

Council Agenda



6.00 pm Thursday, 30 January 2020
Council Chamber, Town Hall,
Darlington. DL1 5QT

Members of the Public are welcome to attend this Meeting.

1. Introductions / Attendance at Meeting.
2. Minutes - To approve the Minutes of the Meeting of this Council held on 5 December 2019 (Pages 1 - 6)
3. Declarations of Interest.
4. Sealing.
5. Announcements.
6. Questions - To answer questions (where appropriate notice has been given from):-
 - (a) The Public;
 - (b) Members to Cabinet/Chairs;
 - (c) Members to the Acting Police, Crime and Victims' Commissioner for Durham and Darlington.
7. Council Reports.
 - (a) Members' Allowances Review – Report of the Managing Director (Pages 7 - 60)
 - (b) Council Tax Calculation of Tax Base 2020/21 – Report of the Managing Director (Pages 61 - 68)

8. Cabinet Reports.
 - (a) Overview Report of the Leader of the Council; (Pages 69 - 70)
 - (b) Overview Report of the Adults Portfolio; (Pages 71 - 72)
 - (c) Overview Report of the Children and Young People Portfolio; (Pages 73 - 76)
 - (d) Overview Report of the Economy Portfolio; (Pages 77 - 82)
 - (e) Overview Report of the Health and Housing Portfolio; (Pages 83 - 86)
 - (f) Overview Report of the Local Services Portfolio; (Pages 87 - 92)
 - (g) Overview Report of the Resources Portfolio; and (Pages 93 - 94)
 - (h) Overview Report of the Stronger Communities Portfolio; (Pages 95 - 100)
 - (i) Mid Year Prudential Indicators and Treasury Management Monitoring Report 2019/20 –
Report of the Managing Director
(Pages 101 - 116)
9. Scrutiny Reports - To consider Scrutiny Overview Reports:-
 - (a) Adults Scrutiny Committee; (Pages 117 - 118)
 - (b) Children and Young People Scrutiny Committee; (Pages 119 - 120)
 - (c) Communities and Local Services Scrutiny Committee. (Pages 121 - 122)
 - (d) Economy and Resources Scrutiny Committee; (Pages 123 - 124)
 - (e) Health and Housing Scrutiny Committee; and (Pages 125 - 126)
10. Membership Changes - To consider any membership changes to Committees, Subsidiary Bodies and Other Bodies.



Luke Swinhoe
Assistant Director Law and Governance

Wednesday, 22 January 2020

Town Hall
Darlington.

Membership

The Mayor, Councillors Ali, Allen, Baldwin, Bartch, Bell, Boddy, Dr. Chou, Clarke, Cossins, Crudass, Crumbie, Mrs Culley, Curry, Donoghue, Dulston, Durham, Harker, Haszeldine, Heslop, Holroyd, Howarth, Howell, C L B Hughes, L Hughes, Johnson, B Jones, Mrs D Jones, Keir, Laing, Layton, Lee, Lister, Lucas, Marshall, McCollom, McEwan, Mills, Newall, K Nicholson, M Nicholson, Paley, Preston, Renton, A J Scott, Mrs H Scott, Snedker, Tait, Tostevin and Wright

If you need this information in a different language or format or you have any other queries on this agenda please contact Paul Dalton, Elections Officer, Resources Group, during normal office hours 8.30 a.m. to 4.45 p.m. Mondays to Thursdays and 8.30 a.m. to 4.15 p.m. Fridays Email: paul.dalton@darlington.gov.uk or Telephone 01325 405805

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COUNCIL

Thursday, 5 December 2019

PRESENT – The Mayor, Councillors Allen, Bartch, Boddy, Dr. Chou, Clarke, Cossins, Crudass, Crumbie, Mrs Culley, Donoghue, Dulston, Durham, Harker, Haszeldine, Holroyd, Howarth, Howell, C L B Hughes, L Hughes, Johnson, B Jones, Mrs D Jones, Keir, Laing, Layton, Lee, Lister, Lucas, Marshall, McCollom, McEwan, Newall, K Nicholson, M Nicholson, Paley, Preston, Renton, A J Scott, Mrs H Scott, Snedker, Tait, Tostevin and Wright

APOLOGIES – Councillors Ali, Baldwin, Bell, Curry, Heslop and Mills.

