



Local Government Act 1972

I Hereby Give You Notice that an **Ordinary Meeting** of the **Durham County Council** will be held in the **Council Chamber, County Hall, Durham** on **Wednesday 3 December 2014 at 10.00 a.m.** to transact the following business:-

1. Presentation of the Chairmans Medal Award
2. To confirm the minutes of the meeting held on 29 October 2014 (Pages 1 - 12)
3. To receive any declarations of interest from Members
4. Chairman's Announcements
5. Leader's Report
6. Questions from the Public
7. Petitions
8. Report from the Cabinet (Pages 13 - 24)
9. A 'Local' Living Wage for County Durham - Report of the Living Wage Working Group (Pages 25 - 38)
10. Mid-Year Report for the Period to 30 September 2014 on Treasury Management Service - Report of Corporate Director, Resources (Pages 39 - 52)
11. Changes to the Constitution - Scrap Metal Dealer Licences, Common Land and Town and Village Greens - Report of Head of Legal and Democratic Services (Pages 53 - 56)
12. Changes to the Constitution - Officer Scheme of Delegations - Report of Head of Legal and Democratic Services (Pages 57 - 92)

13. Statement of Returning Officer (Pages 93 - 94)

14. Motions on Notice

Councillor B Glass to Move

Northern and Transpennine is the largest train franchise in the UK. The franchise runs trains across the North of England, serving a population of nearly 15million, calling at over 500 stations and managing 462 stations.

Government proposals on the re-franchising of the network require the loss of hundreds of essential, skilled rail jobs, by introducing driver only trains and removing the roles of conductors and station staff. This will negatively impact on the service with major passenger safety implications.

Durham County Council urges the Government and Northern Rail to protect the interests of passengers and the communities who rely on these rail services by withdrawing these proposals and instead to hold meaningful consultations to deliver properly funded, properly staffed and affordable railways in the North.

15. Questions from Members

And pursuant to the provisions of the above-named act, **I Hereby Summon You** to attend the said meeting

Dated this 25th day of November 2014



Colette Longbottom
Head of Legal and Democratic Services

To: All Members of the County Council

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DURHAM COUNTY COUNCIL

At a Ordinary Meeting of the County Council held in the Council Chamber, County Hall, Durham on **Wednesday 29 October 2014 at 10.00 am**

Present:

Councillor J Blakey in the Chair

Councillors E Adam, J Allen, J Alvey, B Armstrong, J Armstrong, L Armstrong, B Avery, A Batey, D Bell, E Bell, J Bell, R Bell, H Bennett, G Bleasdale, A Bonner, D Boyes, P Brookes, J Brown, J Buckham, Carr, C Carr, J Chaplow, J Clare, P Conway, K Corrigan, P Crathorne, R Crute, K Davidson, M Davinson, K Dearden, S Forster, N Foster, D Freeman, I Geldard, B Glass, B Graham, J Gray, O Gunn, C Hampson, J Hart, J Hillary, M Hodgson, G Holland, A Hopgood, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, C Kay, A Laing, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, C Marshall, L Marshall, N Martin, J Maslin, P May, P McCourt, B Moir, S Morrison, A Napier, R Ormerod, A Patterson, M Plews, L Pounder, G Richardson, K Shaw, J Shuttleworth, M Simmons, M Simpson, Smith, T Smith, B Stephens, D Stoker, P Stradling, A Surtees, L Taylor, P Taylor, O Temple, K Thompson, R Todd, E Tomlinson, J Turnbull, A Turner, A Watson, M Wilkes, M Williams, A Willis, C Wilson, S Wilson, R Young and S Zair

Apologies for absence were received from Councillors A Bell, J Charlton, J Clark, J Cordon, M Dixon, S Guy, D Hall, B Harrison, K Henig, S Henig, D Hicks, O Johnson, P Lawton, J Measor, O Milburn, T Nearney, M Nicholls, H Nicholson, P Oliver, T Pemberton, C Potts, J Robinson, S Robinson, J Rowlandson, A Savory, A Shield, W Stelling and R Yorke

1 Minutes

The minutes of the meeting held on 17 September 2014 were confirmed by the Council as a correct record and signed by the Chairman.

2 Declarations of Interest

There were no declarations of interest in relation to any items of business on the agenda.

3 Chairman's Announcements

By-Elections

The Chairman extended a warm welcome to the following:

- Councillor Maureen Stanton, the newly elected Councillor for the Crook Electoral Division;
- Councillor Joanne Carr, the newly elected Councillor for the Burnopfield and Dipton Electoral Division;

- Councillor Heather Smith, the newly elected Member for the Evenwood Electoral Division.

Awards

International School Award.

The Chairman was delighted to inform Council of the success of a local school where she was governor during the regional presentations of the International School Award.

The award recognised exceptional success in embedding an international perspective to the learning of young people and helping learners be best equipped for a future in the global workplace.

County Durham remained one of the areas with the highest level of award recipients in the whole of the UK, with the region and particularly the County Council being singled out for praise by the award organisers.

The Council's international relations team had supported our schools through the three challenging levels of the award. This year, sixteen Durham schools were formally accredited for their work.

The Chairman asked that the Council's congratulations be sent to all sixteen County Durham Schools on their recent achievement.

Britain in Bloom

The Chairman was pleased to inform Council that Durham City had won a gold gilt award in the 'Large Town' category of the Royal Horticultural Society Britain in Bloom UK Finals held earlier in the month.

Durham represented Northumbria in the highly competitive large town category where it narrowly missed out to Truro. Sedgefield also impressed in the small town section, which was won by Dunnington.

Judges were full of praise for both Durham's and Sedgefield's entries and hailed the teamwork and spirit involved. They also commented on how both campaigns were close to coming out on top in their respective categories.

While it was unfortunate that Durham just missed out on the top accolades this did not detract from a fantastic year. More than 1,000 volunteers dedicated nearly 4,000 hours to making Durham City look 'altogether greener' the Chairman asked that Council place on record its thanks and congratulations to everyone involved and for their hard work and dedication.

The County Durham Reuse forum

The Chairman was delighted to report that once again the County Council had picked up a national award for a scheme which had seen more than 2,200 tonnes

of furniture and household items saved from disposal and provided for families on low income.

The County Durham Reuse forum received the prestigious Best Partnership Award from the Local Authority Recycling Advisory Committee, the national local authority watchdog on recycling standards.

The forum had six reuse schemes across the county and in 2012/13 some 24,000 households received a wide variety of items ranging from sofas and beds to tables and chairs. The forum also provided 189 full or part-time jobs with help from 210 volunteers and 84 work training placements and was another fitting example of successful partnership working involving the County Council and other organisations.

The Chairman invited Council to join with her in placing on record congratulations to everyone involved and to:

- Kings Church Furniture Reuse
- County Durham Furniture Help Scheme (CDFHS)
- East Durham Partnership
- Woodhouse Close Church Furniture Project
- Consett YMCA and
- Haswell Mencap Furniture Enterprise.

Dynamo

The Chairman informed Council that Dynamo, a new venture made up of leading technology organisations, was an organisation working to develop the ICT industry across the North East. Amongst Dynamo's aims was to double the ICT sector and make the North East the location of choice for technology firms and make use of talent within the region, with a key part of its mission being to highlight the potential for North East firms to work together.

At Dynamo's first awards evening held on 15 October, the Digital Durham programme was presented with an award in recognition of their work in bringing ten local authorities together to improve broadband access and the economic, learning and social benefits this would bring. This reflected the hard work put in by the Digital Durham team, the other local authorities, BT and Broadband delivery UK.

Resolved:

That the Council place on record its congratulations to all those involved in the above mentioned awards.

4 Leader's Report

The Chairman reported that the Leader of the Council could not attend the meeting because he was chairing a meeting of Labour council leaders with the Leader of the Opposition and Shadow Chancellor in London. The Leader would provide his report to the December meeting of the Council.

5 Questions from the Public

A question had been received from the Chairman of Belmont Parish Council, Councillor Dennis Southwell, regarding the introduction of 20 m.p.h. zones.

Councillor Southwell was in attendance to ask his question and received a response from Councillor Stephens, Cabinet Portfolio Holder for Neighbourhoods

The Head of Legal and Democratic Services informed the Council that Councillor Southwell would receive a written response to his question and both the question and response would be published on the Council's website.

6 Petitions

There were no petitions for consideration.

7 Report from the Cabinet

The Council noted the latest report of the Cabinet detailing business from 10 September and 15 October 2014 which included a range of reports including the Housing Stock Transfer and NHS/Social Care reforms (for copy see file of Minutes).

8 Review of the Council's Statement of Licensing Policy

The Council considered a report of the Corporate Director, Neighbourhood Services which sought approval for the adoption of the revised Statement of Licensing Policy to replace the existing version (for copy see file of Minutes).

The Corporate Director, Neighbourhood Services informed the Council that a revised Appendix B to the Draft Statement of Licensing Policy 2014 to 2019 had been circulated.

Councillor C Carr, in **Moving** approval of the recommendations contained in the report, informed the Council that this was the second review of the Statement of Licensing Policy since it was introduced, and had been the subject of a wide consultation exercise. The Draft Statement of Licensing Policy had been approved by the General Licensing and Registration Committee on 9 October 2014 and sought to balance the legitimate needs of businesses against the needs of residents in County Durham.

Councillor Stephens, Cabinet Portfolio Holder for Neighbourhoods, **Seconded** approval of the recommendations.

Resolved:

That the revised statement of licensing policy incorporating recommended frameworks hours be approved.

9 Sustainable Community Strategy

The Council considered a report of the Assistant Chief Executive which provided details of amendments made to the Sustainable Community Strategy (SCS) 2014-2030 and sought delegated authority for future amendments (for copy see file of Minutes).

Councillor Martin referred to the projected population figure for County Durham of 560,700 by 2030 quoted in the SCS and queried why this differed to the figure quoted in the emerging County Durham Plan and also the estimated figure produced by the Office of National Statistics (ONS) which was 549,000. Councillor Napier, Deputy Leader of the Council replied that while some ONS estimates were not always correct, the estimates would be re-examined. The Assistant Chief Executive added that the estimate quoted in the emerging County Durham Plan was based on the Plan being agreed and increased employment being generated within the County, which would increase the population figure. The Assistant Chief Executive informed Councillor Martin that she would supply him with a full report on this issue.

In response to a question from Councillor Hopgood, the Assistant Chief Executive confirmed that if there were any substantial changes made to the SCS through her delegated authority, Members would be advised of these.

Moved by Councillor Napier, **Seconded** by Councillor Stephens and

Resolved:

That the County Council:

- (i) Note the amendments to the Sustainable Community Strategy detailed at paragraph four of the report
- (ii) Agree that any future changes to the SCS 2014-2030 version be delegated to the Assistant Chief Executive through delegated authority.

10 Review of the Early Retirement Policy

The Council considered a report of the Corporate Director, Resources which sought approval for the revised Early Retirement Policy due to legislative changes (for copy see file of Minutes).

Moved by Councillor Brown, **Seconded** by Councillor Surtees and

Resolved:

That the revised Early Retirement policy be approved.

11 Local Council Tax Reduction Scheme Review 2015/16

The Council considered a report of the Corporate Director, Resources which sought approval for the continuation of the Local Council Tax Reduction Scheme for a further year into 2015/16 (for copy see file of Minutes).

In **Moving** the report, Councillor Napier, Deputy Leader and Cabinet Portfolio Holder for Finance, informed the Council that there was no sign of austerity ending and that Local government had borne the brunt of funding cuts. Since the Local Council Tax Reduction Scheme was approved in 2013 it had been kept under review to ensure its affordability. In 2013 the Government abolished the national Council Tax Benefits System and replaced it with a requirement for local authorities to work with precepting bodies to establish a Local Council Support Scheme. At the same time, the funding made available to support the Local Council Tax Support Schemes was reduced to 90% of the funding available under the abolished Council Tax Benefit Scheme. The Scheme for 2015/16 would continue to protect all claimants in line with what their entitlement would have been under the Council Tax Benefit System and was in line with the Cabinet's priority to protect low income households within the County. The Scheme for 2015/16 would also continue to pass on to Town and Parish Councils element of its formula grant in 2015/16 as detailed in the report.

Councillor Napier informed the Council that nationally, evidence showed an increase in Council Tax arrears where a local authority had not introduced a Local Council Tax Reduction Scheme. Financial pressures on low income households had been exacerbated by the Welfare Reform agenda, including the introduction of Universal Benefit, and these were unprecedented times for such households. Councillor Napier urged all Members to endorse the decision of Cabinet taken on 16 July 2014 to continue the Local Council Tax Reduction Scheme for 2015/16.

In **Seconding** the report, Councillor Surtees informed the Council that she was pleased to endorse the Scheme which would help over 34,000 households within the County.

Councillor R Bell, while welcoming the report and extension of the Scheme for 2015/16, sought clarification of what the cost of the Scheme would be 2015/16 and what the Scheme had cost for 2013/14 and 2014/15. Councillor Bell also asked whether it was known how much was included in the Council's formula grant for a Local Council Tax Support Scheme.

The Corporate Director, Resources replied that when the Scheme was introduced in April 2013 the cost was £4.6m. Two years on the cost had reduced slightly because of a reduced caseload. If the Scheme was not to be adopted, the Council £4.6m would be returned to the Council's budget. Referring to formula funding arrangements, the Corporate Director, Resources informed the Council that while separate figures for funding were published in 2013/14 and 2014/15, there was no longer any visibility over what level of funding was actually contained now within the formula for Council Tax Reduction Schemes.

Councillor Wilkes expressed his support for the continuation of the Local Council Tax Reduction Scheme for 2015/16 which helped to support the most vulnerable within County Durham.

Resolved:

That the County Council:

- (i) Continue the current Local Council Tax Reduction Scheme into 2015/16 which retained the same level of support to all council tax payers as the previous Council Tax Benefit Scheme which was abolished on 1 April 2013;
- (ii) Agree that the extension to the Scheme be initially for one year only and be kept under continuous review with a further decision to be considered by Cabinet in July/September 2015 and full Council by January 2016.

12 To Propose a New Process for Travel, Accommodation and Subsistence Arrangements for Members

The Council considered a report of the Corporate Director, Resources which sought approval for the adoption of a new process for Members' travel, accommodation and subsistence claims to be in line with the claims process for employees and for the Members' Handbook in Part VI of the Constitution to be updated accordingly (for copy see file of Minutes).

In **Moving** the report, Councillor Napier, Deputy Leader and Cabinet Portfolio Holder for Finance informed Council that the proposed new process had been approved by the cross party Constitution Working Group on 3 October 2014. The process would bring the Members claim process into line with that for employees and would be more effective and efficient to produce savings.

Seconded by Councillor Hopgood and

Resolved:

That the Council

- (i) Agree that Members should book their accommodation and travel arrangements in advance with the Business Support Team in the Resources Service Grouping
- (ii) Agree that the proposed new system retains flexibility for members to be able to submit retrospective claims where there have been exceptional circumstances which should be supported by receipts.
- (iii) Approve the updated policy at Appendix 2 of the report to replace the current 'ground rules' text in Appendix B of the Members Handbook and the Council's constitution.

13 Community Governance Review of Barnard Castle and the Surrounding Area

The Council considered a report of the Head of Legal and Democratic Services which provided an update on the outcome of the final stage of consultation undertaken as part of the community governance review of Barnard Castle and surrounding area and made a final recommendation in this regard (for copy see file of Minutes).

Moved by Councillor Napier, **Seconded** by Councillor R Bell and

Resolved:

That the final recommendation of the Community Governance Review that the parished areas of Barnard Castle, Marwood, Stainton, Streatlam and Whorlton and Westwick remain unchanged be approved.

14 Members Allowances - Recommendation of the Independent Remuneration Panel for 2015/16

The Council noted a report of the Head of Legal and Democratic Services which provided details of the recommendations of the Independent Remuneration Panel in relation to the Scheme of Allowances for the year 2015/16 (for copy see file of Minutes).

15 Review of Polling Districts and Polling Places

The Council considered a report of the Head of Legal and Democratic Services which presented the draft review of polling districts and places for approval (for copy see file of Minutes).

Moved by Councillor Napier, **Seconded** by Councillor Hopgood and

Resolved:

That the Council

- (i) Approve the polling districts and places as set out in the review;
- (ii) Delegate authority to the Head of Legal Services to make changes to the polling places if required, in consultation with the Leader of the Council as Chairman of the Constitution Working Group.

16 Civic Handbook

The Council considered a report of the Head of Legal and Democratic Services which provided details of the production of a Civic Handbook which would be used as a guide for any Member fulfilling the joint role of Chairman of the County Council and Mayor of the City of Durham and sought approval to its inclusion in the Constitution (for copy see file of Minutes).

In **Moving** the report, Councillor Napier, Deputy Leader and Cabinet Portfolio Holder for Finance informed Council that the Civic Handbook update was needed to reflect the combined role of Chairman of the County Council and Mayor of the City of Durham. Councillor Hopgood welcomed the Civic Handbook which provided clarity around the two roles.

Councillor Holland referred to the protocol for the use of facilities at Durham County Cricket Club and asked why, after the facilities had been in use for 5 years, a protocol had only now been provided. The Corporate Director, Resources replied that a protocol for the use of facilities at the Durham County Cricket Club was currently in place but the Civic Handbook aimed to make the protocol more transparent so all were aware of it. Councillor Stoker requested to be provided with a copy of the current protocol.

Councillor Stephens, Cabinet Portfolio Holder for Neighbourhoods, **Seconded** the report and it was

Resolved:

That the Civic Handbook be approved and included in the Constitution

17 Changes to the Constitution

The Council noted a report of the Head of Legal and Democratic Services which provided details of amendments to the constitution made by the Head of legal and Democratic Services to reflect changes brought about by new legislation which affect Local Authorities in their day-to-day administration and enforcement of the Blue Badge Scheme (for copy see file of Minutes).

18 Statement of the Returning Officer

The Council noted a Statement of the Returning Officer which showed details of the person elected as County Councillor for the Crook Electoral Division.

19 Motions on Notice

There were no motions for consideration.

