prepared in accordance with the Council's Constitution and full account has been taken of new statutory requirements. No other legal or constitutional implications have been identified.

8.0 OVERVIEW AND SCRUTINY IMPLICATIONS

8.1 Consultation and engagement with Overview and Scrutiny Committees has previously been held in development and review of the 2006/2007 Budget Framework.

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Ward(s): Not Ward Specific

Background Papers:

1. Report to Council 24.02.06 Budget Framework 2006/2007
2. Report to Council 30.06.06 Statement of Accounts 2006/2007
3. Report to Management Team 10.07.06 – Budgetary Control Monitoring Arrangements 2006/2007
4. Report to Cabinet 30.03.05 Culture and Recreation Capital Programme 2006/2007
5. Report to Cabinet 13.04.06 Resource Management Capital Programme 2006/2007
6. Report to Cabinet 13.04.06 ICT Capital Programme 2006/2007
7. Report to Cabinet 15.06.06 Regeneration Services Mainstream Capital Programme 2006/2007
8. Report to Cabinet 16.02.06 – Community Safety Capital Programme 2005/06-2006/07
9. Report to Cabinet 16.03.06 Housing Capital Programme and Repairs and Maintenance Service – Review of Future Programmes of Work and Procurement of Service 2006-2010
10. Report to Management Team - Private Sector Housing Capital Programme and Single Housing Investment Programme Round 2
11. Report to Cabinet 14.07.05 Children’s Fixed Play Equipment 2005-07
12. Report to Cabinet 08.12.05 Chief Executives Department Staffing Establishment – Strategy & Regeneration – Housing Land Capital Receipts Strategy
13. Report to Cabinet 30.06.05 Promotion of the Regeneration of the Borough – Housing Land Capital Receipts Strategy
14. Report to Cabinet 19.01.06 – Progress Report – Gymnastics Centre

Examination by Statutory Officers

	Yes	Not Applicable
1. The report has been examined by the Councils Head of the Paid Service or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Councils S.151 Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council’s Monitoring Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. The report has been approved by Management Team	<input checked="" type="checkbox"/>	<input type="checkbox"/>

14TH SEPTEMBER 2006

REPORT OF HEAD OF FINANCIAL SERVICES

Portfolio: STRATEGIC LEADERSHIP

UPDATE ON PLANNING FOR A PANDEMIC 'FLU OUTBREAK

1. SUMMARY

- 1.1 Experts predict that an international human pandemic is inevitable. Whilst timing is uncertain, in that it may be neither imminent nor a mutation of the recent H5N1 'Bird Flu', the recent spread of 'Bird Flu' throughout the world increases the risk that the virus will mutate into one that will pass from human to human.
- 1.2 The impact of a human pandemic virus could severely affect the Council's ability to maintain its services. It is therefore essential that preparatory work is undertaken to minimise, as far as practicable, the extent of any disruption that will result.
- 1.3 The purpose of this report therefore, is to inform Members of the arrangements being made to address expected disruption to the Council's services at some point in the future.

2. RECOMMENDATIONS

- That the information be noted.
- That a further progress report be considered in six months time.

3. BACKGROUND

- 3.1 The Civil Contingencies Act 2004 requires the Council to:
 - Prepare Business Continuity Plan(s).
 - Warn and inform the public in pre-emergency awareness raising and during emergencies.
- 3.2 Pandemic 'Flu, at some point in the future, could inevitably create a severe business continuity problem for the Council and it is therefore essential that preparatory work be undertaken to minimise the expected disruption to the services provided by the Council, businesses and the voluntary sector within the Borough during a pandemic.
- 3.3 A number of actions have been undertaken to start to address the potential problems of a Pandemic 'Flu outbreak:

3.3.1 County Durham and Darlington Civil Contingencies Unit (CCU)

The CCU, which is funded by all local authorities within the county, has been developing a Pandemic Flu Plan on their behalf. They have recently completed a Draft Plan for the County Council and have now submitted a modified version of that document to all of the District Councils within the County for their consideration.

The CCU have asked for feedback on the Draft Plan in early September and consequently a meeting of the Business Continuity Working Group was held on 31st August to consider it in detail. It is expected that an Action Plan will be developed to ensure that all of the recommended actions are addressed in a timely manner. Issues such as developing flexible work arrangements, including home working etc, to cope with a Pandemic 'Flu outbreak, are expected to be considered.

The CCU are also organising a Multi Agency exercise in October to test the Pandemic Flu Plans, Emergency Plans, Business Continuity Plans and Mutual Aid Arrangements within the County at which this Council will be represented

3.3.2 Business Continuity Working Group

Representatives from the Group attended a Seminar organised by the Health Protection Agency (HPA) in August 2005 and participated in a Multi Agency Exercise arranged by them in December.

The Group held a Workshop in November 2005 to gain an greater appreciation of the problems that will arise following a Pandemic 'Flu outbreak and a representative from the HPA provided a detailed insight into the problem from its perspective. All service areas of the Council were represented at the Workshop and 'Business Critical Services' were identified.

As part of the Council's Statement of Internal Control and Corporate Governance arrangements, it has been agreed that appropriate detailed procedural notes will be prepared for each business critical service. The notes will attempt to ensure that these services in particular can be maintained as far as practicable, by any member of staff who is able to attend work during a pandemic, when large numbers of staff are expected to be either absent from work due to the illness itself or are at home looking after a family member who is ill or providing child care when schools will probably be closed to prevent the spread of the pandemic.

3.3.3 Sedgefield Primary Care Trust 'Flu Pandemic Operational Management Group

The Council is also working in close co-operation with the local PCT, which has been developing its own Pandemic 'Flu Plan and invited officers of the Council to attend their meetings to ensure that both organisations could work together to address this problem. During discussions concerning the distribution of anti virals and later vaccines, it was agreed that the Council's Leisure Centres would be considered as possible locations, since it is expected that they would be closed for normal leisure activities during a pandemic, to prevent the spread of disease. It is expected that Council

employees would provide assistance to NHS/PCT staff during the process of distributing anti virals and vaccines from Leisure Centres.

From a geographical point of view, the Health Protection Agency has advised the Council and the PCT that Ferryhill Leisure Centre would be the preferred distribution centre within the Sedgefield PCT area, with Newton Aycliffe Leisure Centre as an alternative, although it is recognised that Ferryhill Leisure Centre is not as accessible as some other Centres within the Borough from a public transport point of view. It is not considered practicable to use all of the Council's Leisure Centres as distribution points, due to the large numbers of staff required from the NHS/PCT to distribute anti virals and vaccines.

It was also agreed that the PCT would be able to use the Council's INFORM publication to update residents of the Borough on any relevant issues relating to Pandemic 'Flu and an article was subsequently placed in the November 2005 issue of INFORM, based on information supplied by the Department of Health, the Lead Government Department. A number of messages have also been placed on the Council's INTRANET site in recent months following consultation with the PCT, to advise Council staff and Members about Pandemic 'Flu issues.

It is envisaged that the Council will also assist in the transportation of anti virals and vaccines from Sedgefield Community Hospital to the distribution centre/s.

3.3.4 *Warning and Informing the Public in Pre-emergency Awareness Raising and During Emergencies*

The Council's Emergency Plan has recently been completely revised and agreed by the Crisis Management Team.

The Emergency Plan together with the Council's Generic Business Continuity Plan, which was also recently completed, will be published on the Council's website. A brief article will also be included in 'INFORM' to advise Borough residents of their existence.

Once the Pandemic 'Flu Plan has been agreed that will also be placed on the Council's website. These documents have previously only been available on the Council's Intranet site for the availability of officers and members but, in accordance with the requirements of the Civil Contingencies Act 2004 and advice from the CCU, it is accepted that relevant information should be made more accessible to the public. As mentioned earlier, an article has already appeared in INFORM, specifically aimed at passing on information made available to the Council and/or PCT from the Department of Health, to ensure public awareness. Arrangements will be made to keep the public informed during any 'Pandemic Flu outbreak' via TV, radio, newspapers and the Internet as deemed appropriate at that time.

4. CONCLUSION

The officers of the Council are continuing to work with the CCU and the PCT to ensure that disruption to service provision is minimised as far as practicable during a Pandemic 'Flu outbreak. There is much work still to be undertaken and the Council's Business Continuity Working Group will identify and monitor

the work. The Minutes from meetings have been reported via the Council's Risk Management Group to the Strategic Leadership Working Group and distributed to all members of Management Team. Regular updates will be provided in the future to ensure that Members are also aware of progress being made.

5. CORPORATE POLICY IMPLICATIONS

This report does not contain proposals that would require any changes to the Council's agreed policy framework and corporate objectives.

6. RESOURCE IMPLICATIONS

There are no significant resource implications arising from this report at this stage. There could be significant financial implications when a Pandemic Flu outbreak does occur with the potential of severe disruptions to Council services, the possibility of Leisure Centres having to be closed or suffering from significant reductions in income because of lower usage over a number of weeks.

7. CONSULTATION

The Council has been working in close co-operation with the CCU and the PCT to develop the approach to tackle this particular issue.

8. OTHER MATERIAL CONSIDERATIONS

8.1 *Links to Corporate Objectives/Values*

The Council's corporate ambition of being a 'healthy' Borough will be threatened if effective arrangements are not made to safeguard public health.