32 MINUTES - TO APPROVE THE MINUTES OF THE MEETINGS OF THIS COUNCIL HELD ON 19 SEPTEMBER AND 26 SEPTEMBER 2019

Submitted – The Minutes (previously circulated) of the meetings of this Council held on 19 September 2019 and 26 September 2019.

RESOLVED – That the Minutes be approved as correct records.

33 DECLARATIONS OF INTEREST.

Councillor Snedker declared a non-pecuniary interest in Minute 38 below, as an allotment holder at the West Cemetery Allotments.

34 SEALING.

Presented – The Register showing the documents which had been sealed since the last meeting of Council.

35 ANNOUNCEMENTS.

The Mayor reported on the death of former-Mayoress Carol Johnson, who had sadly passed away on 13 October 2019. The Mayor noted that Mrs. Johnson served as Mayoress alongside Councillor Charles Johnson during his Mayoral Year in 2013/14, and invited Councillor Mrs. H. Scott, Leader of the Council, to address the meeting.

The Mayor also informed Members of the Death in Service of Graham Darlington, and invited the Director of Economic Growth and Neighbourhood Services to address the meeting.

As a mark of respect, Members stood and observed a short silence in memory of former colleagues.

36 QUESTIONS - TO ANSWER QUESTIONS (WHERE APPROPRIATE NOTICE HAS BEEN GIVEN FROM):-

(1) THE PUBLIC;

There were three questions, with notice, from members of the public, one in relation to the Skerningham Garden Village proposal; and two in relation to the West

Cemetery Development Proposal; and answers were provided thereon.

(2) MEMBERS TO CABINET/CHAIRS;

There was one question, with notice, from a Member to the Mayor, who received an answer thereon.

(3) MEMBERS TO THE ACTING POLICE, CRIME AND VICTIMS' COMMISSIONER FOR DURHAM AND DARLINGTON.

The Acting Chief Executive, Office of Durham Police, Crime and Victims' Commissioner, attended the meeting on behalf of the Police, Crime and Victims' Commissioner for Durham and Darlington.

The Acting Chief Executive, Office of Durham Police, Crime and Victims' Commissioner, addressed Members and answered questions thereon.

37 COUNCIL REPORTS.

(1) SCRUTINY COMMITTEES - PROPOSED TERMS OF REFERENCE

The Managing Director submitted a report (previously circulated) requesting that Members gave consideration to a number of changes to the names and Terms of Reference for the Council's Scrutiny Committees, and to enable the necessary consequential amendments to the Council's Constitution to be made.

The submitted report stated that following the changes to the Cabinet Portfolios, made by the Leader of the Council with effect from 1 December 2019, Officers had been requested to review the existing Terms of Reference for the Council's Scrutiny Committee's with a view to aligning them more closely with the amended Cabinet Portfolios.

The submitted report advised that the proposed changes to the Scrutiny Committee names and remits had been considered by each of the Council's Scrutiny Committees and no further amendments had been proposed.

RESOLVED – (a) That the proposed changes to the Scrutiny Committee names and remits, as set out in Appendix 2 of the submitted report, be approved.

(b) That the Assistant Director, Law and Governance, be authorised to make the consequential amendments to the Council's Constitution.

REASONS – (a) To align the remit and names of the Scrutiny Committees so that they correlate better to the changes being made to the Cabinet Portfolios.

(b) To ensure the changes are reflected in the Council's Constitution.

(2) JOINT HEALTH SCRUTINY COMMITTEE

The Managing Director submitted a report (previously circulated) requesting that Members gave consideration to the establishment and appointment of Members to a

Joint Health Scrutiny Committee with Durham County Council, to consider the proposed changes to County Durham and Darlington Stroke Rehabilitation Services and General Inpatient Rehabilitation Services (Ward 6) at Bishop Auckland Hospital.