20 Questions from Members

In accordance with the Council Procedure Rules, the following questions were asked

Councillor O Temple

Can the Portfolio Holder for Children and Young People's Services explain why schools, the only major users and bankers of cash within this authority, were not consulted before this council's new procurement specification for banking services was drawn up which excludes any ability to pay cash in, or withdraw cash, across the counter of either banks or post offices?

Councillor Napier, Deputy Leader and Cabinet Portfolio Holder for Finance thanked Councillor Temple for his question, to which he would provide a reply absence of Councillor Johnson, Portfolio Holder for Children and Young People's Services.

The Co-op Bank was the council's current banker and had a commercial relationship with the Post Office which enabled cash to be paid in to the Council's bank account by schools at local post offices.

The Co-op Bank had advised all local authorities that they were withdrawing from the local government banking market which meant the council needed to go through a procurement process to appoint a new bank by 31 March 2016 when the council's current contract with the Co-op ran out.

Officers had held a number of discussions with the major banks before beginning the procurement process. Of the major banks, the Royal Bank of Scotland/Nat West Bank was the only one other than the Co-op who had a commercial relationship with the Post Office in relation to the paying in of cash. RBS/Nat West however along with the other major banks had recommended that the council promote the utilisation of the courier service and move away from considering using the post office and local bank branches for paying in of cash.

The courier service was seen to protect staff but in addition all major banks were looking to significantly reduce 'over the counter' transactions of any description with more and more local bank branches expected to close. After considering the responses from the major banks, the need to protect staff and the need to ensure that the procurement process was competitive a decision was made to recommend the utilisation of the courier service across the council. At the present time all services in the council other than schools already utilised the courier service, for example Sports Centres and Libraries, and 10% of the council's schools also currently utilised the courier service

To ensure schools were informed of the upcoming change, the Council wrote to every school in the county advising them that the cash paying in facility with the Post Office would no longer be available once the council changed its bank. This would be replaced by a cash collection courier service and schools had been advised that the revised arrangements would be phased in from May 2015 to January 2016.

Under the new contract, any school would be able to pay in cash or withdraw cash from the local branch of the council's new bank. The Council's advice to schools however would always be to utilise the courier service due to the health and safety benefits for their employees.

For further information, as part of the Council's Customer First Strategy, developments were also being considered in relation to online payments for schools which would hopefully significantly reduce the number and value of cash transactions in schools that would also reduce the frequency of use of the proposed courier service and save the schools money.

Councillor Napier hoped this answered Councillor Temple's question which explained that there really wasn't anything to consult on and the current service would no longer be an option

Councillor Temple thanked Councillor Napier for his reply and asked why, in the year when the Council knew it would need to appoint a new bank, schools were not consulted. Councillor Napier replied that the Council had written to all schools and added that he would be willing to meet with Councillor Temple to further discuss the issues he had raised.

Councillor M Wilkes

The Council has a £750,000 contract with Citizens Advice Bureau to deliver advice services in County Durham. The Council has asked CAB to work up future plans based on a £150,000 cut to this budget. In light of this, can Councillor Napier be

certain that all residents in need of these services will be able access them should funding be reduced?

Councillor Napier, Deputy Leader and Cabinet Portfolio Holder for Finance thanked Councillor Wilkes for his question.

While it was correct that the Council had a £750,000 annual contract with the CAB covering a range of advice services across the County, additionally the Council also provided the CAB with in-kind support through the lease of two premises that they used on a peppercorn basis, which brought the Council's total support to nearer £800,000 per year.

The current contract covered the period 1 April 2014 to 31 March 2017, which the CAB saw as a positive step and allowed them to plan better rather than under a rolling annual agreement, which produced significant year to year uncertainty for them.

In agreeing the current contract with the CAB, the Council had put in place more robust performance management and better sharing of information arrangements in place to inform the Council's ongoing monitoring of the impact of the Government's Welfare Reforms, which were having significant detrimental impacts on some of the most vulnerable members of the communities.

The Council fully supported the CAB and the valued services they provided. They did a lot of tremendous work as did other advice agencies such as Age Concern and other similar groups that were also doing some great work.

The financial support given to the CAB had remained largely untouched since 2011/12 when a 25% reduction was made to all Council budgets in that year when, as the Leader had mentioned many times, the world changed for local government.

No further cuts in CAB grant had been made since 2011/12 although the Council had asked them to work with it to model how their service offer could be remodelled to achieve savings of around £150,000 in line with the 20% further reductions that the Council was facing with all Council budgets over the next 3 years.

It was emphasised that no decisions had been made at this stage and all the Council had asked the CAB to do was model potential impacts and implications.

From 1 April 2014, the four citizen advice bureaux services combined to create a single countywide CAB service, which released significant efficiencies and back office savings within their organisation. The Council was also working with the CAB and other providers to improve the co-ordination of activity through a countywide Advice in County Durham Partnership to remove duplication of effort and optimise available resources.

These two areas provided an opportunity to further review current arrangements and funding, improve efficiencies and address any gaps in current advice provision.

Councillor Napier assured Councillor Wilkes and all members that the Council would continue to work with the CAB to carefully consider the proposals that were being developed and that due consideration would be given as to whether to bring these proposals forward into the Council's medium term financial plans as budget saving in the future.

All areas of the Council's budget were being reviewed as it faced up to the unprecedented ongoing budget reductions never experienced by Local Government before.

Councillor Wilkes thanked Councillor Napier for his reply and expressed concerns that vulnerable members of the community may experience gaps in the advice service if all funding for the CAB was used within CAB premises, particularly referring to those vulnerable members of the community who were unable to attend the CAB. Councillor Wilkes requested that consideration be given to provide some element of funding to assist such members of the community through, for example, the provision of home visits.

Councillor Napier replied that the Council, while operating in an unprecedented era of austerity and cuts, worked with a range of other agencies to provide services on a co-ordinated and holistic basis. However, the comments made by Councillor Wilkes would be taken forward in future discussions.

3 December 2014

Report from the Cabinet



Purpose of the Report

To provide information to the Council on issues considered by the Cabinet on 19 November 2014 to enable Members to ask related questions.

Members are asked to table any questions on items in this report by 2 pm on 2 December 2014 in order for them to be displayed on the screens in the Council Chamber.

Contents

19 November

- Item 1 Proposal to Change the Age Range of Leadgate Junior School from 7-11 to 3-11 from 1 April 2015 to create a Primary School and to close Leadgate Infant and Nursery School as a separate school on 31 March 2015
Key Decision CAS/03/14

- Item 2 Proposal to enlarge Greenfield Community College from 1 January 2015 and close Sunnysdale Community College as a separate school on 31 December 2014
Key Decision: CAS/04/14

- Item 3 Forecast of Revenue and Capital Outturn 2014/15 for General Fund and Housing Revenue Account – Period to 30 September 2014

- Item 4 Mid-Year Report for the Period to 30 September 2014 on Treasury Management Service

- Item 5 Children's Services Update

- Item 6 The Manufacturing Sector in County Durham

- Item 7 Supporting the Private Rented Housing Sector

- Item 8 North East Industrial Estate, Peterlee – Project Update

- 1. Proposal to Change the Age Range of Leadgate Junior School from 7-11 to 3-11 from 1 April 2015 to create a Primary School and to close Leadgate Infant and Nursery School as a separate school on 31 March 2015 –
Key Decision CAS/03/14
Cabinet Portfolio Holder – Councillor Ossie Johnson
Contact – Sheila Palmerley 03000 265 731**

We have considered a report of the Corporate Director, Children and Adults Services which sought approval to change the age range of Leadgate Junior School from 7-11 to 3-11 from 1 April 2015 to create a Primary School and to close Leadgate Infant and Nursery School as a separate school on 31 March 2015 taking account of the Local Authority's duties as prescribed in the Education and Inspections Act 2006 to secure sufficient places, and to secure good outcomes for all children and young people in their local area.

The long term viability of separate Infant and Junior schools is uncertain due to changes in school funding which will come about as a result of the introduction of the National Funding Formula in 2015. Combining separate Infant and Junior Schools is in the best interests of children and their families. The benefits of "all through" Primary Schools were included in the consultation document.

Discussions with Leadgate Infant and Junior schools about a possible amalgamation began in May 2014. Following these initial discussions, using delegated powers, the Corporate Director, Children and Adults Services approved the commencement of consultation on the proposal to change the age range of Leadgate Junior School from 7-11 to 3-11 from 1 April 2015 to create a Primary School and to close Leadgate Infant and Nursery School as a separate school on 31 March 2015. The delegated decision report was included in the Cabinet report.

Consultation documents were distributed and a series of meetings were held between 9-11 June 2014 so that Governors, staff, Parish Councils, parents, pupils and the local community could share their views with the Local Authority. Consultation was undertaken between 9 June and 18 July 2014. The responses to the consultation were received and considered by officers in the County Council. The large majority were in support of the proposal and only one was not in support of it. A summary of the responses was included in the Cabinet report.

After full consideration of all the responses to the consultation, the Corporate Director, Children and Adults Services used delegated powers to agree to publish proposals to change the age range of Leadgate Junior School from 7-11 to 3-11 from 1 April 2015 to create a Primary School and to close Leadgate Infant and Nursery School as a separate school on 31 March 2015. A statutory notice was published on 4 September 2014. A statutory 4 week representation period followed during which comments on the proposal were made. The representation period was the final opportunity for people and organisations to express their views about the proposal and ensure that they were taken into account by the Decision Maker (in this case the County

Council's Cabinet). No objections or comments were received by the end of the 4 week statutory notice period.

We were advised that the proposed Primary School would be on the sites of the current Leadgate Infant and Nursery School and Leadgate Junior School with a capacity for 210 pupils. Consequently there would be no increases to travel or journey time and no changes to the current accessibility of both schools. A school of this size would be large enough to accommodate the current and future pupils expected to attend the proposed Primary School. The maximum number of pupils anticipated to be at the school up to 2020 is 196 therefore no pupils would be displaced by the proposal. The proposed number of pupils to be admitted to Reception of the proposed Primary School in September 2015 is 30. An equality impact assessment was carried out on the proposal and it found no potential impact in relation to age, gender, disability and race/ethnicity for pupils and parents/carers.

Capital funding in the region of £20,000 will be required to upgrade the ICT provision and provide appropriate signage. The School Capital Maintenance Grant allocated to the LA from the DfE would provide this funding.

Decision

We have agreed:

- (i) that the age range of Leadgate Junior School should be changed from 7-11 to 3-11 from 1 April 2015 to create a Primary School; and
- (ii) that Leadgate Infant and Nursery School should close as a school on 31 March 2015.

2. Proposal to enlarge Greenfield Community College from 1 January 2015 and close Sunnydale Community College as a separate school on 31 December 2014

Key Decision: CAS/04/14

Cabinet Portfolio Holder – Councillor Ossie Johnson

Contact – Sheila Palmerley 03000 265 731

We have considered a report of the Corporate Director, Children and Adults Services which sought approval to enlarge Greenfield Community College from 1 January 2015 and close Sunnydale Community College as a separate school on 31 December 2014, taking account of the Local Authority's duties as prescribed in the Education and Inspections Act 2006 to secure sufficient places, and to secure good outcomes for all children and young people in their local area.

Both schools provide education for pupils age 11-16. Greenfield has the capacity to accommodate 800 pupils (currently there are 658 pupils on roll at the school) and Sunnydale has the capacity to accommodate 954 students (currently there are 402 pupils on roll at the school). Greenfield Community College was inspected by Ofsted in October 2012. The overall effectiveness

of the school was judged to be Good. Sunnydale Community College was inspected by Ofsted in April 2014. The overall effectiveness of the school was judged to be Inadequate.

Due to the 'Inadequate' Ofsted judgement about Sunnydale, the Local Authority and Governing Body were required to take action to address the key issues that were highlighted in the Ofsted report. Officers believe that students in this area of the county will have wider opportunities for educational improvement if Sunnydale was to amalgamate with Greenfield which is a Good school.

The Corporate Director, Children and Adults Services approved that consultation could begin on a proposal to enlarge Greenfield Community College from 1 January 2015 and to close Sunnydale Community College as a separate school from 31 December 2014. This would result in the schools being amalgamated into a single school. Consultation documents were distributed widely and meetings were held between 23 June and 16 July 2014 with Governors, staff, parents, pupils and members of the local community.

The report proposed that the single Greenfield School would become a split site school making use of accommodation on both sites, to enhance curriculum provision. Some investment will be required to address condition issues on some of the buildings on the Sunnydale site. The level of funding has yet to be agreed but would be met from the DfE grant allocation. Initially, the single school would have the combined capacity of both schools. There would continue to be surplus places in the single school but as the use of accommodation is reviewed, there is inevitably likely to be changes in the way buildings across both sites are used. Once this review is carried out, appropriate investment could be made to improve accommodation, where necessary. A re-assessment of the overall capacity of the school would then be carried out.

From 1 September 2014 the Headteacher of Greenfield took up post as acting Executive Headteacher across both schools. This was agreed by the Governing Body.

After full consideration of all the responses to the consultation, the Corporate Director, Children and Adults Services used delegated powers to agree to publish proposals to enlarge Greenfield Community College from 1 January 2015 and close Sunnydale Community College as a separate school on 31 December 2014. A statutory notice was published on 4 September 2014. There then followed a statutory 4 week representation period during which comments on the proposal could be made. No objections or comments were received by the end of the 4 week statutory notice period.

In making our decision we were reminded that the principle reason for amalgamating Greenfield (Newton Aycliffe) and Sunnydale (Shildon) is to address the issue of educational underperformance at Sunnydale. Some parents in the local community in Newton Aycliffe were concerned that amalgamating with an 'inadequate' school would impact on standards at Greenfield, they were reassured that the model of Governance, Leadership

and Staffing across the two schools would ensure that there would not be a detrimental impact on the quality of provision at Greenfield.

An equality impact assessment was carried out on this proposal which found no potential impacts in relation to age, gender, disability and race/ethnicity for pupils and parents/carers. The proposed single school will be on the sites of the current Sunnydale and Greenfield schools. Consequently there will be no increases to travel or journey time and no changes to the current accessibility of both schools.

The Local Authority submitted an application to the DfE for capital funding to improve buildings on the Sunnydale site via the National Priority School Building Programme. If this is not successful there may be in the region of £1-£2m required to improve the buildings. This would be met from future allocations of DfE School Capital Maintenance Grant funding allocated to all Local Authorities on an annual basis.

Decision

We have agreed:

- (i) to enlarge Greenfield Community College from 1 January 2015;
and
- (ii) to close Sunnydale Community College as a separate school on 31 December 2014

3. Forecast of Revenue and Capital Outturn 2014/15 for General Fund and Housing Revenue Account – Period to 30 September 2014

Cabinet Portfolio Holder – Councillor Alan Napier

Contact – Jeff Garfoot 03000 261 946

We have considered a report of the Corporate Director, Resources which provided a forecast of 2014/15 revenue and capital outturn, based on the period to 30 September 2014 for the Council's General Fund and Housing Revenue Account. The report also includes the updated forecasts for the Collection Funds (Council Tax and Business Rates).

The report updated the information presented to us on 10 September showing the forecasted revenue and capital outturn based on expenditure and income up to 30 June 2014 and incorporates the recommended changes to cash limits within Service Groupings agreed at that time, updates to the forecasts previously reported and revised forecast balances on general and earmarked reserves at 31 March 2015. The report also provided an update on the Collection Fund in terms of Council Tax and Business Rates forecast outturn.

Revenue

The following adjustments have been made to the Original Budget that was agreed by Full Council in February 2014:

- (i) agreed budget transfers between Service Groupings;
- (ii) additions to budget for items outside the cash limit (for Cabinet approval);
- (iii) planned use of or contribution to Earmarked Reserves.

Capital

The General Fund (GF) capital budget for 2014/15 was set at £166.292m by Council on 26 February 2014. Re-profiling from the 2013/14 capital programme outturn into 2014/15, amounting to £22.341m, was reported to Cabinet on 16 July 2014.

The 2014/15 Housing Revenue Account (HRA) Capital budget of £50.489m was also approved by Council on 26 February 2014.

The Council's Member Officer Working Group (MOWG), which closely monitors the capital programme, has since recommended approval to us of further revisions to the capital programme, taking into account additional resources received by the authority and further requests for re-profiling as Service Management Teams continue to monitor and review their capital schemes. Since the 2014/15 budget was approved at Council on 26 February 2014, the MOWG have approved a number of variations to the capital programme and significant variations were detailed in the report.

Decision

We have:

- Noted the projected change in the Council's overall financial position for 2014/15
- Agreed the proposed 'sums outside the cash limit' for approval
- Agreed the revenue and capital budget adjustments
- Noted the forecast use of Earmarked Reserves
- Noted the forecast end of year position for the Cash Limit and General Reserves
- Noted the creation of the PDF Reserve
- Agreed that Schools be advised of the need to have minimum and maximum balances at 31 March
- Noted the position for the Housing Revenue Account, Capital Programme and the Collection Funds in respect of Council Tax and Business Rates.

4. Mid-Year Report for the Period to 30 September 2014 on Treasury Management Service
Cabinet Portfolio Holder – Councillor Alan Napier
Contact – Jeff Garfoot 03000 261 946

We have considered a report of the Corporate Director, Resources which provided for the revisions to the regulatory framework of treasury management that had introduced a requirement that the Council receives a mid-year treasury review, in addition to the forward looking annual treasury strategy and backward looking annual treasury report required previously.

As well as meeting the above requirement this report also incorporated the needs of the 'Prudential Code', which can be regarded as being best operational practice, to ensure adequate monitoring of our capital expenditure plans and the Council's prudential indicators (PIs). The treasury strategy and PIs were previously reported to Council as part of the Medium Term Financial Plan 2014/15 – 2016/17 on 26 February 2014.

The report also supports the objective in the revised CIPFA Code of Practice on Treasury Management and the Communities and Local Government Investment Guidance. These state that Members should receive and scrutinise the treasury management service.

Decision

We have:

- Noted the contents of the mid-year review report and agreed to report further to Full Council.
- Agreed the proposed rating changes to remove the "standalone" ratings from Fitch (Viability) and Moody's (Financial Strength) as a selection criteria for approved counterparties.