8.2 *Risk Management*

The major risk is that the Council will not be able to provide essential services such as refuse collection and Carelink services during a pandemic outbreak as a result of experienced employees being unavailable to carry out their normal duties. A skills audit may therefore be required to be undertaken to identify employees who would be able to undertake critical services during a pandemic outbreak.

8.3 *Health and Safety*

The Council will attempt to effectively communicate with its employees and the public before and during a pandemic outbreak to reduce the risk of it spreading. It will be necessary to ensure that adequate health and safety training is provided to inexperienced employees when undertaking work with which they are not familiar. Appropriate personal protective equipment may need to be purchased by the Council to protect its employees from infecting or being infected by other employees and/or members of the public.

8.4 *Equality and Diversity*

No material considerations have been identified.

8.5 **Legal and Constitutional**

The Civil Contingencies Act 2004 requires the Council to prepare for any event which may disrupt services. The Council is therefore fulfilling its legal obligations in addressing this potential issue.

8.6 **Crime and Disorder**

The Council may need to consider the implications of the potential inability of the Police Service to provide adequate cover at Distribution Centres sited within Council premises because of their own staff shortages during a Pandemic

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Ward(s): Not Ward Specific

Key Decision Validation: Not a key decision

Background Papers: Civil Contingencies Act 2004
Inform-November 2005

Examination by Statutory Officers

	Yes	Not Applicable
1. The report has been examined by the Councils Head of the Paid Service or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Councils S.151 Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. The report has been approved by Management Team	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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Item 8

REPORT TO CABINET

14th September 2006

REPORT OF DIRECTOR OF NEIGHBOURHOOD SERVICES

Portfolio – Housing

Private Sector Housing Renewal – Sedgefield Borough Housing Renewal Assistance Policy 2006 – 07

1. SUMMARY

- 1.1 The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 which came into force on the 18th July 2002 made significant changes to the provisions relating to the administration of private sector housing grants.
- 1.2 The Council is required to adopt a policy covering the types of grant assistance it offers for the repair and adaptation of private sector homes. The Council has taken the decision to adopt an annual Housing Renewal Assistance Policy to enable it to continue to offer grant assistance to householders to adapt or repair their properties, and to support the carrying out of strategic interventions within the private sector.
- 1.3 The report recommends that a revised Housing Renewal Assistance Policy 2006 – 07 comes into operation on 14th September 2006. The current Housing Renewal Assistance Policy has been reviewed to take account of the Council's ambitions for private sector housing renewal in our priority communities. As well as the assistance the Council wishes to offer to individual vulnerable households, and the changes to private sector housing interventions introduced in the Housing Act 2004, with particular emphasis on decent homes for vulnerable households in the private sector. It will underpin delivery of the Master Plan and the Private Sector Capital Programme reported to Cabinet on 13th July 2006.

2. RECOMMENDATIONS

1. That the revised Housing Renewal Assistance Policy 2006/07 be adopted from 14th September 2006.

3. Background

- 3.1 The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 which came into force on the 18th July 2002 made significant changes to the provision relating to the administration of private sector grants.

- 3.1.1** Most of the existing powers in relation to Renovation Grants, Common Parts Grants, HMO Grants, Group Repair and Home Repair Assistance were repealed on 18th July 2003. Minor amendments to the mandatory Disabled Facilities Grants regime came into effect from this date. The Council was required to have adopted a policy on housing renewal assistance by this date if it wished to continue offering housing renewal assistance.
- 3.1.2** The Council took the decision to adopt a Housing Renewal Assistance Policy (HRAP), which is reviewed annually. The HRAP enables the Council to continue to offer grant assistance to householders to adapt, repair and to carry out strategic interventions within the private sector.
- 3.1.3** The current Housing Renewal Assistance Policy sets out our approach to the provision of grant assistance. The policy targets grant aid towards vulnerable client groups in particular the elderly, disabled and low-income families. The main types of grants available are mandatory Disabled Facilities Grants, Minor Adaptation Grants, and Major & Minor Repair Grants. The policy includes the ability to target interventions on an area basis including the use of clearance powers and group repair schemes.
- 3.1.4** The current Housing Renewal Assistance Policy has undergone a review to take into account a range of emerging issues including the Council's ambitions for private sector housing renewal in the priority communities as well as the assistance the Council wishes to offer to individual vulnerable households. The policy incorporates changes to private sector housing interventions introduced in the Housing Act 2004, with particular emphasis on decent homes for vulnerable households in the private sector. The HRAP underpins delivery of the Master Plan and the Private Sector Capital Programme reported to Cabinet on 13th July 2006.

3.2 Funding Private Sector Renewal

The Council funds its private sector renewal from a variety of sources including the use of its own capital resources and support from the Government. The Housing Renewal Assistance Policy is the framework, which is used to deliver the Private Sector Housing Capital Programme. It must reflect the available resources and the Council's ambitions for private sector renewal initiatives. This report is linked to the Private Sector Housing Capital Programme and the Single Housing Investment Programme Round 2 report that was presented to Cabinet on the 13th July 2006. The report describes the factors considered in carrying out the review of the policy and changes required as a result of new legislation to enable the delivery of the Private Sector Housing Capital Programme for 2006/07, which is detailed in Appendix 1 of this report.

3.3 Review of the Housing Renewal Assistance Policy

- 3.3.1** The review of the policy has taken account of national, regional and local priorities and reflects the ambitions of the Council as set out in its Corporate Plan and through the funding bids made by the Council to the Regional Housing Board.

3.3.2 The Housing Renewal Assistance Policy 2006/07 will be a key tool in delivering an effective programme of initiatives both to vulnerable households and wider strategic interventions to our priority communities, linked to the delivery of the Master Plan.

3.3.3 Strategic issues incorporated within the policy include: -

- Providing relocation packages to owner-occupiers affected by selective demolition, to ensure that they are not significantly disadvantaged, while remaining an affordable option for the Council. A separate report on relocation packages will be presented to Cabinet at a later date.
- Defining the type of works and support that will be provided to owner-occupiers whose properties are to be included in a Group Repair Scheme.
- Defining the support that will be provided to residents whose homes are to be included in a clearance area.

3.3.4 The changes to the existing HRAP including refocusing grants on issues such as decent homes in the private sector, energy efficiency, increasing grant limits to reflect changes in building costs, and strengthening claw back provisions. Broad information on the proposed changes is set out below whilst Appendix 2 contains specific details of the proposed amendments to the HRAP.

Grants Available

- Disabled Facilities Grants – These are mandatory grants and the policy reflects the current statutory requirements in relation to the award of assistance. Discretionary top-ups for works exceeding the maximum limit are to be introduced due to the rising cost of building works, with a claw-back provision based over a twelve-year period decreasing on a sliding scale, being imposed on the top-up element only.
- Fast Track Adaptation Grants – these provide a method of dealing with a request for low cost works quickly, due to the needs of the client, for example, to aid hospital discharge. The limit set on this grant is to be raised to reflect rising building costs and increasingly complex cases.
- Decent Homes Grants – These grants will be introduced to replace Major Repair Grants in order to comply with new legislation, (Housing Act 2004) and the PSA (7) target introduced by the Government which requires the Council to: -

“By 2010, bring all social housing into a decent condition with the most improvement taking place in deprived areas, and for vulnerable households in the private sector, including families with children, increase the proportion who live in homes that are in a decent condition”

As reported to Cabinet on 13th July 2006 in the Private Sector Housing Capital Programme, the Regional Housing Board has been tasked with establishing a regional target for delivering decent homes in the private sector. The HRAP will assist the Council in delivering the target it has adopted for decent homes in the private sector as set out in the Private Sector Capital Programme 2006/07 report.

- Urgent HHSRS (Housing Health and Safety Rating System) Grant – This will replace the Minor Repair Grant to comply with the change of legislation under the Housing Act 2004. These grants are targeted at vulnerable households where the disrepair represents a risk to the health or safety of the resident and must be dealt with quickly to remove the hazard. The maximum limit will be raised to reflect rising building cost and the grant will attract claw-back provisions.
- Energy Efficiency Grants will provide assistance to tackle the issue of fuel poverty across the Borough and will compliment the Governments Home Energy Efficiency Scheme. The grants will attract a discretionary claw back on works over £5,000 repayable on a sliding scale, over a period of 12 years (see table in appendix 2).
- The Council will continue to work in partnership with Age Concern, Durham County Council and Sedgefield Primary Care Trust to support the Handy Van Scheme, which provides a range of complimentary services to our clients across the Borough.

3.4 Alternative Funding Options

3.4.1 The Housing Renewal Assistance Policy will consider options to ensure a range of funding solutions exist to achieve value for money from the resources allocated to the programme including: -

- The potential use of loan products linked to equity release.
- The review of claw-back provisions on grant assistance to increase the potential recycling of resources back into the programme.
- The recycling of stair lifts and other suitable equipment where appropriate.

3.6 Relocation Packages

The adoption of the Master plan by Cabinet on the 13th July 2006 included a series of generic options for the provision of financial solutions for residents affected by demolition of their home. Since this work was completed thinking around this issue has moved on considerably due to the work carried out by the Housing Market Renewal Pathfinders.