The submitted report stated that the three NHS Clinical Commissioning Groups in County Durham and Darlington (NHS Durham Dales, Easington and Sedgefield CCG (DDES), Darlington CCG and North Durham CCG) had launched two public consultations to ask local people to share their views and ideas on Stroke Rehabilitation Services and Inpatient Rehabilitation (Ward 6) at Bishop Auckland Hospital, and that as the proposals are believed to be of 'significant development or substantial variation' in NHS Services, the establishment of a Joint Health Scrutiny was required in order to provide a formal response to those consultations.

RESOLVED – (a) That, as the proposals relating to the changes to County Durham and Darlington Stroke Rehabilitation Services and General Inpatient Rehabilitation Services (Ward 6) at Bishop Auckland Hospital, are regarded as significant, the establishment of a Joint Health Scrutiny Committee, be supported.

(b) That the Conservative and Labour Groups be requested to nominate two Members each, from their membership of the Health and Housing Scrutiny Committee, to sit on the Joint Committee.

REASONS - (a) To ensure that this Council can participate in the review of proposals for the County Durham and Darlington Stroke Rehabilitation Services and General Inpatient Rehabilitation Services (Ward 6) at Bishop Auckland Hospital

(b) To ensure that this Council is represented on the Joint Overview and Scrutiny Committee.

38 CABINET REPORTS.

The Cabinet Members each gave a report (previously circulated) on the main areas of work undertaken under their relevant portfolio during the previous cycle of meetings. Cabinet Members answered questions on their portfolios.

(1) COUNCIL TAX SUPPORT - SCHEME APPROVAL 2020-21

The Managing Director submitted a report (previously circulated) which requested that the Council Tax Support (CTS) Scheme be approved.

The submitted report stated that Councils are required to set a CTS scheme each year, and as part of that exercise they must consider whether any changes should be made to any existing scheme, and, where changes are made, consider what transitional protection, if any, should apply to anyone affected by those changes. The submitted report outlined the details of the proposed CTS scheme for 2020/21.

RESOLVED - (a) That the CTS scheme for 2020/21, as appended at Appendix 1 of the submitted report, which is to:-

- (i) Continue providing up to 100% CTS for care leavers under the age of 25; and

- (ii) Continue providing up to 80% CTS for all other working aged people, be approved.

REASONS - (a) The Council is required to publish a local CTS scheme for 2020-21 by 11 March 2020.

(b) The CTS schemes since 2013 have all been implemented successfully without any major challenges.

(c) The continued application of a reduced entitlement for working aged people is still appropriate, given the current financial position of the Council.

(2) COUNCIL TAX EMPTY PROPERTY PREMIUM

The Managing Director submitted a report (previously circulated) requesting approval of changes to the Council Tax empty property premium.

The submitted report stated that a 50% Council Tax premium (additional charge) had been introduced in April 2013 for all unoccupied and unfurnished domestic properties which had been empty for two years or more, which was the maximum the Council was permitted to charge at that time.

The submitted report informed Members that new legislation had been introduced in November 2018, which allowed Councils to increase the Council Tax premium for properties empty for 2 years or more to 100% (double the Council Tax normally charged), increase the Council Tax premium for properties empty for 5 years or more to 200% (treble the Council Tax normally charged), and increase the Council Tax premium for properties empty for 10 years or more to 300% (quadruple the Council Tax normally charged).

The submitted report advised that consultation had been undertaken with the owners of long-term empty properties, and the submitted report outlined the proposed changes to the Council Tax empty property premium from April 2020. These proposals were considered by the Efficiency and Resources Scrutiny Committee on 12 September 2019, and the Committee confirmed support of the proposed changes, and the proposals were also considered by Cabinet on 5 November 2019, who agreed its onward submission for consideration by Council.

RESOLVED - That the changes to the Council Tax empty property premium, as outlined in the submitted report, be approved, which are to:-

- (i) Increase the Council Tax premium for properties empty for 2 years or more to 100% from April 2020;
- (ii) Increase the Council Tax premium for properties empty for 5 years or more to 200% from April 2020;
- (iii) Increase the Council Tax premium for properties empty for 10 years or more to 300% from April 2021; and

- (iv) Provide protection for those owners who are making genuine efforts to bring their long-term empty properties back into use.

