



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 23 September 2015 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 22 July 2015 (Pages 1 - 8)
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 9 - 28)
9. Treasury Management Outturn 2014/15 - Report of Corporate Director, Resources (Pages 29 - 40)
10. Accommodation Member Working Group - Report of Corporate Director, Resources (Pages 41 - 46)
11. Review of the Independent Persons Remuneration and Term of Office - Report of Head of Legal and Democratic Services (Pages 47 - 50)
12. Community Governance Review of Pelton and Newfield - Report of Head of Legal and Democratic Services (Pages 51 - 60)

13. Community Governance Review - Pelton Fell - Report of Head of Legal and Democratic Services (Pages 61 - 70)
14. Changes to the Constitution - Report of Head of Legal and Democratic Services (Pages 71 - 86)
15. Annual Report of the Standards Committee - Report of Head of Legal and Democratic Services (Pages 87 - 94)
16. Motions on Notice
17. Questions from Members

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

Dated this 15th day of September 2015



Colette Longbottom
Head of Legal and Democratic Services

To: All Members of the County Council

DURHAM COUNTY COUNCIL

At a Ordinary Meeting of the County Council held in the Council Chamber, County Hall, Durham on **Wednesday 22 July 2015 at 10.00 am**

Present:

Councillor J Blakey in the Chair

Councillors J Allen, B Armstrong, J Armstrong, L Armstrong, B Avery, D Bell, E Bell, R Bell, H Bennett, G Bleasdale, D Boyes, J Brown, J Carr, J Chaplow, J Clare, J Clark, P Conway, K Corrigan, R Crute, M Davinson, K Dearden, M Dixon, S Forster, D Freeman, J Gray, C Hampson, T Henderson, K Henig, S Henig, D Hicks, M Hodgson, G Holland, A Hopgood, K Hopper, L Hovvels, I Jewell, O Johnson, C Kay, B Kellett, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, J Lindsay, R Lumsdon, J Maitland, P May, B Moir, A Napier, T Nearney, M Nicholls, H Nicholson, P Oliver, A Patterson, T Pemberton, M Plews, C Potts, L Pounder, G Richardson, S Robinson, J Rowlandson, A Savory, A Shield, J Shuttleworth, M Simmons, M Simpson, H Smith, T Smith, M Stanton, W Stelling, B Stephens, D Stoker, P Stradling, L Taylor, P Taylor, O Temple, F Tinsley, 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 E Adam, J Alvey, A Batey, A Bell, J Bell, A Bonner, P Brookes, C Carr, J Charlton, J Cordon, P Crathorne, K Davidson, N Foster, I Geldard, B Glass, B Graham, O Gunn, D Hall, J Hart, J Hillary, E Huntington, S Iveson, C Marshall, L Marshall, N Martin, J Maslin, J Measor, O Milburn, S Morrison, R Ormerod, J Robinson, K Shaw, A Surtees, K Thompson and R Yorke

1 Minutes

The minutes of the meeting held on 17 June 2015 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 item of business on the agenda,

3 Chairman's Announcements

The Chairman congratulated Pauline Young, a social worker, who had received a Chief Superintendent Commendation Award for her work in safeguarding vulnerable adults.

The Chairman reminded Council of her announcement at the meeting held on 17 June 2015 about three council employees who had taken positive action by providing first aid and comfort to a gentleman who had suffered a stroke. On 16

July the Chairman visited Hackworth Road Depot at Peterlee where the employees were based and presented them with the Chairman's Medal in recognition of their life saving actions.

Resolved:

That the Council place on record its congratulations to Pauline Young on her award.

4 Leader's Report

The Leader provided an update to the Council as follows:

- The Government presented a budget on 8 July, which was the second budget in a matter of months and signalled further severe cuts to come in local government finances. Analysis carried out showed that local government had lost $\frac{1}{3}$ of its spending power since 2010, with the highest level of cuts being in the North East. To date, the level of cuts made by the County Council was more than double the combined budgets of all former District Councils. It was anticipated that a further £100m or more of cuts were to come, and the autumn statement, which was expected on the last Wednesday in November, was awaited. The Task and Finish Group of ANEC would be meeting in the next couple of weeks to lobby government for a fairer settlement for the North East. Local government faced very difficult times ahead in what will be a decade of austerity and cuts.
- The North East Combined Authority was facing important negotiations with the government around the devolution of powers and funding to the North East. Consideration would be given to governance structures, including an elected mayor, to achieve the best deal for the North East, the key being additional powers and funding. Businesses, trades unions, the voluntary sector and community groups would all be included in the consultation process and a further devolution event, similar to that held in March, would be held in the autumn.
- The Leader provided details of the following events which had recently taken place:
 - A visit to the County had been made by the County's twinned community of Kreis Wesel, Germany;
 - A delegation from the Scottish Government had visited the County to learn about AAP's and the Council's consultation mechanism;
 - 150,000 people had attended Durham Miners Gala including all candidates for the Labour leadership election;
 - The 2015 Durham Brass Festival had finished on 19 July and again had been a great success. Councillor Henig extended his congratulations to all those involved in the Festival.
 - The Bowes Museum was staging Yves Saint Laurent: Style is Eternal. The museum had joined forces with the Foundation Pierre Berge Yves Saint Laurent to create the first exhibition in the UK to present a comprehensive display of the French fashion designer's work and life.
 - The Magna Carta and the Changing Face of Revolt exhibition was being staged at Durham City's Palace Green Library to celebrate the 800th anniversary of the sealing of the famous document.

Councillor Watson referred to a recent press article regarding the North East Combined Authority (NECA) employing a part time Chief Executive on a salary of £1,000 per day and asked how the success of this appointment would be measured.

Councillor Hopgood referred to NECA being in discussions over a possible elected mayor and suggested that Members should have been made aware of this prior to discussions taking place.

Councillor Stoker also referred to the appointment of the interim Chief Executive of the NECA on a salary of £1,000 a day for a three day week in an organisation with 8 employees. He understood that the Interim Chief Executive had already received two redundancy packages from other local authorities which totalled over £500,000 and asked whether the appointment was best value for the residents of County Durham.

Councillor Henig reminded the Council that the Combined Authority covered 7 local authority areas, not just Durham, and these areas had a combined population of around 2m people. As such, the North East Combined Authority was the largest Combined Authority in the country. There was a need for capacity within the Combined Authority, and other Combined Authorities had staffing numbers of up to 100, which came with a large cost.

In order to ensure the Combined Authority had someone of a sufficiently high calibre it had gone through a competitive recruitment process before agreeing to this interim appointment.

The Combined Authority needed to ensure it had the capacity at a senior level to lead it and push the case for the North East. This was particularly important at the current time when the Combined Authority needed to be able to respond to opportunities, including those which were part of potential devolution arrangements.

Councillor Henig informed Council that an elected Mayor would have the power to precept, whereas currently the Combined Authority had no cost to the public. It was unclear how any elected Mayor would be tied in to existing structures and also how the individual would be accountable.

Responding to Councillor Hopgood, Councillor Henig reported that he would continue to report to Council how matters were progressing within the Combined Authority. Specific stories had appeared in the press over the weekend which were not correct and the Combined Authority was currently at the early stages of talks with Ministers about devolution of powers and finances, with a view to achieving the best possible deal for the North East. Councillor Henig would push for as much consultation as possible throughout this process and he was not aware that this was happening in other Combined Authority areas.

5 Questions from Area Action Partnerships

Questions had been received from the East Durham Rural Corridor AAP and the Chester le Street AAP relating to the following:

- Durham Ask Initiative
- Introduction of 20 m.p.h. zones
- Digital Town pilots

Jane Bellis, AAP Coordinator for the East Durham Rural Corridor was in attendance to ask their question and Andrew Megginson, AAP Coordinator for the Chester le Street AAP was in attendance to ask their questions.

Councillor Brian Stephens, Portfolio Holder for Neighbourhoods and Local Partnerships thanked the Area Action Partnerships for their questions and provided responses to the Durham Ask Initiative and 20 m.p.h. zones questions. Councillor Jane Brown, Portfolio Holder for Corporate Services thanked the Chester le Street Area Action Partnership for their question and provided a response to the Digital Town pilots question.

The Head of Legal and Democratic Services informed the Council that the questions, together with the responses, would be placed on the Council's website and a copy of the responses would also be sent direct to the Area Action Partnerships.

6 Questions from the Public

There were no questions from the public.

7 Petitions

There were no petitions for consideration.

8 Report from the Cabinet

The Leader of the Council provided the Council with an update of business discussed by the Cabinet at its meeting held on 10 June 2015 (for copy see file of Minutes).

Councillor Wilkes referred to the County Durham Plan and asked whether any update was available regarding the judicial review or discussions which had taken place.

Councillor Henig, in the absence of the Portfolio Holder, replied that Members would be provided with an update when there was any outcome to the discussions being held.

9 Election of Vice-Chairman of the County Council

Moved by Councillor Bleasdale, **Seconded** by Councillor Forster and

Resolved:

That Councillor E Bell be elected Vice Chairman of the County Council for the ensuing year.

Councillor Bell subscribed the Statutory Declaration accepting the Office. He then advised that he accepted the position of Vice Chairman with honour and pride and with the greatest of respect to Councillor Robin Todd.

The Chairman passed on her thanks to Councillor Moir for his assistance to her with duties since the death of Councillor Todd.

10 Appointment of Chairman of Adults, Wellbeing and Health Overview and Scrutiny Committee

Moved by Councillor Laing, **Seconded** by Councillor Williams and

Resolved:

That Councillor J Robinson be appointed Chairman of the Adults, Wellbeing and Health Overview and Scrutiny Committee for the ensuing year.

11 Safe Durham Partnership Plan Refresh 2015-18

The Council considered a report of the Corporate Director, Children's and Adult Services regarding a refresh of the Safe Durham Partnership Plan for 2015-2018 (for copy see file of Minutes).

The Head of Planning and Strategic Services, Children's and Adult Services informed the Council that the Partnership Plan 2015-2018 was a refresh of the previous Partnership Plan 2014-2017 and the next full review of the Partnership Plan would be for the period 2017-2020.

The development and implementation of the Safe Durham Partnership Plan was a statutory requirement for Durham County Council and other responsible authorities, including the Police and NHS. The purpose of the plan was to demonstrate how the responsible authorities would work together to reduce crime and disorder across County Durham. The strategic objectives framework was as follows:-

- Reduce anti-social behaviour
- Protect vulnerable people from harm
- Reducing re-offending
- Alcohol and substance misuse harm reduction
- Embed the 'Think Family' approach
- Counter terrorism and prevention of violent extremism
- Road Casualty reduction

The Council then heard from Superintendent Kerrin Smith who explained that she was extremely proud of the partnership working that had taken place over many years and proud of being able to put victims and citizens at the centre of the plan. Superintendent Smith then provided details of progress and achievements in the areas of domestic abuse, restorative approaches and reducing re-offending.

Councillor J Allen, Portfolio Holder for Safer Communities informed Council that she was the new Vice Chair of the Safe Durham Partnership Board. The Partnership Plan was a key document for working in partnership to reduce crime and disorder

and the range of positive outcomes contained within it demonstrated the strength of such partnership working. She supported the vision of the Partnership Plan and looked forward to hearing further progress.

Councillor L Hovvels, Portfolio Holder for Adult and Health Services echoed the words of Councillor Allen adding that the Plan provided a clear picture of how the Safe Durham Partnership would continue towards a safer, more cohesive County Durham.

The Plan identified responses to national policy and changes, for example austerity, and demonstrated the positive nature of partnership working.

Councillor M Wilkes referred to the introduction of 20 m.p.h. speed limits around a number of schools within the County which was being examined by a Scrutiny Working Group. He expressed concern that if a proposed change of considering accident levels within 200m of a school from the current within 600m of a school this could mask accident levels.

Councillor B Stephens, Portfolio Holder for Neighbourhoods and Local Partnerships replied that the 20 m.p.h. policy was currently out to consultation and that the Working Group would take this into account.

Moved by Councillor J Allen, **Seconded** by Councillor L Hovvels and

Resolved

That the Council agree the Safe Durham Partnership Plan for 2015-2018 and endorsed its publication on the internet.

12 County Durham Youth Offending Service Youth Justice Plan 2015/2017

The Council considered a report of the Corporate Director Children and Adults Services which presented the County Durham Youth Justice Plan 2015/17 for approval (for copy see file of Minutes).

The Plan had been approved by the County Durham Youth Offending Service Management Board on 1 June 2015 in line with Youth Justice Board and Ministry of Justice requirements, by Cabinet on 15 July 2015 and would be submitted to the Youth Justice Board following Council approval.

Councillor Wilkes complimented those in the Youth Justice Service and asked whether the Council's financial contribution to the Service would be protected for the period of the Plan.

Councillor A Napier, Portfolio Holder for Finance replied that the Council was in the process of developing MTFP6 and all services would be reviewed. Details of MTFP would be reported in November 2015.

Moved by Councillor O Johnson, **Seconded** by Councillor L Hovvels and

Resolved:

That the Youth Justice Plan 2015/17 be approved.

13 Overview and Scrutiny Annual Report 2014/15

The Council considered a report of the Assistant Chief Executive which presented the Overview and Scrutiny Annual Report for 2014/2015 (for copy see file of Minutes).

Councillor J Armstrong, Chairman of Overview and Scrutiny informed Council that the Annual Report contained details of key Scrutiny activity and achievements during 2014/15 and also the work programme for Overview and Scrutiny. The key activity and achievements included the following:

- Contribution to the budget process through consideration of the Medium Term Financial Plan
- Responding to the NHS Quality Accounts for 2013/14 for the North East Ambulance Service, County Durham and Darlington NHS Foundation Trust and the Tees, Esk and Wear Valley NHS Foundation Trust
- Increased awareness of the Council's scrutiny function through articles in local media, Members' Bulletin and an ongoing update of the scrutiny web pages
- Maintaining and establishing links with all thematic partnerships
- Responding to various consultations and commenting on Strategies and Plans.

Overview and Scrutiny had also carried out reviews throughout 2014/15, including the following:

- Management of the woodland estate owned by the County Council.
- Tourism marketing undertaken by Visit County Durham.
- Organised crime – looking at community intelligence, illegal waste sites and the potential financial risk to the Council.
- Self-Harm amongst children and young people.

Councillor Armstrong gave special thanks to Councillor Robin Todd, the Chair of the Adults Wellbeing and Health Overview and Scrutiny Committee who sadly passed away in May 2015. Councillor Todd served as the Chairman of the County Council's Adults Wellbeing and Health Overview and Scrutiny Committee since November 2009 and had led that Committee's input into a number of significant NHS Service reviews. Councillor Todd was well known and highly regarded within the NHS Community.

Councillor Temple referred to best practice in scrutiny being the use of opposition Members and asked whether opposition Members would have a role in the leadership of the scrutiny process. Councillor Armstrong replied that it was for the membership of scrutiny to decide upon Chairmen and Vice Chairmen.

Resolved:

That the Council receive the Overview and Scrutiny Annual Report for 2014/15.

14 Environmental Health and Consumer Protection Enforcement Policy

The Council considered a report of the Corporate Director for Neighbourhood Services which sought agreement of a service specific enforcement policy that outlined the enforcement principles to be followed by authorised officers within Environment, Health and Consumer Protection (EHCP) Service when dealing with matters of regulatory non-compliance (for copy see file of Minutes).

Moved by Councillor B Stephens, **Seconded** by Councillor L Hovvels and

Resolved:

That the draft enforcement policy for ECHP services be approved.

15 Motions on Notice

There were no motions for consideration.

16 Questions from Members

There were no questions from Members.

23 September 2015

Report from the Cabinet



Purpose of the Report

To provide information to the Council on issues considered by the Cabinet on 15 July 2015 to enable Members to ask related questions.

Members are asked to table any questions on items in this report by 2 pm on 22 September 2015 in order for them to be displayed on the screens in the Council Chamber.