The nearest pathfinder to Sedgefield Borough is Bridging Newcastle Gateshead (BNG). The pathfinder has highlighted that relocation is a key issue in areas of priority-based intervention. The development of a flexible policy is key to the successful delivery of such interventions. BNG have taken the approach of commissioning a specialist consultant to develop a focused range of packages

including the use of Independent Financial Advisers and Equity Loan products in the pathfinder area, this element is administered by the Northern County Housing Association on their behalf. These packages are based on the individual circumstances of the residents affected by demolition. BNG tendered for this work, which was won by ABRA/David Cumberland Associates, who are market leaders in this area of housing regeneration.

Given the need to further develop the approach to relocation packages to ensure that the Council can assist residents whilst ensuring value for money, it is appropriate to consider having similar work completed to support the delivery of our Master plan. It is considered that securing the services of ABRA would not exceed £10,000 and therefore direct negotiations will be undertaken under Contract Procedure Rule 7, for ABRA to fulfil this role on behalf of the Borough Council. The consultant's fee being met from SHIP funding secured for 2006/08. Any variations to these arrangements will subsequently be reported to Cabinet.

4. RESOURCE IMPLICATIONS

- 4.1 The report has resource implications as outlined in the Private Sector Housing Capital Programme and the Single Housing Investment Programme report that was presented to Cabinet on the 13th July 2006.

5. CONSULTATIONS

- 5.1 The review of the Housing Renewal Assistance Policy has been carried out in consultation with the Partners, Stakeholders and Clients via the Home Improvement Agency Advisory Group.

6. OTHER MATERIAL CONSIDERATIONS

Links to Corporate Ambitions / Values

- 6.1 The Community Strategy Outcomes include a Borough with Strong Communities where residents can access a good choice of high quality housing. The Council's ambitions mirror the Community Strategy outcomes and are articulated through the Corporate Plan and the Medium Term Financial Plan. Our ambitions include delivering a Borough with Strong Communities with good quality affordable housing in safe neighbourhoods. The Housing Renewal Assistance Policy plays a direct role in the delivery of these ambitions.

6.2 Risk Management

The adoption of a Housing Renewal Assistance Policy along with effective programme management arrangements will reduce the potential risks of budget overspend.

6.3 Health & Safety

The development and implementation of an effective Housing Renewal Assistance Policy will ensure that no significant Health and Safety issues arise.

6.4 Equality & Diversity

The Council's duties in terms of promoting equality and diversity have been taken into account in the recommendations arising from this report.

6.5 Sustainability

The development and implementation of an effective Housing Renewal Assistance Policy can contribute to the delivery of sustainable communities throughout the Borough

6.6 Crime & Disorder

The Council's duty under Section 17 of the Crime & Disorder Act 1998 has been taken into account in reviewing the Housing Renewal Assistance Policy.

6.7 Legal & Constitutional

The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 which came into force on the 18th July 2002 gave Local Authorities discretionary powers to determine their policies on the administration of private sector housing grants.

7. OVERVIEW AND SCRUTINY IMPLICATIONS

7.1 None

8 LIST OF APPENDICES

8.1 Appendix 1- Allocation of funding for Private Sector Renewal
Appendix 2 – Proposed amendments to Housing Renewal Assistance
Policy

Contact Officer Angela Stephenson
Telephone Number 01388 816166 Ext. 4279
E-mail address astephenson@sedgefield.gov.uk

Wards: All

Background Papers:

The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002
Sedgefield Borough Council Housing Renewal Assistance Policy 2003/04 –
Report to Cabinet
Private Sector Housing Renewal Sedgefield Borough Housing Renewal Policy
2005/06 – Report to Cabinet
Private Sector Housing Capital Programme and the Single Housing investment
Programme Round 2 - Report to Cabinet

Examination by Statutory Officers

Yes

Not Applicable

1. The report has been examined by the Councils Head of the Paid Service or his representative
2. The content has been examined by the Councils S.151 Officer or his representative
3. The content has been examined by the Council's Monitoring Officer or his representative
4. The report has been approved by Management Team

Appendix 1

The Private Sector Housing Capital Programme 2006/7 is set out below. The programme is in two elements; initiatives to support vulnerable households and a strategic interventions element.

Private Sector Capital Programme 2006/7	2006/7 (£'s)
Vulnerable Households	
Disabled Facilities Grants	500,000
Fasts Track Adaptations	152,000
Decent Homes for Vulnerable Households	450,000
Urgent HHSRS works	150,000
Energy Efficiency works	100,000
Support for Handy van Scheme	48,000
Contingencies	36,000
Total	1,436,000
Strategic Interventions	
2006/7 (£'s)	
Eden Terrace GRS	425,000
Haig Street Ferryhill Station (Evens) GRS*	250,000
Relocation Assistance including statutory allowances	300,000
Property Acquisition	350,000
Other works to be agreed as part of the Master Plans	675,000
Total	2,000,000

* Cost in year one of a two-year scheme to be split over 2006/7 & 2007/8 total costs to be determined when project is surveyed.

Appendix 2

The Home Improvement Agency Advisory group were consulted on the review of the current Housing Renewal Assistance Policy and proposed the amendments detailed below: -

- The Disabled Facilities Grant (DFG) budget will be set at £500,000.
- A discretionary top-up element (up to £10,000) to the disabled facilities grant will be introduced and made available for those adaptations exceeding £25,000. A claw back provision will be imposed on the discretionary top-up element of the DFG only, decreasing on a sliding scale, over a twelve -year period.

- Example:

Year 0-3	100%
Year 4-6	75%
Year 7-9	50%
Year 10-12	25%

- The DFG (Fast Track) budget will be set at £152,000.
- The Fast Track Grant assists clients with urgent needs including hospital discharge. The maximum limit of the grant will be raised from £5,000 to £10,000 due to rising costs.
- Major Repair Grants will become Decent Homes Grants to take into account changes in legislation brought about by the Housing Act 2004 and the budget will be set at £450,000. To ensure compliance with the new legislation, all properties currently on the Home Improvement Agency's waiting list will be re-inspected to have Decent Homes criteria applied and confirm their status on the waiting list. The maximum limit for the Decent Homes Grant will be raised to £30,000 to take into account rising building costs and the grant will attract claw back provisions decreasing on a sliding scale, over a twelve-year period. (See table above)
- Minor Repair Grants will become Urgent HHSRS (Housing Health & Safety Rating System) Grants and the budget will be set at £150,000. The maximum limit will be raised from £5,000 to £10,000 to take into account rising costs and the grant will attract claw back provisions (discretionary on grants to disabled clients) decreasing on a sliding scale, over a twelve-year period. (See table above)
- Energy Efficiency Grants will be introduced and the budget will be set at £100,000. Energy efficiency grants will be offered by the Home Improvement Agency working in partnership with the Sustainable Communities Team, to provide assistance for energy efficiency measures including:

- Solid Wall Insulation to vulnerable households
- Top-up Energy Efficiency Grants where clients are unable to pay their contribution
- An exemplar project using innovative measures including ground source heat pumps and wind turbines.

The grants will attract a discretionary claw back on works over £5,000 repayable on a sliding scale, over a period of 12 years (see table above).

- Support for the Handy Van scheme will be continued with a budget of £48,000 for 2006/07 and £43,000 for 2007/08. The Handy Van provides a range of services aimed at reducing accidents in the homes of older people which compliment the Home Improvement Agency service.
- An additional contingency sum of £36K will be made available to support the work of the Integrated Teams if required.
- Sedgefield Borough Council is working in partnership with residents across the Ferryhill and Chilton areas in the transformation of their communities in accordance with the Master Plan, from the current position of market decline to one of a more balanced housing market, bringing with it the benefits of an attractive desirable locality with security and modern homes to match future aspirations.

The Borough Council aims to ensure that selective demolition works aimed at delivering area-based interventions do not seriously disadvantage residents.

A menu of choices, including housing options, group repair schemes and relocation packages for residents, will be made available, tailored to specific priority area based interventions and the property values within those areas.

Item 9

REPORT TO CABINET

14TH SEPTEMBER 2006

REPORT OF HEAD OF STRATEGY &
REGENERATION

LEARNING AND EMPLOYMENT PORTFOLIO

STRATEGIC TRAINING ALLIANCE

1. SUMMARY

- 1.1 There are a number of training organisations based in Sedgefield Borough; delivering work based learning programmes to both youth and adult learners. In general these organisations work in a complimentary manner, though there are also areas where agencies are duplicating each other's activity and effectively competing for training contracts.
- 1.2 The report seeks endorsement to investigate the feasibility of entering into a strategic alliance arrangement with Bishop Auckland College in order to provide a complimentary training service and in time, centres of excellence for differing types of training, located at strategic sites within South West Durham.

2. RECOMMENDATION

- It is recommended that Cabinet:
- 2.1 Endorses the concept of a strategic alliance between the council's training and employment services and Bishop Auckland College, and instructs officers to investigate the feasibility of such an alliance and report their findings to cabinet in due course.