REASONS - (a) To further encourage landlords and property owners to bring their empty homes back into use as soon as possible.

(b) To reduce the detrimental impact long-term empty properties can have on other nearby properties and local communities.

(c) To increase the supply of much needed housing in Darlington, as most long-term empty properties could be brought back into use as affordable homes.

(d) To penalise those owners who deliberately leave their properties empty for years.

39 SCRUTINY REPORTS - TO CONSIDER SCRUTINY OVERVIEW REPORTS:-

The Scrutiny Committee Chairs each submitted a report (previously circulated) on the main areas of work undertaken by their relevant Scrutiny Committee during the last cycle of Committee meetings.

40 NOTICE OF MOTION - TO CONSIDER A MOTION SUBMITTED BY COUNCILLOR HARKER, AND SECONDED BY COUNCILLOR PALEY

The following Motion was moved by Councillor Harker, and seconded by Councillor Paley:

This Council agrees:

'To urge the Executive to make immediately available to all Darlington Borough Councillors a written copy of the presentation given on Thursday, 31st October 2019, regarding traffic modelling associated with the draft Local Plan, on the understanding that councillors can share the information with the public.'

In accordance with Council Procedure Rules, a request was made by five Members for a named vote on the Substantive Motion. A named vote was taken of those Members present at the meeting and there appeared:-

For the Motion – The Mayor, Councillors Cossins, Crumbie, Harker, Haszeldine, Holroyd, Howarth, C. L. B. Hughes, L. Hughes, Layton, Lister, Lucas, McCollom, McEwan, Newall, M. Nicholson, Paley, A. J. Scott and Snedker (19)

Against the Motion – Councillors Allen, Bartch, Boddy, Dr. Chou, Clarke, Crudass, Mrs. Culley, Donoghue, Dulston, Durham, Howell, Johnson, B. Jones, Mrs. D. Jones, Keir, Laing, Lee, Marshall, K. Nicholson, Preston, Renton, Mrs. H. Scott, Tait, Tostevin and Wright (25)

The Motion was Lost.

41 MEMBERSHIP CHANGES - TO CONSIDER ANY MEMBERSHIP CHANGES TO COMMITTEES, SUBSIDIARY BODIES AND OTHER BODIES.

Consideration was given to membership changes of the Committees, Subsidiary Bodies and Other Bodies for the remainder of the Municipal Year 2019/20.

RESOLVED – (a) That that Councillors Bell, Clarke, Heslop and Newall be appointed to the Joint Health Scrutiny Committee;

(b) That Councillor McEwan replace Councillor Cossins on the Economy and Resources Scrutiny Committee;

(c) That Councillor Cossins replace Councillor McEwan on the Communities and Local Services Scrutiny Committee; and

(d) That Councillor Wright replace Councillor K. Nicholson on the Health and Housing Scrutiny Committee.

**COUNCIL
30 JANUARY 2020**

MEMBERS' ALLOWANCES REVIEW

Responsible Cabinet Member - Councillor Heather Scott, Leader

Responsible Director - Paul Wildsmith, Managing Director

SUMMARY REPORT

Purpose of the Report

1. To consider the recommendations of the Independent Remuneration Panel appointed by the Council in relation to the adoption of a new Scheme of Members' Allowances.

Summary

2. The Independent Remuneration Panel has produced a report (**Appendix 1**) with recommendations in accordance with the Council's terms of reference for the Panel. The report covers a wide range of issues and the Panel's reasoning for its recommendations.
3. Members will see from the report that the Panel have made some limited changes to the current scheme, these relate to an increase in the basic allowance for all Members, (the basic allowance has only increased by 2% since 2012) an increase in the Special Responsibility Allowance for the Chair of the Audit Committee and the removal of some Special Responsibility Allowances for Scrutiny Vice-Chairs and the Chair of the Monitoring and Co-ordination Group. All other Special Responsibility allowances will not increase. If implemented, the Panel's recommendations will result in a slight increase in the Council's total spend on Members' allowances.
4. Members can accept all or some of the Panel's recommendations or reject them. If all the Panel's recommendations are accepted, details of the Members' Allowances Scheme, including the basic allowance and SRA's are set out in **Appendix 2**.