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15 July

- Item 1 Implementation of the Community Buildings Strategy
Key Decision: CORP/A/05/11/3

- Item 2 Consideration of an Article 4 Direction covering change of Use Class C3 to Use Class C4 for Durham City and the introduction of an Interim Policy on Student Accommodation
Key Decision: R&ED/06/15

- Item 3 Review of Fixed Play Provision
Key Decision: NS/14/11

- Item 4 Medium Term Financial Plan (6), Council Plan, Service Plans 2016/17 – 2018/19 and Review of the Local Council Tax Reduction Scheme 2016/17 plus an Update to the Discretionary Rate Relief Policy 2015/16

- Item 5 Children, Young People and Families Plan 2015/18

- Item 6 County Durham Youth Offending Service Youth Justice Plan 2015/17

- Item 7 2014/15 Final Outturn for General Fund, Housing Revenue Account and Collection Fund

- Item 8 Historic and Ceremonial Regalia and Property of the Charter Trustees

- Item 9 Update on the Office Accommodation Programme and release of Akley Heads Strategic Employment Site for Economic Regeneration
- Item 10 County Durham Climate Change Strategy and Delivery Plan – Durham’s Vision for a Low Carbon County

1. Implementation of the Community Buildings Strategy
Key Decision: CORP/A/05/11/3
Cabinet Portfolio Holder – Councillor Brian Stephens
Contact – Donna Jefferson 03000 263598

We have considered a report of the Assistant Chief Executive on the implementation of the Community Buildings Strategy 2012 – 2014. The report sought agreement on the steps required to conclude the community buildings asset transfer programme and to revise the Council’s approach to the provision of Community Buildings Grants.

The Council has implemented one of the most ambitious asset transfer programmes in the Country. 98 of the original 120 community buildings are expected to remain in community use. Work is now underway with the VCS to enable community building management groups to access the on-going support needed to ensure that their buildings remain vibrant and sustainable. This programme has shown that asset transfer can have significant benefits for both the Council and the community.

Decision

We have agreed the following recommendations:

- a) The allocation of £150,000 remaining in the capital programme should be delegated to the Assistant Chief Executive in consultation with the Cabinet portfolio holder for Neighbourhoods and Local Partnerships to assist in the completion of the community buildings strategy and if any remains it should be allocated to the Durham Ask programme.
- b) The five community buildings presently finalising the asset transfer process should complete the process. However, if asset transfer to management groups cannot be achieved by 31 August 2015 it is recommended that the Assistant Chief Executive, in consultation with the Cabinet Portfolio Holder for Neighbourhoods and Local Partnerships has the delegated authority to consider, on a case by case basis, if the offer of asset transfer should be removed and the future viability of the centre reviewed.
- c) The management group of Middleton-in Teesdale Village Hall is given a five year lease on their present building and the Council sets aside

£143,910, from the community buildings capital investment programme, until March 2018, with the potential to extend this if plans for the new development are progressing well, as a contribution to a new build facility in the village.

- d) £20,000 from the fund set aside for Middleton-in-Teesdale Village Hall (£143,910) is made available for any urgent repairs and maintenance needed in their existing building until the new facility is available.
- e) The management group of Annfield Plain Community Centre remain at Annfield Plain Community Centre until they are able to move into Greenfield school, which is anticipated to be in October 2015. During this period only Health and Safety related repairs to the community centre will be carried out up to a maximum of £1,000.

If any works are estimated to exceed this amount the future of the Centre would be reviewed or specific facilities isolated.

- f) The Council offer the management group of Annfield Plain Community Centre £10,000 from the community buildings capital programme to enable cosmetic improvements to be made to the school sports hall on the basis that the management group provides match funding towards the works from their reserves.
- g) Plans are developed to seek interest from outside the locality for Stanhope Town Hall for social enterprise or community use, within the next 6 months and if this is not possible the property is put forward for disposal on the open market.
- h) Officers work with Craghead Development Trust to complete the asset transfer of Burnside Community Centre with a contribution of £20,000 towards future repairs and maintenance (subject to the Trust providing a robust business plan and evidence of need), on the basis that asset transfer is completed by 31 October 2015 or that the offer of financial support is withdrawn and action to transfer the building ended.
- i) The Council offers Shotton Parish Council the freehold of Shotton Community Centre with a contribution of £88,104 from the community buildings capital programme to the scheme, on the condition that this funding is only released if the partnership raises the equivalent in match funding from external grant funders and the sale of existing land for investment in the centre, before 31 March 2017. In addition a covenant should be placed on the sale of the land whereby if planning permission is approved for any alternative use, other than community use, on the land within 80 years from the date of transfer, the Council will be entitled to 80% of the increase in land value.
- j) The Brockwell Centre continues to operate on their existing lease, whereby the management group is responsible for utility bills, internal repairs and compliance and the Council maintains responsibility for external repairs and the car park.

- k) Stanley Day Centre (which is presently in the Council's disposal programme and expected to raise approximately £150,000) is offered to the management group of Stanley Community Centre on a 30 year FRI lease to work in partnership with Derwentside Trust, with the capital investment set aside for this building (approximately £150,000) from the community buildings capital programme used in part (£50,000) to contribute to the refurbishment of Stanley Day Centre and in part (£100,000) to offset the capital receipt for Stanley Day Centre. If this is not possible action should be taken to close the building and find alternative venues for users.
- l) The Council provides a contribution, in terms of specified works, from the community buildings capital programme of up to £100,000 to Burnopfield Community Centre if a FRI lease is in place by 31 August 2015.

However, if asset transfer to the management group cannot be achieved by this date it is recommended that the Assistant Chief Executive, in consultation with the Cabinet Portfolio Holder for Neighbourhoods and Local Partnerships has the delegated authority to consider if the offer of asset transfer should be removed and the future of the centre reviewed.

- m) The Council offers the management group the freehold of Bullion Hall with a capital investment of £20,000 to offset any repairs and maintenance costs the Council may have faced, with the proviso that this remains as a community facility. A covenant should be placed on the sale of the land whereby if planning permission is approved for any alternative use, other than community use, on the land within 80 years from the date of transfer, the Council will be entitled to 80% of the increase in land value. The group will be given until March 2016 to explore the value of this against other financial models. If freehold is not pursued the Council should remain responsible for external repairs under the present lease.
- n) The management group of Great Lumley Community Centre is given until 31 August 2015 to sign the lease and then allowed to carry out works in a phased programme, enabling the funds to be raised by the group. If this is not achieved the Assistant Chief Executive, in consultation with the Cabinet Portfolio Holder for Neighbourhoods and Local Partnerships has the delegated authority to consider, if the offer of asset transfer should be removed and the future viability of the centre reassessed.
- o) The management group of Bearpark Community Centre is given until 30 September 2015 to complete their work on business planning and exploring fund raising. If this shows that the building can be sustainable the Council will enter into discussions with CISWO regarding the future. If this has not been achieved by 30 September the Head of Partnerships and Community Engagement, in consultation

with the Cabinet Portfolio Holder for Neighbourhoods and Local Partnerships has the delegated authority to consider, if the Council should negotiate with CISWO regarding disposal and/or demolition of the centre.

- p) The Community Buildings Grant is withdrawn, with no standard payments being made in 2015/16. A fund of £60,000 will be kept aside for community building in 2015/16 to allow a grant of up to £1,600 to be paid to any group facing extreme financial hardship and able to demonstrate that they have taken all reasonable steps to increase their income. Payment of this fund will only be considered following officer support to raise alternative funds and final decisions regarding eligibility will be delegated to the Assistant Chief Executive, in consultation with the Cabinet Portfolio Holder for Neighbourhoods and Local Partnerships.
- q) The community building programme involved capital investment of £2.15 million to facilitate the asset transfer of 120 community buildings. The recommendations set out in this report aim to enable this programme to be completed. If any of the above recommendations cannot be fulfilled the Assistant Chief Executive should have the delegated authority, in consultation with the Cabinet Portfolio Holder for Neighbourhoods and Local Partnerships, to make appropriate changes to facilitate asset transfer of the remaining buildings.

2. Consideration of an Article 4 Direction covering change of Use Class C3 to Use Class C4 for Durham City and the introduction of an Interim Policy on Student Accommodation
Key Decision: R&ED/06/15
Cabinet Portfolio Holder – Councillor Neil Foster
Contact – Mike Allum 03000 261906

We have considered a report of the Corporate Director, Regeneration and Economic Development which sought authorisation to make an Article 4 Direction to remove permitted development rights under planning legislation for changes of use from dwelling houses (Class C3) to small Houses in Multiple Occupation (HMOs) (Class C4) in parts of Durham City, and introduce an Interim Policy on Student Accommodation to consider applications for both Houses in Multiple Occupation (HMOs) and Purpose Built Student Accommodation (PBSA).

There can be an impact on the amenity of residents in areas where student HMOs are dominant. The use of an Article 4 Direction would enable the Council to assess the acceptability of a proposal for an HMO, balancing the contribution that such a conversion would make to meeting housing demand against the potential harm that might be caused to the character and amenity of the surrounding area.

In October 2010 the Government made changes to planning rules which allows family homes (Class C3) to change to a small HMO with up to six

people (Class C4) without the need for a planning application i.e. 'permitted development'. However, where local authorities consider that there is a local need to control the spread of HMOs in specific areas they can use existing powers to remove this form of permitted development and thereby require the submission of a planning application for such a change between a family dwelling house (Use Class C3) and small HMO (Use Class C4). This is undertaken through an Article 4 Direction. An Article 4 Direction cannot apply retrospectively. It would have no effect on the existing HMOs and would not require existing landlords of HMOs to do anything. It cannot apply to any development that has been commenced at the time that a Direction comes into force. It would also not be applicable to Purpose Built Student Accommodation. The Interim Policy supports the assessment of proposals for HMOs.

Government guidance states that when deciding whether an Article 4 Direction is appropriate, local planning authorities should identify the potential harm which it is intended to address. Specifically in relation to shared housing, planning authorities can consider whether the exercise of permitted development rights would undermine local objectives to create or maintain mixed communities.

The Assessing Development Proposals report was presented to Cabinet on the 10 June 2015. This report noted that it was an appropriate time to revisit the Council's Policy approach to student accommodation. In the Inspector's Interim Report on the County Durham Plan, both the original version of Policy 32 and the Council's proposed Main Modification developed through the Examination in Public were explicitly found to be unsound by the Inspector's Interim Report. On this basis it was considered that no weight could be given to County Durham Plan Policy 32 in decision making.

The Interim Policy was developed from the guidance contained within the Inspector's Interim Report. At paragraph 104 it is stated: 'The responses by [Friends of the Durham Green Belt] FDGB and [Sidegate Residents Association] SRA incorporated in [Document reference] DCC49 demonstrate how Policy 32 could be amended.' The Interim Policy was set out in the report.

The process and timetable for the making of an Article 4 Direction and the introduction of the Interim Policy were set out in the report.

Decision

We have:

- a) Agreed the making of an Article 4 Direction under Article 4(1) of the Town and Country Planning (General Permitted Development) Order 1995 (as amended) to remove permitted development rights in relation to changes of use from Use Class C3 to Use Class C4 (as defined in the Town and Country Planning [Use Classes] Order 1987, as amended). Twelve months advance notice of the Direction taking effect shall be

given and representations will be invited for a period of 28 days according to the timetable set out in Appendix 6 of the report. The Direction shall apply to the area shown on the map at Appendix 4 of the report;

- b) Agreed an Interim Policy on Student Accommodation as set out at Appendix 5 of the report for public consultation.
- c) Agreed that any minor modifications to the Article 4 Direction and the Interim Policy after consultation, can be agreed by the Director of Regeneration and Economic Development in consultation with the Portfolio Holder for Regeneration and Economic Development and that any significant modifications would be brought back to Cabinet for further consideration.

3. Review of Fixed Play Provision
Key Decision: NS/14/11
Cabinet Portfolio Holder – Councillor Maria Plews
Contact – Stephen Howell 03000 264577

We have considered a report of the Corporate Director, Neighbourhood Services which requested the approval of a development framework for future play provision within the County.

Since 2009, following the move to a unitary authority, the Council has continued to work with communities to further develop play provision. The Authority was successful in obtaining Playbuilder Funding of circa £1m and in total has invested in excess of £2.1m of capital resources in the development of play over this period.

A report was previously presented to Cabinet outlining the Council's proposals to adopt an approach to reviewing fixed play provision in order to address the substantial variations across the former districts. Cabinet agreed that the Council would need to undertake an extensive consultation exercise on this approach. The report also addressed short term issues following member requests to invest neighbourhood budgets in fixed play whilst this framework was in development. This resulted in a further investment of £350,000. The Council is responsible for 176 of the 334 fixed play sites in the county. There are increasing pressures from various funding sources and community groups to develop new fixed play sites; it is therefore necessary to determine a framework for the allocation of resources. This will allow the distribution of provision to develop in a more equal and fair manner. The Council also has a number of fixed play sites across the County that are aged and in need of significant improvement or removal.

In developing a framework, consultation was undertaken and the consultation process clearly identified that child population should be the key factor in determining the Council's Minimum Core Offer. The future offer of fixed play was detailed in the report. The consultation clearly identified that communities and partner organisations value play provision. The report recommended the

retention of a number of sites beyond the minimum core offer set out within the framework which demonstrated that Durham County Council is committed to children's play. The Corporate Director, Neighbourhood Services provided an update at the Cabinet meeting in that there was no longer the interest for the site at David Street, Quarrington Hill to be transferred as indicated in the report at paragraph 34, so the recommendations would be amended accordingly. On this basis, the council plans to retain 166 of its current 176 sites. It is hoped that a further 4 will be transferred as part of the Big Ask whilst 6 will be removed as they have reached the end of their operational life. Four Town & Parish Councils expressed an interest in transferring ownership of 4 of the 10 play sites currently identified as beyond economic repair, 2 of which have now been transferred. This demonstrates a willingness from partners to protect play opportunities beyond the core offer and that they share the County Councils intention of protecting play sites. Play sites will only be removed for reasons of safety and economic viability. The removal of any play facility is a last resort and the Council will always seek to find alternatives to play site removal.

Decision

We have agreed that:

- a. The Council continues to support play across the County through the provision of fixed play sites.
- b. 166 of the Council's 176 play sites are retained and maintained; the remaining 10 play sites identified as being beyond economic repair are transferred or removed.
- c. The framework for future provision as set out in the report is adopted including:
 - i. The use of child populations as the key factor in determining the proposed minimum level of provision.
 - ii. The thresholds for types of play areas as defined in the report.
 - iii. The use of the defined play sectors in highly populated settlements
- d. A funding strategy will be developed that gives priority to the 15 settlements that are identified as being under provided.
- e. Officers continue to work with Members, Town and Parish Councils and local communities through the 'Big Ask' to assist in developing provision.
- f. The approach to new developments be agreed as set out within the report.

**4. Medium Term Financial Plan (6), Council Plan, Service Plans 2016/17 – 2018/19 and Review of the Local Council Tax Reduction Scheme 2016/17 plus an Update to the Discretionary Rate Relief Policy 2015/16
Leader and Deputy Leader of the Council – Councillors Simon Henig, and Alan Napier
Contact – Jeff Garfoot 03000 261946**

We have considered a joint report of the Corporate Director, Resources and Assistant Chief Executive which provided details on the development of the 2016/17 budget, the Medium Term Financial Plan (MTFP(6)) and Council Plan/Service Plans 2016/17 to 2018/19. The development of MTFP (6) took into account an initial analysis of the impact of the Government's 8 July 2015 Budget. The report also provided details of a review of the Local Council Tax Reduction Scheme and provided details of an update to the Discretionary Rate Relief Policy.

The financial outlook for the Council continues to be extremely challenging. The final Coalition Government Budget in March 2015 identified the need for significant reductions in the spending of "unprotected" government departments over the 2016/17 to 2018/19 period. At that point, the forecasted impact on the Council's medium term financial plan was an additional funding reduction of £75m over the three year period with a £33m reduction in 2016/17.

Initial analysis of the Government's 8 July 2015 budget however indicates that the pace of funding reductions for "unprotected" government departments will be eased with funding reductions to be delivered over the four year period 2016/17 to 2019/20 rather than the three years planned previously. The scale of the challenge faced by the Council remains undiminished however with total funding reductions across the four year period forecast to be £78m and with the Council also facing increased budget pressures with the introduction of a National Living Wage.

The position will remain uncertain however until the Autumn of 2015 when the Government's Spending Review is received, which will detail the funding reductions faced by the Department for Communities and Local Government (DCLG). The Council is then expected to receive its financial settlement in December.

By 31 March 2016, savings of £153.2m will have been realised since the beginning of austerity in 2011/12. It is presently forecast that this figure will be £256m by 2018/19 and exceeding £260m by 2019/20.

The emphasis since 2011/12 has been to minimise savings from front line services by protecting them wherever possible, whilst maximising savings in management and support functions. This is becoming much more difficult however, as the scope for further savings in managerial and back office efficiencies is becoming exhausted. In the coming months the Council will need to review all services to determine where savings can be best achieved with minimal impact upon the public. Savings plans will continue to be

developed in the coming months based on the savings forecast in the report. The details of these savings plans will be reported after there is clarity in relation to the funding reductions faced by the Council.

The consultation process in relation to MTFP(6) and individual savings options will embrace and influence the outcomes from the 'Durham Ask' where appropriate, in order to ensure the Council can maximise any opportunities to maintain service provision with community group involvement, where they can demonstrate a sustainable business case for the service areas and facilities they have shown an interest in taking on.