3. TRAINING PROVISION IN SEDGEFIELD BOROUGH

- 3.1 Sedgefield Borough Council has operated a training service since 1978. It is now the only Council in the region to do so. The Council's training service focuses on return to work training for long term unemployed people as well as modern apprenticeships, specialising in business administration, construction and engineering training for young people.
- 3.2 The Council's training service is held in extreme high regard by the Adult Learning Inspectorate, being awarded one of the best inspection reports in the country in October 2005. SBC training is the only training provider ever

- to have received an award of “outstanding” for leadership and management within County Durham.
- 3.3 There are a number of other training providers operating in the Borough. The most significant being Bishop Auckland College, offering adult and youth training in a range of disciplines, South West Durham training offering youth training in Engineering and S&D training in continuation and adult programmes.
- 3.3 Whilst there has been attempts to secure greater collaboration between the training agencies, with such initiatives as the “Prince Bishops Agency” the contracting arrangements with Government create a competitive environment with some services being duplicated across agencies and investment split.

4. **CONTRACT SITUATION**

- 4.1 The method by which the Government award contracts for the provision of training has changed significantly over the past few years. The most significant change is the Government are now looking to award single contracts to large region wide agencies that would then subcontract to a limited number of smaller, county or sub county providers. Within this environment agencies the size of SBC training are significantly disadvantaged, despite the excellent value for money and quality of the service provided
- 4.2 The second significant change is that within the adult training sphere the contracts provided from Jobcentre plus have become increasingly haphazard with no provision for long term planning. The situation is such that many providers, such as New College Durham, no longer provide adult training. As with the youth contracts, this seriously disadvantages the smaller agencies such as SBC training that do not have the resources to ride through the financial shocks that the current environment creates.

5. **PROPOSAL**

- 5.1 In discussion with senior officers from Bishop Auckland College, a proposal has arisen to investigate the feasibility for much greater joint working, with the potential for a Strategic Alliance between the College and the Council to provide a service with a single point of access for clients and a single, proactive contracting arm.
- 5.2 It is also proposed to investigate the feasibility to provide strategic centres of excellence within South West Durham building upon existing centres, cutting out duplication, and maximising investment. Such an arrangement could for example see Spennymoor recognised as the centre of excellence for construction and business administration training.

- 5.3 This would require a review of existing training facilities in the Borough and the investigation into the feasibility of constructing a new purpose built construction-training centre adjacent to the existing training centre at Merrington Lane. It is proposed to set up a project-working group of officers from the Borough Council and the college to oversee any project development work.

6. RESOURCE IMPLICATIONS

- 6.1 There are no immediate financial resource implications of the investigation work, as this can be carried out from within existing staff time and budget provision.
- 6.2 However there are major investment and HR implications attached to the implementation of any findings from the feasibility. These would be brought to Cabinet as decisions needed to be made according to the information provided through the feasibility.
- 6.3 Through the County Durham Economic partnership, there is the potential to lever in £1.8m for the construction of any new training facility. Initial estimates indicate a facility would be in the region of £2 – £2.5m. It is envisaged that the Council's capital receipts would form part of the gap funding for this proposal.

7 CORPORATE POLICY IMPLICATIONS

- 7.1 One of the top priorities within the Community Strategy and the Council's Corporate Plan is the objective to improve the employment rate of the Borough. Performance data shows that the most vulnerable groups are those under 25 and those over 50. In particular there are a growing number of young people who are not in employment or training with serious consequences for their future employability and the productivity of the Borough.
- 7.2 The Sedgefield Borough's training and employment service are already working more closely on the provision of training for 14-19 year olds with a growing role with secondary schools. This proposal is to investigate whether an alliance with the college can improve the training infrastructure in the Borough and so contribute significantly to this objective.

8. CONSULTATIONS

- 8.1.1 to date, a limited consultation has taken place with the staff at the training centre. Early signs are that staff are positive about the feasibility being undertaken.

9. OTHER MATERIAL CONSIDERATIONS

- 9.1 **Legal and Constitutional Implications**

There are no implications in undertaking feasibility into closer working. However there could be major implications of a legal and constitutional nature, should the feasibility recommend a partnership, alliance or even a merger between SBC training and Bishop Auckland College.

Sustainability

The proposal is intended to ensure the long-term sustainability of training provision within South West Durham.

Risk Management

There are no risks to the Council arising from the feasibility. However in the longer term the proposal is based upon the successful partnership arrangements and capital build of a new training facility. The proposed project-working group will determine the risks of both of these. It is further envisaged that a project management tool such Prince 2 be utilised.

There are no further material considerations.

10. **OVERVIEW AND SCRUTINY IMPLICATIONS**

10.1 There has been no previous consultation or engagement with the Overview and Scrutiny Committees.

Contact Officer: Andy Palmer
Telephone number:
Email Address: anpalmer@sedgefield.gov.uk
Ward:
Key Decision validation: Not a Key decision
Background Papers: None

Examination by Statutory Officers

	Yes	Not Applicable
1. The report has been examined by the Councils Head of the Paid Service or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Councils S.151 Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council’s Monitoring Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. The report has been approved by Management Team	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Item 10a

SEDGEFIELD BOROUGH COUNCIL OVERVIEW & SCRUTINY COMMITTEE 3

Conference Room 1,
Council Offices,
Spennymoor

Tuesday,
11 July 2006

Time: 10.00 a.m.

Present: Councillor V. Crosby (Chairman) and
Councillors Mrs. B.A. Clare, G.C. Gray, Mrs. J. Gray, M.T.B. Jones,
A. Smith and Mrs. C. Sproat

Invited to attend: Councillor A. Hodgson

In Attendance: Councillors A. Gray, B. Hall, J.E. Higgin, J.P. Moran, G. Morgan, T. Ward
and J. Wayman J.P

Apologies: Councillors B.F. Avery J.P, D.R. Brown, K. Henderson and Mrs. L. Smith

OSC(3)1/06 DECLARATIONS OF INTEREST
No declarations of interest were received.

OSC(3)2/06 MINUTES
The Minutes of the meeting held on 25th April 2006 were confirmed as a correct record and signed by the Chairman. (For copy see file of Minutes).

OSC(3)3/06 SUCCESSFUL TOWN CENTRES
The Regeneration Manager was present at the meeting to give a presentation regarding success factors and planned intervention in town centres. (For copy see file of Minutes).

The presentation covered the following: -

- Identifying the issues
- Initial solutions
- Town Centre Management Initiative – Key Objectives
- Town Centre Management Initiative – Success
- Evaluation
- Current position - Newton Aycliffe
- Current position - Spennymoor
- Future challenges/planned intervention

The success of a local authority was affected by two main factors:-

- Assets it had control of
- Resources it could employ to enhance a town centre, i.e. capital, revenue support and people to help deliver and co-ordinate activities.

With regard to Festival Walk, Spennymoor it was pointed out that the Council was working with Eddiston Properties, Festival Walk owners, in order to realise improvements, including creating larger retail units.

It was pointed out that Festival Walk had changed ownership on a number of occasions. It had therefore been difficult for the Council to build a good working relationship with the owners, as investment decisions tended to be short term.

Reference was made to the significant investment in the public realm within Spennymoor, including highway and gateway improvements and the Shop Front Improvement Scheme.

Detailed discussion took place in relation to redevelopment and regeneration of Newton Aycliffe Town Centre. Concern was expressed that Phase 2 of the redevelopment had not yet commenced. It was explained that Newton Aycliffe was privately owned. The Council was however providing assistance and offering support to the developers in an effort to expedite progress.

Members requested that Cabinet be urged to review the redevelopment and regeneration of Newton Aycliffe with the private sector and carry out an examination of the feasibility of bringing the Town Centre into public ownership.

Concern was also expressed in relation to the number of vacant retail units at both Festival Walk and Newton Aycliffe Town Centre. It was felt that both shopping precincts would benefit from attracting national retail stores. In response it was explained that as a result of the retail catchments of the area it would be difficult to attract national retailers.

Members queried how the Council planned to develop the smaller towns within the Borough. It was confirmed that this was being considered with the Town Centre Development role.

RECOMMENDED:

1. *That the information be noted.*
2. *That Cabinet be urged to pursue the redevelopment and regeneration of Newton Aycliffe Town Centre and examine the feasibility of bringing the Town Centre into public ownership.*

OSC(3)4/06 CLEANSING AND MAINTENANCE OF BURNS AND STREAMS WITHIN THE BOROUGH

The Street Scene Manager was present at the meeting to give a presentation on the cleansing and maintenance of burns and streams within Sedgfield Borough.

The presentation covered the following: -

- Introduction
- Riparian Landowners Rights and Responsibilities

- Sedgefield Borough Council - Powers, Rights and Responsibilities
- Sedgefield Borough Council - Land Drainage Inspection and Maintenance Schedule

(For copy see file of Minutes)

Members were reminded that the Council had undertaken a Strategic Flood Risk Assessment which Overview and Scrutiny Committee 3 considered at its meeting on 13th December 2005. The assessment had included Woodham Burn, Newton Aycliffe and Demons Beck, Aycliffe Village as potential sites in high flood areas.

Detailed discussion took place in relation to Woodham Burn. It was pointed out that the Woodham Burn used to be cleaned out on a regular basis. It was, however, a number of years since this had been done.

In response, Members were informed that the Environment Agency had advised that there were no grounds to either desilt or widen and increase the capacity of the channel. In addition Woodham Burn had created a valuable habitat, which would be damaged if the Burn were widened.

AGREED : That the information be noted and the report be accepted.

OSC(3)5/06 BENEFITS SERVICE IMPROVEMENT PLAN - PROGRESS UPDATE

Consideration was given to a report of the Head of Financial Services setting out progress to date on the implementation of the Benefits Service Improvement Plan (SIP). (For copy see file of Minutes).