Recommendation

5. Members are requested to :-
 - (a) consider the Members' Independent Remuneration Panel's recommendations as detailed in **Appendix 1** (and as detailed in paragraphs 9 to 16 below) and accept the recommendations in full or part, with effect from 1 April 2020; and
 - (b) should the Panel's recommendations be approved, in full, approve the new Members' Allowances Scheme attached at **Appendix 2**; or amend the Scheme in accordance with the decision of Council.

Reasons

6. To implement a new Members' Allowances Scheme with effect from 1 April 2020

Paul Wildsmith
Managing Director

Background Papers

Independent Panel's report to Council dated December 2019; and
Members' Allowances Scheme

Shirley Wright 5998

S17 Crime and Disorder	This report has no implications for Crime and Disorder.
Health and Well Being	This report has no implications to address Health and Well Being for the residents of Darlington.
Carbon Impact and Climate Change	There are no direct implications which this report needs to address.
Diversity	There are no direct implications to Diversity which this report needs to address.
Wards Affected	There is no direct impact on any individual Ward
Groups Affected	There are no Groups affected.
Budget and Policy Framework	This report does not represent a change to the budget and policy framework.
Key Decision	This is not an Executive decision
Urgent Decision	This is not an Executive decision
One Darlington: Perfectly Placed	There are no links.
Efficiency	There are no efficiency proposals identified as part of this review.
Impact of Looked After Children and Care Leavers	This report does not impact on Looked After Children

MAIN REPORT

Information and Analysis

7. Council at its meeting held on 26 September 2019 asked its Independent Remuneration Panel to review its Members' Allowances, as a review was due (reviews have to be undertaken every 4 years – the maximum period that indexation extends to allowances). Council also asked the Panel to consider remuneration to the members of the Education Appeals Panel. A review has been conducted in accordance with the terms of reference approved by Council and the report of the Panel is attached at **Appendix 1**.

Panel's Review

8. The report covers a wide range of issues and the Panel's reasoning for its recommendations. The process and methodology of the Review is detailed in paragraphs 9 and 10 of Appendix 1 and the Principles and Key Messages are detailed in Paragraphs 13 and 14.
9. The Panel found that Darlington Borough Council's current Members' Allowances Scheme is based on a number of principles that are not always apparent in other schemes i.e Transparency, Equity and Simplicity and there was a general view that these principles should continue to be adhered to unless there was a clear case to deviate from them.
10. If all of the recommended changes, as detailed in the table below are accepted, this will result in an increase in the allowances payable of approximately £6,200, however, it should be noted that not all of the allowances are being/or may not be payable under the 1 SRA rule.

Allowance	Current Rate	Suggested Rate	Annual Impact
Basic Allowance	£8,188.00	£8,519.00	£16,550.00
Special Responsibility payments to Vice-Chairs (x 5)	£2,293.00	£0	(£11,465.00)
Special Responsibility to Chair of Monitoring and Co-ordination Group	£574.00	£0	(£574.00)
Chair of the Audit Committee	£557.99	£2,293.00	£1,735.01
TOTAL			£6,246.01

Recommendations of the Panel

11. Details of the Members' Allowances Scheme (as recommended by the Panel) including the basic allowance and SRA's are set out in **Appendix 2**.
12. In respect of the **Basic Allowance** (paid to all Members of the Council), the Panel has recommended that the Basic Allowance for 2020/21 should be increased to £8,519 subject to any indexation that may apply. In making this recommendation the Panel noted that the Basic Allowance has not increased since 2012 (apart from a two per cent increase in 2017 to compensate for a tax exemption withdrawal). The Panel also noted that the Council had chosen not to increase the Basic Allowance to £8,285 as recommended as part of the 2016 review and that it had also chosen not to apply indexation for the last seven years.
13. The Panel is also of the view that the Basic Allowance is still deemed sufficient to include incidental expenses and ICT equipment, consumables and peripherals by

Members. However, if and when the Council adopts a 'paper-light' policy, the Panel recommends that the Council should provide all Members with a standard ICT package to enable them to comply with such a Policy at no cost to them directly or through a deduction in the Basic Allowance.