5. Children's Services Update
Cabinet Portfolio Holder – Councillor Ossie Johnson
Contact – Carole Payne 03000 268 659

We have considered a report of the Corporate Director, Children's Services which provided an update on the national and local developments in relation to Children's Services.

Children's social care continues to be a high profile area of public service, with local authority decisions under constant scrutiny from regulators and the public. A number of recent child death reviews have highlighted the complex social circumstances in which social workers and partners have to work, and have often been critical of social work practice.

The report identified the next steps for transforming Children's Services which include:

- To continue to develop social work reform and new ways of working.
- To develop regional Child Sexual Exploitation protocols and to implement the Durham and Darlington Child Sexual Exploitation Action Plan.
- To identify cases of neglect earlier and to divert more families from statutory social services.
- To build on opportunities to work with the third sector to support our work
- Seek support from the Department for Education – children’s social care innovation fund (awaiting decision on progression to the 2nd stage of the application process).

Decision

We have noted the contents of the report and agreed to receive further updates in relation to the transformation of Children’s Services on a six monthly basis.

6. The Manufacturing Sector in County Durham Cabinet Portfolio Holder – Councillor Neil Foster Contact – Simon Goon 03000 265 510

We have considered a report of the Corporate Director, Regeneration and Economic Development which reported upon the importance and value of the engineering and manufacturing sector to the economy of County Durham, and outlined opportunities to retain and create jobs, generating economic prosperity in line with the Council’s Altogether Wealthier objective.

The manufacturing sector forms a major part of the County’s economy. While County Durham’s manufacturing sector is doing relatively well, the private sector in County Durham is currently too small: there is an opportunity to increase economic activity in the County in a highly valuable section of the private sector. As the recovery continues, there will be increasing opportunities to attract more manufacturing into the County and to capture these opportunities there is a need to be better positioned nationally and internationally as a place for manufacturing. The engineering and manufacturing sector in County Durham is demonstrably strong and vital to the economy of County Durham, and there are already a range of activities being undertaken to sustain the sector. To extend the supply chain, to win new companies, to help existing companies to stay and grow, to create new jobs and to position County Durham nationally and internationally as a place for manufacturing will require an increase the levels of activity.

In order to maximise the opportunities for County Durham’s economy from the manufacturing sector, the report recommended that a short term, time limited task and finish group be established.

The group would:

- Explore and verify the challenges and opportunities for the manufacturing sector in investment, skills and market access
- Develop a plan, outlining short, medium and long term actions which would maximise the economic impact of both existing companies and of attracting new inward investors
- Develop a framework for prioritising actions in terms of return on investment
- Highlight those actions with most impact in the short, medium and long term
- Consider any resource implications for prioritised actions and suggest potential funding routes
- Consider and recommend which organisation should lead on which actions
- Present a summary of recommendations, rationale, expected results, and lead organisations to Cabinet.

Representation on the Task and Finish Group was proposed as follows:

- The Cabinet Member for Economic Regeneration would be asked to chair the group, on a similar basis to the recent successful approach taken to the Social Value Task Force
- A senior business person from the manufacturing sector would be asked to Deputy Chair for the group
- Appropriate representation from manufacturing networks would be considered and selected, e.g., the EEF and/or the Engineering Fora
- Appropriate representation from the NELEP and/or BIS (Local) would be considered to ensure alignment with policy opportunities
- The relevant Skills Council (SEMTA) would be invited to ensure the skills agenda is taken into account
- Five senior business leaders from manufacturing companies within County Durham would be selected, ensuring a balance of industry sectors,
- Secretariat support would be provided by Business Durham.

The timescale of the group's work was suggested to be over three to four months, starting from January 2015 and reporting back in spring 2015.

Decision

We have agreed to the establishment of a Manufacturing Opportunities Task and Finish Group which will commence its work in January and report back in late Spring 2015.

7. Supporting the Private Rented Housing Sector
Cabinet Portfolio Holder – Councillor Eddie Tomlinson
Contact – Lynn Hall 03000 265 728

We have considered a report of the Corporate Director, Regeneration and Economic Development which provided an overview of how resources are currently being targeted to contribute to improvements in the private rented housing sector. It also proposed the introduction of a Landlord Accreditation Scheme in the County.

There has been significant growth in the private rented sector in the last ten years since the previous census in 2001. The number of private rented homes in the County has increased by 78% between 2001 and 2011, from 15,825 to 28,142 households. Apart from the concentration of private rented housing in Durham City serving its student population, private rented housing in County Durham tends to be concentrated in areas of relative deprivation, where the housing market is weak. Private rented housing is often older types of housing stock, in poor condition and failing to meet the Decent Homes Standard.

The majority of landlords operating in the County provide good quality homes and are aware of their responsibilities. However, a small number of landlords operate poor management practices and allow tenants to live in unsatisfactory housing conditions. This can have a negative impact both on neighbours and the neighbourhood and also the tenants' health and wellbeing.

In working to address these issues, the Council set itself three objectives with respect to improving standards in the Private Rented Sector:-

- Improving access to good quality information and advice
- Improving management standards
- Improving property conditions

One approach that has been used within County Durham to date is selective licensing. The Housing Act 2004 gave local authorities the power to licence private sector landlords in areas in an attempt to tackle low demand and anti-social behaviour associated with the designated area. The Council currently operates three selective licensing schemes in Dean Bank, Ferryhill, Chilton West and Wembley in Easington.

In reviewing the designations and agreeing to renew them for a further 5 year period we agreed that selective licensing was making a positive contribution to sustaining the three communities in question. Whilst selective licensing can be an effective tool, it is also very resource intensive and the three schemes in Durham are not self-financing. In the current context of reducing funding for Council services, further extension of selective licensing in the County would only be considered if additional external funding could be identified to financially support their introduction.

A landlord accreditation scheme could be an alternative to selective licensing and this is currently being piloted within the County. Landlord accreditation

schemes have been developed over the last 15 years and are used as a quality mark to demonstrate that accredited landlords meet agreed standards and that this has been checked and verified by the accrediting body. Landlord accreditation schemes are voluntary and are designed to improve both management standards and property standards.

It is proposed as part of the development of the private rented sector in the County, that the County Council launches its own landlord accreditation scheme, encouraging all Durham private landlords to become members.

The costs of providing the services of the Accreditation Scheme will be met through a fee charged to landlords to become accredited and to enjoy the benefits of the scheme. Over the next few years it is estimated that the scheme will generate sufficient funds to be self-financing. It is proposed that the accreditation scheme will go live in April 2015, however a pilot is currently in operation in South Moor and New Kyo.

On the basis of the pilot accreditation scheme, early evidence is showing that landlords are keen to access the support available and local residents in the pilot area have welcomed the introduction of a scheme that aims to improve property conditions and management practices. Whilst it would be too ambitious to expect a Landlord Accreditation Scheme to address all issues within the private rented sector, work within the pilot scheme appears to show that such an approach makes a positive contribution to this growing agenda and is deliverable across the wide and diverse geography of County Durham. It is therefore recommended that the pilot scheme be extended across County Durham from April 2015.

Decision

We have noted the actions being taken under the three objectives for improving standards in the private rented sector and agreed to the introduction of a County wide Landlord Accreditation Scheme in April 2015.

8. North East Industrial Estate, Peterlee – Project Update Cabinet Portfolio Holder – Councillor Neil Foster Contact – Peter Coe 03000 262 042

We have considered a report of the Corporate Director, Regeneration and Economic Development which provided a summary of progress made towards facilitating the redevelopment of North East Industrial Estate, Peterlee. The report sought our approval to the redevelopment of North East Industrial Estate through the use of compulsory purchase (“CPO”) powers in order to acquire interests in property within the redevelopment area.

The North East Industrial Estate was first developed in the 1950s and 1960s has been in general decline for the last 15 years or so. The area is now characterised by cleared sites and a number of remaining industrial units, generally in poor repair.

In January 2014, we considered and endorsed a Future Options and Acquisition Strategy. This recommended a series of strategic interventions by the council to encourage housing regeneration.

The site at North East Industrial Estate, which extends to 19.8 hectares of brownfield land, is identified in the local plan as having the potential to contribute 390 housing units. The Council's Regeneration Statement 2012-2022 and the endorsed Peterlee Regeneration Masterplan propose a range of objectives for East Durham, including a proposed new rail halt at Horden, an improved retail, business and residential offer in the town and increased employment, focussed on the North West and South West Industrial Estates.

Outline planning permission for 390 housing was approved at committee on 2 July 2014. The decision to approve the planning application for the site is a significant step forward in creating confidence in the site's ability to be delivered as a major redevelopment scheme. Coupled with the recent demolition of the former Dewhirst Clothing complex on the site frontage by new owners and the progress made under the council's acquisition and demolition programme, significant signs have been given that the redevelopment process is firmly underway.

Whilst it remains the intention to acquire land and property by agreement, there are potential risks to the project from property owners who are unwilling to sell or unable to reach agreement as to the value of their interest to be acquired. It is a further key action to explore the level of risk in this instance and to assemble a Statement of Case, seeking the formal resolution of the Council to use its compulsory purchase powers to achieve the proper planning of the area by acquiring any land and property required to deliver comprehensive redevelopment and removing restrictive covenants in order to provide clean title. Additionally, this will enable the Council to be able to confirm to potential developers that there is an "in principle" agreement to support them in a CPO if that is what is needed to deliver the whole site. Such support to a developer would be subject to the Council's costs in a CPO (including any acquisitions) being underwritten by the developer.

Decision

We have approved the principle of the Council utilising its CPO powers, subject to the preparation of a detailed Statement of Case and the consideration of a request for a formal resolution once that case is made. An approval in principle to the use of CPO powers will evidence the Council's resolve to progress the project fully.

**Councillor S Henig
Leader of the County Council**

25 November 2014

County Council

3 December 2014

A 'Local' Living Wage for Durham County Council



Report of the Living Wage Working Group

**Councillor Alan Napier, Deputy Leader and Portfolio Holder,
Finance**

Purpose of the Report

- 1 For Council to consider the conclusions and recommendations of the Council's Living Wage Working Group to remove Spinal Column Points 5-9 from the Council's pay and grading structure with effect from 1 January 2015 and implement a 'Durham Living Wage' for the Council's lowest paid employees where the lowest spinal column point would be spinal column point 10.

Background

- 2 Following a resolution of Full Council on 5 December 2012, the Living Wage Working Group was set up to explore the feasibility of implementing the accredited 'living wage' scheme that had been set up by the Living Wage Foundation which is part of the campaigning group 'Citizens UK'.
- 3 The Group has been chaired by Councillor Napier and includes Councillors Brown, Johnson, Stephens, Surtees and Yorke. Officers on the Group include Don McLure, Corporate Director Resources and Lorraine Anderson, HR Operations & Data Manager. The terms of reference for the Living Wage Group were to examine the benefits, risks and affordability of establishing a living wage scheme for Durham County Council employees and produce a report and recommendations for Full Council to consider.
- 4 The Group has also been considering developments of the national and local position in respect of the Living Wage in local government and the strategy developments of the national political parties. Since the setting up of the Group, the leaders of both major political parties have offered public support to the Living Wage in principle.

Definition of the Nationally Accredited Living Wage

- 5 The nationally accredited Living Wage is an hourly rate set independently, updated annually each November and promoted by the Living Wage Foundation, which is part of the campaigning group called 'Citizens UK'.

- 6 The nationally accredited UK Living Wage since 3 November 2014 is £7.85 per hour (the London Living Wage level is £9.15 per hour).
- 7 Employers who choose to pay the Living Wage, do so on a voluntary basis. Accredited Living Wage Employers are expected to implement the new hourly rate as soon as possible following the annual announcement each November and within 6 months. There are over 1,100 organisations who have currently signed up as accredited Living Wage Employers.
- 8 Some of the benefits of introducing a Living Wage that are promoted by the Living Wage Foundation are attached at Appendix 2.
- 9 From 1 October 2014, the National Minimum Wage (NMW) increased to £6.50 per hour for employees aged 22 years and older.
- 10 Unlike the NMW, the Living wage is not a statutory requirement but a voluntary undertaking where local authorities can choose to 'do nothing', opt into the nationally accredited scheme or opt for a local scheme.

2014 Pay Award

- 11 The 2014 pay award for local government employees (including school support employees) has been agreed by trade unions and employers. The pay award covers a two year period from 1 April 2014 to 31 March 2016 and includes percentage increases with effect from 1 January 2015 for the whole two year period (not backdated) as summarised in the table below:

Increase to FTE Annual Rate of Pay	Current Hourly Rate	% Increase	Hourly Rate from 1 January 2015
£1,065 on SCP 5*	£6.45**	8.56%	£7.00
£1,000 on SCP6	£6.54	7.93%	£7.06
£800 on SCP 7	£6.69	6.19%	£7.11
£550 on SCP 8	£6.90	4.13%	£7.19
£350 on SCP 9	£7.11	2.55%	£7.30
£325 on SCP 10	£7.26	2.32%	£7.43
2.2% on SCP11 and above	Various	2.20%	Current rate + 2.2%

* Under the terms of the new pay award, SCP 5 point will be removed from the pay scales with effect from October 2015

**Increased to £6.50 with effect from 1 October 2014 in line with National Minimum Wage

Local Authorities who have implemented the Accredited Living Wage

- 12 To become an accredited Living Wage Employer, employers must commit to pay the Living Wage hourly rate and apply any increase in rates as soon as possible following the annual announcement each November and within 6 months.
- 13 Accredited Living Wage employers are also expected to ask their contractors to also implement the Living Wage. They need to also work with the Living Wage Foundation to set achievable milestones for applying the Living Wage across all contracts and these will be included in the accreditation licence.

- 14 From our research, 25 local authorities have been identified as accredited Living Wage Employers by the Living Wage Foundation. Eleven of these are London Boroughs and the only unitary/single tier authorities who have become accredited Living Wage employers to date are Birmingham, Blackpool, Brighton and York. There are no accredited authorities within the north-east region.

Non Accredited Living Wage Local Authorities who have implemented a form of Living Wage

- 15 Our research has identified a further 70 local authorities who are reported as paying a 'local' Living Wage but are not accredited. By not becoming accredited, gives employers the flexibility to choose, if and when, to apply any increase to the rate it pays. It also gives them flexibility in the application of the increase – for example choosing to apply the extra pay as a 'supplement' on top of existing pay scales. Newcastle, Darlington and Redcar and Cleveland have adopted this approach.
- 16 There are twelve authorities comparable to Durham i.e. unitary/single tier authorities who have implemented a local living wage being; Bristol, Darlington, Hartlepool, Leicester, Newcastle, Nottingham, Plymouth, Redcar & Cleveland, Slough, South Gloucester, Stoke on Trent and Thurrock.
- 17 Newcastle implemented the 'Newcastle Living Wage' from November 2012 and is currently paying a 'local' living wage of £7.55 an hour.
- 18 Hartlepool introduced its own local living wage on SCP10 on 1 September 2013. This is currently £7.26 per hour rising to £7.43 an hour from 1 January 2015 in line with the 2014 pay award.
- 19 Redcar and Cleveland Council commenced paying its own local Living Wage rate of £7.04 per hour from October 2013 as a supplement on those spinal column point hourly rates below this amount at the time.
- 20 Darlington introduced a local Living Wage supplement which is the difference between contractual hourly rates and SCP 10 (currently £7.26 per hour rising to £7.43 an hour from 1 January 2015, in line with the 2014 pay award). This will be reviewed annually.
- 21 Gateshead agreed to the removal of SCPs 5-7 from their pay and grading structure with effect from 1 October 2014.
- 22 Research has also identified that all employees working for the region's Fire and Rescue Services and Police Forces are currently paid above the Living Wage.

Authorities Considering Implementing a Living Wage

- 23 Research has identified a further 19 authorities who are currently considering a Living Wage but not yet at the stage of implementation.

- 24 Within the North East region, currently Northumberland, North Tyneside, Sunderland and Durham still pay employees on SCP 5 (£6.50 an hour – rising to £7.00 an hour from 1 January 2015, in line with the 2014 pay award). However, Sunderland Council is aiming to become a Living Wage Employer from 1 April 2015 with details currently being worked up.
- 25 Stockton Council also has employees on SCP 5 however they are considering implementing a higher minimum SCP that would be backdated to 1 April 2014 now that the 2014 Pay Award has been agreed.
- 26 Middlesbrough and South Tyneside have a minimum adult rate of SCP 6 (currently £6.54 per hour – rising to £7.06 an hour from 1 January 2015 in line with the 2014 pay award). However South Tyneside is looking to implement a phased introduction of a local Living Wage from 1 April 2015 (pending Full Council approval) with a commitment to work towards the implementation of the fully accredited national living wage scheme.

The Living Wage – Durham County Council Context

- 27 Durham County Council's lowest hourly rate is currently £6.50 (SCP) 5 which is the same hourly rate as the National Minimum Wage. The hourly rate for staff on NJC terms and conditions will increase to £7.00 an hour from 1 January 2015 in line with the 2014 Pay Award.
- 28 Within the Council's Pay and Grading structure, Grade 1 currently spans SCP 5-11 overlapping with Grade 2 which spans SCP 9-13.
- 29 Those employees paid on SCP 11 and below are all currently paid below the accredited Living Wage of £7.85 per hour. From 1 January 2015 following implementation of the 2014 pay award, SCP 11 will increase to £7.88 an hour – just above the current accredited Living Wage level although all employees paid on SCP 10 and below will be paid below this level.

The Living Wage Working Group

- 30 Since its inception, the Living Wage Working Group has examined the benefits, risks and affordability of establishing a living wage scheme for Durham.
- 31 The Group has also been considering developments of the national and local position in respect of the Living Wage in local government and the strategy developments of the national political parties.
- 32 A number of options have been explored, including costing of various hourly rates for implementation with the clear aim of ensuring any proposals would be both affordable and sustainable. The group has concluded that it would not wish to recommend becoming an accredited Living Wage employer and would prefer to recommend introducing a 'local' form of living wage in order to have the flexibility to choose and then control an affordable hourly rate into the future for all affected Council employees.

- 33 A number of authorities have done something similar and removed spinal column points from their pay and grading structure in order to accommodate a 'local' Living Wage. The benefit of this is that the pay and grading structure can still fit within the spinal column point ranges set by the National Joint Council and any increases resulting from National Pay Awards can more easily be applied.