With regard to the Local Council Tax Reduction Scheme (LCTRS), the Council is one of only two local authorities in the North East to have retained entitlement levels for Council Tax support within the LCTRS in line with that which applied under the national Council Tax Benefit regime in 2012/13. The policy has protected vulnerable residents at a time when welfare reform changes have had a significant adverse impact. The report recommends that the current LCTRS is retained for a further year into 2016/17. The reasons for extending the current scheme are due to the current scheme remaining within existing cost parameters for the Council. In addition, whilst the full impacts of the Government's Welfare Reforms are complex and difficult to track, anecdotal evidence, from demand for Discretionary Housing Payments; Social Fund Applications and Rent Arrears statistics in County Durham compared to others across the region, would suggest that the council tax benefit protection afforded to working age claimants, in addition to the wide ranging proactive support that has been put in place is having a positive impact on these areas.

In December 2014, the Chancellor announced a range of amendments to Business Rates as part of his Autumn Statement, including an extension of Small Business Rate Relief for a further 12 months until 31 March 2016; changes to the temporary discount for shops, pubs and restaurants with rateable values below £50,000 awarding them increased relief of £1,500 for 2015/16, with the Government continuing to fully fund this relief through Section 31 Grant; and an extension of the transitional relief scheme for a further two years from 1 April 2015.

An initial high level analysis of the Budget has been carried out to understand the broad impact on both the Council and the public in the County. In relation to the Council's financial position the following points were noted:

- (i) The pace of reductions faced by "unprotected" government departments has eased with reductions over a four year period to 2019/20.
- (ii) The Council's forecast Government funding reduction in 2016/17 may not be as high as originally forecast.
- (iii) Total funding reductions across 2016/17 to 2019/20 of £78m are broadly in line with the £75m reductions formerly forecast for the 2016/17 to 2018/19 period.

- (iv) No additional funding reductions are forecast for 2015/16. The government has previously announced a consultation on a national £200m 2015/16 reduction in the Public Health grant. Based on an equal share methodology, the Council's grant would reduce by £3.3m. At this stage the Council is prudently forecasting that this reduction may be replicated in the 2016/17 base grant.
- (v) The funding reductions faced by DCLG will be detailed in the Spending Review to be published in the Autumn with the finance settlement for the Council expected in December.
- (vi) The Government announced a National Living Wage of £7.20 per hour from 2016/17 rising to at least £9.00 per hour in 2020/21. The current National Minimum Wage is £6.50 per hour with the Council's 'Durham Living Wage' of £7.43 per hour. These increases in remuneration will have an impact on the costs of both the Council's workforce but also on the cost of services the Council commissions from contractors if staff employed are predominantly lower paid e.g. residential care. The Council will need to fully assess the impact of this policy although at this stage an initial assessment of likely costs have been included in our MTFP(6) modelling and included in appendix 2 of the report.
- (vii) The Government has also announced an increase in Insurance Premium Tax from 6% to 9.5%. It is forecast that this could cost the Council circa £50,000 per annum.

In addition to the financial impact on the Council identified above, the following policy changes announced in the Summer Budget are of note:

- (i) Details on how £12bn of Welfare savings and £5bn of tax avoidance income would be delivered. Welfare savings are to be delivered over a three year period rather than a two year period as previously announced.
- (ii) Significant Welfare savings are to be achieved by reducing access to tax credits for the low paid.
- (iii) No increases in working age benefits, tax credits or Local Housing Allowance for a four year period.
- (iv) The benefits cap is to reduce to £23k a year in London and £20k elsewhere from the current cap of £26k.
- (v) Rents in social housing are to reduce by 1% in each of the next four years.
- (vi) Public sector pay increases are to be fixed at 1% for the next four years.
- (vii) Corporation Tax is to reduce from 20% to 19% in 2017 and to 18% in 2020. This along with reductions in national insurance

liabilities for small and medium enterprises is expected to assist business in paying the 'National Living Wage'.

- (viii) Local authorities are expected to come forward with options on how investments can be pooled between different Pension Funds with a view to reducing costs.

This analysis alongside information from the Autumn Spending Review and Local Government Finance Settlement will be utilised to finalise the 2016/17 Budget and MTFP(6) in February 2016.

Decision

We have:

- (i) Noted the analysis of the Government's 8 July Summer Budget.
- (ii) Noted the forecast funding reductions for 2016/17 to 2018/19 resulting from the analysis of the Summer Budget.
- (iii) Noted that Corporate Directors and Portfolio Holders will be required to utilise delegated powers to action savings plans to ensure full year savings can be achieved for 2016/17.
- (iv) Noted the requirement to identify £102.875m of savings across the 2016/17 to 2018/19 period.
- (v) Agreed the approach to preparing the Council Plan and Service Plan.
- (vi) Agreed the high level MTFP(6) and Council Plan timetable.
- (vii) Agreed the approach outlined for consultation.
- (viii) Noted the ongoing work carried out to support staff during the MTFP (6) process.
- (ix) Agreed the proposals to build equalities considerations into decision making.
- (x) Agreed that Cabinet recommend to Full Council that the Local Council Tax Reduction Scheme should remain unchanged for 2016/17, with a further review to be undertaken in Quarter 1 of 2016/17 to inform budget options for 2017/18 and beyond.
- (xi) Noted the revisions to the Discretionary Rate Relief Policy agreed under delegated powers.

5. Children, Young People and Families Plan 2015/18 Cabinet Portfolio Holder – Councillor Ossie Johnson Contact – Peter Appleton 03000 267381

We have considered a report of the Corporate Director, Children and Adults Services which presented the refreshed Children, Young People and Families Plan (CYFPF) 2015-18 which was attached to the report.

The vision for the CYPFP has been re-affirmed as: 'All children, young people and families believe, achieve and succeed'. The CYPFP includes a number of Strategic Actions that identify the key areas of work which the Children and Families Partnership will focus on, linked to objectives and outcomes.

The CYPFP is monitored robustly and progress on the performance indicators is reported to the Children and Families Partnership on a quarterly basis with progress against actions from the plan reported on a six monthly basis. This allows partners the opportunity to challenge each other and ensure that services are delivered in a timely and effectively way to achieve good outcomes for children, young people and families. As well as providing performance highlights, the Children and Families Partnership also receives information on areas for improvement. In addition to performance monitoring through the Children and Families Partnership a subset of performance indicators from the CYPFP is reported to the County Durham Partnership and Cabinet under the "Altogether Better for Children and Young People" theme. Overview and Scrutiny Committees are also provided a subset basket of indicators to provide them with oversight of the performance for children and young people.

Decision

We have received and endorsed the Children, Young People and Families Plan 2015-18.

**6. County Durham Youth Offending Service Youth Justice Plan 2015/17
Cabinet Portfolio Holder – Councillor Ossie Johnson
Contact – Carole Payne 03000 268657**

We have considered a report of the Corporate Director, Children and Adults Services on the County Durham Youth Offending Service Youth Justice Plan.

The Crime and Disorder Act 1998 places a duty on every Local Authority, after consultation with partner agencies, to formulate and implement an annual Youth Justice Plan which sets out how youth justice services in the area are to be provided and funded, and, how the Youth Offending Service will be composed and funded, how it will operate and what functions it will carry out. Key achievements were outlined in the Executive Summary.

Decision

We have:

- a) Noted the contents of this report
- b) Agreed to recommend the plan to Council

7. 2014/15 Final Outturn for General Fund, Housing Revenue Account and Collection Fund
Deputy Leader of the Council – Councillor Alan Napier
Contact – Jeff Garfoot 03000 261946

We have considered a report of the Corporate Director, Resources which provided details of the revenue and capital outturn for both the General Fund and the Housing Revenue Account (HRA) for 2014/15, plus the 2014/15 outturn for the Collection Fund in respect of Council Tax collection and Business Rates collection.

The Council has faced unprecedented reductions in Government grants since the 2010 Comprehensive Spending Review (CSR) when the expectation for local government was a 28% cut in Government grant for the period 2011/12 to 2014/15. Since that time the majority of the Chancellor of the Exchequer's March Budget and Autumn Statement announcements have included additional cuts to local government funding culminating in the 2015/16 Spending Round announcement of June 2013 which detailed a further 10% funding reduction for local government in 2015/16. By February 2014, when the Council set its budget for 2014/15 it was forecast that Government grant to local government would have reduced by over 40% by the end of 2015/16.

The Chancellor of the Exchequer also announced the need for a further £30bn of public expenditure reductions for 2016/17 and 2017/18. With £12bn expected to be found from Welfare budgets, £13bn will need to be found from Government Departments and £5bn from addressing tax avoidance. It was expected that Health, Education and Overseas Aid budgets would continue to be protected resulting in increased pressure upon the remaining unprotected Government Departments.

It was therefore forecast that the Government grant reductions for local government in 2016/17 and 2017/18 will be similar in magnitude to those of 2014/15 and 2015/16. Overall it was forecast that the Council would need to save £224m over the 2011 to 2017 period. A sum of £113.9m of savings having been realised by the end of 2013/14 resulting in a £110.1m savings requirement for the three year MTFP (4) period 2014/15 to 2016/17.

The Council agreed a net revenue budget of £438.765m for 2014/15. Factoring in cuts in Government grant, inflation and other budget pressures required the delivery of £23m of savings in 2014/15 in order to deliver a balanced budget.

Quarterly forecast outturn reports have been considered by Cabinet throughout the 2014/15 financial year and detailed reports on individual service groupings have also been considered by the various Overview and Scrutiny Committees.

This final outturn for 2014/15 has been determined as part of the production of the Annual Statement of Accounts. During the process of finalising the Statement of Accounts, the Corporate Director Resources will be required to

make a number of technical decisions in the best financial interests of the Council. Such decisions will be fully disclosed in the Statement of Accounts.

Decision

We have noted:

- i. the reduction in the Cash Limit Reserves of £21k in the year. These sums will be held as Earmarked Reserves and be available for Service Groupings to manage their budgets effectively.
- ii. the closing General Reserve balance of £28.904m.
- iii. the closing balance on Earmarked Reserves (excluding Cash Limit Reserves) is £192.180m of which £34.609m relate to school and Dedicated School Grant balances.
- iv. the closing Housing Revenue Account balance of £26.078m.
- v. the position for the Collection Funds in respect of Council Tax and Business Rates.

We have approved:

- vi. the capital budget carried forward of £18.736m for the General Fund is moved into 2014/15 and that Service Groupings regularly review capital profiles throughout 2014/15 reporting revisions to MOWG and Cabinet as necessary.

8. Historic and Ceremonial Regalia and Property of the Charter Trustees
Leader and Deputy Leader of the Council – Councillors Simon Henig, and Alan Napier
Contact – Colette Longbottom 03000 269732

We have considered a report of the Corporate Director, Resources which advised Cabinet of progress in negotiating an agreement with the Charter Trustees in relation to the contents of the Town Hall in Durham and sought Cabinet approval to enter into an agreement to conclude those negotiations.

On 19 January 2011, Cabinet considered a report referring to the Charter Regulations 2009 (“the regulations”) and upon how, under those regulations the Charter Trustees were created to maintain and preserve the historic rights and privileges associated with local authority districts which became part of a larger Local Government area as a result of Local Government Reorganisation. The Durham City Charter Trustees are such a body and after Local Government Reorganisation, negotiations took place to agree the ownership of the various items of historic interest in the Town Hall. Cabinet was advised in the report that property which was of historic and ceremonial nature and which related to the Charter Trustees vested in them under the regulations, but pending agreement about the other items, they remained the property of Durham County Council.

The report of January 2011 presented two options to Cabinet, one being to transfer all the property to the Charter Trustees, or a second option, which was to agree to retain the property in the Town Hall with the Council retaining all but historical and ceremonial regalia. Cabinet confirmed that it was not proposing to transfer any property other than that identified in background papers as ceremonial and historic Charter Trustees. It further authorised the Corporate Director Resources, with advice from the Head of Legal and Democratic Services, to negotiate an agreement with the Charter Trustees whereby the property held by the Council was preserved in the Town Hall. Cabinet further agreed that if such an agreement could not be reached, the Corporate Director Resources was to agree to the appointment of a suitable person to decide on this matter but this proved not to be necessary.

On 21 January 2014, the Charter Trustees expressed a willingness to agree written terms whereby property other than historic and ceremonial regalia; items identified as belonging to the Guilds and items identified as belonging to the Freeman, be preserved in the Town Hall in trust and in perpetuity for the benefit of the community and the people of Durham City. Following this, negotiations have taken place and a draft agreement was drawn up which was attached to the report at Appendix 2. Under the agreement, the Charter Trustees agreed to retain the historic and ceremonial regalia in the Town Hall and Durham County Council agreed to retain its property in the Town Hall. The agreement largely embodies the terms agreed by Cabinet for negotiation in January 2011.

Decision

We have authorised the Corporate Director Resources to enter into the agreement.

9. Update on the Office Accommodation Programme and release of Akley Heads Strategic Employment Site for Economic Regeneration
Cabinet Portfolio Holders – Councillors Alan Napier, and Neil Foster
Contact – Sue Graham 03000 267821

We have considered a joint report of the Corporate Director, Regeneration and Economic Development and the Corporate Director, Resources which updated Cabinet on proposals to release the Aykley Heads strategic employment site to deliver a regionally important regeneration opportunity that will provide new jobs and investment in County Durham.

The report also requested Cabinet to consider what steps the Council would need to take to secure a new office HQ and to progress this objective as part of the office accommodation programme.

The Aykley Heads site has been identified as the main opportunity to attract private sector jobs and address the lack of a commercial business quarter within Durham City. The objective of attracting new private sector investment

to County Durham will create opportunities for local people to access improved employment prospects and, as part of the overall vision for the city, new homes and associated infrastructure will ensure sustainable regeneration is delivered.

Aykley Heads is a business location of strategic importance within Durham City. It is home to over 30 businesses in a range of professional and scientific sectors. Market testing of the site has revealed a substantial demand for office space in Durham City. It is therefore fair to suggest that the development of Aykley Heads would enable opportunities to maximise private sector employment to the benefit of the immediate area and wider Durham County. To enable this site to realise potential and bring forward 2,500 jobs on currently available land, the relocation of the Council's HQ would be necessary, thereby freeing up land for private sector investment.

County Hall currently houses 1,865 full time equivalent (FTE) employees and is located within the proposed Aykley Heads Strategic Employment Site. As set out above, the predominant reason for the relocation of County Hall is to release the Aykley Heads site and maximise the Council's covenant, or the significant value of the Council's office requirement, for regeneration.

Specialist professional support has been obtained to understand the Council's office accommodation property portfolio in terms of current utilisation, organisational fit and aspiration. To help define how the future office accommodation should be determined, consultation has been held with some employees including senior managers.

The Council's existing wider office estate was reviewed which supported one of the key objectives in maintaining four key office locations across the county, termed 'strategic sites'. These sites satisfy key criteria around location, size, condition, quality of accommodation, running costs and maintenance. The four strategic sites are:

- Meadowfield Direct Services Depot and offices,
- Spectrum 8 at Seaham,
- Crook Civic Centre,
- Green Lane, Spennymoor.

It was therefore proposed that in addition to a new Durham HQ presence, that these four sites remain as key office locations for DCC to ensure effective delivery of services across the County.

Early indicative costs for a new HQ, based on staff working differently and adopting more modern ways of working including: open plan work space, hotdesking, and less cellular offices, are approximately £50m.

This estimate is based upon a 7 to 10 workstation to employee ratio with approximately 700 workstations being included in the new HQ building for 1,000 full time equivalent employees and will be worked up in further detail as part of the outline business case process should members agree to this next phase. The new building would therefore be significantly smaller and more efficient than the existing County Hall building.

The review of accommodation is predicated on the implementation of 'new ways of working' concept which looks to optimise office accommodation. A further report will be brought to Cabinet in the Autumn that sets out how the new ways of working proposals would work in practice. In order to progress further and firm up on costs and opportunities the report proposed to move to Outline Business Case (OBC) and report back to Cabinet on 18 November 2015. The report recommended the engagement with professional consultants who have the technical skills and experience to complete the outline business case (OBC) within 3 months.

Decision

We have:

- a) Approved in principle the release of the Aykley Heads site as a major regeneration opportunity for the county subject to an outline business case process and procurement exercise;
- b) Agreed to continue the distributed model of existing Council accommodation to maintain the Council footprint across County Durham;
- c) Agreed the principle of the relocation of the Council's Headquarters to a Durham City centric site subject to an outline business case process and procurement exercise;
- d) Agreed to procure consultants through the NEPRO framework at an estimated cost of circa £200k to proceed to Outline Business Case with a further £400k to proceed to Full Business Case subject to further Cabinet approval in November 2015.