14. In relation to **Special Responsibility Allowances** (SRA's), the Panel has recommended no change in any of the current SRA's payable with the exception of the payment of SRA's to the Vice-Chairs of Scrutiny, the Chair of the Monitoring and Co-ordination Group and the Chair of the Audit Committee. They also recommended that Members continue to claim only one SRA and that any indexation apply to all SRA's.
15. In relation to the payment of the SRA to the Chair of the **Audit Committee**, the Panel has recommended that the SRA be increased to £2,293 for 2020/21, subject to any indexation that may apply.
16. In relation to the payment of SRA's to the **Vice-Chairs of Scrutiny Committees**, the Panel has recommended that the SRA be removed with effect from 31 March 2020.
17. In relation to the payment of an SRA to the **Chair of the Monitoring and Co-Ordination Group**, the Panel has recommended that the SRA be removed with effect from 31 March 2020.
18. In relation to the **Mayoral Allowances**, the Panel has recommended that there is no increase in the current Mayoral and Deputy Mayoral Allowances subject to any index that may apply.
19. In relation to the **Independent Members on School Appeals Panels**, the Panel has recommended that the Financial Loss Allowance (FLA) and allowances that may be claimed by the Independent Members appointed to the Council's School Appeals Panels are maintained at their current rates for 2020/21, subject to any indexation that may apply.
20. In relation to other allowances and expenses, the Panel has recommended the following :-
 - (a) **Dependent Carer's Allowances (DCA)** – The Panel recommends no change to the current conditions and scope for which the DCA may be claimed for 2020/21 subject to any index that may be applied.
 - (b) **Co-optees Allowances** – As there are currently no Co-optees appointed under the Local Government Act 2000, the Panel makes no recommendations in this regard.
 - (c) **Travelling and Subsistence Allowances** :-
 - (i) **Subsistence Allowances** – The Panel does not recommend any changes to the current rates and terms and conditions of the Subsistence Allowance Scheme
 - (ii) **Travel Allowances** –

Within the Borough. The Panel recommends that no change be made to the current scheme in relation to travel within the Borough

Outside the Borough. The Panel recommends that no change be made to the current scheme in relation to travel outside the Borough, but that it be clarified that, where a Member is using an electric or hybrid vehicle on an approved duty outside of the Borough, that they are able to claim mileage at AMAP rates (currently 45 pence per mile for the first 10,000 miles and 25 pence per mile thereafter).

- (d) **Approved Duties and Attendance at other Statutory Bodies** – The Panel recommends that the current approved duties, terms and conditions that are applicable for which Members can claim travel mileage allowances and the reimbursement of public transport (where used) remain unchanged.
- (e) **Indexation** – The Panel recommends and confirms the use of the following indices for allowances for the next four years :-
- (i) Basic Allowance, SRA's, Civic Allowances and Appeals Panel Members Financial Loss Allowance – to be increased by the same percentage applied annually to the pay of local government staff, implemented at the start of each Municipal Year (linked to spinal column point 43 of the NJC scheme) starting from annual meeting on 21 May 2020;
 - (ii) DCA – Elderly/Disabled Element – Indexed to the hourly rate chargeable by the Council for provision of a Home Care Assistant;
 - (iii) Travel – (out of authority only) - Mileage rates to be indexed to HRMC rates. Other travel will be reimbursement of actual costs taking into account the most cost-effective means of transport available and the convenience of use; and
 - (iv) Subsistence (out of authority only) – Indexed to the same rates that apply to Officers of Darlington Borough Council, for reimbursement of actual costs up the maximum rate applicable.
- (f) The Panel further recommends that, as per the regulations, the indices recommended by the Panel are to run for four years from 21 May 2020, or until the Council requires a further review.

Members' Allowances Scheme

21. Should any, or all of the Independent Remuneration Panel's recommendations be approved it will be necessary to amend Darlington Borough Council's Members' Allowances Scheme.
22. An amended scheme is attached at **Appendix 2** which takes into account all the recommendations suggested by the Independent Remuneration Panel.