The Option to Introduce a 'Durham' Living Wage for Durham County Council

- 34 After a lot of research and due deliberation and consideration of several options and associated costs, the Working Group have concluded that the Council should implement a 'Durham' Living Wage in support of the lowest paid employees in the Council. The Group's proposal to remove SCPs 5-9 from the Council's pay and grading structure is considered to be the most affordable and sustainable option.
- 35 The proposal will mean that with effect from 1 January 2015, no employee will be paid less than SCP10 or £7.43 an hour and from 1 April 2015, all employees apart from Grade 1 and Grade 2 employees who have been newly appointed since 1 October 2014 plus those employees detailed at paragraphs 53 and 54 will be paid £7.88 an hour which is above the national living wage of £7.85 an hour.
- 36 The Living Wage Working Group believes this to be a fair, affordable and sustainable rate of pay for the Council's lowest paid employees when compared to the accredited National Living Wage. By recommending a 'Durham' Living Wage will also mean that the Council would retain control of future annual pay awards which would be contained within national pay bargaining negotiations.
- 37 The Council's pay and grading structure for Grade 1 posts would therefore span SCPs 10-11 (instead of SCPs 5-11) and for Grade 2 posts would span SCPs 10-13 (instead of SCPs 9-13).
- 38 If implemented with effect from 1 January 2015, the number of posts/employees that would be directly affected is set out in the table overleaf. The figures shown for schools-based staff exclude the staff at our 52 voluntary-aided, academy and foundation schools where the governing body, not the Council, is the employer.
- 39 However, as all schools apart from the academies were part of the Council's job evaluation / equal pay implementation, it is considered prudent to also encourage their participation in the introduction of any 'Durham' Living Wage should this be agreed by Full Council.

Service	Number of Posts / Employees 14/15* (Increase from 01.01.15)	Full-Time Equivalents 14/15* (Increase from 01.01.15)	Number of Posts / Employees 15/16** (Full Year)	Full-Time Equivalents 15/16** (full year)
Children and Adults Services	159	65	159	65
Neighbourhood Services	603	176	603	176
Regeneration & Economic Development	4	4	4	4
Resources	4	3	4	3
Subtotal (excluding Schools)	770	248	770	248
Schools				
Nursery	29	13	29	13
Primary	1,389	372	1,389	372
Secondary	267	109	267	109
Special Schools	106	63	106	63
Pupil Referral Unit	4	1	4	1
Subtotal (Schools)	1,795	558	1,795	558
Grand Total	2,565	806	2,565	806

*14/15 take into account implementation of the 2014 pay award

**15/16 figures take into account implementation of the 2014 pay award and assume that existing employees remain in post and receive an increment as appropriate on 1 April 2015.

40 To summarise, it is anticipated that the introduction of a minimum hourly rate of £7.43 from 1 January 2015 would result in additional costs overall of circa £147k in 2014/15 (cost to the General Fund of £49k and £98k for schools).

For 2015/16, the full year costs would be an estimated £1.048m, (£243k to the General Fund and £805k to schools).

- 41 The costs for schools-based staff exclude the staff at 52 voluntary-aided and foundation schools, where the governing body, not the Council, is the employer.
- 42 Split by service area, the estimated extra cost to the Council in 2014/15 and 2015/16 would be as follows:

Service Grouping	Total Estimated Additional Cost (£) 2014/15 (Increase from 01.01.15)	Total Estimated Additional Cost (£) 2015/16 (Full year)
Children and Adults Services	10,151	32,749
Neighbourhood Services	38,596	201,375
Regeneration & Economic Development	417	6,760
Resources	38	2,119
Subtotal (excluding Schools)	49,202	243,003
Schools		
Nursery	1,797	16,456
Primary	64,602	532,543
Secondary	20,045	163,973
Special Schools	10,517	87,825
Pupil Referral Unit	577	4,487
Subtotal (Schools)	97,538	805,284
Grand Total	146,740	1,048,287

Apprentices have been excluded from this proposal.

Equality and Equal Pay Considerations

- 43 Introducing a local Living Wage only two years after introducing an equality-proof job-evaluated pay system like we have in Durham, could potentially create some new equal pay issues due to what is known as a “provision criteria or practice” (PCP) in the workplace. Where male and female employees are receiving different salaries as a result of a PCP and not covered by the Job Evaluation scheme scoring, then there is a potential for claims based upon indirect gender discrimination (equal pay claims).

- 44 There are two lines of defence to these claims 1) that the PCP is in fact not tainted by the gender of employees and 2) even if tainted by gender, then there is a genuine material factor defence under the Equality Act 2010 to such claims if the difference can be objectively justified as a "proportionate means of achieving a legitimate aim". The legitimate aim here would be the removal of low pay grades and the principles behind the living wage which is applied to male and females alike. It is believed that to apply this material factor defence, it would be important that the local Living Wage was applied fairly and consistently to all Council employees including school based employees.
- 45 A detailed equality impact assessment has been completed and has highlighted that provided the 'Durham Living Wage' is implemented consistently across the Authority, in that all the Authority's employees to which the Living wage applies are actual paid this hourly wage rate, it should not in normal circumstances give rise to equal pay claims. This applies to all DCC employees including those at maintained schools. The equality impact assessment suggests that if the Living Wage is introduced for all eligible employees (both school based and non-school employees) the proposals will have a positive impact in terms of equal pay between genders.
- 46 Research has confirmed that all Authorities with school based employees that are either an accredited Living Wage employer or are paying their own form of Living Wage have included all school-based employees or are in the process of doing so.
- 47 The option and potential implications of introducing a 'Durham' Living Wage for all Durham County Council employees including those based in schools, was initially raised at the Schools Forum meeting on 23 October 2013. At that time there was 'in principle' support for the implementation of a living wage and morally the Forum agreed with the concept of an increase in pay for low paid workers, although concerns were expressed at that time in respect of the cost implications on schools' budgets.
- 48 A further report was presented at the Schools Forum on 23 October 2014 which provided further background to the Living Wage and information in relation to the proposed recommendations being made to Full Council on 3 December 2014. The Schools Forum noted the content of the report and the process to be followed with regard to communication with schools.
- 49 Subsequently, a letter was issued to the head teachers of all the maintained, voluntary aided and foundation schools within the County on 23 October 2014 detailing the recommendations of the Council's Living Wage Working Group. The letter set out the background to the Living Wage and details of the financial implications for their individual school along with the benefits promoted by the Living Wage Foundation (as detailed in Appendix 2 of this report). The letter included a recommendation for each school to support implementation and head teachers were asked to consult with their Governing Body about whether to implement the recommendation if it were to be approved by Full Council on 3 December 2014. For those schools which did not have a scheduled Governors meeting arranged prior to the Council meeting, they were advised it would be sufficient to progress with the endorsement of their respective Chair of Governors. All schools were encouraged to respond to confirm acceptance or otherwise.

- 50 Head teachers were advised that schools that were minded to not accept the recommendation may put themselves at risk of equal pay claims from their employees on the basis that other employees doing similar/same jobs in the Council being paid at a higher rate.
- 51 In addition, letters were also sent to all the head teachers of academies and the free school within the County, asking them to also consider adopting the Durham County Council 'local' Living Wage
- 52 As at 24 November 2014, a significant majority of schools had responded and confirmed they would implement the Durham Living Wage if it were approved at Full Council. Some schools have advised they would confirm their position following the scheduled meeting with their Governing Body and no school to date has advised that they would not implement the Durham Living Wage.
- 53 There are a small number of employees based within the Council and schools currently receiving less than £7.43 per hour (new SCP 10 following implementation of the 2014 pay award from 1 January 2015) who have transferred to Durham County Council employment under previous TUPE transfer arrangements. Should a Durham Living Wage be agreed by Full Council, these employees would be considered separately in line with consultation exercises on TUPE as appropriate.
- 54 There are also 7 employees employed under 'Red Book' Conditions of Service and 72 employees employed under 'Youth and Community' Terms and Conditions' who are on fixed salary points and receiving less than £7.43 per hour (new SCP 10 following implementation of the 2014 pay award from 1 January 2015). It is proposed that the basic hourly rate of these workers would also be increased to the same level as the 'local' living wage of SCP10. However there will be no other changes to their terms and conditions at this time as these would be considered as part of any future review of pay and conditions.
- 55 Consideration has also been given to the impact on commissioning services from external contractors should a Durham Living wage be introduced for Durham County Council employees. There would be a risk in that paying a local Living Wage to Durham County employees could create some demand for price increase in relation to negotiations for commissioned services into the future across the Council particularly in areas such as social care where the Council has retained in-house provision and the payment of a local living wage to in-house employees would put them on higher remuneration than workers providing the services that are being externally commissioned.
- 56 If SCPs 5-9 are removed, the new minimum hourly rate would also apply to agency workers who have been in the Council's employ for more than 12 weeks under the rules of the Agency Workers Regulations. The numbers of agency workers change by the day and as at 20 November 2014 there were 45 agency workers earning less than SCP 10 (currently hourly rate of £7.26).
- 57 If implemented with effect from 1 January 2015, it is anticipated that 770 Council employees and 1,795 school based employees would be directly affected. Also for any new appointees to either a Council or school based post

Grade 1 or 2, the new minimum starting hourly rate would be SCP 10 (£7.43 following implementation of the 2014 pay award from 1 January 2015).

Potential Impact of Removing SCPs 5-9 on National Benefit Entitlement

- 58 The removal of SCPs 5-9 and adoption of a local Living Wage of £7.43 (following implementation of the 2014 pay award from 1 January 2015) could have a potential detrimental financial impact on employees who are also entitled to Local Council Tax Reduction Scheme benefits, family tax credits and other national benefits. This could mean that some employees may have their current benefit entitlements reduced through the implementation of the Durham Living Wage.

Trade Union Consultation

- 59 Consultation has taken place with the Regional Trade Union Officials from Unison, GMB and Unite who are all fully in support of the recommendations of the Living Wage Working Group.

Practical Considerations

- 60 In accordance with the Local Collective Agreement, employees move up one increment within a grade from 1 April each year until they reach the top of their grade. For employees taking up a new appointment, increments will be paid in April each year unless they commenced after 1 October, when they will receive an increment 6 months after their date of commencement. They will then receive annual increments in April each year until they reach the maximum spinal column point of their grade.
- 61 Therefore should SCP 5-9 be removed from the pay and grading structure with effect from 1 January 2015, affected employees would be aligned to SCP10 from that date and then progress to the next spinal column point on 1 April 2015 (or 6 months after their start date if appointed to their post after 1 October 2014).
- 62 There are around 1,200 school based employees who currently have a small deduction (1.5p an hour made from their hourly rate) to take into account they can access a 'free meal' while at work – this is known as 'abatment'. This historic practice is ceasing on 31 March 2015. If a living wage of £7.43 an hour is introduced from 1 January 2015, those employees subject to abatment would continue to have 1.5p an hour deducted from the 'local' living wage until abatment is no longer payable which is on 1 April 2015.
- 63 Any 'Durham Living Wage' of SCP 10 would be reviewed annually to take into account any National Pay Awards in each year as well as any changes to the National Minimum Wage.
- 64 As implementation of a Durham Living Wage would be a change to employees' terms and conditions it would also be necessary to reflect the change in individual 'variation to contracts' for all affected employees.

Conclusions

- 65 There is a national and regional drive for implementing a form of Living Wage within local authorities and the number of those participating continues to increase.
- 66 The Living Wage Working Group has concluded to recommend to Full Council to implement a local version of the Living Wage from 1 January 2015 (the 'Durham Living Wage'). This will take the form of a minimum salary of Spinal Column Point 10 equivalent to £7.43 per hour with effect from 1 January 2015 following implementation of the 2014 pay award.
- 67 Removal of SCPs 5-9 and introducing a 'Durham' Living Wage rate equivalent to SCP 10 of £7.43 would result in additional costs of circa £147k, with a cost to the General Fund of £49k and £98k for schools for the period 1 January 2015 to 31 March 2015.
- 68 For 2015/16, the full year costs would be £1.048m, being £243k to the General Fund and £805k to schools.
- 69 If implemented from 1 January 2015, it is estimated that 2,565 employees/posts (770 Council and 1,795 schools based) would be directly affected, however the new minimum hourly rate for any new appointees to Council and school based posts at Grade 1 or 2 would be paid at SCP 10 equivalent to £7.43 an hour.
- 70 From 1 April 2015 all employees, apart from Grade 1 and Grade 2 employees who have been newly appointed since 1 October 2014, and those employees detailed at paragraph 53 and 54 would be paid £7.88 an hour which is above the national living wage of £7.85 an hour.
- 71 There is the potential for equal pay claims from school based employees should any school choose not to apply the local Living Wage and this would potentially make the Council liable for cost and damages awards.
- 72 A letter was issued to head teachers of all maintained, aided and foundation schools on 23 October 2014 so that each individual school was made aware of the cost and implications should a Durham living wage be introduced by the Council.
- 73 There is a risk in that paying a local Living Wage to Durham County Council employees could create some demand for price increase in relation to negotiations for commissioned Services across the Council.
- 74 Whilst there are increased costs and some risk in implementing a Durham living wage, such a step is in line with key Council objectives and Altogether Better themes, where the proposed changes to terms and conditions would be to enable the Council's lowest paid employees to improve their standard of living and improve their health and wellbeing. Most low paid employees would normally expend their incomes within the local economy.

Recommendations and reasons

75 Full Council agrees:

- (i) To remove Spinal Column Points 5-9 with effect from 1 January 2015 and thereby implement a minimum hourly wage of Spinal Column 10 (£7.43 per hour) for all Durham County Council employees and this be referred to as the 'Durham Living Wage';
- (ii) To conduct a review of the Durham Living Wage rate annually from 1 April 2016.

Background papers:

None

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Appendix 1: Implications

Finance – The removal of spinal column points 5-9 and implementation of a ‘local’ Living Wage of £7.43 per hour from 1 January 2015 would result in additional costs overall of circa £147k (cost to the General Fund of £49k and £98k for schools). For 2015/16 the full year costs would be an estimated £1.048m, (£243k to the General Fund and £805k to schools).

Staffing – If implemented with effect from 1 January 2015 it is anticipated that 770 Council employees/posts and 1,795 school based employees/posts would be directly affected. Also for any new appointees to a Council or school based post Grade 1 or Grade 2 the new minimum starting hourly rate would be £7.43.

Risk – Provided the local Living Wage is implemented consistently across the Authority, in that all the Authority’s employees of the grade to which the Living wage applies are given the wage, it should not in normal circumstances give rise to equal pay claims. This applies to all DCC employees including those at maintained schools

Also outlined in the report is the risk that paying a local Living Wage to Durham County Council employees could create some demand for price increase in relation to negotiations for commissioned Services across the Council.

Equality and Diversity / Public Sector Equality Duty – An Equality impact assessment has been undertaken on the proposals to remove SCP 5-9.

Accommodation – None

Crime and Disorder – None

Human Rights – None

Consultation – Discussions have taken place with the Trade Unions and the Schools Forum

Procurement - None

Disability Issues - None

Legal Implications - Within the body of the report.

Appendix 2: Benefits of Introducing a Living Wage

Living Wage Foundation

The Living Wage Foundation describes the three main benefits of introducing the Living Wage as follows:

Good for Business

An independent study examining the business benefits of implementing a Living Wage policy that employers believe that the Living Wage had enhanced the quality of the work of their staff, while absenteeism had reduced.

The majority of employers reported a significant impact on recruitment and retention within their organisation. Many employers felt that the Living Wage had increased consumer awareness of their organisation's commitment to be an ethical employer.

Good for Families

The Living Wage affords people the opportunity to provide for themselves and their families.

The Living Wage Foundation report the majority of employees reported increases in work quality as a result of receiving the Living Wage.

Many employees felt that the Living Wage had made them more willing to implement changes in their working practices; enabled them to require fewer concessions to effect change; and made them more likely to adopt changes more quickly.

Good for Society

The Living Wage campaign was launched in 2001 by parents in East London, who were frustrated that working two minimum wage jobs left no time for family life.

The causes of poverty are complex and in order to improve lives there should be a package of solutions across policy areas. The Foundation considers the Living Wage can be part of the solution.

County Council**3 December 2014****Mid-Year Report for the Period to
30 September 2014 on Treasury
Management Service**

Don McLure, Corporate Director Resources
Councillor Alan Napier, Cabinet Portfolio Holder for Finance

Purpose of the Report

- 1 The regulatory framework of treasury management requires the Council to receive a mid year treasury review, in addition to the forward looking annual treasury strategy and backward looking performance against the previous strategy.
- 2 As well as meeting the above requirement this report also incorporates the needs of the 'Prudential Code', which can be regarded as being best operational practice, to ensure adequate monitoring of our capital expenditure plans and the Council's prudential indicators (PIs). The treasury strategy and PIs were previously reported to Council as part of the Medium Term Financial Plan 2014/15 – 2016/17 on 26 February 2014.
- 3 The report also supports the objective in the revised CIPFA Code of Practice on Treasury Management and the Communities and Local Government Investment Guidance. These state how it is good practice for Members to receive and scrutinise their Council's treasury management service.
- 4 Cabinet considered and agreed the content of this report on 19 November 2014 and agreed to forward it to Full Council for information.

Background**Economic Performance to Date**

- 5 The Council's Treasury Management advisers, Capita Asset Services have provided a commentary on Economic Performance. The following paragraphs detail their thoughts on and knowledge of the economy in the UK, US, Eurozone, Japan and China.
- 6 In the UK, after strong UK GDP quarterly growth in 2013/14, it appears very likely that strong growth will continue through 2014 and into 2015 as forward surveys for the services and construction sectors, are very encouraging and business investment is also strongly recovering.
- 7 The UK manufacturing sector has also been encouraging though the latest figures indicate a weakening in the future trend rate of growth. However, for this recovery to become more balanced and sustainable in the longer term, the recovery needs

to move away from dependence on consumer expenditure and the housing market to exporting, and particularly of manufactured goods, both of which need to substantially improve on their recent lacklustre performance.