**10. County Durham Climate Change Strategy and Delivery Plan –
Durham's Vision for a Low Carbon County
Cabinet Portfolio Holder – Councillor Brian Stephens
Contact – Steve Bhowmick 03000 267122**

We have considered a report of the Corporate Director, Regeneration and Economic Development which informed Cabinet of the progress of the Climate Change Strategy and Delivery Plan and sought formal adoption of the documents. The report also included information on key projects which are being developed and progress against the main carbon reduction target.

In December 2013 a consultation programme and drafts of the County Durham Climate Change Strategy and Delivery Plan were presented to Cabinet. A consultation exercise was undertaken on the content of the documents, key indicators were selected and a number of projects have been initiated to achieve the goals. The Environment Partnership's Climate Change Steering Group has been involved and the documents cover the aspirations of both the Council and the Partnership.

The Strategy sets out a clear vision and objectives to establish County Durham as a low carbon county. It acts as a bridge between the aims of the Sustainable Community Strategy and the Climate Change Delivery Plan.

Its aims are:

- i. to reduce the county's emissions by 40% by 2020 from 1990 levels,
- ii. to adapt to a changing climate and ensure that individuals and organisations are more prepared for the challenges of a more extreme environment.

The consultation process involved amongst others, statutory consultees, Council Members, the disability partnership, schools and Durham University and key responses from the consultation were included in the report.

Durham County Council has become recognised nationally for taking a lead in reducing carbon emissions and achieving resource efficiencies. Going forward, the County Council and its partners in the Climate Change Steering Group will be working on key projects detailed in the Delivery Plan attached to the report. The group is currently making the transition from that which prepared the Strategy and Delivery Plan to one that will be more active in delivering projects across the County. The group has decided to prioritise its early projects in the following areas which are also identified as Sustainable Communities Strategy objectives:

- a) Making communities more aware and resilient to the impacts of extreme weather events
- b) Making the Council, homes and businesses more energy efficient
- c) Improving infrastructure to support sustainable travel.

The Environment and Sustainable Communities Overview and Scrutiny Committee has achieved regular updates on climate change work and it is proposed to continue these arrangements as the Strategy and Delivery Plan are rolled out.

Decision

We have agreed:

- 1) To endorse the County Durham Climate Change Strategy and Delivery Plan, recognising the ongoing achievements the Council is leading on in this area.
- 2) To continue to support the Environment and Sustainable Communities Overview and Scrutiny Committee's role in monitoring progress.

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

15 September 2015

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County Council

23 September 2015

Treasury Management Outturn 2014/15



Report of Corporate Management Team

Don McLure, Corporate Director Resources

Councillor Alan Napier, Cabinet Portfolio Holder for Finance

Purpose of the Report

- 1 To update Council with the annual Treasury Management report for the year ended 31 March 2015.

Background

- 2 The regulatory framework of Treasury Management on the Council's cash management, loans and investments requires that the Council receive, comment upon and agree Treasury Management review reports. Treasury Management is the management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks.
- 3 It is concerned with how the Council manages its cash resources and its scope covers borrowing, investment and hedging instruments and techniques.
- 4 Risk is inherent in all treasury management activities and it is necessary to balance risk against return on investment.
- 5 As well as meeting the regulatory framework, this report also incorporates the needs of the 'Prudential Code', which can be regarded as being best operational practice, to ensure adequate monitoring of the Council's capital expenditure plans and prudential indicators (PIs). The treasury strategy and PIs for 2014/15 were agreed by the Council as part of the Medium Term Financial Plan 2014/15 – 2016/17 on 26 February 2014 and have been updated since as part of the Medium Term Financial Plan 2015/16 to 2017/18 report that was agreed by the Council on 25 February 2015.
- 6 The report also supports the objective in the revised Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management and the Communities and Local Government Investment Guidance. These state that Members should receive reports and scrutinise the Treasury Management service as part of good governance and best practice.

- 7 During 2014/15 the minimum reporting requirements were that the full Council should receive the following reports:
- an annual treasury strategy in advance of the year (County Council 26 February 2014)
 - a mid-year treasury update report (County Council 3 December 2014)
 - an annual review following the end of the year describing the activity compared to the strategy (this report)

2014/15 External Influences

- 8 Financial year 2014/15 continued to be the challenging investment environment of previous years with low investment returns, although levels of counterparty risk had subsided. The original market expectation at the beginning of 2014/15 was for the first increase in Bank Rate to occur in quarter 1 of 2015 as the unemployment rate had fallen much faster than expected through the Bank of England's initial forward guidance target of 7%.
- 9 In May 2014 however, the Bank revised its forward guidance. A combination of very weak pay rises and inflation above the rate of pay rises, meant that consumer disposable income was still being eroded and in August 2014 the Bank halved its forecast for pay inflation for the whole of 2014 from 2.5% to 1.25%.
- 10 Expectations for the first increase in Bank Rate therefore started to recede as growth was still heavily dependent on buoyant consumer demand.
- 11 During the second half of 2014 financial markets were caught out by the halving of the oil price and the Swiss National Bank announcing that it would no longer hold the Swiss Franc (CHF) at a fixed exchange rate with the Euro. Fears also increased considerably that the European Central Bank (ECB) was going to do "too little too late" to ward off the threat of deflation and recession in the Eurozone.
- 12 By the end of 2014, it was clear that inflation in the UK was going to head towards zero in 2015 and possibly even become negative. In turn, this made it clear that the Monetary Policy committee (MPC) would have great difficulty in starting to raise the Bank Rate in 2015 while inflation was around zero and so market expectations for the first increase receded back to around quarter 3 of 2016.
- 13 Gilt yields were on a falling trend for much of the last eight months of 2014/15 but were then pulled in different directions by increasing fears after the anti-austerity parties won power in Greece in January. Developments since then have increased fears that Greece could be heading for an exit from the Euro. While the direct effects of this would be manageable by the European Union (EU) and ECB, it is difficult to quantify what the potential knock on effects would be on other countries in the Eurozone once the supposed "impossibility of a country leaving the Eurozone" had been disproved.

- 14 A further downward pressure on gilt yields was the announcement in January 2015 that the ECB would start a major programme of quantitative easing, purchasing Eurozone government and other debt in March 2015.
- 15 On the other hand, strong growth in the United States (US) caused an increase in confidence that the US was well on the way to making a full recovery from the financial crash and would be the first country to start increasing its central interest rate, probably by the end of 2015.
- 16 The UK would be closely following it due to strong growth over both 2013 and 2014 and good prospects for a continuation into 2015 and beyond. However, there was also an increase in concerns around political risk from the general election in May 2015.

Treasury Position for the Council

- 17 The Treasury position for the Council across 2014/15 is shown in the table below:

	31-Mar-14	Rate/ Return	Average Life	31-Mar-15	Rate/ Return	Average Life
	£m	%	years	£m	%	years
Total Debt	437	4.49		457	4.45	
Capital Financing Requirement (CFR)	607			636		
(-) Under Borrowing	-170			-179		
Total Investments	152	0.71	0.3	238	0.71	0.35
Net Debt (total debt less total investments)	285			219		

- 18 Investments increased by £86m across the period as a result of re-profiling of the capital programme, a lower than anticipated use of reserves and new borrowing.
- 19 To take advantage of favourable interest rates, new borrowing of £25m for 42 years at 4% was raised during the year.

Capital Expenditure and Financing

- 20 The Council undertakes capital expenditure on long-term assets. These activities may either be:
- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants or revenue contributions), which has no resultant impact on the Council's borrowing need, or

- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

21 Actual capital expenditure forms one of the required prudential indicators. The table below shows actual capital expenditure in 2014/15 and how this was financed.

	2013/14 Actual	2014/15 Budget	2014/15 Actual
	£m	£m	£m
Non-HRA Capital Expenditure	107.110	149.253	117.214
Non-HRA PFI and Finance Lease	2.480	3.419	2.172
HRA Capital Expenditure	45.698	46.717	42.826
Total capital expenditure	155.288	199.389	162.212
Resourced by:			
Capital receipts	8.150	10.879	12.976
Capital grants	91.643	80.998	75.390
Capital reserves and Revenue	35.378	31.194	29.049
Unfinanced capital expenditure	20.117	76.318	44.797

Overall Borrowing Need

- 22 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).
- 23 The CFR results from the capital activity of the Council and what resources have been used to pay for the capital spend. It represents the 2014/15 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.
- 24 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the Corporate Director Resources' treasury management team organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements.
- 25 This may be sourced through borrowing from external bodies (such as the Government, through the PWLB or the money markets), or utilising temporary cash resources within the Council.
- 26 The Council's non HRA capital finance requirement (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the non-HRA borrowing need (there is no statutory requirement to reduce the HRA CFR).
- 27 The Council's 2014/15 MRP Policy, as required by the Department of Communities and Local Government (CLG) guidance was approved as part of

the Treasury Management Strategy Report for 2014/15 on 26 February 2014 and updated on 25 February 2015.

- The Council's CFR for 2015/16, as agreed in February 2015, is shown in the following table, and represents one of the key prudential indicators.

CFR	31-Mar-14 Actual	31-Mar-15 Estimate	31-Mar-15 Actual
	£m	£m	£m
Opening balance	603.431	607.260	607.260
Add unfinanced capital expenditure (as above)	20.117	76.318	44.797
Less MRP/VRP	-16.018	-16.055	-15.730
Adjusted for:			
HRA non-dwelling impairment/revaluation losses	-0.270		0.132
Housing Stock Transfer		-236.933	
Closing balance	607.260	430.590	636.459

- 28 At the time that the revised 2014/15 budget was reported to County Council in February 2015, it was anticipated that the Housing Stock Transfer would take place in March 2015. However, the transfer of Housing Stock did not take place until 13 April 2015 and is therefore not reflected in the calculation of the Actual 2014/15 CFR.
- 29 The borrowing activity is constrained by prudential indicators for net borrowing and the CFR, and by the authorised limit. In order to ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of investments, must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure.
- 30 The authorised limit is the "affordable borrowing limit" required by section 3 of the Local Government Act 2003. The Council does not have the power to borrow above this level.
- 31 The operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.
- 32 The table overleaf demonstrates that during 2014/15 the Council has maintained gross borrowing within its authorised limit.

	2014/15 (original) £m	2014/15 (revised) £m
Authorised limit	759.000	484.000
Operational boundary	706.000	431.000
Maximum gross borrowing position		458.659
Average gross borrowing position		457.517

Investment Strategy

- 33 The prime objective of the Council's Investment Strategy is to ensure prudent investment of surplus funds. The Council's investment priorities are therefore the security of capital, liquidity of investments and, within those objectives, to secure optimum performance. The Council has regard to the CLG Guidance and the CIPFA Treasury Management Code when making decisions.
- 34 Therefore the primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration.

Selection Criteria

- 35 The criteria for providing a pool of high quality investment counterparties are:
- Banks 1 – the Council will only use UK banks and have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):

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

- 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 and Poors
Sovereign Rating	AAA	AAA	AAA
Short Term	F1+	P1	A1+
Long Term	AA-	Aa3	AA-

(N.B. Viability, Financial Strength and Support ratings have been removed and will not be considered in choosing counterparties.)

- Banks 2 – Part nationalised UK banks – Lloyds Banking Group 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.

- Banks 3 – 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.
- 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.
- Building societies. The Council will use societies which meet the ratings for banks outlined above:
- Money market funds
- Enhanced money market funds (EMMFs)
- UK Government (including gilts and the Debt Management Account Deposit Facility [DMADF])
- Other local authorities and parish councils.

Time and Monetary Limits applying to Investments

36 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 higher quality	AA-	£50m	2 years
Banks 1 medium quality	A	£35m	1 year
Banks 1 lower quality	A-	£25m	100 days
Banks 2 category – part-nationalised	n/a	£60m	2 years
Banks 3 category – Council’s banker	A-	£25m	3 months
DMADF/Treasury Bills	AAA	unlimited	6 months
Local Authorities	n/a	£10m each	5 years
Money Market Funds	AAA	£20m each (overall £100m)	liquid

Icelandic Deposits Update

37 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 collapsed financially in October 2008.

38 The Council’s recovery position at 31 March 2015 is as follows:

- Glitnir: a full distribution was made in March 2012, however an element of the distribution was in the Icelandic Kroner currency, which was

placed in an escrow account in Iceland due to currency controls currently operating in the country. As a result, this element had been subject to exchange rate risk, over which the Council had no control. Following a currency auction in February 2015, the Council has repatriated this money and is no longer a creditor of Glitnir. In total the Council received £4.136m against its £4.000m investment.

- 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. In total the Council received £2.032m against its £2.000m investment.
- Kaupthing Singer and Friedlander: 82.5% of the outstanding balance has been repaid. 85.75% recovery is anticipated in the long run.

Kaupthing Singer and Friedlander Ltd

- 39 The current position on actual amounts received and estimated future receipts are as shown in the table. The Council has recognised an impairment of £3k in 2014/15 based on it recovering 85.75p in the £ as was anticipated at 31 March 2014. The phasing of the repayments has been amended in 2014/15 to a more prudent expectation of the likely repayment.

Date	Repayment
	%
Received to 31 March 2015	82.50
Due 31 December 2015	1.50
Due 31 December 2016	1.75

- 40 Recoveries are expressed as a percentage of the authority's claim in the administration, which includes interest accrued up to 7 October 2008.

Glitnir Bank hf

- 41 Glitnir Bank hf is also an Icelandic entity. Following steps taken by the Icelandic Government in early October 2008 its domestic assets and liabilities were transferred to a new bank (new Glitnir) with the management of the affairs of Old Glitnir being placed in the hands of a resolution committee.
- 42 The Icelandic Supreme Court's decision to grant UK local authorities priority status was followed by the winding up board made a distribution to creditors in a basket of currencies in March 2012.
- 43 An element of the distribution is in Icelandic Krona which has been placed in an escrow account in Iceland and earned interest of 3.4% up to 22 June 2012 and thereafter was earning 4.2%. This element of the distribution had been retained in Iceland due to currency controls currently operating in Iceland and as a result was subject to exchange rate risk, over which the Council had no control.
- 44 Following a decision of the Icelandic Supreme Court on 25 September 2013, the Winding up Board of Glitnir had to apply the Central Bank of Iceland's

(CBI'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 was on-going uncertainty in relation to the sterling value of any future distributions.

- 45 The total amount of ISK held in escrow on behalf of Glitnir Creditors is around ISK 8.9bn (the equivalent of around £47m) excluding interest earned since March 2012.
- 46 The LGA, who work on behalf of the Local Authorities with Icelandic deposits, have discussed the potential options for converting the ISK into another currency and repatriating it to the UK.
- 47 It is important to note that Creditors, like the Council were unable to access the escrowed ISK unless and until:
- the Central Bank of Iceland (CBI) approved the requests which had been made by the winding-up boards (WUBs) to exempt the escrowed ISK from the capital controls so that the ISK could be paid from the escrow accounts to each individual Creditor (i.e. into an ISK account in each Creditor's name) or
 - the capital controls are lifted. The date on which the controls will be lifted remains unknown but the Icelandic government has recently announced that it is taking steps towards that goal. Currency auctions are one of those steps.
- 48 The CBI periodically holds a currency auction to allow parties to:
- (i) purchase ISK solely for the purpose of long term investment in Iceland;
 - (ii) purchase Iceland treasury bonds; and
 - (iii) purchase EUR (i.e. an outflow of ISK) in exchange for ISK.
- 49 The auctions are part of the CBI's strategy for an "orderly" removal of the capital controls. (i) and (ii) above result in an inflow of foreign currency into Iceland. (iii) enables holders of ISK to exchange their ISK for EUR.
- 50 The part of the auction that is relevant to Local Authority Creditors is (iii), the sale of ISK in exchange for EUR. In past auctions, the CBI has sought to match the inflow of foreign currency with the outflow of foreign currency. Given that the demand for foreign currency usually outstrips the supply of foreign currency in the CBI's auctions, previous auctions have resulted in a relatively low level of foreign currency outflow.
- 51 The consensus among most foreign creditors of the insolvent banks is that when the capital controls are ultimately lifted there is a very real risk that the value of the ISK will fall against other currencies. There is uncertainty as to when the capital controls will be lifted, although there is speculation in recent Icelandic media reports that this may happen during the course of 2015.