Members were informed that Overview and Scrutiny Committee 2 considered the previous report at the meeting held on 28th June 2005. It was agreed that a further report be submitted after one year to ensure that the Benefits Service continued to show improvement.

It was reported that during 2005/06 the Department for Work and Pensions changed its Performance Standards for Benefits. The standards were previously split into seven modules, but were now divided into the following four themes:-

- Claims Administration
- Security
- User Focus
- Resource Management

The overall score was determined by Performance Measures in the first three themes and by enablers in all four themes.

A revised SIP had been developed to reflect the new performance standards.

Members were advised that a self-assessment at 30th September 2005 was submitted to the Department of Work and Pensions. The Benefits

Service scored a maximum four with an enabler score of 93.43%. It was pointed out that without significant resources being invested in the service it may not be possible to achieve 100%.

With regard to current performance it was noted that continuous improvement against performance indicators was required. Details regarding current performance and future actions to achieve further improvement, together with performance in previous years, and the targets for 2006/07, were set out in the report.

AGREED: That progress made on the Benefits Service Improvement Plan be noted.

OSC(3)6/06 WORK PROGRAMME

Consideration was given to a report of the Chairman of the Committee setting out the Committee's Work Programme for consideration and review. (For copy see file of Minutes).

Members requested that progress on the regeneration of town centre be reviewed in six months.

The Committee was informed that the current work programme would need to be reviewed as a result of changes to the committee responsibilities agreed at the Annual meeting of Council.

Members suggested that items identified for future consideration by the Committee be brought forward if necessary.

Members were updated on the progress of the ongoing reviews on Recycling Services and the Council's Contribution to Reducing Economic Inactivity (Worklessness) Within the Borough.

AGREED :

- 1. That the Committees Work Programme be approved.*
- 2. That progress on the regeneration of town centres be reviewed in six months.*

ACCESS TO INFORMATION

Any person wishing to exercise the right of inspection, etc., in relation to these Minutes and associated papers should contact Lynsey Walker 01388 816166 ext 4237 email: lwalker@sedgefield.gov.uk

Item 10b

SEDGEFIELD BOROUGH COUNCIL OVERVIEW & SCRUTINY COMMITTEE 1

Conference Room 1,
Council Offices,
Spennymoor

Tuesday,
29 August 2006

Time: 10.00 a.m.

- Present:** Councillor A. Gray (Chairman) and
Councillors Mrs. K. Conroy, B. Hall, J.G. Huntington, J.M. Khan, B. Meek,
G. Morgan, Mrs. E.M. Paylor and J.K. Piggott
- Invited to attend:** Councillor D.A. Newell
- In Attendance:** Councillors Mrs. B.A. Clare, V. Crosby, Mrs. A.M. Fleming, D.M. Hancock,
J.E. Higgin, J.P. Moran, D.A. Newell, A. Smith and T. Ward
- Apologies:** Councillors Mrs. J. Croft, G.W. Scott and Mrs. I. Jackson Smith

OSC(1).7/06 DECLARATIONS OF INTEREST
No declarations of interest were received.

OSC(1).8/06 MINUTES
The minutes of the meeting held on 13th June 2006 were confirmed as a correct record and signed by the Chairman.

OSC(1).9/06 CUSTOMER SERVICES MODERNISATION PROGRAMME UPDATE
Consideration was given to a report of the Chief Executive (for copy see file of minutes) dealing with an update on the Customer Modernisation Programme, National Service Delivery Standards and Priority Service and Transformational Outcomes Position Statement.

Siobhan Walsh, Corporate e-Government Manager also gave a presentation on this item. Jerry Miller, Customer Services Manager and Graham Darby, Performance and Efficiency Manager were present to respond to questions raised by members.

Members were informed that the presentation would cover three key areas namely:-

- Customer Services Modernisation Programme and Durham Connects including an update on performance against Durham Connects Priority Service and Transformational Outcomes.
- National Service Delivery Standards
- Project Management Activities.

It was explained that the Customer Modernisation Programme had four objectives:-

- Developing and delivering a modern day Customer Services function providing seamless access to customer facing services.
- Reengineering business processes and exploiting use of new technology to achieve resolving 80% of customer enquiries at the first point of contact.
- Developing an accessible and up to date web site to provide information and on line facilities.
- Providing Internet facilities for Council Members to engage in electronic democracy functions and to allow members of the public enhanced access to their councillor.

The Programme was part of a wider countywide partnership strategy aligned closely to the Cabinet Office's Transformational Government White Paper, the Gershon Efficiency Review and the Durham Local Area Agreement approach.

Durham Connects was a partnership of the 8 Durham Councils. The Programme was driven by a joint committee and the eight Chief Executives in County Durham.

The aims of the strategy included procuring and implementing a shared Customer Relationship Management, a single golden telephone number and shared customer contact centres.

A Partnership Web Portal would pull together information from a range of sources, services, facilities etc. and would be built up over time to provide information on local councillors, schools, dentists, doctors and other local services to be displayed by particular postcodes.

Durham Connects also had a presence on the Looking Local Channel on Digital TV. This provided a service similar to teletext.

A Customer Relationship Management system was to be developed which aimed to resolve 80% of service enquiries at the first point of contact with information being captured once and for all and being used many times e.g. change of address and single customer accounts. Members were informed that the CRM in relation to Street Scene was going live at the end of September.

There were a number of issues relating to implementing corporate systems which had been identified and needed to be addressed.:-

- There was need for continuous improvement and the introduction of Customer Relationship Management and Electronic Records and Document Management Systems represented a business change for the Council.

- There were also ongoing capacity issues.
- There needed to be a shared vision which would involve a common understanding of the vision at every level and effective communications.
- The Gershon Report on efficiency was at the heart of the modernisation agenda. A baseline needed to be set to demonstrate service improvement. The Business Transformation Team was looking at all of the Council's processes to see how much they were costing the authority to assess where efficiency savings could be made.
- Working in partnership with other local authorities also created issues of pace of development. The Council was also unable to independently purchase Customer Relationship Management and was relying on partnership resources for development.
- There were also conflicting priorities and agenda which needed to be taken into account.

Members were given an update on progress of Priority Service and Transformational Outcomes. It was explained that as at March 2006 41 out of 54 Priority Service and Transformational Outcomes (76%) had been achieved.

Details were given of the National Service Delivery Standards which had recently been launched by the Government. It was explained that the Council was the first in the region to use these Standards.

The objectives of the Standards were to provide a good practice model which would deliver a modernised, effective and efficient service. They were intended to be used by Service Managers to help them understand potential developments in their service area and the support required from other services within the authority.

For each standard there were four levels :- non compliant, minimum level relating to current e-Government targets, progressing and excellent levels which went beyond those requirements to further improve.

The reasons for using the Standards in Sedgefield were, to underpin the Council's commitment to becoming more customer focused, the desire to achieve an "excellent" rating at the next round of Comprehensive Performance Assessment, to provide a common standard as part of the Durham Connects Partnership and to use as performance standards.

A number of Self Assessment areas had been identified and were either completed or in progress. Those areas ranged from human resources, building control environmental health and included customer services.

The Customer Services self assessment had 25 standards based around a number of key themes including resource management, people, governance, processes, performance management and leadership. The results of the self assessment were detailed and showed a number of areas meeting the minimum standard.

As part of the aspiration to meet excellent standards a charter had been drawn up as part of a strategy. The draft Charter, which had been drawn up in consultation with staff, was available on the intranet. The next steps in relation to the Charter included obtaining Crystal Mark and considering the approach to consultation with members of the public.

The Committees attention was drawn to the importance of Project Management in achieving improved and joined up services. There was a need to ensure that the skills needed by managers and the workforce were developed to enable the provision of continuous and effective improvements.

During discussion of this item reference was made to response times for calls to Customer Services staff. It was explained that the target for response times was 90% of calls being answered within 20 seconds. A new system had been installed to streamline the process. However there was still a need to balance staffing levels to deal with peaks and troughs. Members were also informed that direct lines to businesses etc were being looked at as a way of enabling customers to get through more quickly.

Members made reference to the need for feedback from officers on issues which they had reported to Customer Services. In response it was explained that this would be addressed as part of Customer Relationship Management and would be used to measure the value of the service.

Reference was made to the prioritising of services and the efficiency savings which were expected to be made under the Gershon Review. It was pointed out that the efficiencies involved changes in people's roles. Customer Services staff would be expected to be multi-skilled which would have an impact on various roles. It was explained that information on the Gershon report would be made available in the Members' rooms.

Discussion took place in relation to project management which needed to be developed across the authority. This would need to be linked to Gershon efficiency savings and value for money. Information needed to be captured to achieve joined up services.

A query was raised regarding the development of kiosk technology which was ongoing. This involved taking services out into the community and accessing information. Sedgefield and Alnwick had been chosen as part of a pilot scheme.

AGREED:- *The Committee notes the progress made to date and continues to monitor the Council's progress in delivering the Department of Communities and Local Government Priority Service and Transitional*

OSC(1).10/06 PERFORMANCE INDICATORS - ACTUAL OUTTURNS 2005/06

Consideration was given to Performance Indicators actual outturn for 2005/2006 (for copy see file of Minutes) relating to Strategic Leadership portfolio.