- 8 This overall strong growth has resulted in unemployment falling much faster through the initial threshold of 7%, set by the Monetary Policy Committee (MPC) last August, before it said it would consider any increases in Bank Rate. The MPC has, therefore, subsequently broadened its forward guidance by adopting five qualitative principles and looking at a much wider range of about eighteen indicators in order to form a view on how much slack there is in the economy and how quickly slack is being used up.
- 9 The MPC is particularly concerned that the current squeeze on the disposable incomes of consumers should be reversed by wage inflation rising back above the level of inflation in order to ensure that the recovery will be sustainable. There also needs to be a major improvement in labour productivity, which has languished at dismal levels since 2008, to support increases in pay rates.
- 10 Most economic forecasters are expecting growth to peak in 2014 and then to ease off a little, though still remaining strong, in 2015 and 2016. Unemployment is therefore expected to keep on its downward trend and this is likely to eventually feed through into a return to significant increases in pay rates at some point during the next three years. However, just how much those future increases in pay rates will counteract the depressive effect of increases in Bank Rate on consumer confidence, the rate of growth in consumer expenditure and the buoyancy of the housing market, are areas that will need to be kept under regular review.
- 11 Also encouraging has been the sharp fall in inflation (CPI), reaching 1.5% in May and July, the lowest rate since 2009. Forward indications are that inflation is likely to fall further in 2014 to possibly near to 1%. Overall, markets are expecting that the MPC will be cautious in raising Bank Rate as it will want to protect heavily indebted consumers from too early an increase in Bank Rate at a time when inflationary pressures are also weak.
- 12 A first increase in Bank Rate is therefore expected in Q1 or Q2 2015 and they expect increases after that to be at a slow pace to lower levels than prevailed before 2008 as increases in Bank Rate will have a much bigger effect on heavily indebted consumers than they did before 2008.
- 13 The return to strong growth has also helped lower forecasts for the increase in Government debt by £73bn over the next five years, as announced in the 2013 Autumn Statement, and by an additional £24bn, as announced in the March 2014 Budget - which also forecast a return to a significant budget surplus, (of £5bn), in 2018/19. However, monthly public sector deficit figures have disappointed so far in 2014/15.
- 14 In September, the US Federal Reserve continued with its monthly \$10bn reductions in asset purchases, which started in December 2014. Asset purchases have now fallen from \$85bn to \$15bn and are expected to stop in October 2014, providing strong economic growth continues. First quarter

GDP figures for the US were depressed by exceptionally bad winter weather, but growth rebounded very strongly in Q2 to 4.6% (annualised).

- 15 The US faces similar debt problems to those of the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth, although the weak labour force participation rate remains a matter of key concern for the Federal Reserve when considering the amount of slack in the economy and monetary policy decisions.
- 16 The Eurozone is facing an increasing threat from weak or negative growth and from deflation. In September, the inflation rate fell further, to reach a low of 0.3%. However, this is an average for all Eurozone countries and includes some countries with negative rates of inflation. Accordingly, the European Central Bank (ECB) took some rather limited action in June to loosen monetary policy in order to promote growth. In September it took further action to cut its benchmark rate to only 0.05%, its deposit rate to -0.2% and to start a programme of purchases of corporate debt. However, it has not embarked yet on full quantitative easing (purchase of sovereign debt).
- 17 Concern in financial markets for the Eurozone subsided considerably during 2013. However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy, (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise for some countries. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed.
- 18 Japan is causing considerable concern as the increase in sales tax in April has suppressed consumer expenditure and growth. In Q2 growth was -1.8% quarter on quarter and -7.1% over the previous year. The Government is hoping that this is a temporary blip.
- 19 For China, Government action in 2014 to stimulate the economy appeared to be putting the target of 7.5% growth within achievable reach but recent data has raised fresh concerns. There are also major concerns as to the creditworthiness of much bank lending to corporates and local government during the post 2008 credit expansion period and whether the bursting of a bubble in housing prices is drawing nearer.

Forecast of Treasury Advisors (Capita)

Capita's Interest Rate Forecast

20 The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

Rate	Sep-14 %	Dec-14 %	Mar-15 %	Jun-15 %	Sep-15 %	Dec-15 %	Mar-16 %	Jun-16 %	Sep-16 %	Dec-16 %	Mar-17 %	Jun-17 %
Bank	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	1.50	1.75	2.00	2.00
5 yr PWLB	2.70	2.70	2.80	2.90	3.00	3.00	3.10	3.20	3.30	3.40	3.50	3.50
10 yr PWLB	3.40	3.50	3.60	3.70	3.80	3.90	4.00	4.10	4.10	4.20	4.30	4.30
25 yr PWLB	4.00	4.10	4.20	4.30	4.40	4.50	4.60	4.70	4.80	4.80	4.90	4.90
50 yr PWLB	4.00	4.10	4.20	4.60	4.40	4.50	4.60	4.70	4.80	4.80	4.90	4.90

21 Capita Asset Services undertook a review of its interest rate forecasts in mid-August, after the Bank of England's Inflation Report. By the beginning of September, a further rise in geopolitical concerns, principally over Ukraine, but also over the Middle East, had caused a further flight into safe havens like gilts, and depressed PWLB rates further. However, there is much volatility in rates as news ebbs and flows in negative or positive ways. This latest forecast includes a first increase in Bank Rate in Q1 of 2015.

22 Capita's PWLB forecasts are based around a balance of risks. However, there are potential upside risks, especially for longer term PWLB rates, as follows: -

- A further surge in investor confidence that robust world economic growth is firmly expected, causing a flow of funds out of bonds and into equities.
- UK inflation being significantly higher than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

23 Downside risks currently include:

- The situation over Ukraine poses a major threat to Eurozone and world growth if it was to deteriorate into economic warfare between the West and Russia where Russia resorted to using its control over gas supplies to Europe.
- UK strong economic growth is currently dependent on consumer spending and the unsustainable boom in the housing market. The boost from these sources is likely to fade after 2014.
- A weak rebalancing of UK growth to exporting and business investment causing a weakening of overall economic growth beyond 2014.
- Weak growth or recession in the UK's main trading partners - the EU and US, inhibiting economic recovery in the UK.
- A return to weak economic growth in the US, UK and China causing major disappointment in investor and market expectations.

- A resurgence of the Eurozone sovereign debt crisis caused by ongoing deterioration in government debt to GDP ratios to the point where financial markets lose confidence in the financial viability of one or more countries and in the ability of the ECB and Eurozone governments to deal with the potential size of the crisis.
- Recapitalising of European banks requiring more government financial support.
- Lack of support by populaces in Eurozone countries for austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.
- Italy: the political situation has improved but it remains to be seen whether the new government is able to deliver the austerity programme required and a programme of overdue reforms. Italy has the third highest government debt mountain in the world.
- France: after being elected on an anti austerity platform, President Hollande has embraced a €50bn programme of public sector cuts over the next three years. However, there could be major obstacles in implementing this programme. Major overdue reforms of employment practices and an increase in competitiveness are also urgently required to lift the economy out of stagnation.
- Monetary policy action failing to stimulate sustainable growth in western economies, especially the Eurozone and Japan.
- Heightened political risks in the Middle East and East Asia could trigger safe haven flows back into bonds.
- There are also increasing concerns that the reluctance of western economies to raise interest rates significantly for some years, plus the huge QE measures which remain in place (and may be added to by the ECB in the near future), has created potentially unstable flows of liquidity searching for yield and therefore heightened the potential for an increase in risks in order to get higher returns. This is a return of the same environment which led to the 2008 financial crisis.

Treasury Management Strategy Statement and Investment Strategy Update

- 24 The Treasury Management Strategy Statement (TMSS) for 2014/15 was approved by the Council on 26 February 2014.

Capital Expenditure

- 25 The following table shows the revised estimates for capital expenditure and the changes since the capital programme was agreed by Council.

Capital Expenditure by Service	2014/15 Original Estimate (£m)	2014/15 Approved Revisions (£m)	2014/15 Revised Estimate (£m)
Assistant Chief Executive	3.471	0.984	4.455
Children and Adults Services	56.839	16.965	73.804
Neighbourhoods	38.840	8.351	47.191
Regeneration and Economic Development	56.269	-9.736	46.533
Resources	10.873	-1.887	8.986
Other			
Total General Fund	166.292	14.677	180.969
HRA	50.489	-0.456	50.033
Total GF and HRA	216.781	14.221	231.002

- 26 Taking into account reprofiling from the 2013/14 capital programme, additional approved grant funded expenditure and reprofiling into future years, the revised capital expenditure budget for the General Fund is £180.969m and for the HRA is £50.033m.
- 27 Details of the individual capital projects and scheme funding can be found in the Quarter 2 Forecast of Revenue and Capital Outturn 2014/15 for General Fund and Housing Revenue Account – Period to 30 September 2014.

Impact of Capital Expenditure Plans

- 28 The table below draws together the main strategy elements of the capital expenditure plans, highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR). This will be reduced in part by revenue charges for the repayment of debt which is known as the Minimum Revenue Provision.
- 29 On the General Fund the underlying borrowing requirement has been revised upwards by £31.399m.

Capital Expenditure	2014/15 Original Estimate (£m)	2014/15 Revised Estimate (£m)
General Fund	166.292	180.969
Financed by:		
Capital receipts	20.474	10.229
Capital grants	69.055	61.369
Revenue and Reserves	4.993	6.202
Total Financing	94.522	77.800
Borrowing Need	71.770	103.169

- 30 On the HRA the underlying borrowing requirement has been revised downwards by £0.488m.

Capital Expenditure	2014/15 Original Estimate (£m)	2014/15 Revised Estimate (£m)
HRA	50.489	50.033
Financed by:		
Capital receipts	1.547	1.547
Capital grants	19.286	19.318
Revenue and Reserves	24.589	24.589
Total Financing	45.422	45.454
Borrowing Need	5.067	4.579

Capital Financing Requirement

- 31 The table shows the capital financing requirement (CFR), which is the underlying external need to borrow for a capital purpose.

	2013/14 Outturn Position (£m)	2014/15 Original Estimate (£m)	2014/15 Revised Estimate (£m)
CFR – Non Housing	374.611	433.985	465.384
CFR – Housing	232.649	237.423	236.935
Total CFR	607.260	671.408	702.319

Borrowing Strategy

- 32 The CFR shown above indicates the requirement for the Council to borrow to support its capital activities. This borrowing can be in the form of external sources (e.g. PWLB) or internal resources (e.g. use of reserves, working capital).
- 33 The Corporate Director Resources, under delegated powers, will adopt the most appropriate form of borrowing depending on the prevailing interest rates at the time.
- 34 Due to the overall financial position of the Council, no new borrowing has been raised during the period.
- 35 The overall borrowing position at 30 September 2014 was £433m, of which £221m relates to the General Fund and £212m to the Housing Revenue Account.
- 36 Further loans of £25m are due to be taken up in December 2014 as a result of the overall financial position and underlying need to borrow.

Limits to Borrowing Activity

- 37 The first key control over the treasury activity is a Performance Indicator (PI) to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. Net external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2014/15 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has an approved policy for borrowing in advance of need, and this will be used if it is considered prudent.
- 38 The Corporate Director Resources reports that no difficulties are envisaged for the current or future years in complying with this PI. The table below summarises the position.
- 39 A further PI controls the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited, and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

Authorised limit for external debt	2014/15 Original Indicator (£m)	2015/16 Original Indicator (£m)	2016/17 Original Indicator (£m)
Borrowing	711.000	737.000	733.000
Other long term liabilities	51.000	52.000	56.000
Total	762.000	789.000	789.000

Investment Portfolio

- 40 In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite.
- 41 As set out in 'Economic Performance to Date' (paragraphs 4 to 22), it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the 0.5% Bank Rate.
- 42 Indeed, the Funding for Lending scheme has reduced market investment rates even further. The potential for a prolonging of the Eurozone sovereign debt crisis, and its impact on banks, prompts a low risk and short term strategy. Given this risk environment, investment returns are likely to remain low.
- 43 The credit rating agencies are undertaking a review of the implied levels of support that are currently built into their ratings. The rationale for the change is the evolving regulatory background and unwillingness of Governments to step in if there is a problem with an institution.

- 44 The primary drive is to remove implied levels of support previously built into ratings. In time, this will likely see most, if not all, Support ratings drop to 5 (indicating little or no likelihood of sovereign support).
- 45 Furthermore, the removal of implied sovereign support will see Long Term ratings gravitate towards Viability ratings (Fitch) and Financial Strength ratings (Moody's - via its Baseline Credit Assessment rating). As such, there will be little reason to use either Support ratings or the "standalone" ratings from Fitch (Viability) and Moody's (Financial Strength). It is therefore proposed to discontinue their use.
- 46 It is intended to continue to use the following minimum short and long term ratings detailed in the Annual Investment Strategy.
- 47 The proposed selection criteria for approved counterparties will be:
1. Banks 1 – the Council will only use banks which are UK banks and have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):

	Fitch	Moody's	Standard & Poors
Short Term	F1	P1	A-1
Long Term	A-	A3	A-

2. Non UK Banks 1 – the Council will only use non UK banks which have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings:

	Fitch	Moody's	Standard & Poors
Sovereign Rating	AAA	AAA	AAA
Short Term	F1+	P1	A1+
Long Term	AA-	Aa3	AA-

3. Banks 2 - Part nationalised UK banks – Lloyds Bank and Royal Bank of Scotland. These banks can be included if they continue to be part nationalised or they meet the ratings in Banks 1 above.
4. Banks 3 – Co-operative Bank - The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time.
5. Bank subsidiary and treasury operation. The Council will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.
6. Building societies. The Council will use societies which meet the ratings for banks outlined above.

7. Money Market Funds
8. UK Government (including gilts, Treasury Bills and the Debt Management Account Deposit Facility)
9. Local authorities, parish councils etc.

Use of additional information other than credit ratings

- 48 Additional requirements under the Code of Practice require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties.
- 49 This additional market information (for example Credit Default Swaps, negative rating watches/outlooks) will be applied to compare the relative security of differing investment counterparties. The relative value of investments will be reviewed in relation to the counterparty size to ensure an appropriate ratio.

Time and Monetary Limits applying to Investments

- 50 The time and monetary limits for institutions on the Council's Counterparty List are as follows (these will cover both Specified and Non-Specified Investments):

	Long Term Rating	Money Limit	Time Limit
Banks 1 category high quality	AA-	£50m	2 years
Banks 1 category medium quality	A-	£25m	100 days
Banks 2 category – part-nationalised	N/A	£60m	2 years
Banks 3 category – Council's banker	B	£25m	3 months
DMADF/Treasury Bills	AAA	unlimited	6 months
Local Authorities	N/A	£10m each	5 years
Money Market Funds	AAA	£10m each (overall £50m)	liquid

- 51 The Council held £154m of investments at 30 September 2014, and the constituent parts of the investment position are:

Sector	Country	0-3 months	3-6 months	6-12 months
Banks	UK	£53m	0	£42m
Banks	Non UK	£12m	0	0
Building Societies	UK	0	£8m	£21m
Central Government/Other Local Authorities	UK	£1m	0	0
Money Market Funds	UK	£17m	0	0
Total		£83m	£8m	£63m

- 52 As set out earlier in the report, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the 0.5% Bank Rate. The continuing Euro zone sovereign debt crisis, and its potential impact on banks, prompts a low risk and short term strategy. Given this risk averse environment, investment returns are likely to remain low.
- 53 The investment portfolio yield for the first six months of the year is 0.61% against a benchmark 7 day London Inter Bank Bid Rate (the rate at which banks take deposits from each other) yield of 0.35%.
- 54 The original budgeted investment return for 2014/15 was £1.441m, however it is now expected that this will be exceeded by around £0.248m.

Icelandic Deposits

- 55 The County Council had £7m deposited across the Icelandic banks Glitnir Bank hf (£4m), Landsbanki (£2m) and Kaupthing Singer and Friedlander Ltd (£1m), which all effectively collapsed financially in October 2008.
- 56 The Council's recovery position at 30 September 2014 is as follows:
- Glitnir: a full distribution was made in March 2012, however an element of the distribution is in the Icelandic Kroner currency, which has been placed in an escrow account in Iceland due to currency controls currently operating in the country. As a result this element is subject to exchange rate risk, over which the Council has no control.
 - During 2013/14, the Council sold its claims against the insolvent estate of Landsbanki through a competitive auction process. The proceeds of the sale were paid in Pounds Sterling and were received in February 2014 so the Council is no longer a creditor of Landsbanki.
 - Kaupthing Singer and Friedlander: 83.5% of the outstanding balance has been repaid. 85.75% recovery is anticipated in the long run.

57 Following a decision of the Icelandic Supreme Court on 25 September 2013, the Winding up Board of Glitnir must apply the Central Bank of Iceland's official selling rates as at the date of the distribution when calculating the value of payments being made to Creditors in Icelandic Kroner (ISK). Previously, the exchange rate as at 22 April 2009 had been applied to all distributions made. The impact of this decision is that there is on-going uncertainty in relation to the sterling value of future distributions.

Recommendations and Reasons

58 It is recommended that Council:

- a) Note the contents of the mid-year review
- b) Agree the proposed rating changes to remove the "standalone" ratings from Fitch (Viability) and Moody's (Financial Strength) as a selection criteria for approved counterparties.

Contact:	Jeff Garfoot	Tel:	03000 261946
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Appendix 1: Implications

Finance -

Details of the overall financing of the Council's anticipated capital expenditure, along with forecast borrowing and investment income returns are provided in the report.

Staffing –

None

Risk –

None

Equality and Diversity / Public Sector Equality Duty –

None

Accommodation -

None

Crime and Disorder -

None

Human Rights -

None

Consultation -

None

Procurement -

None

Disability issues -

None

Legal Implications –

None

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County Council

3 December 2014



**Changes to the Constitution regarding
Scrap Metal Dealer Licences, Common
Land and Town and Village Greens**

**Report of Colette Longbottom, Head of Legal and Democratic
Services**

Councillor Simon Henig, Leader of Durham County Council

Purpose of the Report

- 1 This report details amendments to the Constitution made by the Head of Legal and Democratic Services to reflect changes in the law or to correct inaccuracies. The changes were made after consultation with the Leader in his capacity of Chairman of the Constitution Working Group.