- 52 The CBI is currently reviewing ways in which it can relax the capital controls in a way that will not negatively affect Iceland's financial stability. Various commentators in Iceland have suggested that this is may involve the imposition of an "exit tax" (with suggestions of up to 30-40%) on creditors of the failed Icelandic banks. It is not yet known which creditors might be affected by any such tax or how any such tax might be applied but it may be applied to cross-border capital movement, such as the repatriation of escrowed ISK. If it is, this will have a negative impact on the value of Creditors' escrowed ISK.
- 53 In February 2015 the CBI amended the rules for their currency auctions which allowed qualifying creditors, such as UK local authorities to participate.
- 54 The LGA administered a process for the sale of the escrowed ISK on behalf of local authority creditors. Local Authorities were required to submit a price for the sale of the escrowed ISK to buy Euros.
- 55 Through this process, the Council sold ISK 178m which bought €0.890m. Including the bank's fee, the Council paid an all-in rate of ISK 201 for €.
- 56 The currency auction only accepted amounts in round millions of ISK for sale, so after selling ISK 178m and paying fees of ISK 0.890m from the escrow account, an amount of ISK 0.279m remains in the Glitnir escrow in Iceland. At current exchange rates this is worth in the region of £1,400.
- 57 The Council has impaired the value of Glitnir investments in its accounts by £0.267m. This takes account of the change in the exchange rate of the investments from 31 March 2014 to the sale of the investment in February 2015 along with the loss on the sale of the investments and the write off of the amount remaining in the escrow in Iceland. There is now no balance due in respect of Glitnir in the Council's accounts.
- 58 The Council is no longer a creditor of Glitnir.

Recommendations and Reasons

- 59 It is recommended that Council:
- Note the Treasury Management Outturn position for 2014/15.

Background Papers

- a) 15 July 2015 – Cabinet - 2014/15 Final Outturn for General Fund, Housing Revenue Account and Collection Fund.
- b) 26 February 2014 – County Council - General Fund Medium Term Financial Plan, 2014/15 to 2016/17 and Revenue and Capital Budget 2014/15
- c) 03 December 2015 – County Council - Mid-Year Report for the Period to 30 September 2014 on Treasury Management Service
- d) 25 February 2015 – County Council - General Fund Medium Term Financial Plan, 2015/16 – 2017/18 and Revenue and Capital Budget 2015/16

Contact: Jeff Garfoot Tel: 03000 261946

Appendix 1: Implications

Finance

The report details the Council's cash management, loans and investment activity in 2014/15. The report also provides the overall financing of the Council's capital expenditure, along with borrowing and investment income returns.

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.

County Council

23 September 2015



Accommodation Member Working Group

Report of Corporate Management Team

Don McLure, Corporate Director Resources

Councillor Simon Henig, Leader of Durham County Council

Councillor Alan Napier, Cabinet Portfolio Holder for Finance

Purpose of the Report

- 1 To seek Council approval for the setting up of an Accommodation Member Working Group to consider options for the Civic and Democratic requirements in the proposed new city centric council headquarters.

Background

- 2 On 15 July 2015, Cabinet agreed a report on the Update on the Office Accommodation Project and the release of Aykley Heads as a strategic employment site for economic regeneration. In doing so, Cabinet agreed in principal to the relocation of the Council's headquarters to a Durham City centric site subject to an outline business case process and procurement exercise.
- 3 Deloitte RE, our external advisers, are advising on the preparation of the outline business case for the proposed requirements of a new city centric headquarters.
- 4 The report of the 15 July 2015 proposed the beginning of a programme that will create the necessary environment to enable the implementation of a 'new ways of working' concept, which included the implementation of desk ratios of on average 7 desks to 10 employees, complementing working patterns and the needs of various services. The report acknowledged the possibility of a move towards more open style working, fewer cellular offices, more collaborative working styles and less personal organisational records. A staff questionnaire was circulated for completion by staff and over 2,500 have been returned to gather more information about their working patterns, means of travel and economic activity in, or around their current place of work.
- 5 Cabinet was also advised of the likelihood of the need to relocate the archive/county records office, currently in County Hall, and of a separate feasibility study being undertaken with a view to bidding for external funding from the Heritage Lottery Fund in June 2016.
- 6 The feasibility study for the proposed new building also requires an options appraisal for use of space for the Civic and Democratic functions.

Proposed Accommodation Member Working Group and Terms of Reference

- 7 In order to progress the options appraisal for use of space for the Civic and Democratic functions in the proposed new building, Cabinet has requested assistance from cross party Members of the Council to join a working group which will form a consultation group for Deloitte RE and officers in the preparation of the outline business case.
- 8 The proposed Terms of Reference of the Working Group would be to:
- (i) Represent the views of all Members of the Council on the efficient and effective use of civic space in a new headquarters;
 - (ii) Respond to consultation requests in regard to Civic Space by Deloitte RE in preparation of the options appraisal; and
 - (iii) Make recommendations to Cabinet in November 2015 as part of the outline business case options appraisal report.

A more detailed Terms of Reference including the scope of the civic space consultation with the Accommodation Member Working Group is attached at appendix 2

- 9 Cabinet has suggested that the Group should comprise of nine Members, being the Leader and five other Members of the Labour Group (including the Portfolio Holder for Regeneration and Economic Development), plus three other Members, being the leaders of the three principal opposition groups or their representatives. It is proposed that the group be referred to as the 'Accommodation Member Working Group'.

Recommendations and Reasons

- 10 Council is asked to agree:
- (i) the terms of reference of the Accommodation Member Working Group
 - (ii) that the membership of the group comprise of nine Members, being the Leader and five other Members of the Labour Group (including the Portfolio Holder for Regeneration and Economic Development), plus three other Members, being the leaders of the three principal opposition groups or their representatives.

Contact:	Don McLure	Tel: 03000 261945
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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 - None specific within this report

Appendix 2

Proposed Terms of Reference of the Accommodation Member Working Group

There will be three stages to the work of the Accommodation Member Working Group.

Stage 1

Purpose

To engage with members of the Group to gather a robust set of data which will inform the design development of the civic space in the proposed new city centric headquarters.

Methodology:

The proposed form of engagement with the Group will be through an initial workshop and two site visits to modern examples of civic space, including debating chambers.

Initial workshop will be structured as follows:

- A presentation of the history of civic space
- A review of current provision at County Hall
- A review of modern civic spaces
- A review of opportunities open to the Council

The two site visits will involve a walk around each building followed by a questionnaire which will focus on the Group's opinion on the building they visited.

Output:

Robust set of data to inform the Outline Business

Stage 2

Purpose

To develop an initial design for review and comment by the Group. At this stage the initial working principles will be checked, challenged and refined if necessary. The preferred option or options will then be tested against a refined brief.

Methodology:

The design team will use the feedback from the Group's views to develop design concepts, strategic moves and initial space plans. 3d models will be utilised to ensure the design is clearly communicated to members.

Output:

Initial design options that will inform the 'Full Employers Requirements'.

STAGE 3**Purpose**

To develop and refine the design for review and comment by the Group that will include development of materials and specification.

Methodology:

The Deloitte RE design team will build upon a preferred option and identify strategic details. Strategic details are key to ensuring that the ideas developed through the working principles and strategic moves will be ultimately delivered.

Output:

Finalised information to input into the 'Full Employers Requirements'.

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County Council**23 September 2015****Review of the Independent Persons
Remuneration and Term of Office**

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

Purpose of the Report

1. To consider the remuneration and term of office of the Council's 'Independent Persons'.

Background

2. Under the provisions of the Localism Act 2011, the Council is required to appoint at least one independent person to assist the Council in promoting high standards of conduct amongst its elected members and Parish and Town Councillors. The independent person is consulted by the Monitoring Officer/Standards Committee on a decision to investigate an allegation of a breach of the Code of Conduct by a Councillor and prior to a decision being made on an investigated complaint. In addition, the independent person can be contacted by the Member of the Authority against whom an allegation has been made.
3. The Council has appointed two independent persons who currently receive no remuneration or expenses. When Council was advised of the changes to the system of regulation of standards of conduct for elected and co-opted members in March 2012, it was considered appropriate to undertake a proper review of that function before the option of any remuneration was set. No term of office was set for the independent persons at that time.
4. The role of the independent person has been widened under the Local Authority's (Standing Orders) England (Amendment) Regulations 2015, which came into force on 11 May 2015. These new regulations change the localised disciplinary process in relation to the Council's Head of Paid Service, the Chief Finance Officer and the Monitoring Officer statutory positions. In the case of any proposed disciplinary action against a statutory officer, the Council is required to appoint the independent persons who have been appointed for the purposes of the Members Code of Conduct regime to the Chief Officer Appointments Committee, which makes recommendations to Full Council regarding any decision to dismiss a statutory officer.
5. The review of the role of the independent person has now been carried out to establish appropriate remuneration and terms of office.

Independent Persons Remuneration

6. Any remuneration of an independent Person is outside the Members' Scheme of Allowances, as an Independent Person is not a Member or Co-opted Member of the Council. It is therefore not necessary to seek recommendations of the Independent Remuneration Panel in determining the remuneration of an Independent Person.
7. The duties of an independent person under the Localism Act are quite different to the duties of the former Independent Members of the Standards Committee who used to sit on Assessment Sub-Committees and Hearing Panels. Under the Localism Act the views of the independent person must be sought and taken into account by the Council before it makes its decision on any allegation that it has decided to investigate and the independent person's views may be sought by members who are subject to a Code of Conduct complaint.
8. In 2012/13 and 2013/14 the independent persons spoke to the subject member in approximately one third of cases (10 out of 34). In 2014/15 which saw a higher number of complaints, the independent person was involved in approximately one fifth of cases (10 out of 49). The views of one of the independent persons were also sought in one case which was referred for investigation.
9. The Council's Co-opted members are entitled to claim travelling allowances at rates set out in the Members' Handbook and Allowances Guide and it is proposed that this would also be an appropriate means of remuneration for the Council's independent persons.
10. It is also recommended, and supported by Constitution Working Group, that in addition to the payment of travelling allowances, the Council pay the independent persons the sum of £500 each per annum. This cost could be met from within existing budgets and Democratic Services will start recording their workloads to assist with future reviews of this amount.

Other Councils

11. Enquiries of other Councils in the region have revealed the following information regarding the payment of remuneration to independent persons;

Local Authority	Remuneration to IP
Cumbria County Council	Reasonable travelling expenses
Darlington Borough Council	£802 (which equates to 10% of the members' basic allowance)
Gateshead Council	£1,000 per annum
Hartlepool Borough Council	Travelling expenses

Middlesbrough Council	No payment
Northumberland County Council (the Independent Person is the Chair of the Standards Committee)	£2,700 per annum
Redcar & Cleveland Borough Council	£500 per annum
South Tyneside Council	£1,000 per annum
Stockton Borough Council	£650 per annum plus travel and subsistence at members' rates

Independent Persons Term of Office

12. Previous independent members of the Standards Committee were appointed for a term of office of four years to allow for continuity. It is suggested that a similar term of office of four years should also apply to the Council's Independent Persons who were appointed in September 2012. This approach is in line with that adopted by a number of other Councils both regionally and nationally.

Recommendations and reasons

13. To agree that
- (i) Travelling allowances be paid to the Council's independent persons;
 - (ii) Annual remuneration of £500 should be paid to the Council's independent persons with Democratic Services to record workloads to assist with future reviews;
 - (iii) The Corporate Director of Resources is delegated to agree a date for the implementation of the commencement of the payment in consultation with the Cabinet Portfolio Holder for Finance;
 - (iv) The term of office for the independent persons should be set at 4 years from the time of appointment.

Appendix 1: Implications

Finance – the cost of payment to the independent persons can be met from within existing budgets.

Staffing - none specific in this report

Risk - none specific in this report

Equality and Diversity - none specific in this report

Accommodation - none specific in this report

Crime and Disorder - none specific in this report

Human Rights - none specific in this report

Consultation - none specific in this report

Procurement - none specific in this report

Disability Discrimination Act - none specific in this report

Legal Implications - none specific in this report

County Council

23 September 2015

**Community Governance Review of
Pelton and Newfield**



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

Councillor Simon Henig, Leader of Durham County Council

Purpose of Report

1. To advise Council of the outcome of the final stage of consultation that has been undertaken as part of the community governance review of Pelton and Newfield and to make a final recommendation in this regard.

Background

2. On 25 February 2015 the County Council resolved to undertake a community governance review ("Review") following receipt of a valid petition from Newfield and Pelton Lane Ends Residents Association which sought to incorporate the unparished area of Newfield within the parish boundary of Pelton, served by Pelton Parish Council.
3. The County Council subsequently proposed two options for the future community governance arrangements in the area:

Option 1

To implement changes to the current governance arrangements in accordance with the petition submitted by the Residents Association. This would see the current parish boundary of Pelton parish extend to include the unparished area of Newfield.

As a number of other properties (11 in total) with a Newfield postcode were identified that had not been included in the plan received from the residents association, these were included within the area to be moved to Pelton parish.

Option 2

That the current governance arrangements in the unparished area of Newfield and the parished area of Pelton remain unchanged. This would mean that changes proposed by the Residents Association would not be implemented and there would be no change to the current community governance arrangements in the area.

Consultation- First Stage (initial responses were invited)

4. The terms of reference for the Review were published on 25 February 2015 and a consultation exercise was undertaken in accordance with the agreed timetable.

Local Government Electors

121 consultation documents were sent out to affected properties and 23 responses were received. Of those 23 responses, 17 respondents opted for option 1, and 6 respondents opted for option 2. The responses were broken down further as follows:-

Area	Forms issued	Forms returned	Option 1 Number of responses & summary of associated comments	Option 2 Number of responses & summary of associated comments
The properties in Newfield identified in the petition from the Residents Association	110	20	17 <ul style="list-style-type: none"> To improve local and community services To have representation within a parish To have a voice in decisions made for the Newfield area 	3 <ul style="list-style-type: none"> Do not want to pay more Council Tax
The 11 additional properties with Newfield postcodes that were identified and included in Option1.	11	3	0	3 <ul style="list-style-type: none"> No understanding of what Pelton Parish Council do or what the benefits would be Do not feel associated with Newfield

Web Form

The consultation document and response form was also made available on the Council's website, however no completed web forms were received.

Statutory Consultees

Consultation letters were sent to the local MP, Kevan Jones, the Chester-le-Street and District Area Action Partnership, the County Durham Association of Local Councils (CDALC), the three local County Councillors and Pelton Parish Council.

The Chester-le-Street and District Area Action Partnership commented that there was support for the proposal as long as the Council felt that there had been sufficient public consultation and support for the proposal.

The CDALC Executive Committee resolved that they would be happy to concur with the wishes of the residents of Newfield/Pelton following the Review.

Although no response was received from Pelton Parish Council during the consultation, a letter to the County Council in support of the proposal to parish Newfield was submitted by the Parish Council at the time that the Residents Association had submitted the petition.

Local members have advised of their support for the wishes of the local people.

Pelton Fell Community Partnership

The Council received representations from Pelton Fell Community Partnership ("the Partnership"). In its response the Partnership states that it believes that the current consultation was slightly premature in view of its own proposed consultation of the residents of Pelton Fell for the provision of a Community/Parish Council for Pelton Fell which includes part of the area being consulted on as part of this review.

The Partnership said that part of the area proposed to be transferred to Pelton Parish was considered to be better served by the Pelton Fell area. It was not opposed however to a more appropriate part of Newfield being incorporated into Pelton Parish. The Partnership said that if the proposal identified in option 1 of the consultation, were approved the proposal would result in the need for a change in the electoral boundaries of the Council's Chester-le-Street and Pelton wards and could disrupt the Lower Super Output area, County Durham 011F. The Partnership also states that it could result in an awkward administrative boundary in the vicinity of the unparished area of Pelton Fell.

Analysis of Consultation Responses

5. From the relevant electorate of which there were 121 properties identified; 23 responses were received, which equated to a 19% response. From those that responded 73% were in favour of the proposals.

6. Having considered the issues put forward by the Partnership the responses were broken down further:-
 - Of the 110 properties which formed part of the petition area identified for Newfield, 20 responses had been received which equated to a 18% response. Of those 17 were in favour which meant from the responses 85% were in favour.
 - Of the other 11 properties which have been included in option 1, 3 responses were received which equated to a 27% response. All were opposed to the option to transfer which meant from the responses 100% were against.
7. The County Council was aware that the Partnership was seeking views from its residents regarding the possible establishment of a parish council in the area, however Pelton Fell would be considered as a separate review if a valid petition was received. Having considered the views of the Partnership it is correct that there was an overlap in the area proposed to be transferred which included a small number of properties which the Partnership has identified as being more associated with their area. Looking in closer detail at this, the 11 properties with a Newfield postcode appear to be more associated with the Pelton Fell area, and are within the same electoral division as the remainder of the unparished area of Pelton Fell.