It was explained that the targets had been set by Strategic Working Groups and the report identified how outcomes had performed against those targets.

The comments of the responsible officer for particular targets were identified in the report and gave explanations on individual results.

A further update would be given in February/March 2007

AGREED: That the information be received and further updates given.

OSC(1).11/06 WORK PROGRAMME

Consideration was given to a report of the Chairman of the Committee setting out the Committee's work programme for consideration and review. (For copy see file of Minutes)

Members were updated on the current position in relation to the reviews on Inform and Sickness Management.

Discussion was held regarding Leisure Centres and partnership arrangements, the benefits from such arrangements and the impact on staff. Concern was expressed that this was may not be a relevant topic for inclusion in this Committee's work programme and clarification needed to be sought.

AGREED: That the work programme be noted

ACCESS TO INFORMATION

Any person wishing to exercise the right of inspection, etc., in relation to these Minutes and associated papers should contact Mrs. L. Walker Tel 01388 816166 Ext 4237 email lwalker@sedgefield.gov.uk

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Item 11a

SEDGEFIELD BOROUGH COUNCIL AREA 3 FORUM

Community College
Sedgefield

Wednesday,
5 July 2006

Time: 7.00 p.m.

- Present:** Councillor T. Ward (Chairman) – Sedgefield Borough Council and
- | | | |
|----------------------------|---|--|
| Councillor D.R. Brown | – | Sedgefield Borough Council |
| Councillor J. Burton | – | Sedgefield Borough Council |
| Councillor Mrs. L. Hovvels | – | Sedgefield Borough Council |
| Councillor J. Wayman J.P | – | Sedgefield Borough Council |
| J. Irvine | – | Fishburn Parish Council |
| S. Pallenbella | – | Groundwork East Durham |
| Miss C. Jewitt | - | Northern Echo |
| R. Clubley | - | Sedgefield Development Trust |
| D. Halliday | - | Sedgefield PCT |
| P. Irving | - | Sedgefield PCT |
| Mrs J. Bowles | - | Sedgefield Residents Forum |
| Councillor Mrs M. Robinson | - | Sedgefield Town Council |
| Mrs M. Hughes | - | Trimdon Colliery Community Association |
| Councillor Mrs. L. Burton | - | Trimdon Parish Council |
| Mrs. G. Norton | - | Trimdon Resident |

In

Attendance: Mrs. L. Walker and Mrs. N. Woodgate – Sedgefield Borough Council

- Apologies:**
- | | | |
|----------------------------|---|----------------------------|
| Councillor K. Noble | - | Sedgefield Borough Council |
| Councillor J. Robinson J.P | – | Sedgefield Borough Council |
| Councillor Mrs A. Oliver | – | Sedgefield Town Council |

AF(3)1/06 **DECLARATIONS OF INTEREST**
Members had no declarations of interest to declare.

AF(3)2/06 **MINUTES**
The Minutes of the meeting held on 26th April, 2006 were confirmed as a correct record and signed by the Chairman. (For copy see file of Minutes).

AF(3)3/06 **POLICE REPORT**
Acting Inspector Steve Ball was present at the meeting to give details of the crime statistics for the area. It was reported that crime statistics were as follows:-

<u>Type of Crime :</u>	<u>Sedgefield :</u>	<u>Fishburn :</u>	<u>Trimdon Village:</u>	<u>Trimdon Grange/ Colliery:</u>
Theft	6	6	3	5
Criminal Damage	7	3	2	2
Burglary (dwelling)	1	1	0	2
Burglary (other)	2	1	0	0
Theft from Motor Vehicle	3	1	0	1
Assault	1	3	4	0
Total Crime	20	15	9	10

The Forum was given details of joint initiatives involving the Police that were taking place at various locations throughout the Borough.

Members of the Forum expressed concern regarding the difficulties that they had encountered in trying to contact the Police using the non-emergency telephone number. In response it was explained that the problem had been acknowledged and extra staff were to be recruited to the Control Rooms.

Reference was made to the appointment of a Beat Officer for the Trimdon area. It was pointed out that following the appointment of the Beat Officer Anti Social Behaviour had reduced, especially at Redesdale Court, Trimdon Grange.

AF(3)4/06

SEDGEFIELD PRIMARY CARE TRUST

P. Irving and D. Halliday attended the meeting to give an update on local health matters.

It was reported that Sedgefield, Durham and the Dales, Derwentside, Easington, Durham and Chester-le-Street PCTs were to merge into one organisation. It was expected that the new organisation would be in place by 1st October, 2006. All PCTs were required to make savings in management costs which would be used for patient care.

Members were informed that although the PCT had anticipated a deficit of £5.2m the actual overspend was £3.7m. Sedgefield PCT had been working closely with other PCTs and had produced a formal recovery plan to deal with the overspend. This recovery plan had been submitted to the Strategic Health Authority for approval.

Reference was made to the formation of NHS Foundation Trusts. It was pointed out that all PCTs were expected to become Foundation Trusts.

Members were also updated on the current situation in relation to the potential flu pandemic. It was pointed out that all PCTs and GP practices had contingency plans in place. It was explained that although the pandemic was still a low risk in the UK, it was suggested that households had paracetamols and thermometers available. The uptake of the flu vaccination was also encouraged, especially in elderly people.

With regard to the comments made at a previous meeting regarding the difficulties encountered in making appointments to access a GP at the Trimdon Surgeries, it was explained that an access survey would be carried out independently of the PCT. GPs not achieving targets would lose incentives.

Reference was made to the proposed closure of the Doctors surgery at Trimdon Village. It was explained that this would be subject to formal consultation.

Detailed discussion took place in relation to Community Hospitals and their working relationship with local GPs.

Reference was made to the PCT Life Awards, which would recognise the commitment of staff.

AF(3)5/06 NAMING OF RESIDENTIAL DEVELOPMENT ON LAND AT NEVILLE DRIVE SEDGEFIELD

Consideration was given to a report regarding a request received from McKinnery Homes to officially name and number the above development comprising of 68 dwellings. (For copy see file of Minutes).

The Forum agreed to support the name, "Cunningham Court".

AF(3)6/06 LOCAL IMPROVEMENT PROGRAMME

Consideration was given to a report detailing applications submitted to be appraised by the Strategy and Regeneration Section for funding from the Local Improvement Programme (LIP). (For copy see file of Minutes).

Members of the Forum were reminded that the Local Area Improvement Programme was allocated for the purpose of regeneration of the community and each Area Forum had been allocated a sum of money. Area 3 had been allocated £532,000 of LIP capital resources between 2006 and 2009.

It was noted that applications would be submitted to the Forum as they were received by the Regeneration Section and Sedgefield Borough Cabinet would have the final approval.

The project needed to be owned by members of the community and it was important that they were sustainable. A team had been created in the Strategy and Regeneration Section to support applicants.

Members of the Forum highlighted the fact that the decision on whether the schemes should be supported was being made without the knowledge of other schemes that may be proposed.

The following projects were then outlined :-

Trimdon Colliery Community Centre

Councillor Mrs. L. Hovvels was present to outline the application which was received from Trimdon Colliery Community Association. The project was aimed at commissioning an Architect to provide a robust design and costing that would enable the project to move forward to a planning permission stage and ultimately to a full application to the other capital funders such as the Big Lottery Fund.

The amount of funding requested from the Local Improvement Programme was £12,774.38.

Trimdon Colliery Multi-use Games Arena

Councillor Mrs. L. Hovvels and S. Palombella, Ground Work East Durham, gave a brief outline of the project which had been applied for by Groundwork East Durham.

It was explained that the project would create a multi-use games arena. (MUGA) on an area of green underused space next to Trimdon Colliery Community Centre.

The amount of funding requested from the Local Improvement Programme was £58,325.

AGREED : That Cabinet be recommended to support the following projects :-

- 1. Trimdon Colliery Community Centre*
- 2. Trimdon Colliery Multi-use Games Arena*

AF(3)7/06

QUESTIONS

Review of Area Forums

Reference was made to the review of Area Forums.

It was reported that Sedgefield Borough Cabinet would consider the final report on 13th July 2006.

AF(3)8/06

DATE OF NEXT MEETING

13th September, 2006 at Mordon and Bradbury Village Hall.

ACCESS TO INFORMATION

Any person wishing to exercise the right of inspection, etc., in relation to these Minutes and associated papers should contact Mrs. L. Walker Tel 01388 816166 ext 4237 email lwalker@sedgefield.gov.uk

Item 11b

SEDGEFIELD BOROUGH COUNCIL AREA 4 FORUM

Shildon Sunnydale
Leisure Centre

Tuesday,
18 July 2006

Time: 6.30 p.m.

Present: Councillor D.M. Hancock (Chairman) – Sedgefield Borough Council and

Councillor J.G. Huntington	Sedgefield Borough Council
Councillor J.M. Smith	Sedgefield Borough Council
Councillor Mrs. I. Jackson Smith	Sedgefield Borough Council
Councillor Mrs. L. Smith	Sedgefield Borough Council
Acting Sgt S. Rogers	Durham Constabulary
Councillor Mrs. D. Bowman	Durham County Council
J. Johnson	New Shildon Residents Association
C. Thompson	New Shildon Residents Association
Councillor Mrs. A.M. Armstrong	Sedgefield PCT
Mrs. K. Vasey	Sedgefield PCT
B. Carr	Shildon Community Safety Group
C.A. Fletcher	Shildon Community Safety Group
Councillor M. Stott	Shildon Town Council
M. Donovan	South West Durham Credit Union
M. Quigley	Local Resident

In

Attendance: G. Garrigan and N. Woodgate

Apologies:

Councillor G.M.R. Howe	Sedgefield Borough Council
Councillor H. Robinson	Eldon Parish Council
C. Wood	Shildon Centre
C. Hind	Local Hind

AF(4)1/06 **DECLARATIONS OF INTEREST**
Members had no interests to declare.