Background

- 2 An amendment was required to the functions of the General Licensing and Registration Committee in Part 3, Table A of the Constitution, to remove the function to determine contested (refusal, revocation or variation) applications for scrap metal dealer licences because this an executive function.
- 3 A change was required to the delegations of the Corporate Director Regeneration and Economic Development at Table 4 which incorrectly references Common Land and Town and Village Greens under Executive functions when it is a specific and non-executive delegation. A new paragraph 4 has been added to the Director's specific and non-executive delegations as follows and the incorrect reference has been removed:-

“The exercise of the Council’s enforcement powers under legislation listed in the Appendix to Table 4 in relation to Common Land and Town and Village Greens.”

- 4 Changes to the Commons Act 2006 which take effect from 1 December 2014 mean that Local Authorities will be able to correct mistakes in the register of common land and town and village greens and remove buildings and land wrongly registered. The delegations to the Head of Legal and Democratic Services who is responsible for the register have been updated accordingly and the following new paragraphs have been added to the delegations at Table 6.

“To discharge the Council’s functions set out in Part 1 of the Commons Act 2006 and the Commons Registration Act 1965 with the exception of determinations under section 15(1) of the Commons Act 2006.”

“To appoint an inspector to hold an inquiry into applications to register land as town or village green where appropriate.”

Changes that have been made to the Constitution

- 5 The functions of the General Licensing and Registration Committee in Part 3, Table A, the delegations of the Corporate Director Regeneration and Economic Development at Table 4, and the delegations of the Head of Legal and Democratic Services at Table 6 have been amended in the Constitution as set out in paragraphs 2 to 4 of this report.

Recommendations and reasons

- 6 It is recommended that Council note the content of this report.

Contact: Clare Burrows Tel: 03000 260548

Appendix 1: Implications

Finance – None specific within this report

Staffing - None specific within this report

Risk - None specific within this report

Equality and Diversity / Public Sector Equality Duty - None specific within this report

Accommodation - None specific within this report

Crime and Disorder - None specific within this report

Human Rights - None specific within this report

Consultation - None specific within this report

Procurement - None specific within this report

Disability Issues - None specific within this report

Legal Implications - The proposed amendments will enable the Council to carry out its functions in relations to scrap metal dealer licences and common land and town and village greens .

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County Council

3 December 2014



**Changes to the Constitution –
Delegations**

**Report of Colette Longbottom, Head of Legal and Democratic
Services**

Councillor Simon Henig, Leader of Durham County Council

Purpose of the Report

- 1 This report details amendments to the Constitution made by the Head of Legal and Democratic Services to reflect changes in the law or to correct inaccuracies.

Background

- 2 Following the transfer of responsibility for gypsy and roma traveller sites regarding the allocation of sites, site management, rent recovery and tenant support from Children and Adult Services to Regeneration and Economic Development, the Corporate Director's Delegations required updating accordingly.
- 3 To enable the Council to carry out prosecutions under the Proceeds of the Crime Act 2002 in relation to trading standards matters, Appendix 1 to the Corporate Director of Neighbourhood Services' Delegations required updating with this legislation.
- 4 Anti-social behaviour provisions in the Anti-Social Behaviour, Crime and Policing Act 2014, commenced on 20 October 2014, and therefore the Appendix to the Corporate Director, Regeneration and Economic Development Delegations and Appendices 1 and 5 to the Corporate Director of Neighbourhood Services' Delegations required updating with this new legislation.
- 5 A minor amendment was required to the Head of Legal and Democratic Services' Delegations to align the Constitution with a new protocol on insurance and insurable claims which was approved by Corporate Management Team in March 2014.

Changes that have been made to the Constitution

- 6 The Delegations of the Corporate Director, Regeneration and Economic Development at Table 4, the Corporate Director of Neighbourhood Services at Table 5 and the Head of Legal and Democratic Services at Table 6 have been updated in accordance with the amendments shown highlighted in Appendix 2.

- 7 The Constitution Working Group, at its meeting on 30 October 2014, agreed to recommend the amendments to the Delegations.

Recommendations and reasons

- 8 It is recommended that Council note the content of this report.

Contact: Clare Burrows Tel: 03000 260548

Appendix 1: Implications

Finance – None specific within this report

Staffing - None specific within this report

Risk - None specific within this report

Equality and Diversity / Public Sector Equality Duty - None specific within this report

Accommodation - None specific within this report

Crime and Disorder - None specific within this report

Human Rights - None specific within this report

Consultation - None specific within this report

Procurement - None specific within this report

Disability Issues - None specific within this report

Legal Implications - The proposed amendments will enable the Council to carry out its functions in relation to the Proceeds of Crime Act 2002 and the Anti-social Behaviour, Crime and Policing Act 2014.

Appendix 2: Officer Scheme of Delegations

C. OFFICER SCHEME OF DELEGATIONS**Table 4****Delegations to the Corporate Director, Regeneration and Economic Development****Executive Functions**

Subject to the requirement set out below and in compliance with the provisions of Table 1 above, the Corporate Director, Regeneration and Economic Development is authorised to discharge any function of the Executive in relation to:-

- Spatial Planning, Regeneration and Economic Policy
- Housing
- Transport Strategy
- Highways and Local Transport Planning
- Traffic Management, in consultation, where required with the Highways Committee, in relation to functions under the Road Traffic Regulation Act 1984 and 1988
- Network Management and Street Works in relation to the New Roads and Street Works Act 1991 and the Traffic Management Act 2004 including enforcement
- Strategic Tourism
- Conservation and Archaeology
- Town Twinning
- Public Rights of Way
- Common Land and Town and Village Greens
- Management of the Council's Land and Property Assets
- The transport functions delegated to the Council by the Combined Authority formed by the Durham, Gateshead, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014 (the Combined Authority)

In carrying out these delegated functions the Corporate Director will agree arrangements for consultation with the relevant Cabinet Portfolio Member(s) and will refer to the Executive for consideration and decision those matters directed by the said Member(s)

Specific and non-executive delegations

1. To give consent on behalf of the Council to the County Durham Development Company Limited incurring expenditure of money provided by the Council.
2. To review decisions made by the Head of Planning and Assets relating to the list of assets of community value.

3. In consultation with the Head of Legal and Democratic Services to review and update the list of relevant legislation contained within the Appendix to this Table to reflect new or modified statutory provisions.

The following matters are, in addition, delegated to the Head of Transport and Contract Services:

4. To exercise all of the Council's functions relating to public rights of way as set out in Part 1 of Section I of Schedule 1 to the 2000 Regulations except matters reserved to the Highways Committee.
5. To cancel penalty charge notices in respect of parking contraventions under the Civil Enforcement of Parking Contraventions (England) Representations and Appeals Regulations 2007.
6. To exercise the Council's powers under the Traffic Management Act 2004 and Transport Act 2000 to issue a penalty charge notice in connection with parking offences and part of the civil parking regime.
7. To deal with the provision and maintenance of bus stop infrastructure in highways and, if necessary, land abutting highways.
8. To undertake non-statutory consultations before implementing proposals to locate bus stop infrastructure, subject to consultation with Highways Committee before exercising this delegated power if there are unresolved representations to such proposals.
9. Provision and operation of closed circuit television in accordance with the Criminal Justice and Public Order Act 1994 and the Private Security Industry Act 2001.
10. To discharge the regulatory and enforcement functions of the Council under the legislation set out in the Appendix to this Table.
11. To enter into Section 38 of the Highways Act 1980 agreements to adopt and thereafter maintain highways at the public expense.

The following matters are, in addition, delegated to the Head of Spatial Policy, Planning and Assets:

12. Determine all forms of planning and other applications and all notifications submitted under the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990 or under any related principal or secondary legislation, except the following –
- (a) those applications for planning permission, applications for approval of reserved matters or other notifications which have a relevant timescale of more than 28 days that any Member of the Council requests be determined by the Planning Committee (such must be made in writing to the Head of Spatial Policy, Planning and Assets specifying material planning grounds on which the request is made and received by the Head of Spatial Policy, Planning and Assets within 21 days of publication on the weekly list);
 - (b) those applications for planning permission, applications for approval of reserved matters or other notifications which have a relevant timescale of more than 28 days where a Member of the Council or an officer of the Planning Development Service or their spouse/partner or children has an interest in the property or land which is the subject of the application or notification and where there is an objection to the application or notification;
 - (c) those applications for planning permission, applications for approval of reserved matters or other notifications which have a relevant timescale of more than 28 days where despite a Town or Parish Council having expressed objection or support on material planning grounds the officer is minded to recommend the application or notification contrary to the Town or Parish Council wishes and the Town or Parish Council have made a specific request in writing for the application or notification to go before a planning committee which is received by the Head of Planning and Assets within 21 days of publication on the weekly list;
 - (d) Major developments (but not including Reserved Matters, applications for extension of time or applications for a material minor amendment) comprising –
 - (i) ten or more dwellings (detailed and outline applications) except where the application is for a substitution of house types on a scheme already benefiting from an extant planning permission;
 - (ii) industrial floor space of 5000 m² or more comprised in Use Class B1 (Business) and/or Use Class B2 (General Industrial) and/or Use Class B8 (Storage or Distribution); or

- (iii) all other developments not falling within use classes C3, C4, B1, B2 or B8 where the floor space is 1000 m² (gross) or more or the site area is 1 hectare or more except applications where the use or building would be for agriculture or personal equestrian use;
 - (e) those applications for planning permission or notifications which have a relevant timescale of more than 28 days which in the opinion of the Head of Planning and Assets ought to be determined by Committee due to their controversial nature;
 - (f) those applications for planning permission or notifications which have a relevant timescale of more than 28 days recommended for refusal which involve the creation of 10 or more full time or equivalent jobs;
 - (g) those applications for planning permission or notifications which have a relevant timescale of more than 28 days where there is a significant departure from Development Plan policy and which would be required to be the subject of a notification to the Secretary of State;
13. To decline to determine planning applications under Sections 70A, 70B and 70C of the Town and Country Planning Act.
 14. To take all necessary steps in connection with the defence of appeals against any refusal or failure to determine any of the applications and notifications mentioned at paragraph 15 above.
 15. To respond to any pre-application or other consultation on nationally significant infrastructure projects submitted or to be submitted to the Major Infrastructure Planning Unit under the Planning Act 2008.
 16. To authorise the making of a Direction under Article 4 of the Town and Country Planning (General Permitted Development) Order 1995.
 17. To authorise the drafting, negotiation and completion of Section 106 Planning Obligations, S106A Variations to Planning Obligations and Release of Section 52 Planning Agreements and to authorise the giving of any approval or consent required pursuant to a S106 Planning Obligation, S106A Deed of Variation or Section 52 Planning Agreement.
 18. Authorise, sign and serve all enforcement and other notices under the Town and Country Planning Act 1990 and the Town and Country Planning (Control of Advertisements) (England) Regulations 2007 on behalf of the Council.
 19. Authorise the taking of prosecution action applications for injunctions and to instruct the Head of Legal and Democratic Services, as necessary, to instigate legal proceedings in respect of the enforcement of legislation referred to in the Appendix to this Table.

20. To administer simple and conditional cautions to persons guilty of criminal offences under the legislation referred to in the Appendix to this Table and in accordance with PACE and Home Office guidance.
21. Authorise the taking of default action under Sections 178 & 219 of the Town and Country Planning Act 1990.
22. Authorise the making of Orders under Section 257 of the Town and Country Planning Act 1990.
23. To apply to the Secretary of State for an order under Section 249 of the Town and Country Planning Act 1990.
24. To exercise powers of revocation/modification of planning permissions (Section 97), discontinuance of a use/alteration or removal of a building (Section 102 & Schedule 9) and the making of Prohibition or Suspension Orders (Schedule 9) of the Town and Country Planning Act 1990.
25. Authorise the making, confirmation, revocation and variations of Tree Preservations Orders.
26. In connection with any proposed development under Schedule 2 of the Town and Country Planning (Environmental Impact Assessment) Regulations 2011, determine whether an Environmental Impact Assessment is required (screening) and the information required (scoping).
27. Authorise individual named officers to exercise powers of entry contained in the following:
 - The Hedgerow Regulations 1997
 - Town and Country Planning Act 1990
 - Planning (Listed Buildings and Conservation Areas) Act 1990
 - Planning (Hazardous Substances) Act 1990
 - Building Act 1984
 - Fire Safety and Safety of Places of Sport Act 1987
 - Safety of Sport Grounds Act 1975
 - Local Government (Miscellaneous Provisions) Act 1982
 - Party Wall etc Act 1996
 - Planning Act 2008
 - or such other Acts of Parliament as relate to the relevant statutory functions of the planning authority;
28. To administer and determine complaints about high hedges under the Anti-Social Behaviour Act 2003.
29. The obtaining of information under Section 330 of the Town and Country Planning Act 1990 and Section 16 of the Local Government (Miscellaneous Provisions) Act 1976.

30. Act under and in respect of –
 - (a) Sections 16, 18 to 21, 23 to 25, 32, 35 and 36, Building Act 1984;
 - (b) Sections 71 to 73 and 77 to 83, Building Act 1984;
 - (c) Building Regulation 14 with regard to giving of notices and requiring the laying open, cutting into, and pulling down the building, works or fittings
Issue 1 65 12 May 2010
 - (d) Sections 29-32, Local Government (Miscellaneous Provisions) Act 1982;
 - (e) Party Wall Act etc 1996;
31. Accept and reject notices, certificates and certificates of compliance from Approved Inspectors and Public Bodies under Sections 47 to 54, Building Act 1984 and to issue safety certificates in accordance with the Safety of Sports Grounds Act 1975 and Part III, Fire Safety and Safety of Places of Sport Act 1987;
32. To authorise, sign and serve all notices and deal with all applications, licences, revocations and suspensions and take all necessary enforcement action on behalf of the Council in respect of its responsibilities for matters of building control.
33. In consultation with the Local Members and the relevant Cabinet Portfolio Member, to sell or lease any property which is surplus to the requirements of the Service for which it is held and where after enquiries no other Service has expressed an interest in the property.
34. To approve the principle of acquiring property at a price not exceeding £60,000.
35. To settle the terms of the purchase or lease of property the acquisition of which has been approved in principle by the Council and to settle any dilapidation claim at the end of any lease acquired.
36. To negotiate the acquisition of easements, rights of way, wayleaves, licences, covenants and consents for the benefit of Council land and property.
37. To accept the dedication or transfer of land to be maintained as public open space subject to satisfactory terms being negotiated for contribution to the cost of maintenance.
38. To deal with applications for easements, rights of way, wayleaves, licences, covenants and consents affecting council land and property not materially affecting the use to which it is or might be put.

39. To approve the granting of an option over Council land or the acquiring by the Council of an option over land and to approve the extension of any option granted or acquired.
40. To authorise the use of Council land as a permissive right of way and/or to dedicate Council land as a public right of way.
41. In consultation with the appropriate Service representative to grant leases on any council owned property, whether or not it has been declared surplus.
42. In respect of leases, to carry out rent reviews and to grant renewals, variations, assignments, sub-lettings, surrenders and other landlords' consents.
43. To agree the appropriation of land from one use to another where this is necessary to facilitate schemes to be carried out by or on behalf of the Council.
44. To settle compensation claims not exceeding £50,000 either under the provisions of Part 1 of the Land Compensation Act 1973 or as a result of the Council taking entry to property for borehole samples, surveys or other site investigations.
45. To negotiate and agree the rating assessment and valuation of all council owned property, in consultation with the Head of Corporate Finance.
46. To require information as to interests in land under Section 16 of the Local Government (Miscellaneous Provisions) Act 1976.
47. To negotiate abortive costs in the event of a transaction not proceeding in circumstances where the Council has a liability to pay costs.
48. Where required as part of the appropriate management of the Council's assets, to authorise the demolition of Council buildings.
49. To approve disposals and appropriations of Open Space and Public Walks and Pleasure Grounds as set out in Section 10 of the Open Spaces Act 1906 and Section 164 of the Public Health Act 1875 subject to seeking guidance from the Highways Committee in the event of unresolved objections being received.
50. To authorise and maintain a list of assets of community value and to make adjudications and decisions in relation thereto, as defined in Part 5, Chapter 3 of the Localism Act 2011.
51. All duties arising out of the establishment of the Business Improvement Districts.

52. To designate any areas to be of special architectural or historical interest as conservation areas; to review and amend the boundaries and conclude Character appraisals and to formulate and prepare proposals for the preservation and enhancement of those areas.

The following matters are, in addition, delegated to the Head of Economic Development and Housing

53. To exercise the Council's function in relation to housing including:-
- (a) determining the conditions to be included in tenancy agreements;
 - (b) making any decisions necessary to comply with the Council's obligations to secure tenants in compliance with the legislation referred to in the Appendix to Table 4;
 - (c) the determination of any applications for grant assistance pursuant to the legislation listed in the Appendix at Table 4;
 - (d) the allocation of tenancies in accordance with policies approved by the Council;
 - (e) to determine all requests for consents required by the terms of tenancy agreements;
 - (f) to authorise action to enforce a breach of condition in tenancy agreements, including in consultation with the Head of Legal and Democratic Services where necessary, the institution of legal proceedings;
 - (g) the exercise of the Council's enforcement powers under the legislation listed in the Appendix to Table 4 in relation to private sector housing;
 - (h) to authorise the implementation of any action necessary to recover monies due to the Council as a result of its exercise of the powers contained in legislation listed in the Appendix at Table 4;
 - (i) to investigate and determine all applications made to the Council under its powers and duties to deal with homelessness in the legislation described in the Appendix at Table 4;
 - (j) to authorise any expenditure required in the exercise of the Council's functions to assist the homeless.
 - (k) To amend agreements entered with Arms Length Management organisations;
 - (l) To respond on the Council's behalf to requests for consent to alterations to the Articles of Association of Large Scale Voluntary Transfer companies and Arms Length Management Organisations.
54. To carry out the Council's functions in relation to permanent gypsy, roma and traveller sites under the legislation listed in the Appendix at Table 4, including allocation of sites, site management, rent recovery and tenant support.