The Law, Duties and Guidance

8. Under section 93 of the Local Government and Public Involvement in Health Act 2007, a Principal Council must comply various duties when undertaking a community governance review, including:
 - i. It must have regard to the need to secure that community governance within the area under review:
 - a. reflects the identities and interests of the community in that area
 - b. is effective and convenient.
 - ii. In deciding what recommendations to make, the Council must take into account any other arrangements, apart from those relating to parishes and their institutions:

that have already been made, or that could be made for the purposes of community representation or community engagement in respect of the area under review.
 - iii. The Council must take in to account any representations received in connection with the review.

9. Under Section 100 of the Act, the Council must have regard to guidance issued by the Secretary of State. In March 2010 Communities and Local Government and the Local Government Boundary Commission for England Community Governance Reviews, published guidance on community governance reviews.
10. The guidance refers to a desire to help people create cohesive and economically vibrant local communities and states that an important aspect of this is allowing local people a say in the way their neighbourhoods are managed. The guidance does stress that parish councils are an established and valued form of neighbourhood democracy and management in rural areas that increasingly have a role to play in urban areas and generally have an important role to play in the development of their communities. The need for community cohesion is also stressed along with the Government's aim for communities to be capable of fulfilling their own potential and overcoming their own difficulties. The value which is placed upon these councils is also highlighted in the fact that the guidance states that the Government expects to see the creation of parishes and that the abolition of parishes should not be undertaken unless clearly justified and with clear and sustained local support for such action.
11. The guidance also states that the Council must have regard to the need to secure community governance within the area under review reflects the identities of the community in the area and is effective and convenient.
12. The guidance also acknowledges that how people perceive where they live is significant in considering the identities and interests of local communities and depends on a range of circumstances, often best defined by local residents.
13. In this case having considered separately the two areas that were included in the proposal, there was strong support in favour of the unparished area of Newfield, with the exclusion of the 11 properties with Newfield postcodes, to be incorporated in the boundary of Pelton Parish Council. The proposed boundary change would be consistent with current electoral division boundaries. The 11 properties would remain in the Chester-le-Street West Central electoral division. This would reflect identifiable communities within the current area, retain the existing electoral divisions, and maintain effective and convenient local government arrangements (a map is attached at Appendix 2).

Warding

14. The consultation document identified that if option 1 was taken forward the County Council would then need to review the electoral arrangements of Pelton Parish Council.
15. Pelton Parish Council consists of the following 3 parish wards with the number of electorate and councillors as identified:-

- Grange Villa Ward – 742 electorate- 3 councillors
 - Pelton Ward- 3987 electorate - 11 councillors
 - High Handenhold Ward- 75 electorate- 1 councillor
16. In reviewing the electoral arrangements for the Pelton Parish Council the following would need to be considered:-
- Whether any further warding arrangements should be introduced;
 - The drawing up of appropriate ward boundaries if required;
 - If the number of councillors to be elected to the parish council should be amended;
 - If the number of councillors to be elected per ward should be amended.
17. It was considered whether the area to be incorporated in Pelton Parish Council boundary should be separately represented on the council, or be merged with the Pelton Parish ward which it lies adjacent to. A separate fourth ward on the council would provide for an electorate of 176 and it would have required its own councillor representation. If the area was incorporated in the Pelton Parish ward which was represented by 11 councillors, there would be a small increase in size of the ratio of electorate to councillor from 362 to 378. Having taken this into consideration together with guidance about the suggested number of councillors on parish councils, and in seeking to provide an arrangement that would provide community cohesion, the recommendation proposed was to amend the boundary of Pelton Parish Council and that the area to be transferred was incorporated within the Pelton Parish ward.

Consultation- Second Stage (responses to the draft recommendations were invited)

18. On 17 June 2015 Council considered the outcome of the first stage of consultation, and agreed that a draft recommendation be published for the Pelton Parish Council boundary to be extended to incorporate the unparished area of Newfield as identified on the map, which excluded the 11 properties with Newfield postcodes. It was further agreed that the draft recommendation include that convenient community governance would be best achieved by retaining the current council size, and that the warding arrangements be amended by incorporating the area to be transferred in the Pelton Parish Ward with effect from 1 April 2016.
19. The draft recommendation was published on 17 June 2015 and a further period of consultation commenced which ran until 29 July 2015. Stakeholders and householders who were part of the initial consultation were issued with a letter advising of the draft recommendations, and a press release was issued. The only response received during this second stage of consultation was from the Partnership who accepted the draft recommendations.

Next Steps

20. In accordance with the review timetable, a final recommendation will be published on the Council's website on 23 September 2015. Those householders and stakeholders who have previously been consulted will be notified of the final recommendation, and a press release will be issued to this effect.
21. If the Council agree to make a final recommendation to change community governance arrangements in the area, a Reorganisation Order would be made.
22. Constitution Working Group agreed at its meeting on 4 September 2015 to recommend that Council agree the final recommendation of the review and of the warding arrangements.

Recommendation and reasons

23. Council is asked to agree that the final recommendation of the review be that the Pelton Parish Council boundary be extended to incorporate the unparished area of Newfield as identified on the map, which excludes the 11 properties with Newfield postcodes that are within the same electoral division as the remainder of the unparished area of Pelton Fell. Council also agree that convenient community governance would be best achieved by retaining the current council size, and that the warding arrangements be amended by incorporating the area to be transferred in the Pelton Parish Ward with effect from 1 April 2016. The final recommendation would be published on 23 September 2015, following which a Reorganisation Order would be made.

Background Papers

Guidance on Community Governance Reviews, published in March 2010 by Communities and Local Government and the Local Government Boundary Commission for England.

Reports to County Council of 25 February and 17 June 2015

Contact: Ros Layfield, Committee Services Manager	03000 269 708
Clare Burrows, Governance Solicitor	03000 260 548

Appendix 1: Implications

Finance - The main costs will be in respect of a consultation and will be met from the budget identified for community governance reviews.

Staffing – The work will impact on staff time.

Risk - None

Equality and Diversity - None

Accommodation - None

Crime and Disorder - None

Human Rights - None

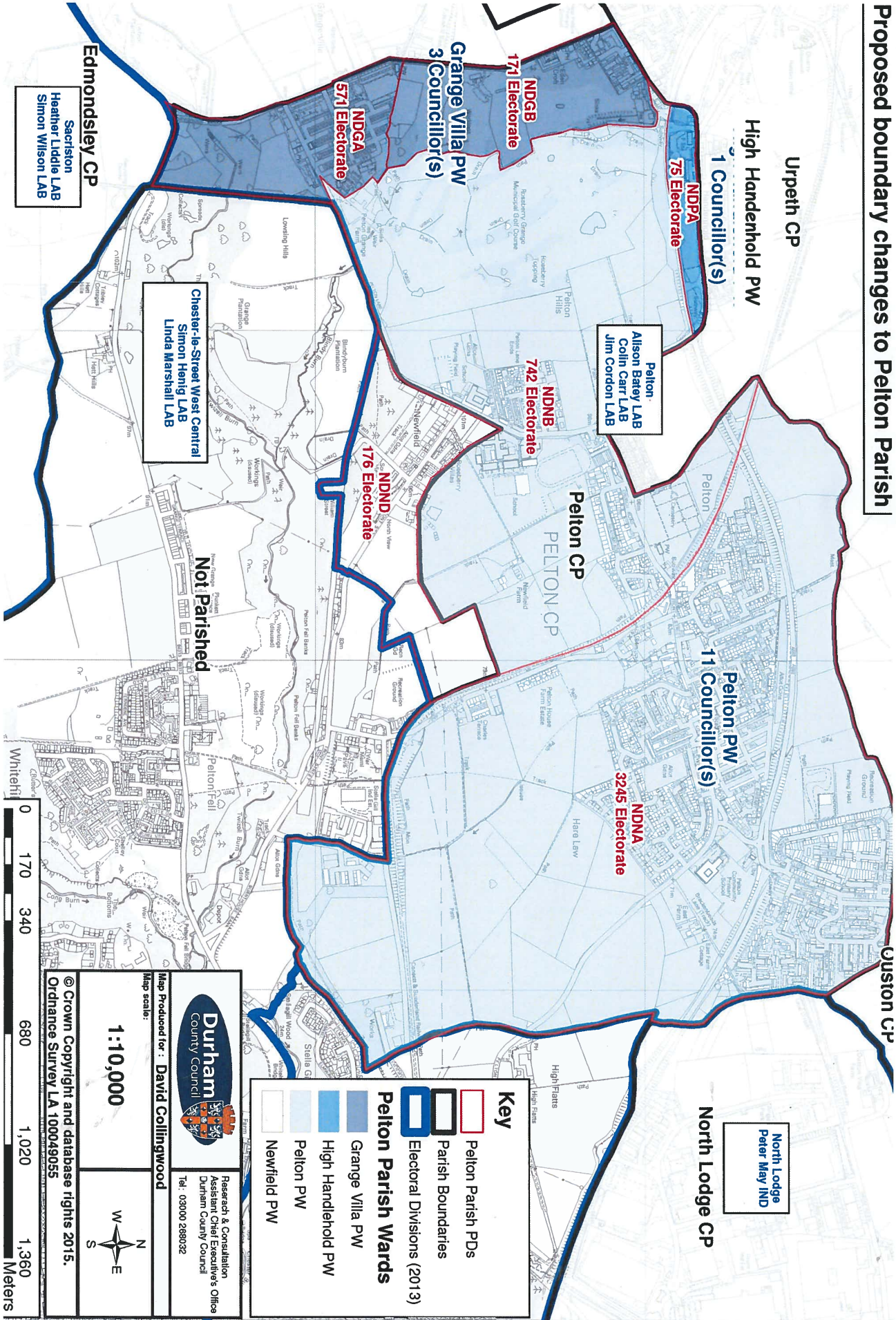
Consultation – See report

Procurement - None

Disability Discrimination Act - None

Legal Implications – A review will be undertaken in line with current legislation and guidance.

Proposed boundary changes to Pelton Parish



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County Council

23 September 2015

**Community Governance Review –
Pelton Fell**



Report of Colette Longbottom, Head of Legal and Democratic Services

Purpose of the Report

1. To present to Council the draft terms of reference and consultation documents which have been prepared for the Community Governance Review (“Review”) of Pelton Fell.

Background

2. On 8 June 2015 the Council received a petition from Pelton Fell Community Partnership (“the Partnership”) in support of Pelton Fell having an independent Community Council.
3. The Council acknowledged receipt of the petition on 25 June 2015 and confirmed that it was considered to be valid because it contained sufficient signatures from local residents in accordance with the requirements of the Local Government and Public Involvement in Health Act 2007 (“the Act”) as amended. Whilst the Partnership had provided a map defining the area to which the Review is to relate the area identified has been transposed onto a map produced by the County Council and included in the consultation documents, in order to clearly show the area under consideration.
4. For the avoidance of doubt, it is understood that the petitioners are seeking a parish council to be known as a community council.
5. Initial comments on the request for Pelton Fell to have an independent community council have been sought from local members who have advised that they would support the wishes of the local people.

Relevant Legislation

6. If a principal council receives a valid petition under section 80 of the Act, as amended, it is obliged under section 83 of the Act to undertake a community governance review that has terms of reference that allow for the petition to be considered.

Terms of Reference and Consultation Document

7. Draft terms of reference have been prepared and are attached at Appendix 2. The terms of reference establish how the review and public consultation will be undertaken as well as setting out the timetable for the review. Members are advised that upon approval of the terms of reference by Council, the Review process will commence in accordance with the timetable contained in the terms of reference. The consultation document is attached at Appendix 3.

Conclusion

8. The Council must undertake a community governance review that has terms of reference that allow for the valid petition to be considered under section 83 of the Act and therefore draft terms of reference and a consultation document have been prepared for approval for the area of Pelton Fell.
9. Constitution Working Group agreed at its meeting on 4 September 2015 to recommend that Council approve the draft terms of reference and consultation documents for the review of Pelton Fell.

Recommendation

10. That the Council approve the draft terms of reference and consultation documents for the review of Pelton Fell.

Background Paper(s)

CLG and Local Government Boundary Commission for England Guidance on Community Governance Reviews

Contact: Ros Layfield, Committee Services Manager	03000 269 708
Clare Burrows, Governance Solicitor	03000 260 548

Appendix 1: Implications

Finance - The main costs will be in respect of a consultation and will be met from the budget identified for community governance reviews.

Staffing – The work will impact on staff time.

Risk - None

Equality and Diversity - None

Accommodation - None

Crime and Disorder - None

Human Rights - None

Consultation – See report

Procurement - None

Disability Discrimination Act - None

Legal Implications – A review will be undertaken in line with current legislation and Regulations.

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COMMUNITY GOVERNANCE REVIEW OF PELTON FELL**TERMS OF REFERENCE****Introduction**

On 23 September 2015 Durham County Council (“Council”) resolved to undertake a Community Governance Review (“Review”), commencing on 23 September 2015, covering the unparished area of Pelton Fell.

In undertaking the Review, the Council will be guided by Part 4 of the Local Government and Public Involvement in Health Act 2007, the relevant parts of the Local Government Act 1972, Guidance on Community Governance Reviews issued in accordance with section 100(4) of the Local Government and Public Involvement in Health Act 2007 by the Department of Communities and Local Government and the Local Government Boundary Commission for England in March 2010, and the following regulations which guide, in particular, consequential matters arising from the Review: Local Government (Parishes and Parish Councils) (England) Regulations 2008 (SI2008/625); Local Government Finance (New Parishes) Regulations 2008 (SI2008/626). (The 2007 Act has transferred powers to the principal councils which previously, under the Local Government Act 1997, had been shared with the Electoral Commission and the Boundary Committee for England).

The Council has also given due consideration and carefully considered the Guidance on Community Governance Reviews issued by the Secretary of State for Communities and Local Government published in 2008.

What is a community governance review?

A Community Governance Review is a legal process whereby the Council will consult with households and other interested parties on the most suitable ways of representing the people in the area identified in this review.

This means making sure that households and other interested groups have a say in how local services are delivered in their area.

A Review can consider one or more of the following options:

- creating, merging, altering or abolishing parishes;
- the naming of parishes and the style of new parishes and the creation of town councils;
- the electoral arrangements for parishes (for instance, the ordinary year of election; council size; the number of councillors to be elected to the council, and parish warding);
- grouping parishes under a common parish council or de-grouping parishes;
- other types of local arrangements, including parish meetings.

Aim of the Review

The Council aims to ensure that community governance arrangements within the area under review are reflective of the identities and interests of the community in that area.

The Council will also:

- consider what community governance arrangement is effective and convenient to the community in that area;
- consider what other arrangements there could be for the purpose of community governance or engagement;
- consider the size, population and boundaries of the local community or parish.

Why is the Council undertaking the Review?

Pelton Fell Community Partnership (“the Partnership”) submitted a valid petition to the Council which seeks for the unparished area of Pelton Fell to have an independent Community Council.

Who is undertaking the Review?

The Council is responsible for undertaking any review within its electoral area. The full Council is responsible for agreeing draft and final recommendations prior to any Community Governance Order being made.

Consultation

The Council has drawn up and now publishes these Terms of Reference. This document sets out the aims of the Review, the legislation that guides it and some of the policies the Council considers important in the Review. In coming to its recommendations in a review, the Council needs to take account of the view of the local people.

The Council recognises that the development of strong, sustainable communities depends on residents’ active participation in decision making and making a positive contribution to improving the place where they live. The Council is therefore committed to engaging effectively with the diverse communities it serves and to enabling local people to participate meaningfully in decisions that affect their lives, where all people feel able to take an active part in influencing service delivery.

The Council intends to undertake consultation with households and other stakeholders in the area and will:

- produce a consultation document and feedback form which will be sent to all households in the review area;

- publish relevant notices within the local media and on the Council's website;

The initial consultation period (detailed in the review timetable) will end on 6 November 2015. Any representations on the review must be received by that date or they may not be considered.

The Council will also be pleased to receive comments from any other person or body that wishes to make representations during the initial submission.

The Council intends to clearly publish all decisions taken during the review, give reasons for taking such decisions and conduct the process transparently so that local people and local stakeholders who may have an interest are made aware of the outcome of the decisions taken.