AF(4)2/06 **MINUTES**
The minutes of the meeting held on 2nd May 2006 were confirmed as a correct record and signed by the Chairman.

AF(4)3/06 **WORLD JAZZ BAND COMPETITION**
It was reported that the organising committee for the World Jazz Band Competition was visiting Shildon the following evening to discuss whether Shildon could be the venue for next year's competition.

AF(4)4/06 COMMUNITY RADIO STATION

It was reported that a public meeting was to be held on Monday 7th August 2006 in the Civic Hall regarding the proposal to establish a community radio station.

AF(4)5/06 POLICE REPORT

Acting Sgt Simon Rogers was present at the meeting to give details of the crime statistics for the area.

The reported crime figures for May and June were as follows:

Type of Crime	May	June
Total Crime	108	86
Violent Crime	25	22
Violence against person	25	22
Robbery	0	0
Burglary (dwellinghouse)	3	3
Burglary (other)	6	3
Criminal Damage	35	28
Vehicle Crime	9	4
Shoplifting	2	7
Total theft	34	29
Nuisance/Rowdy Behaviour	82	85

Members were given details of Operation Parkdale, which was aimed at tackling anti-social behaviour.

Reference was made to the 'Black Path', rear of Burnie Gardens where youths could frequently be found, sitting in trees, drinking alcohol and using abusive language. It was reported that in response to the problem, arrangements would be made for a police presence on the Black Path on the evenings of Friday 21st and Saturday 22nd July 2006.

Concern was expressed regarding the problem of youths congregating in the recreation ground and drinking alcohol. It was noted that the police were aware of the problem and would be making arrangements for the CCTV van to be deployed there.

It was reported that arrangements had been made to hold a public meeting on Tuesday 1st August in the Civic Hall, Shildon to discuss the problem of anti-social behaviour. Mrs. Helen Goodman M.P. for Bishop Auckland Constituency would be present.

Reference was again made to the difficulties encountered in trying to contact the Police on the non-emergency telephone number. It was agreed that a letter regarding the problem should be sent to John Reid, Secretary of State for the Home Department, with a copy to the Chief Constable, Durham Constabulary.

AF(4)6/06

SEDGEFIELD PRIMARY CARE TRUST

Councillors Mrs. A.M. Armstrong and Mrs. K. Vasey attended the meeting to give an update on local health matters.

Reference was made to the future PCT configuration in County Durham. It was reported that Sedgefield, Durham Dales, Chester-le-Street, Easington, Derwentside and Durham PCTs were to merge into one organisation – County Durham PCT and Darlington PCT was to remain.

It was proposed that Darlington PCT and County Durham PCT would maintain separate Boards and Chief Executive Officers, however share PEC (Professional Executive Committee) and management arrangements.

The Chief Executives of 'reconfigured' PCTs, which included all County Durham PCTs and Middlesbrough and Langbaugh PCTs, were undergoing a set of assessment processes to ensure that they were fit for the purpose of being a Chief Executive Officer of a new PCT. Preferred candidates would then be selected for the jobs. The same 'standards' and assessment processes' would be applied to the Chief Executive Officers of PCTs that had not been reconfigured as part of the 'Fitness for Purpose assessment'.

The appointment of Directors to the Strategic Health Authority had been processed at a national level. 'NHS North East would only have 3 Executive Directors, alongside David Flory as Chief Executive Officer.

Specific reference was made to the launch of the PCT Life Awards 2006 to recognise health care staff for their outstanding individual contributions in helping to improve the quality of health care received by patients in the area.

Nomination forms for the awards were available in Sedgefield PCT offices, GP surgeries, dentists, pharmacies, opticians, health centres, community hospitals and libraries in the borough.

AF(4)7/06

SEDGEFIELD BOROUGH LOCAL AREA IMPROVEMENT PROGRAMME

Consideration was given to a report regarding the Local Improvement Programme and the potential for funding in the Area 4 Forum locality. (For copy see file of Minutes).

Nicola Woodgate attended the meeting to present the report.

It was explained that £3.8m in total had been allocated over three years to 2008/09 for the Local Improvement Programme across the Borough to tackle the issues as outlined in the Council's Community Strategy. The allocation for the Area 4 Forum locality was as follows:

	£
2006/07	152,000
2007/08	152,000
2008/09	152,000

Local communities and partner Town and Parish Councils could submit project proposals at any time. The projects would be appraised and scored and then discussed at an Area Forum meeting.

The role of the Area Forum was to provide a view as to the priority of the project within the area. The project would then be considered by the Council's Management Team and Cabinet. The latter would decide whether or not to support the project.

Projects eligible for support through the Local Area Improvement Programme would need to demonstrate that they met the following key criteria:

- Conformity to the newly created Department for Communities and Local Government (formerly the Office of the Deputy Prime Minister) Regeneration criteria which states:
 - 'the carrying out of works or activities on any land where the land or a building on the land is vacant, unused, under-used, ineffectively used, contaminated or derelict; and the works or activities carried out in order to secure that the land or the building will be brought into effective use'.
- Clear linkages to the delivery of the Council's Community Strategy and its key aims and planned outcomes.

Projects were also expected to meet the following secondary criteria:

- Appropriate levels of community consultation should have been carried out. A clear need for the project must be identified.
- The project should have specific measurable benefits.
- How any recurrent or revenue funding implications would be managed, should have been considered.
- Value for money should be clearly demonstrated to include any match funding from other grant sources as well as accessing a minimum of three quotations regarding the proposals for work.
- Where the applicant was a Town or Parish Council, there should be a financial contribution of at least 1/3rd of the total costs of the project, to ensure that the resources made available were addressing local priorities as well as those of the Council.

Any interested groups were advised to contact the Community Project Development Officer at the Council Offices to discuss initial project ideas.

AF(4)8/06 SHILDON TOWN CENTRE

Residents expressed concern regarding the state of Shildon Town Centre and requested that works be undertaken to put it back to its 'former glory'. They were of the view that the CCTV cameras, which were now fully operational, would afford protection and deter any further vandalism.

Specific reference was made to the glazed panel in the bus shelters, which had been broken since September 2005. The Forum requested that the panels be replaced as a matter of urgency. They rejected the officers' proposal of putting steel panels at the bottom of the shelters.

It was agreed that a letter expressing the Forum's concerns be sent to the Council's Director of Neighbourhood Services and that an appropriate officer be invited to attend the next meeting of the Forum.

AF(4)9/06 REVIEW OF AREA FORUMS

It was reported that a Scrutiny Review Group had examined the way in which Area Forums currently operated, evaluated their effectiveness and considered how they could be improved.

The recommendations of the Review Group had been submitted to the Council's Cabinet for consideration.

It was pointed out that one of the recommendations was to move the public question time to the beginning of each meeting. Members of the public could submit a question prior to the meeting, which officers/councillors would endeavour to answer at the meeting. A question posed at the meeting may not receive a full response until a later.

AF(4)10/06 DATE OF NEXT MEETING

Tuesday 19th September 2006 at Shildon Sunnydale Leisure Centre at 6.30 p.m.

ACCESS TO INFORMATION

Any person wishing to exercise the right of inspection, etc., in relation to these Minutes and associated papers should contact Miss S. Billingham, Tel 01388 816166 Ext 4240, sbillingham@sedgefield.gov.uk

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Item 11c

SEDGEFIELD BOROUGH COUNCIL AREA 5 FORUM

Town Council Offices,
School Aycliffe Lane,
Newton Aycliffe

Tuesday,
25 July 2006

Time: 7.00 p.m.