Appendix to Table 4

Acquisition of Land Act 1981
Anti-Social Behaviour Act 2003
Anti-Social Behaviour, Crime and Policing Act 2014
Building Act 1984
Commons Act 1876
Commons Act 2006
Commons Registration Act 1965
Countryside and Rights of Way Act 2000
Criminal Justice and Public Order Act 1994
Durham City Council Act 1985
Electricity at Work Act 1989
Environmental Protection Act 1990
Environment Act 1995
Fire Safety and Places of Sport Act 1987
Fraud Act 2006
The Hedgerows Regulations 1997
Highways Act 1980
Home Energy Conservation Act 1997
Homelessness Act 2002
Housing Act 1985
Housing Act 1988
Housing Act 1996
Housing Act 2004
Housing and Regeneration Act 2008
Housing Grants Construction and Regeneration Act 1996
Inclosure Act 1857
Land Compensation Act 1973
Landlord and Tenant Act 1985
Leasehold Reform Housing and Urban Development Act 1993
Local Democracy, Economic Development and Construction Act 2009
Local Government, Planning and Land Act 1980
Local Government (Miscellaneous Provisions) Act 1982
Local Government (Miscellaneous Provisions) Act 1976
Local Government Act 1972
Local Government Act 2003
Local Government and Housing Act 1989
Localism Act 2011
Local Transport Act 2008
Mobile Homes Act 2013
National Parks and Access to the Countryside Act 1949
Natural Environment and Rural Communities Act 2006
New Roads and Street Works Act 1991
Open Spaces Act 1906
Party Wall etc. Act 1996
Planning and Compulsory Purchase Act 2004
Planning (Hazardous Substances) Act 1990
Planning (Listed Buildings and Conservation Areas) Act 1990
Planning Act 2008

Private Security Industry Act 2001
Protection from Eviction Act 1977
Railway Clauses Consolidation Act 1985
Regulatory Reform (Housing Assistance) (England and Wales) Order 2002
Road Traffic Regulation Act 1984
Safety of Sports Grounds Act 1975
The Conservation of Habitats and Species Regulations 2010
Town and Country Planning (Use Classes Order) 1987
Town and Country Planning Act 1990
Town and Country Planning (Control of Advertisements) (England) Regulations 2007
Town and Country Planning (Environmental Impact Assessment) Regulations 2011
Town and Country Planning (General Permitted Development) Order 1995
Town and Country Planning (Development Management Procedure) (England) Order 2010
Town and Country Planning (Local Planning) (England) Regulations 2012
Town Police Clauses Act 1847
Traffic Management Act 1984
Traffic Management Act 2004
Transport Act 1985
Transport Act 2000
Warm Homes and Energy Conservation Act 2003
Wildlife and Countryside Act 1981

Table 5

Delegations to the Corporate Director, Neighbourhood Services

Executive Functions

Subject to the requirement set out below and in compliance with the provisions of Table 1 above the Corporate Director, Neighbourhood Services is authorised to discharge any function of the Executive in relation to:-

- Highway design and maintenance
- Highway speed management
- Clean Neighbourhoods and Environment
- Open Spaces
- Leisure and Recreation
- Public Health and Pest Control
- Waste Management and Recycling
- Street Cleansing
- Building and Technical Services
- Allotments
- Building Compliance and Repairs
- Construction Compliance
- Traffic Management, in consultation, where required, with the Highways Committee in relation to functions under the Road Traffic Regulation Act 1984.
- Network Management and Street Works in relation to the New Roads and Street Works Act 1991 and the Traffic Management Act 2004 including enforcement
- Community Safety
- The Waste Solution Programme
- Private Sector Housing Enforcement
- Animal Welfare/Infectious Disease Control
- Stray Dogs
- Trading Standards and Consumer Protection
- Burial and Cremation
- Fleet Management
- Vehicle Testing
- Response to unauthorised Gypsy, Roma and Traveller Encampments
- Facilities Management
- Catering Management
- Tree Management
- Customer Services
- Street Naming and Numbering
- Culture and Sport Activities including the provision of facilities and venues
- Countryside Estate Management
- Provision, operation and commissioning of public libraries, museums, art galleries, theatres, arts development, heritage facilities

Specific and Non-Executive Delegations

1. To exercise all of the Council's functions including licensing, registration, making of orders, issue of notices and enforcement in respect of the following matters referred to in Schedule 1 to the 2000 Regulations:
 - (a) performances of hypnotism;
 - (b) premises for acupuncture, tattooing, ear piercing and electrolysis;
 - (c) pleasure boats and pleasure vessels;
 - (d) night cafes and take-away food shops;
 - (e) sale of non-medicinal poisons;
 - (f) premises for the preparation of food including registration;
 - (g) scrap yards;
 - (h) pet shops and the breeding and boarding of dogs or other animals;
 - (i) animal trainers;
 - (j) knackers' yards;
 - (k) charitable collections;
 - (l) operation of loudspeakers;
 - (m) street works licences;
 - (n) movement and sale of cattle and pigs;
 - (o) all the provisions of the Highways Act 1980;
 - (p) storage of celluloid;
 - (q) meat, fish, dairy and egg product establishments and butchers' shops;
 - (r) motor salvage operations;
 - (s) health and safety at work;
 - (t) smoke-free premises;
 - (u) caravan and camping sites and moveable dwellings.

2. To exercise the Council's functions in relation to:
 - (a) the control of pollution and the management of air quality;
 - (b) statutory nuisances, as referred to in Schedule 2 to the 2000 Regulations;
 - (c) contaminated land;
 - (d) port health;

The matters set out in paragraphs 3 to 15 below are, in addition, delegated to the Head of Environment, Health and Consumer Protection:

3. To exercise, in consultation with the Head of the Legal and Democratic Services the Council's licensing, approval, registration and enforcement functions, including the institution of legal proceedings under legislation set out in Appendix 1 to this Table and all associated secondary legislation as amended from time to time.
4. In consultation with the Head of Legal and Democratic Services to review and update the list of relevant legislation contained within Appendix 1 to this Table to reflect new or modified statutory provisions.
5. Subject to Appendices 2, 3 and 4 to this Table to authorise, suspend, vary, transfer, extend or revoke permits, licences, certificates, registrations and approvals issued under the legislation set out in the Appendix 1 to this Table including all relevant statutory provisions.
6. To issue simple and conditional cautions to persons guilty of criminal offences under the legislation as referred to in paragraph 3 above and in accordance with PACE and the Home Office Guidance.
7. To authorise suitably qualified and competent staff within the Environment, Health and Consumer Protection Division and other persons acting on behalf of the Council, for the purposes of discharging duties and powers under the legislation referred to in paragraph 3 above.
8. To authorise another local authority to institute legal proceedings in respect of a contravention of the legislation set out in Appendix 1 to this Table where related contraventions are being investigated by that authority.
9. To grant authorisations in relation to illegal money lending and unfair trading practices.
10. Power to agree transfers and assignments under health and safety legislation to change Enforcing Authority responsibilities.

11. Power to appoint Proper Officers and alternate Proper Officers for the Authority for matters relating to Public Health, Port Health and the Control of Infectious Disease.
12. Power to appoint Public Analyst, Agricultural Analyst and Food Examiner for the Council.
13. To authorise Officers to institute and or defend on behalf of the Council any legal proceedings which the Council by itself, or by a duly empowered Committee, may decide to take. In this respect, nominated staff are hereby authorised to appear in Court in person, or to be represented by a duly appointed officer of the Council in accordance with Section 223 of the Local government Act 1972 or to be represented by a duly instructed solicitor.
14. To determine those applications and matters in relation to Licensing and Gambling as are referred to in Appendices 2, 3 and 4 to this Table.
15. To agree terms of conditions and licences in accordance with published best practice and/or guidance.

The matters set out in paragraphs 16 to 23 below are, in addition, delegated to the **Head of Direct Services and Head of Technical Services:**

16. To exercise, in consultation with the Head of Legal and Democratic Services the Council's enforcement functions, including the institution of legal proceedings, under legislation set out in Appendix 5 to this Table and all associated secondary legislation, as amended from time to time.
17. To authorise suitably qualified and competent staff within Neighbourhood Services and other persons acting on behalf of the Council, for the purposes of discharging duties and powers under the legislation referred to in Appendix 5 to this Table.
18. In consultation with the Head of Legal and Democratic Services to review and update the list of relevant legislation contained within Appendix 5 to this Table to reflect new or modified statutory provisions.
19. To issue simple and conditional cautions to persons guilty of criminal offences under the legislation as referred to in Appendix 5 to this Table and in accordance with PACE and the Home Office Guidance.
20. To discharge the regulatory and enforcement functions of the Council under the legislation set out in Appendix 5 to the Table.
21. The determination of applications for approval of drainage systems submitted pursuant to Schedule 3 of the Flood and Water Management Act 2010
22. To exercise the Council's powers under the Durham City Council Act 1985 in relation to the temporary closure of footpaths.

23. (a) To grant street-works licenses under Section 50 of the New Roads and Streetworks Act 1991 (the 1991 Act)
- (b) To issue fixed penalty notices to statutory undertakers who fail to serve correct notices under the New Roads and Street Works Act 1991 to carry out works on the road network.

The matter set out in paragraph 24 below is, in addition, delegated to the Head of Culture and Sport

24. In consultation with the Head of Legal and Democratic Services to take enforcement action under bye-laws relating to arts, libraries and museums.

Appendix 1 to Table 5

Administration of Justice Act 1970
Agriculture Act 1970
Agriculture (Miscellaneous Provisions) Act 1968
Agricultural Produce (Grading and Marking) Acts 1928 and 1931
Animal Boarding Establishments Act 1963
Animal By Products (Enforcement) (England) Regulations 2013
Animal Feed (England) Regulations 2010
Animal Health Act 1981
Animal Welfare Act 2006
Anti-Social Behaviour Act 2003
Anti-Social Behaviour, Crime and Policing Act 2014
Breeding of Dogs Act 1973
Breeding of Dogs Act 1991
Breeding and Sale of Dogs (Welfare) Act 1999
Building Act 1984
Caravan Sites and Control of Development Act 1960
Caravan Sites Act 1968
Children and Young Persons Act 1933
Children and Young Persons (Protection from Tobacco) Act 1991
Clean Air Act 1993
Clean Neighbourhoods and Environment Act 2005
Companies Act 1985 and 2006
Consumer Contracts (information, Cancellation and Additional Charges) Regulations 2013
Consumer Credit Act 1974
Consumer Protection (Distance Selling) Regulations 2000
Consumer Protection Act 1987
Consumer Protection from Unfair Trading Regulations 2008
Control of Pollution (Amendment) Act 1989
Control of Pollution Act 1974
Copyright, Design and Patents Act 1988
Crime and Disorder Act 1998
Criminal Justice Act 1988
Criminal Justice and Police Act 2001
Criminal Justice and Public Order Act 1994
Courts and Legal Services Act 1990
Dangerous Substances and Explosive Atmospheres Regulations 2002
Dangerous Wild Animals Act 1976
Development of Tourism Act 1969
Education Reform Act 1988
Employment of Women, Young Persons and Children Act 1920
Energy Act 1976
Enterprise Act 2002
Environmental Damage (Prevention and Remediation) (Regulations) 2009
Environmental Protection Act 1990
Environment Act 1995
Estate Agents Act 1979

European Communities Act 1972
Explosives Act
Explosives (Age of Purchase etc) Act 1976
Fair Trading Act 1973
Farm and Garden Chemicals Act 1967
Feed (Hygiene and Enforcement) (England) Regulations 2005
Food Act 1984
Food Safety and Hygiene (England) Regulations 2013
Food and Environment Protection Act 1985
Food Safety Act 1990
Fraud Act 2006
Gambling Act 2005
Hallmarking Act 1973
Health Act 2006
Health and Safety at Work etc. Act 1974
Highways Act 1980
House to House Collections Act 1939
Housing Act 2004
Hypnotism Act 1952
International Health Regulations 2005
Intoxicating Substances (Supply) Act 1985
Land Drainage Act 1976
Land Drainage Act 1991
Land Drainage Act 1994
Licensing Act 2003
Local Authorities Goods and Services Act 1970
Local Government Act 1972
Local Government (Miscellaneous Provisions) Act 1976
Local Government (Miscellaneous Provisions) Act 1982
Localism Act 2011
Medicines Act 1968
Mobile Homes Act 2013
Motor Salvage Operators Regulations 2002
National Assistance Act 1948
Noise Act 1996
Noise and Statutory Nuisance Act 1993
Official Feed and Food Controls (England) (Amendment) Regulations 2011
Performing Animals (Regulation) Act 1925
Pesticides Act 1998
Pesticides (Fees and Enforcement) Act 1989
Pet Animals Act 1951
Pet Animals Act 1951 Amendment Act 1983
Petroleum Consolidation Act 1928
Poisons Act 1972
Police, Factories etc. (Miscellaneous Provisions) Act 1916
Pollution Prevention and Control Act 1999
Prevention of Damage by Pests Act 1949
Prices Acts 1974
Proceeds of Crime Act 2002
Protection of Animals Act 1911

Public Health Act 1936
Public Health Act 1961
Public Health (Control of Diseases) Act 1984
Public Health (Ships) Regulations 1979
Public Health (Ships) (Amendment) (England) Regulations 2007
Public Health Acts Amendment Act 1907
Riding Establishments Acts 1964 and 1970
Road Traffic (Foreign Vehicles) Act 1972
Road Traffic Acts 1988 and 1991
Road Traffic Offenders Act 1988
Road Traffic (Consequential Provisions) Act 1988
Scrap Metal Dealers Act 2013
Slaughter of Poultry Act 1967
Slaughterhouse Act 1974
Solicitors Act 1974
Sunbeds (Regulations) Act 2010
Sunday Trading Act 1994
Telecommunications Act 1984
Timeshare, Holiday Products, Resale and Exchange Contracts Regulations 2010
Tobacco Advertising and Promotion Act 2002
Town and Country Planning Act 1990
Town Police Clauses Act 1847
Trade Descriptions Acts 1968
Trade Marks Act 1994
Trading Stamps Act 1964
Traffic Management Act 2004
Unsolicited Goods and Services Acts 1971
Unsolicited Goods and Services Amendment Act 1975
Video Recordings Acts 1984, 1993 and 2010
Water Industries Act 1991
Weights and Measures Act 1985
Zoo Licensing Act 1981

Appendix 2 to Table 5 - Delegation of Licensing Act 2003 responsibilities

Matter to be dealt with	(1) Full Committee	(2) Sub-Committee	(3) Officers
Application for Personal Licence		If a Police objection is made	If no objection made
Application for Personal Licence with unspent convictions		All cases	
Application for Premises Licence/Club Premises Certificate		If a relevant representation is made	If no relevant representation is made
Application for provisional statement		If a relevant representation is made	If no relevant representation is made
Application to vary Premises Licence/Club Premises Certificate		If a relevant representation is made	If no relevant representation is made
Application to vary designated Premises Supervisor		If a Police objection is made	All other cases
Request to be removed as designated Premises Supervisor			All cases
Application for transfer of Premises Licence		If a Police objection is made	All other cases
Application for interim authorities		If a Police objection is made	All other cases
Application to review Premises Licence/Club Premises Certificate		All cases	
Decision on whether a complaint is irrelevant, frivolous or vexatious, etc.			All cases, in consultation with the Chair or Vice Chair of the Statutory Licensing Committee
Decision to object when local authority is a consultee and not the relevant authority considering the application		All cases	
Determination of a police representation to a temporary event notice		All cases	

Appendix 3 to Table 5 - Gambling Act 2005 – Scheme of Delegations

Gambling Act 2005	Functions	Delegation
Section 163	Determination of application for Premises Licence in respect of which representations have been made (and not withdrawn) Determination of application for Premises Licence where no relevant representations received	Licensing Sub-Committee Officers
Section 162	Attachment of condition to Premises Licence or exclusion of default condition	Licensing Sub-Committee
Section 162	Decision as to whether representation is vexatious, frivolous, or would certainly not influence the authority's determination of application	Officers in consultation with Chairman or Vice-Chairman at the Licensing Committee
Section 187	Determination of application to vary Premises Licence in respect of which representations have been made (and not withdrawn) Determination of application to vary Premises Licence in respect of which no representation received	Licensing Sub-Committee Officers
Section 188	Determination of application for transfer of Premises Licence in respect of which representations have been made (not withdrawn) Determination of application for transfer of Premises Licence where no representations received	Licensing Sub-Committee Officers
Section 193	Revocation of Premises Licence for failure to pay annual fee	Officers
Section 194	Determination that a Premises Licence has lapsed	Officers
Section 195	Reinstatement of lapsed Premises Licence in respect of which representations have been made (and not withdrawn) Reinstatement of lapsed Premises Licence where no representation is received	Licensing Sub-Committee Officers
Section 198	Rejection of application for review of Premises Licence on various grounds	Officers in consultation with the Chairman or Vice-Chairman of the Licensing Committee
Section 200	Initiation of review of Premises Licence	Officers
Section 201	Determination that representation about review of Premises Licence is frivolous, vexatious or will certainly not influence a review of a Premises Licence	Officers in consultation with the Chairman or Vice-Chairman of the Licensing Committee
Section 202	Determination of action following review of Premises Licence	Licensing Sub-Committee

Gambling Act 2005	Functions	Delegation
Section 204	Determination of application for provisional statement in respect of Premises Licence where representations have been made (and not withdrawn) Determination of application for provisional statement in respect of which no representations received	Licensing Sub-Committee Officers
Section 205	Decision to disregard representations made in respect of application for a Premises Licence after issue of provisional statement	Officers in consultation with the Chairman or Vice-Chairman of the Licensing Committee
Section 218	Issue of counter notice to Temporary Use Notice where number of permitted days are exceeded	Officers
Section 221	Objection to Temporary Use Notice	Officers
Section 222	Hearing in relation to a Temporary Use Notice or to agree with other parties in the event of an objection that a hearing is unnecessary	Authorised Officer in consultation with Chair or Vice Chair of the Licensing Committee
Section 284	Making of Order to remove exemptions from specified premises	Licensing Sub-Committee
Section 346	Institution of criminal proceedings in respect of an offence under the provisions of the Act	Officers in consultation with the Chairman or Vice-Chairman of the Licensing Committee
Schedule 10 Paragraph 8	Determination of application for Family Entertainment Centre Gaming Machine Permit	Head of Administration (or in his absence the Central Services Manager) (Refusal to be exercised only in consultation with Chairman or Vice-Chairman of the Licensing Committee)
Paragraphs 14 and 15	Notification of lapse of Family Entertainment Centre Gaming Permit	Officers in consultation with the Chairman or Vice-Chairman of the Licensing Committee
Schedule 11 Paragraph 44 Paragraph 48	Registration of society for small society lottery Refusal of application for registration of society for small society lottery	Officers Officers in consultation with the Chairman or Vice-Chairman of the Licensing Committee
Paragraph 50	Revocation of registration of society for small society lottery	Officers in consultation with the Chairman or Vice-Chairman of the Licensing Committee
Paragraph 54	Cancellation of registration of society for small society lottery for non-payment of annual fee	Officers