How to contact us

Please send any representation to:-

Freepost RSSZ-SYUS-ERXZ

Democratic Services
Room 1/13-20
Durham County Council
County Hall
DURHAM
DH1 5UL

or alternatively, you can submit written representation by email to durhamcgr@durham.gov.uk. A copy of the consultation document is also available online at www.durham.gov.uk/communitygovernance

Further information about the review is available on the Council's website and its social network pages, detailed below:

www.durham.gov.uk/communitygovernance
www.facebook.com/durhamcouncil
www.twitter.com/durhamcouncil

Timetable for the Review

Action	Time Span	Dates
Publication of Terms of Reference		23 September 2015
Consultation process - Invitation of initial submissions	6 weeks	23 September 2015
Analysis/evaluation of submissions and preparation of draft proposals	6 weeks	6 November 2015
Publication of draft proposals		20 January 2016
Consultation on draft proposals	6 weeks	20 January 2016
Analysis/evaluation of draft proposals and preparation of final recommendations	6 weeks	2 March 2016
Publication of final recommendations and agreement to make re-organisation Order, if appropriate		18 May 2016
Preparation and publication of any reorganisation Order	One month	20 June 2016

Order and commencement

The Review will be completed when the Council publishes its final recommendations.

In the event of a Reorganisation of Community Governance Order being required, the provisions of such an order may take effect from 1 April 2017 for financial and administrative purposes depending upon the outcome of the review. The electoral arrangements for the possible formation of any new or revised arrangements for an existing town or parish council will come into force at the local town and parish council elections on 4 May 2017.

Publication of terms of reference

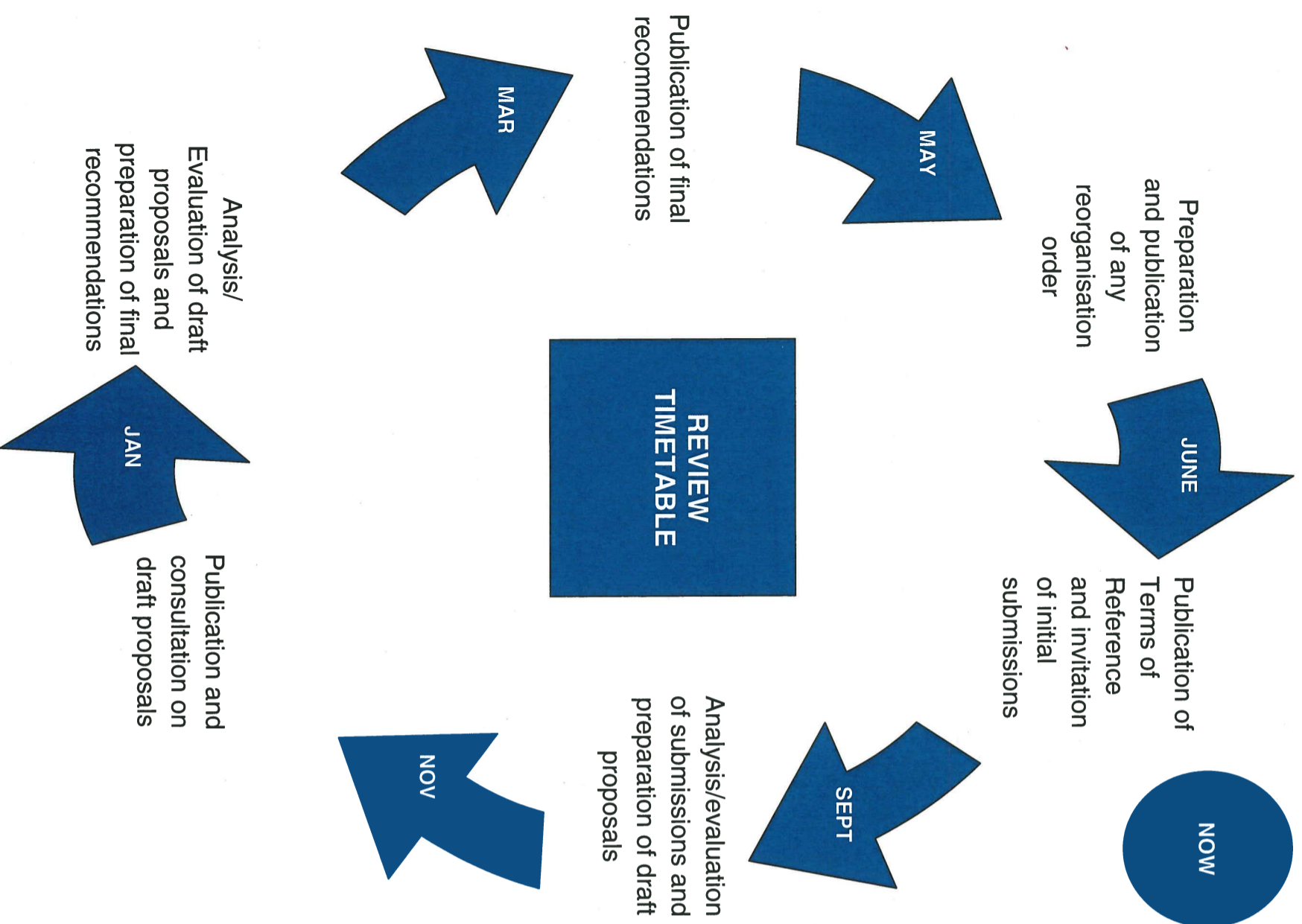
These Terms of Reference will be published on the Durham County Council website www.durham.gov.uk/communitygovernance and are available for inspection at the offices of the Council.

Date of publication

23 September 2015

Progress so far?

The Community Governance Review is being carried out in a number of stages:



COMMUNITY GOVERNANCE REVIEW OF THE AREA OF PELTON FELL



What is a community governance Review?

A Community Governance Review (“Review”) is a legal process carried out by the County Council where the Council can ask the public and other interested parties about the most suitable way of representing local communities. The County Council may undertake a Review or a request for a Review can be submitted by the public and local groups by way of a valid petition which requires the Council to carry out a Review.

The outcome of a Review can lead to the creation of a parish or town council in an unparished area. Reviews such as the one we are carrying out in your area, pay particular attention to the possible formation of a local council, council size, and warding arrangements.

The County Council must ensure that community governance in the area under Review reflects the identities and interests of the community in that area, and is effective and convenient.

Any recommendations made by the County Council through a Review should bring about improved community engagement, more cohesive communities, better local democracy and result in more effective and convenient delivery of local services.

The proposal

Pelton Fell Community Partnership (“the Partnership”) submitted a valid petition to the County Council which seeks for the unparished of Pelton Fell to have its own independent community council. It is understood that the petitioners are seeking a parish council to be known as a community council.

The County Council has identified two options for the future community governance arrangements in the area.

Option 1

To implement changes to the current community governance arrangements in accordance with the petition submitted by the Partnership. This would see the current unparished area of Pelton Fell, as shown on the map, have its own community council.

Residents of Pelton Fell would pay a precept to a community council (please refer to the section ‘How will you be affected?’)

The County Council would then need to review the council size, warding of the council, and further consultation would be undertaken at that time.

Option 2

That the current community governance arrangements in the unparished area Pelton Fell remain unchanged. This would mean that the changes proposed by the Partnership would **not** be implemented and there would be no change to current community governance arrangements in the area.

How will you be affected?

How you will be affected will depend upon whether the County Council decide to implement the proposals at the end of the Review process. Residents currently living within the unparished area of Pelton Fell would become part of a new community council.

If you live in an area where there is a local council, they need money to provide additional services within the parish. The County Council collects this money on their behalf through the Council Tax and the amount will be shown on your bill, but the local council decides how much it needs. Residents would benefit from any local services that a local council choose to deliver. A precept charged by any local council can vary considerably depending on the type of services that the local council wish to deliver. There is no comparable figure for councillor numbers, precepts or council tax bases for parish councils. For illustration purposes only, below are some examples of the precept charges per year for local councils in the area for Band D equivalent properties.

Parish Council	Registered Electors	No of Cllrs	2014/15 Band D Equivalent	2015/16 Band D Equivalent
Bourmoor	1492	9	£19.43	£20.66
Edmondsley	436	7	£35.64	£35.64
Kimbleworth & Plawsworth	1161	11	£21.19	£21.36
Pelton	4736	15	£97.56	£102.44
Sacriston	3582	15	£40.82	£40.82

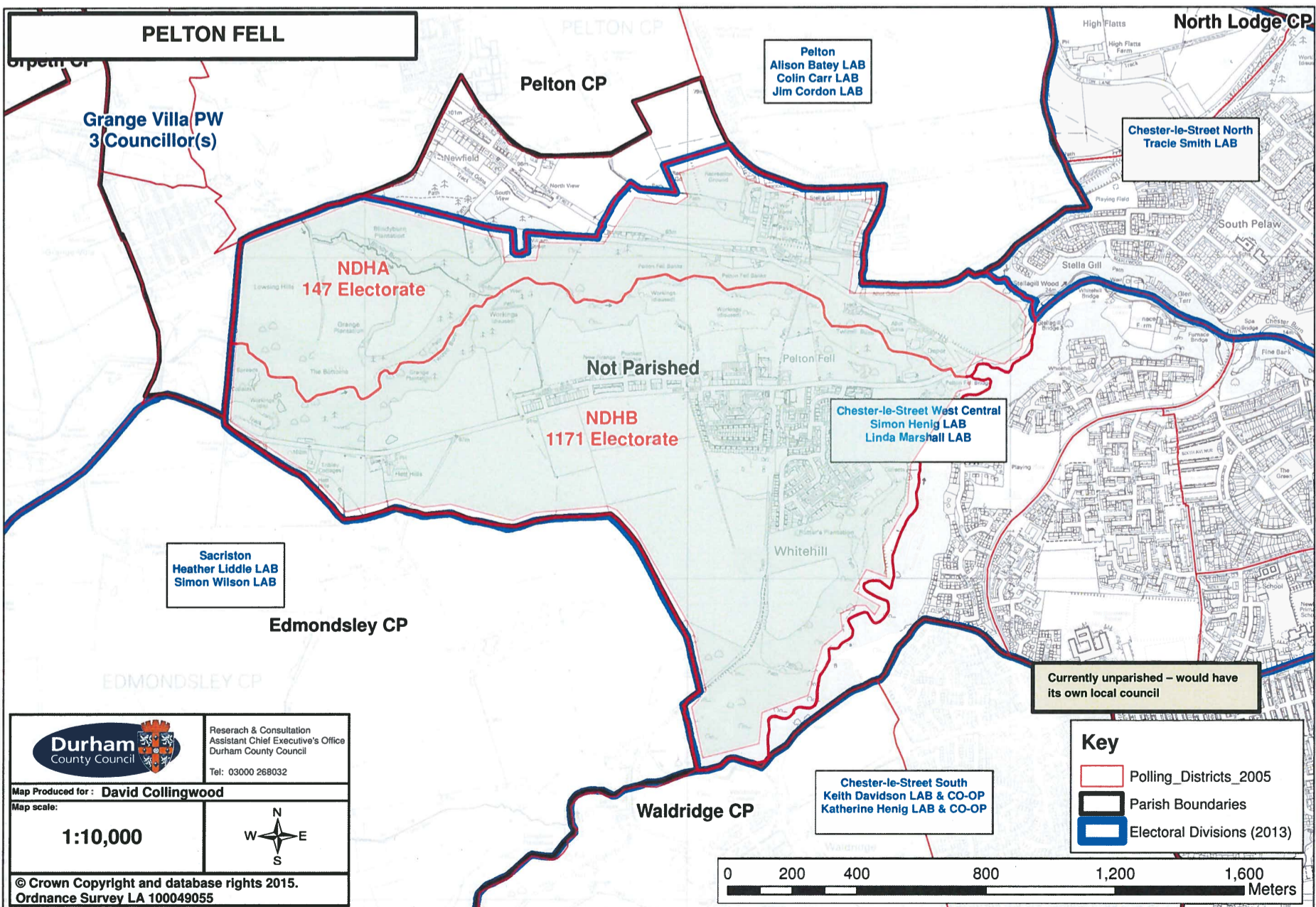
Why your views are important

The Council must ensure that any proposals reflect the identities and interests of the community in that area and that they are effective and convenient. A final decision will only be made by the County Council at the end of the Review process. The Review will only be completed when the Council publishes its final recommendations.

We would like to hear your views on the proposals and any other comments or proposals about community governance in your area. A consultation response form is attached, although comments will be accepted in other formats (such as letter or e-mail). Representations must be received by 6 November and sent to:

FREEPOST RSSZ-SYUS-ERXZ
Democratic Services
Room 1/13-20
County Hall
DURHAM, DH1 5UL

Written representation can be submitted by email to durhamcgr@durham.gov.uk. If you have any queries regarding the consultation, or need any help to access information or to complete the response form, or would like to request further copies of this consultation leaflet, please contact us using the details above. Further information on the Review, including updates on the progress of the Review, can be found on the council's web site www.durham.gov.uk/communitygovernance



County Council**23 September 2015****Changes to the Constitution**

Report of the Head of Legal and Democratic Services

Purpose of the Report

1. To seek approval to proposed amendments to the Constitution to reflect changes to the law.

Proposed Amendments

2. Article 4 of the Constitution sets out at paragraph 4.01a) the Council's Policy Framework. This is a list of plans and strategies to be adopted or approved by Full Council. The correct title for the Youth Justice Plan is the County Durham Youth Justice Plan and therefore an amendment is required to the title of the plan. The Crime and Disorder Reduction Strategy (known as the Safe Durham Partnership Plan) is not required to be adopted or approved by Council and therefore it is proposed that this is removed from the policy framework. The proposed changes are highlighted in Appendix 2.
3. The Counter Terrorism and Security Act 2015 places a general duty on specified authorities which must, in the exercise of their functions, have due regard to the need to prevent people from being drawn into terrorism. It is proposed that Article 12 of the Constitution is updated accordingly. The proposed changes are highlighted in Appendix 3.
4. The Health and Social Care Act 2012 sets out the statutory transfer of functions relating to public health to local authorities with effect from 1 April 2013. The transfer of responsibility of the Heathy Child Programme 0-5 will occur on 1 October 2015. The delegations to the Director of Children and Adults Services contained in Part 3, C, Table 3 of the Constitution require a new delegation which is in addition delegated to the Director of Public Health to ensure that the Council complies with its statutory obligations. The proposed changes are highlighted in Appendix 4.
5. The delegations to the Director of Neighbourhood Services, which are in addition delegated to the Head of Environment Health and Consumer Protection at paragraphs 20 and 21 of Part 3, C, Table 5 of the Constitution have been updated. The tables of legislation contained in Appendices 1 and 5 to the Director's delegations have been updated to include new legislation and legislation which is necessary to ensure that the Council can carry out its functions. The proposed changes are highlighted in Appendix 5.

6. Constitution Working Group agreed at its meeting on 4 September 2015 to recommend that Council agree the changes proposed to the Constitution.

Next Steps

7. To amend Articles 4 and 12 of the Constitution, the delegations of the Director of Children and Adults Services and delegations of the Director of Neighbourhood Services for the reasons set out in paragraphs 2 to 5.

Recommendations and reasons

8. To approve the proposed changes to Articles 4 and 12 of the Constitution and to the delegations of the Corporate Director, Children and Adults Services at Part 3, C, Table 3 of the Constitution and the delegations to the Director of Neighbourhood Services contained in Part 3, C, Table 5 of the Constitution.

Contact: Colette Longbottom Tel: 03000 269732

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 – None specific within this report

4.01 Meanings

(a) **Policy Framework.** The policy framework means the following plans and strategies:-

- Council Plan
- Sustainable Community Strategy
- County Durham Local Development Framework (Plans and alterations that together form the Development Plan)
- County Durham Youth Justice Plan
- ~~Crime and Disorder Reduction Strategy (known as the Safe Durham Partnership Plan)~~
- Housing Strategy
- Licensing Authority Policy Statement
- Statement on Gambling Policy
- Any other plan or strategy which the Council determines should be adopted or approved by them.

(b) **Budget.** The budget includes the allocation of financial resources to different services and projects, proposed contingency funds, setting the council tax and decisions relating to the control of the Council's borrowing requirement, the control of its capital expenditure and the setting of virement limits.

Appendix 3: Article 12 – Decision Making

12.01 Responsibility for decision making

The Council will issue and keep up to date a record of what part of the Council or individual has responsibility for particular types of decisions or decisions relating to particular areas or functions. This record is set out in Part 3 of this Constitution.