Present: Councillor Mrs. A.M. Fleming (Chairman) – Sedgefield Borough Council
and

Councillor Mrs. B.A. Clare	–	Sedgefield Borough Council
Councillor V. Crosby	–	Sedgefield Borough Council
Councillor M.A. Dalton	–	Sedgefield Borough Council
Councillor G.C. Gray	–	Sedgefield Borough Council/ Durham County Council
Councillor Mrs. J. Gray	–	Sedgefield Borough Council
Councillor B. Hall	–	Sedgefield Borough Council
Councillor M. Iveson	–	Sedgefield Borough Council
Councillor J.P. Moran	–	Sedgefield Borough Council
Councillor Mrs. E.M. Paylor	–	Sedgefield Borough Council
Councillor Mrs. S.J. Iveson	-	Durham County Council
Councillor Mrs. S. Mlatilik	-	Great Aycliffe Town Council
Councillor A. Tomlin	-	Great Aycliffe Town Council
Councillor Mrs. M. Gray	-	Great Aycliffe Town Council
Councillor Mrs. V. Raw	-	Great Aycliffe Town Council
J.P. Rodwell	-	Agnew Community Centre
Mrs. D. Bowman	-	Dales Residents Association
M. Thornton	-	Greenfield School Community and Arts College
E. Davis	-	Greenfield School Community and Arts College
S. Dixon	-	Greenfield School Community and Arts College
H. Duffin	-	Greenfield School Community and Arts College
L. Wilkinson	-	Kings Cobra Thai Boxing Association
J. Land	-	Kings Cobra Thai Boxing Association
Councillor Mrs. A. Clarke	-	Middridge Parish Council
J. Blackett	-	Newton Aycliffe Association Football Club
D. Rutherford	-	Sedgefield Primary Care Trust
P. Irving	-	Sedgefield Primary Care Trust
P. Cox	-	Williamfield Residents Association
H. Hutchinson	-	Williamfield Residents Association
M. Harrison	-	Zanshn Kai Karate
D. Noble	-	Zanshn Kai Karate
A. Strickland	-	Member of the Public

Apologies: Councillor W.M. Blenkinsopp - Sedgefield Borough Council
 Councillor Mrs. J. Croft – Sedgefield Borough Council
 Councillor R.S. Fleming – Sedgefield Borough Council
 Councillor K. Henderson – Sedgefield Borough Council
 Councillor J.K. Piggott – Sedgefield Borough Council
 Councillor Mrs. M. Dalton – Great Aycliffe Town Council

AF(5)1/05 MINUTES

The Minutes of the meeting held on 9th May, 2006 were confirmed as a correct record and signed by the Chairman.

AF(5)2/05 POLICE REPORT

The following details of crime statistics for the area were given :

	<u>May :</u>	<u>June :</u>
Total recorded crime	180	142
Total violent crime	50	28
Burglary - Dwelling	8	7
Burglary - Other	17	3
Criminal Damage	57	47
Vehicle Crime	13	9

Total Detection Rate for Period	32.1%
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	<u>May :</u>	<u>June :</u>
Rowdy Nuisance Incidents	179	217

It was noted that incidents of rowdy nuisance had increased from the previous month. However, the number of total recorded crime had reduced.

AF(5)3/05 SEDGEFIELD PCT - PROGRESS UPDATE

P. Irving and D. Rutherford attended the meeting to give an update on local health matters.

The Forum was informed that in relation to the re-organisation of PCTs the cluster for the North East had been agreed. There was a reduction in County Durham and Darlington from six to two Primary Care Trusts with Darlington remaining as a single Trust. The re-organisation would take effect from 1st October.

It was also explained that the Strategic Health Authority had been merged and now was known as NHS North East. The joint new Chief Executive had been appointed and was David Flory.

The detailed Human Resources framework was being drawn up and staff informed. It was anticipated that a new Chief Executive would be

appointed in August. The re-organised PCT would still have a strong locality base and local arrangements were being encouraged at all levels. Reference was made to the financial position of the PCT and it was noted that the 2005/06 financial year had been better than expected. However, a turnaround plan still needed to be introduced for 2006/07 to ensure that the PCT went into re-organisation in a healthy position. A turnaround team had been set up to formally manage the process.

In relation to pandemic flu, the risk remained low but real. Patients still needed to be encouraged to have the normal flu vaccine as a deterrent. Sufficient vaccine should be available. Vaccine to combat the pandemic flu, however, could not be manufactured until the strain was identified.

Reference was made to patient-led NHS. A number of staff changes had taken place in the PCT and interim arrangements in terms of management structures were in place. Darlington, like other PCTs, were going through a Fitness for Purpose process to ensure the strategic direction fitted with the overall national plan.

The Strategic Health Authority had appointed Director of Finance, Director of Nursing and the Director of Public Health and the senior management team was now in place.

Workshops had been organised relating to the White Paper, "Our Health, Our Care, Our Say" with a greater emphasis on partnership and links with the development of services across County Durham.

Members of the Forum were also informed that PCT Life Awards would be awarded at the end of September to mark the end of the PCT within four categories. Details of how people could vote, within those categories, were advertised in GPs surgeries.

During discussion reference was made to car parking charges at hospitals which were a tremendous burden on visitors to patients. It was explained that the PCT did not have a charging policy. The hospitals imposed those charges and there was very little that the PCT could actually do to address the situation.

The Forum welcomed Emergency Care Practitioners which enabled older people to receive treatment in nursing homes and care homes without them having to go into hospital. Emergency Care Practitioners visited those premises to deal with some patients.

A query was also raised in relation to the development of the new Health Centre in Newton Aycliffe and progress. It was explained that there had been delays as a result of discussions between the developer and the County on contractual issues and the way the building was commissioned. It was, however, hopeful that the situation would be able to be concluded before Sedgfield PCT was disbanded.

LOCAL IMPROVEMENT PROGRAMME

It was explained that consideration would be given to the following projects :-

- **Greenfield School and Community College** – changing accommodation in admin. area.
- **Great Aycliffe Town Council** – extension to Great Aycliffe Way and Nature Park.

NB : In accordance with Section 81 of the Local Government Act 2000 and the Members Code of Conduct the following Councillors declared interest :

Councillor M. Iveson – prejudicial and personal interests in both applications – Cabinet Member

Councillor Mrs. A.M. Fleming – prejudicial and personal interests in both applications – husband a Cabinet Member

Councillor V. Crosby – prejudicial and personal interests – both applications – Application 1 : Member of Greenfield Management Committee, Application 2 : Member of Great Aycliffe Town Council

Councillor Mrs. B.A. Clare – Application No : 1 - husband, Deputy Head of Greenfield School and Community College

Those Members left the meeting for the duration of the discussion and voting on the items on which they had declared an interest.

Andrew Megginson and Nicola Woodgate from Sedgefield Borough Regeneration Section together with Andrew Bailey, Great Aycliffe Town Council were present at the meeting to discuss the applications.

Andrew Megginson outlined the role of the Area Forum in the process and explained that the intention was to give local people the opportunity to have a say in local improvements. The Area Forums would formulate an opinion on recommendations and their recommendation would be submitted to Cabinet for consideration as part of the decision-making process.

Greenfield School and Community College – changing accommodation and admin. area.

Mike Thornton, Head Teacher from Greenfield School and Community College was present at the meeting to outline the application. It was explained that the project consisted of a new sports hall which was currently being built on the site funded through the New Opportunities Fund – PE and Sport in School Programmes. However, due to cost over-running elsewhere in the Programme, there were insufficient funds to provide the necessary community changing accommodation and admin/reception area that was needed to provide the infrastructure to enable the community to become actively engaged in sports and leisure

activities on the Greenfield site. There was approximately a £600,000 shortfall on the project.

The total cost of the changing facilities etc., was £126,781 of which £60,000 was being requested from the Local Improvement Programme.

The project contributed towards the Healthy Borough objective and had links to Strong Communities by providing safe neighbourhoods. A programme of activities would be planned with partner clubs and organisations to increase the opportunities for those most at risk of offending. There was also a link to an Attractive Borough by developing and maximising the leisure and cultural facilities in the Borough.

A full Needs Assessment had been undertaken as part of the New Opportunities Fund process. Extensive consultation had been entered into with arranged Sports Clubs within the Newton Aycliffe area to determine their needs. The construction of the building without changing facilities would cause a short term problem for clubs expressing an interest in using the facility.

It was noted that the application met the Local Improvement Programme criteria and was taking place on previously unused land with the aim of providing additional community resources on the site.

The Forum recommended that the project be supported and that Cabinet be informed of that recommendation.

Great Aycliffe Town Council – extension to Great Aycliffe Way and Nature Park

Andrew Bailey, Great Aycliffe Town Council was present at the meeting to give a presentation on the project. (For copy see file of Minutes).

He explained that the project intended to extend the existing Great Aycliffe Way to the east of the town through woodland and open spaces via the Nature Park along disused Simpasture Railway via Wild Flower Meadow and link to existing path. The objective was also to improve the current Nature Park and make it more accessible.

The Forum was informed that the current Great Aycliffe Way was already very popular and well used by groups and individuals and there had been many requests from the public to improve/extend the Way during the Parish Plan process.

The Nature Park needed improvement to protect the Wild Flower Meadow which was a rare habitat and without management would revert to grassland.

The area was also designated a County Wildlife site and was regionally important.

The project would have a number of health, environmental and educational benefits.

The project had links to Sedgefield Borough's Community Strategy through a Healthy Borough an Attractive Borough and a Prosperous Borough. The project would promote Equality and Diversity, Youth Development and e-Government. The Town Council would be working in partnership with Sedgefield Borough, Aycliffe Nature Park Association, Durham Wildlife Trust and English Nature.

The total cost of the project was £204,505.

During discussion a query was raised regarding continuing maintenance of the area and whether the money had been allocated in relation to maintenance. In response it was explained that the Town Council would be contributing to the ongoing maintenance.

Reference was also made to the issues associated with use by cycles and motorcycles and the need to maintain the area as a walkway.

The project met all the Local Improvement Programme criteria.

The Forum recommended that the project be supported and Cabinet advised accordingly.

AF(5)5/05

DATE OF NEXT MEETING

Next meeting to be held on 26th September, 2006.

ACCESS TO INFORMATION

Any person wishing to exercise the right of inspection, etc., in relation to these Minutes and associated papers should contact Liz North 01388 816166 ext 4237 email:enorth@sedgefield.gov.uk

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