Gambling Act 2005	Functions	Delegation
<p>Schedule 12 Paragraphs 5 and 10 and 24</p> <p>Paragraph 15</p> <p>Paragraph 21</p> <p>Paragraph 22</p>	<p>Determination of application for Club Gaming Permit and Club Registration Permit and for renewal of permit in respect of which representations have been made (and not withdrawn)</p> <p>Determination of application for Club Gaming Permit and Club Registration Permit and for renewal of permit where no representations received</p> <p>Determination of application for variation of Club Gaming Permit and in respect of which Club Registration Permit and cancellation of permit representations have been made (and not withdrawn)</p> <p>Determination of application for variation of Club Gaming Permit and Club Registration Permit and cancellation of permit where no representations received</p> <p>Cancellation of Club Gaming Permit and Club Registration Permit</p> <p>Cancellation of Club Gaming Permit and Club Registration Permit for failure to pay annual fee</p>	<p>Licensing Sub-Committee</p> <p>Officers</p> <p>Licensing Sub-Committee</p> <p>Officers</p> <p>Licensing Sub-Committee</p> <p>Officers</p>
<p>Schedule 13 Paragraphs 4, 15 and 19</p> <p>Paragraph 16</p>	<p>Determination of application for grant, variation or transfer of Licensed Premises Gaming Machine Permit</p> <p>Cancellation of Licensed Premises Gaming Machine Permit or variation of number or category of machines in respect of which representations received (and not withdrawn)</p>	<p>Officers (Refusal and limitation on number of machines only in consultation with Chairman or Vice-Chairman of the Licensing Committee)</p> <p>Licensing Sub-Committee</p>
<p>Paragraph 17</p>	<p>Cancellation of Licensing Premises Gaming Machine Permit and variation of number or category of machine where no representations received</p> <p>Cancellation of Licensed Premises Gaming Machine Permit for failure to pay annual fee</p>	<p>Officers</p> <p>Officers</p>
<p>Schedule 14 Paragraphs 9 and 18</p> <p>Paragraph 15</p>	<p>Determination of application for Prize Gaming Permit and application for renewal of Permit</p> <p>Determination that Prize Gaming Permit has lapsed</p>	<p>Officers (Refusal only in consultation with Chairman or Vice-Chairman of Licensing Committee)</p> <p>Officers</p>

Appendix 4 to Table 5 - Hackney Carriage and Private Hire Licensing

Matters to be dealt with	Full Committee	Sub-Committee	Officers
Application for a Drivers Licence where there are no concerns over their fitness and propriety			X
Application for a Drivers Licence where doubts on fitness and propriety are minor traffic offences			X
Application for a Drivers Licence where there is a lapse of time or circumstances for convictions fall outside of the Policy		X	
Application for a Drivers Licence where there is any other doubt on suitability		X	
Revocation of Driver or Operator Licence		X	
Revocation of Vehicle Licence			X
Suspension of Licences			X

Appendix 5 to Table 5

Administration of Justice Act 1970
Allotments Act 1922, 1925 and 1950
Animal Welfare Act 2006
Anti-Social Behaviour Act 2003
Anti-Social Behaviour, Crime and Policing Act 2014
Burial Act 1853
Burial Act 1857
Civic Amenities Act 1967
Clean Neighbourhoods and Environment Act 2005
Coast Protection Act 1949
Conservation of Habitats and Species Regulations 2010
Construction, Design and Management Regulations 2007
Control of Pollution Act 1974
Control of Pollution (Amendment) Act 1989
Copyright, Designs and Patents Act 1988
Countryside Act 1968
Countryside and Rights of Way Act 2000
Cremation Act 1902 and 1952
Criminal Damage and Police Act 2001
Criminal Justice and Public Order Act 1994
Criminal Damage Act 1971
Crime and Disorder Act 1998
Dangerous Dogs Act 1991
Disability Discrimination Act 2005
Durham City Council Act 1985
Electricity at Work Act 1989
Environment Act 1995
Environmental Protection Act 1990
Firearms Act 1968
Flood and Water Management Act 2010
Hazardous Waste (England and Wales) Regulations 2005
Health and Safety at Work Act 1974
Highways Act 1980
Household Waste Recycling Act 2003
Housing Grants, Construction and Regeneration Act 1996
Land Drainage Act 1991 and 1994
Landfill (England and Wales) Regulations 2002
Local Democracy, Economic Development and Construction Act 2009
Local Government Act 1972
Local Government (Miscellaneous Provisions) Act 1976
Local Government (Miscellaneous Provisions) Act 1982
Localism Act 2011
Local Authorities' Cemeteries Order 1977
Local Transport Act 2008
Management of Health and Safety at Work Act Regulations 1999
Museums and Galleries Act 1992
National Parks and Access to the Countryside Act 1949
Natural Environment and Rural Communities Act 2006

New Roads and Street Works Act 1991
Occupiers Liability Act 1984
Offender Management Act 2007
Open Spaces Act 1906
Parochial Registers and Records Measure 1978
Police Reform Act 2002
Public Health Act 1925
Public Health Act 1936
Public Health Act 1961
Public Health Acts Amendment Act 1907
Refuse Disposal (Amenity) Act 1978
Registration of Burials Act 1864
Road Traffic Act 1988
Road Traffic Regulation Act 1984
Road Traffic (Temporary Restrictions) Act 1991
Road Traffic Regulation (Special Events) Act 1994
Safety Sports Ground Act 1975
Small Holdings and Allotments Act 1908
Sporting Events (Control of Alcohol etc) Act 1985
Theatres Act 1968
Town and Country Planning Act 1990
Town Improvement Clauses Act 1847
Town Police Clauses Act 1847
Traffic Calming Act 1992
Traffic Management Act 2004
Transport Act 1968, 1981, 1985 and 2000
Waste Minimisation Act 1998
Waste Batteries and Accumulators Regulations 2009
Waste Electrical and Electronic Equipment Regulations 2013
Waste (England and Wales) Regulations 2011
Weeds Act 1959
Wildlife and Countryside Act 1981

Table 6

Delegations to the Corporate Director, Resources

Executive Functions

Subject to the requirement set out below and in compliance with the provisions of Table 1 above the Corporate Director, Resources is authorised to discharge any function of the Executive in relation to:-

- The proper administration of the Council's financial affairs
- The provision of Legal and Democratic Services to the Council
- Human Resources and Organisational Development Services
- ICT Services
- Coroners
- Land charges
- The Registration of Births, Deaths and Marriages

In carrying out these delegated functions the Corporate Director will agree arrangements for consultation with the relevant Cabinet Portfolio Member(s) and will refer to the Executive for consideration and decision those matters directed by the said Member(s)

Specific and Non-Executive Delegations

Finance and Corporate Services

1. To establish an appropriate Debt Management Strategy and Policy and to implement appropriate action to ensure the collection of revenue, council tax and business rates.
2. The administration of housing benefits, including Discretionary Housing Payments and the administration of the Local Council Tax Support Scheme (from 1 April 2013).
3. The provision, operation and commissioning of a Welfare Rights and Citizens Advisory Service.
4. To exercise the budgetary control functions referred to the Corporate Director under the Council's Financial Procedure Rules.
5. To arrange all borrowings, financing and investment in line with the Council's Treasury Management Policy Statement.
6. To maintain an effective internal audit service.
7. To act as lead officer for the Audit Committee.

8. To act as the Risk Management Officer Champion and ensure appropriate risk management arrangements are in place across the Council.
9. To act as lead officer for maintaining effective corporate governance arrangements and the preparation of the Annual Governance Statement
10. To make appropriate banking arrangements on behalf of the Council.
11. To insure against risks where this is considered appropriate.
12. The operation of the Council's accounting systems and payroll.
13. In consultation with the Leader and Deputy Leader, to authorise the release of funds from contingencies as set out in the Revenue Budget and to forecast and to manage the Council's Collection Funds, making adjustments to payments to principal precepting bodies as appropriate.
14. To establish such reserves as required and review them for both adequacy and purpose on a regular basis.
15. To act as Proper Officer for the purposes of the following provisions of the Local Government Act 1972:
 - (a) Section 115(2) (Accountability of Officers);
 - (b) Section 146 (Transfer of Securities on Alteration of Area Etc.)
16. In relation to the Pension Fund:
 - (a) To exercise the County Council's function as administering authority relating to the Local Government Pension Scheme.
 - (b) To exercise discretions the Council has under the regulations governing the Local Government Pension Scheme;
 - (c) To authorise, in cases of urgency, the taking of any action by a Manager of the Pension Fund this is necessary in order to protect the interests of the Fund.
 - (d) To take any decision relating to the investment or management of the Pension Fund that cannot reasonably await the next meeting of the Pension Fund Committee.
 - (e) To maintain all necessary accounts and records in relation to the Pension Fund, including the calculation of and payment of benefits, reconciliation and investment of contributions, preparation of the Annual Accounts and preparation of membership data for actuarial valuation purposes.
 - (f) To maintain the system of internal control.

- (g) To manage the triennial valuation of the Pension Fund.
 - (h) To accept for admission into the Pension Fund employees of authorities and bodies as prescribed in Regulations including transferee and community Admissions which are considered as 'exceptional circumstances', subject to an approved Admission Agreement, and subject to any necessary indemnities as appropriate
 - (i) To be the local referee for disputes under the Local Government Pension Scheme
 - (j) To set the appropriate funding target for the Fund under the rules of the Local Government Pension Scheme.
 - (k) To carry out, in consultation with the Pension Fund Committee, the requirement to monitor and review the investments made by the Fund Managers and report to each meeting of the Pension Fund Committee on the exercise of this delegation.
 - (l) To manage cash flow, allocate funds between investment managers in order to ensure that the Fund's asset allocation is maintained and invest the residual cash balances.
 - (m) To arrange and authorise the provision of appropriate Member training, including the attendance at conferences and other similar pension fund related events by Members of the Pension Fund Committee.
 - (n) To prepare and submit the necessary Policy Statements to Pension Fund Committee and to arrange for the implementation and review of those statements, strategies, policies and procedures, as required. These include the Funding Strategy Statement.
 - (o) To prepare and submit the necessary plans and principles to the Pension Fund Committee and to arrange for the implementation and review of those plans and principles, as required. These include the Pension Fund Annual Report and the Statement of Investment Principles.
 - (p) To produce as part of the Funding Strategy Statement, an assessment of all the specific risks that can be identified in relation to the management of the Pension Fund.
17. To write off debts.
 18. To deal with the payment of Coroner's remuneration and expenses.
 19. To ensure appropriate financial arrangements across the Council.

20. To approve premises for the solemnization of marriages and the registration of civil partnerships.
21. To appoint Assistant Coroners in accordance with the provisions of the Coroners and Justice Act 2009.
22. To authorise expenditure within the approved budget for civic hospitality.
23. To agree the terms of loans permitted under law.
24. To make a statutory declaration of local authority mortgage interest.
25. To respond to notices in relation to EU financial sanctions.
26. To receive and respond to expressions of interest under Community Right to Challenge, under Part 5, Chapter 2 of the Localism Act 2011.
27. To forecast yield from Business Rates including the completion and submission to Government of the NNDR 1 and NNDR 3 returns, factoring the implications of the Business Rate Retention Scheme (from 1 April 2013) into the Medium Term Financial Plan and maintaining a Collection Fund in accordance with proper accounting practice.
28. To establish a Council Tax Discretionary Reduction Policy and Business Rates Hardship Relief Policy and administer applications for relief under Section 13A(1)(c) of the Local Government Finance Act 1988.
29. To liaise with the Schools Forum on School Funding formula allocations and to advise Council on formula changes to ensure compliance with Department for Education guidance and regulations and the proper administration of Dedicated Schools Grant allocations.

Human Resources and Organisational Development

30. To implement the Council's decisions in relation to Single Status and Job Evaluation.
31. To approve the regrading of posts up to and including Head of Service level.
32. To offer alternative employment to any permanent employee who becomes surplus to the requirements of the Service or whose employment is at risk through reasons of ill health or other incapacity.
33. To determine applications for the extension of sick pay.
34. To approve applications for leave of absence in cases not covered by the Council's policies.
35. To agree variations to the Council's scheme for payments towards removal expenses, lodging allowances and legal fees for new employees.

36. To approve overtime payments for employees above spinal column point 28.
37. To authorise redundancy payments to school staff after consultation with the Head of Corporate Finance.
38. To coordinate the Member Training and Development Programme including:
 - (a) management of the approved Member Training and Development Budget and
 - (b) authorisation of Member attendance at conferences, seminars and other training and development events in consultation with the Leader and the Head of Legal and Democratic Services.
39. To decide, taking into account the opinion of an independent registered medical practitioner, whether under the Local Government Pension Scheme Regulations, a member is eligible for an ill health pension and if eligible, what level of ill health pension the scheme member should be awarded.

Legal and Democratic Services

The following matters are delegated to the Head of Legal and Democratic Services:

40. To act as Proper Officer for the purposes of the Local Government Acts 1972 and 2000 and all Regulations made there under other than those Proper Officer functions delegated to the Corporate Director, Resources in connection with the administration of the Council's financial affairs. This delegation shall not derogate from the general delegation under Table 1 paragraph 8.
41.
 - (a) To act as Returning Officer for County Council Elections in accordance with Section 35 of the Representation of the People Act 1983 (the 1983 Act).
 - (b) To act as Electoral Registration Officer for the County in accordance with Section 8 of the 1983 Act.
42. To carry out the Proper Officer functions relating to the freedom of the City under the Durham City Council Act, 1985.
43. To act as Proper Officer for the Registration of Births, Deaths and Marriages Service pursuant to Schedule 29 paragraph 41 of the Local Government Act 1972 including administration of the arrangements for the licensing of premises under the Marriage Act and the appointment of staff.
44. To amend the Constitution where necessary to reflect changes in the law or decisions of council bodies or to correct inaccuracies.

45. (a) To prepare, negotiate and agree all legal documentation in relation to all land and property in the Council's ownership or for the acquisition of land and property by the Council.
- (b) To prepare, negotiate and agree all legal documentation other than those contained in sub-paragraph (a) relating to or affecting the functions of the Council.
- (c) To sign or attest the Council's seal in all legal documents referred to in sub-paragraphs (a) and (b) and all other legal documentation intended to give effect to decisions of the Council.
46. (a) To prepare, negotiate and agree all legal documentation in relation to all land and property held by the Council as a trustee.
- (b) To sign or attest the Council's seal to all documents referred to in sub-paragraph (a)
47. To sign any notice, demand or other document on behalf of the Council in connection with any actual or contemplated legal or enforcement proceedings.
48. (a) Generally, to institute, defend and conduct any legal proceedings relating to the Council's functions or affecting the property, rights or interests of the Council.
- (b) To authorise named officers to appear on behalf of the Council in legal proceedings in the Magistrates' Court pursuant to Section 223 Local Government Act 1972.
49. To settle any action in any court or tribunal in which the Council is a party or where legal proceedings are indicated providing that any settlement exceeding £50,000 will be subject to prior consultation first with the Corporate Director, Resources as s151 Officer and then with the Leader or Deputy Leader of the Council except in cases of urgency where the settlement is made on the advice of Counsel.
50. To settle claims from staff for damage to personal property in accordance with the Council's policies.
51. In consultation with the Chairman of the Standards Committee, to make payments or provide other benefits in cases of maladministration in accordance with Section 92 of the Local Government Act 2000 (as amended).

52. To:
- (a) appoint Members as proxies to attend and vote at shareholders meetings of any company of which the Council is a shareholder and
 - (b) give consent to written resolutions of any company of which the Council is a shareholder.
53. In consultation with the Chief Executive, to make appointments of Members to local and other outside bodies which are not the subject of report to the Council or the Executive, in consultation with the respective political group leaders.
54. To appoint Review Boards under Regulations under Section 34(4) (Determination of Claims and Reviews) of the Social Security Act 1998.
55. To make arrangements in relation to appeals against the exclusion of pupils from maintained schools.
56. To make arrangements pursuant to Sections 94(1), (1A) and (4) of the Schools Standards and Framework Act 1998 (Admission Appeals).
57. To make arrangements pursuant to Section 95(2) of the Schools Standards and Framework Act 1998 (Children to whom Section 87 applies; Appeals by Governing Bodies).
58. In consultation with the Corporate Director, Neighbourhood Services and the Chairman and Vice-Chairman of the Statutory Licensing Committee or General Licensing and Registration Committee as appropriate, to determine that a particular application shall be considered by the Statutory Licensing Committee or the General Licensing and Registration Committee rather than a Sub-Committee.
59. To consider and respond to representations made by members of the public in relation to a decision to hold a meeting or part of that meeting in private.
60. To discharge the Council's functions in relation to voluntary registrations of village greens as set out in section 15(8) Commons Act 2006.

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County Council

3 December 2014

**Burnopfield and Evenwood
Electoral Divisions - By-elections**



Statement of Returning Officer

Following a by-election held on 23 October 2014 in the Burnopfield and Evenwood Electoral Divisions, I formally submit below a Statement for the information of the County Council showing details of the persons elected as a County Councillors:-

ELECTORAL DIVISION	NAME, ADDRESS AND DESCRIPTION OF PERSON ELECTED
BURNOPFIELD	Joanne Carr St. John's Vicarage Dipton Stanley County Durham DH9 9EB LABOUR
EVENWOOD	Heather Lesley Smith Mill Farm 1 The Mill Evenwood Bishop Auckland County Durham DL14 9SW LABOUR

COLETTE LONGBOTTOM
Returning Officer

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