12.02 Principles of decision making

All decisions of the Council will be made in accordance with the following principles:

- (a) proportionality (i.e. the action must be proportionate to the desired outcome);
- (b) due regard to all relevant and material considerations and disregard of irrelevant considerations;
- (c) due consultation and the taking of professional advice from officers;
- (d) respect for human rights;
- (e) a presumption in favour of openness;
- (f) clarity of aims and desired outcomes;
- (g) the giving of reasons for decisions; and
- (h) ~~of due regard to~~ equality legislation and the Disability Discrimination Act 1995; ~~and~~
- (i) ~~due regard to the need to prevent people from being drawn into terrorism.~~

12.03 Types of decision

- (a) Decisions reserved to full Council. Decisions relating to the functions listed in Article 4.02 will be made by the full Council and not delegated.
- (b) Key decisions. A key decision means an executive decision which is likely:
 - to result in the Council incurring expenditure which is, or the making of savings which are, significant, having regard to
 - the Council's budget for the service or function to which the decision relates, or
 - to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the Council

- (c) For the purposes of paragraph 12.03(b) above, the incurring of expenditure is not a key decision, if it is:-
 - (i) to implement or give effect to a provision of the Council's Budget or Policy Framework and, where appropriate, for which financial provision has been made;
 - (ii) to implement nationally or provincially agreed pay awards for officers of the Council in accordance with the terms of such award;
 - (iii) expenditure incurred by the Corporate Director, Resources in the exercise of Treasury Management powers delegated to him.
- (d) For the purposes of paragraph 12.03(b) above, any decision taken for the purpose of implementing an approved plan or strategy is not a key decision if it relates to a matter for which the plan or strategy makes provision.

12.04 Decision making by the full Council

Subject to Article 12.08, the Council meeting will follow the Council Procedure Rules set out in Part 4 of this Constitution when considering any matter.

12.05 Decision making by the Executive

Subject to Article 12.08, the Executive will follow the Executive Procedure Rules set out in Part 4 of this Constitution when considering any matter.

12.06 Decision making by Overview and Scrutiny Committees

The Overview and Scrutiny Management Board and the Scrutiny Committees will follow the Overview and Scrutiny Procedure Rules set out in Part 4 of this Constitution when considering any matter.

12.07 Decision making by other Committees and Sub-Committees established by the Council

Subject to Article 12.08, other Council committees and sub-committees will follow those parts of the Council Procedure Rules set out in Part 4 of this Constitution as apply to them.

12.08 Decision making by Council bodies acting as tribunals

The Council, a councillor or an officer acting as a tribunal or in a quasi-judicial manner or determining/considering (other than for the purposes of giving advice) the civil rights and obligations or the criminal responsibility of any person will follow a proper procedure which accords with the requirements of natural justice and the right to a fair trial contained in Article 6 of the European Convention on Human Rights.

Appendix 4: Table 3 – Delegations to the Corporate Director, Children and Adults Services

3. The matters set out below are, in addition, **delegated to the Director of Public Health**;
- 3.1 To take responsibility for the management of the Council's Public Health Services, with professional responsibility and accountability for their effectiveness, availability and value for money.
 - 3.2 To contribute to and influence the work of the NHS Commissioners, ensuring a whole system approach across the public sector and ensuring NHS commissioners receive the public health advice they need.
 - 3.3 To provide leadership, expertise and advice to Senior Officers and Elected Members on a range of issues from outbreaks of disease and emergency preparedness through to improving local people's health concerns around access to health services.
 - 3.4 To provide the public with expert, objective advice on health matters.
 - 3.5 To promote action across the life course, working together with council colleagues such as the Director of Children and Adults Services and with NHS colleagues.
 - 3.6 To work with local Criminal Justice Partners and Police and Crime Commissioners to promote safer communities, including cooperating with the police, the probation service and the prison service to assess the risk posed by violent or sexual offenders.
 - 3.7 Under the NHS Act 2006 and the Health & Social Care Act 2012, to discharge any functions in relation to the corporate public health duties of the Council including responsibility for writing the annual report on the health of the local population. (The Council has a duty to Publish this report under section 73B (5) & (6) of the 2006 Act and Section 31 of the 2012 Act).
 - 3.8 Under Section 73A(1) of the 2006 Act inserted by section 30 of the 2012 Act;
 - To undertake duties to take steps to improve public health
 - To undertake such other public health protection or health improvement functions that the Secretary of State delegates to Local Authorities either by arrangement or under regulations- these include services mandated by regulations under Section 6C of the 2006 Act Inserted by section 18 of the 2012 Act

- To respond as a responsible authority under the Licensing Act 2003, such as making representations about licensing applications
- To provide Healthy Start Vitamins (under the Healthy Start and Welfare Food Regulations 2005) for maternity or child health clinics
- To consult and make decisions on Fluoridation Schemes

3.9 Under section 6C of the NHS Act 2006;

- To ensure appropriate access to sexual health services
- To take responsibility for the National Child Measurement Programme
- To take responsibility for the NHS Health Check Assessment

3.10 To act as either as lead or supporting Director of Public Health chairing or co- chairing the Local Health Resilience Partnership (LHRP) for County Durham, Darlington and Tees Valley.

3.11 To oversee the NHS screening programmes, both cancer and non-cancer, ante-natal and children's screening programmes, ensuring the health of the population is adequately protected and raising issues and concerns appropriately.

3.12 To oversee the NHS immunisation programmes including children 0-5 years, HPV and seasonal flu and any other that the Secretary of State instructs, including catch up programmes, raising issues and concerns appropriately.

3.13 To discharge the Council's responsibilities in relation to communicable and infectious diseases, including healthcare acquired infections.

3.14 Implementing or determining, subject to any rights of review or appeal which may apply, all matters concerning the Statutory Public Health complaints procedure.

3.15 Setting, varying and recovering charges in respect of certain steps taken in the exercise of health improvement duties.

3.16 To advise and contribute to the preparation of the Pharmaceutical Needs Assessment

3.17 The commissioning of services in relation to 0-5 children's public health.

**Appendix 5: Table 5 – Delegations to the Corporate Director,
Neighbourhood Services**

**The following matters are, in addition delegated to the Head of
Environment, Health and Consumer Protection**

15. 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 Local Authorities (Functions and Responsibilities) (England) 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. Storage of celluloid;
 - p. Meat, fish, dairy and egg product establishments and butchers' shops;
 - q. Motor salvage operations;
 - r. Health and safety at work;
 - s. Smoke-free premises;
 - t. Caravan and camping sites and moveable dwellings

16. 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 Local Authorities (Functions and Responsibilities) (England) 2000 Regulations;
 - c. Contaminated land;
 - d. Port health;

17. 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.

18. 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.

19. 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.
20. To issue simple and conditional cautions to persons guilty of criminal offences under the legislation ~~as~~ referred to in ~~Appendix 1 paragraph 17 above~~ and in accordance with PACE and the Home Office Guidance.
21. 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 Appendix 1 ~~paragraph 20 above.~~
22. 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.
23. To grant authorisations in relation to illegal money lending and unfair trading practices.
24. Power to agree transfers and assignments under health and safety legislation to change Enforcing Authority responsibilities.
25. 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.
26. Power to appoint Public Analyst, Agricultural Analyst and Food Examiner for the Council.
27. 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.
28. 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.
29. To agree terms of conditions and licences in accordance with published best practice and/or guidance.

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 Act 1971
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
Cattle Identification Regulations 1998 (Amended)
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 Act 2015
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 Horses Act 2015
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
Deregulation Act 2015
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
Housing Grants, Construction and Regeneration Act 1996
Hypnotism Act 1952
International Health Regulations 2005
Intoxicating Substances (Supply) Act 1985
Land Drainage Act 1976
Land Drainage Act 1991
Land Drainage Act 1994
Legislative and Regulatory Reform Act 2006
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
Local Government (Review of Decisions) Act 2015
Localism Act 2011
Medicines Act 1968
Mines and Quarries Act 1954
Mobile Homes Act 2013
Motor Cycle Noise Act 1987
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) Regulations 2014
Pigs (Records, Identification and Movement) Order 1995
Poisons Act 1972
Police, Factories etc. (Miscellaneous Provisions) Act 1916
Pollution Prevention and Control Act 1999
Pollution Prevention and Control (England and Wales) Regulations 2000

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
Sheep Scab Order 1997
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 5 to Table 5

Administration of Justice Act 1970
Allotments Act 1922, 1925 and 1950
Animal Act 1971
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 (CDM) Regulations 2015
Control of Horses Act 2015
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
Deregulation Act 2015
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

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County Council

23 September 2015

Annual Report of the Standards
Committee



Report of Colette Longbottom, Head of Legal and Democratic Services

Purpose of the Report

1. To reflect and report on the work associated with the Standards Committee during 2014/15 and to set out the future direction which the Committee intends to take during 2015/16.

Background Information to the Annual Report

2. Although there is no legislative requirement for Standards Committees to produce an Annual Report, doing so is recognised as good practice. Not only does the report publicise the work of the Committee to the wider general public, it is also a means for the Authority itself to monitor the Committee's work.
3. There are several purposes of the report, beginning with a reflection of the role and make-up of the Standards Committee.
4. Primarily this report provides a review of the work associated with the Standards Committee during the previous municipal year and then go on to communicate the future direction of the Standards Committee.

Membership of the Standards Committee

5. The Standards Committee is comprised of 11 County Council Members and 2 Parish/Town Council Members as follows:-

County Council Membership – 2014/15

Councillor J Armstrong – Chairman during 2014/15
Councillor M Williams – Vice Chairman during 2014/15

County Councillors E Bell, J Clark, M Dixon, B Graham, G Holland, E Huntington, I Jewell, W Stelling, B Stephens

Parish and Town Council Representatives

Terry Batson - is a consultant Arborist and a former Local Government Officer. Terry is also a Member of Tow Law Town Council

Ralph Harrison – is a former Member of Chester le Street District Council and continues to serve his local communities as a Member of Sacriston Parish Council and Kimblesworth & Plawsworth Parish Council.

Independent Persons

6. Under the Localism Act 2011, the Council was required to appoint one or more Independent Persons to assist in the standards process.
7. The functions of the Independent Persons are:
 - i. They must be consulted by the authority before it makes a finding as to whether a member has failed to comply with the Code of Conduct or decide on action to be taken in respect of that member.
 - ii. They may be consulted by the authority in respect of a standards complaint at any other stage and they may be consulted by a member or a co-opted member of the authority.
8. In September 2012 the Council appointed the following persons:-
 - i. John Dixon Dawson. John is from Peterlee and is currently Head of Post Graduate Programmes at the University of Sunderland Business School.

He has a career going back to 1986, which has involved various placements at universities in the North East, four years as a non-Executive Director at an NHS Trust and seven years as a Deputy Town Clerk.
 - ii. Peter William Jackson. Peter is from Newton Hall and is retired. Originally from the private sector having fulfilled the roles of Factory Manager, General Manager, Managing Director, Group Technical Executive and Sales Manager.
He has also served on the Youth Employment Committee of the Council and the Police Consultative Committee for Durham County Council.

Role of the Standards Committee

9. The Members of the Standards Committee have a common interest in that they believe in principled local politics and value their role as champions of high standards of conduct amongst local politicians.

10. In accordance with Article 9 of the Constitution of Durham County Council, the roles and functions of the Standards Committee are as follows:
- (a) promoting and maintaining high standards of conduct by Members and Co-opted Members of the Council and Parish and Town Council Members;
 - (b) assisting Members and Co-opted Members of the Council and Parish and Town Council Members to observe the Members' Code of Conduct and where appropriate, the Planning Code of Practice;
 - (c) advising the Council on the adoption or revision of the Members' Code of Conduct and the Planning Code of Practice;
 - (d) monitoring the operation of the Members' Code of Conduct and the Planning Code of Practice;
 - (e) advising, training or arranging to train Members and Co-opted Members of the Council and Parish and Town Council Members on matters relating to the Members' Code of Conduct and Planning Code of Practice;
 - (f) granting dispensations to Members and Co-opted Members of the Council from requirements relating to interests set out in the Members' Code of Conduct and Planning Code of Practice in circumstances where this function has not been delegated to the Monitoring Officer;
 - (g) the assessment and/or referral for investigation of allegations of misconduct on the part of Members and Co-opted Members of the Council and Parish and Town Council Members, if requested to undertake this function by the Monitoring Officer;
 - (h) the determination of allegations of misconduct on the part of Members and Co-opted Members of the Council and Parish and Town Council Members;
 - (i) dealing with any alleged breach by a Member of a Council Protocol, in accordance with procedures approved by the Committee;
 - (j) overview of the Officers' Code of Conduct;
 - (k) overview of the Protocol on Member/Officer Relations;
 - (l) overview of payments or provision of other benefits in cases of maladministration.

Parish and Town Council Sub-Committee

11. The Standards Committee will appoint a sub-committee comprising 3 Councillors. The remit of the Sub-Committee will be to support Parish

and Town Councillors and their Clerks in maintaining high standards of conduct, whether through training or otherwise, and for this purpose to maintain close links with the County Durham Association of Local Councils.

Code of Conduct Complaints

12. In 2012, following the implementation of the Localism Act 2011 and associated changes to the Standards regime, the Monitoring Officer was appointed as the 'Proper Officer' to receive complaints of failure to comply with the Code of Conduct. Furthermore, the Monitoring Officer has delegated power, after consultation with the Independent Person and if appropriate, to determine whether a complaint merits formal investigation. Wherever practicable, the Monitoring Officer seeks resolution of complaints without formal investigation and she has discretion to refer decisions on investigation to the Standards Committee where she feels that it is inappropriate for her to take the decision. The Standards Committee receives a quarterly report on the discharge of this function.
13. During 2014/15 the number and breakdown of complaints regarding breaches of the Code of Conduct was as follows:-

CODE OF CONDUCT COMPLAINTS 1 APRIL 2014 – 31 MARCH 2015

- **NUMBER OF COMPLAINTS** – 28 Complaints received.
- **SOURCE OF COMPLAINTS** – 4 of the complaints were received from councillors; 21 received from members of the public; 3 were received from Parish/Town Council employees.
- **SUBJECTS BY TYPE** – 8 complaints were about County Councillors; 12 complaints were about Parish Councillors; 8 complaints were about Town Councillors.
- **OUTCOMES** - 24 – No further action; 2 – Resolved with Local Resolution; 2 complaints are yet to be resolved.

This compares with the following number and breakdown for the year 2013/14:-

CODE OF CONDUCT COMPLAINTS 1 APRIL 2013 – 31 MARCH 2014

- **NUMBER OF COMPLAINTS** – 42 Complaints received.
- **SOURCE OF COMPLAINTS** – 9 of the complaints were received from councillors; 25 received from members of the public; 8 were received from Parish/Town Council employees.
- **SUBJECTS BY TYPE** – 9 complaints were about a County Councillors; 13 complaints were about Parish Councillors; 20 complaints were about Town Councillors.

- **OUTCOMES** - 34 – No further action; 8 – Resolved with Local Resolution (training/advisory visit from Deputy Monitoring Officer)

Work of the Standards Committee during 2014/15 – plenary meetings

14. During the period the Committee have met in plenary session on 4 occasions. It is commonplace for the members of the Committee to receive quarterly update reports on the current status of all live complaints and complaints which have recently been closed as dealt with since the previous session.

Delegated Decisions

15. In accordance with Article 9, part I, the Standards Committee has the overview of payments or provision of other benefits in cases of maladministration. This is further reflected in Article 21c of the Constitution, page 108, paragraph 52, which provides for the Head of Legal and Democratic Services, 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).

During 2014/15, 8 such payments were made following agreement and approval by the Chair of the Standards Committee and the Head of Legal and Democratic Services and further to findings of fault, maladministration and/or injustice by the Local Government Ombudsman. Payments ranged from £57.00 to £500.00.

Training and Development

16. Further to a request for training, the Chair of the Standards Committee accompanied officers to Bishop Auckland Town Council in September 2014. The Town Council had requested refresher training on the NALC Code of Conduct and the Local Assessment process. The topics generated good debate and discussion with delegates and many attendees took the opportunity to seek clarification and ask questions on relevant issues.

Moving Forward

17. The Standards Committee is continually dedicated to its responsibility to champion and promote high standards of conduct amongst the County's local politicians. As such a training session will be hosted by the Chair of the Standards Committee and the Monitoring Officer in November 2015, to provide refresher training on the Code of Conduct to delegates from all local Parish and Town Councils. Similar sessions have been facilitated in previous years and are always well attended.
The Committee will continue to provide support and advice where necessary, to local Councils and in conjunction with the County Durham Association of Local Councils.

Conclusion

18. The Standards Committee has continued to promote the principles and values of good governance within the Council and across the County. The Members of the Standards Committee are committed and dedicated to ensuring that high standards of conduct are maintained by all local elected Members.
19. Members' views on the content of this report would be welcome.

Recommendation

20. It is recommended that Council notes the report.

Contact: Jocasta Lawton Tel: 03000 269707

Appendix 1: Implications

Finance – Covered in the body of the report.

Staffing – None specific within this report.

Risk – None specific within this report.

Equality and Diversity - 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 Discrimination Act - None specific within this report.

Legal Implications - None specific within this report.

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