Panel's Recommendations

23. Council can accept the Panel's recommendations in full or part or reject them entirely.

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**A Review of
Members' Allowances
For
Darlington
Borough Council**

The Seventh Report

By the

**Independent
Remuneration Panel**

**Dr Declan Hall (Chair)
Paul McGee
Rob Shotton**

December 2019

Independent Remuneration Panel:

Review of Members' Allowances

For

Darlington Borough Council

The Seventh Report

December 2019

Introduction: The Regulatory Context

1. This report is a synopsis of the deliberations and recommendations made by the statutory Independent Remuneration Panel (the Panel) appointed by Darlington Borough Council (Darlington BC) to provide advice on the Councils' Members' Allowances scheme.
2. The Panel was convened under *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)* (the 2003 Regulations). These regulations, arising out of the relevant provisions in the *Local Government Act 2000*, require all local authorities to maintain an independent remuneration panel (also known as an IRP) to review and provide advice to their respective councils on Members' allowances. This is in the context whereby the Council retains the right to determine Members allowances.
3. All Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their members' allowances scheme and they must 'pay regard' to their Panel's recommendations before setting a new or amended members' allowances scheme.
4. In particular, the Panel has been reconvened under the 2003 Regulations [10. (5)], which states:

Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme.

5. This mechanism is the means by which all councils are required to reconvene their Panel at least once every four years thus ensuring a degree of public

scrutiny and accountability vis-à-vis their Members' Allowances schemes. It is under this requirement that the Panel has undertaken this review of Members' Allowances for Darlington Borough Council.

Terms of Reference

6. The Panel was given the following terms of reference as agreed by Council on 26th September 2019 as contained in a report to Council,¹ namely to make recommendations on:
- I. The amount of Basic Allowance that should be payable to Members
 - II. The categories of Members who should receive a Special Responsibility Allowance and the amount of such an allowance;
 - III. The duties for which a Travel and Subsistence Allowance can be made and as to the amount of these allowances;
 - IV. The scope and amount of Co-optees' allowances, where applicable;
 - V. The expenses of arranging for the care of children and dependants (the Dependants' Carers' Allowance) and the amount of these allowances and the means by which they are determined;
 - VI. Whether the annual adjustments of allowances should continue to be referred to employees annual pay awards (the National Joint Committee for Local Government Employees or NJC index) or another index if any;
 - VII. Other allowances or expenses should be payable to Members or co-opted Members;
 - VIII. The Mayoral or the Civic Allowances;
 - IX. On allowances to be paid to Independent Members appointed to the Education Appeals Panel;
 - X. The implementation date for the new Scheme of Allowances;
 - XI. Any other issues that are brought to the attention of the Panel.

The Panel

7. Darlington Borough Council reconvened its Panel and the following Members were appointed to carry out the independent allowances review, namely:
- Dr Declan Hall: Panel Chair and a former academic at the Institute of Local Government, The University of Birmingham, now an independent consultant specialising in Members' allowances and support.
 - Paul McGee: Paul has a background that spans the private, public and social enterprise sectors. He currently retains an involvement in industry as Commercial Director of an engineering consultancy. He was formerly a member of the Chief Officer Management Team of Cleveland County Council and has been active in promoting

¹ Paul Wildsmith, Managing Director of Council, (responsible Cabinet Member – Councillor Heather Scott, Leader of the Council), "Members' Allowances Review" 26th September 2019

social enterprises for over 30 years. He has contributed to a number of award and assessment panels and was previously a member of Stockton-On-Tees IRP.

- Rob Shotton: Former Chair of Business-Link, Tees Valley, now a businessman.

8. The Panel was supported by

- Shirley Wright: Democratic Manager, Democratic Services

Process and Methodology - Evidence Reviewed by the Panel

9. The Panel met at the Town Hall, Darlington on 13th-14th November 2019 to consider all the evidence and hear representations from Members and receive factual briefings on the Council by Officers. All Members were invited to make written submissions to the Panel (of which three were received) and a number of Members met the Panel – see appendices one and two for details. The Panel also reviewed further written information pertinent to the review, such as meetings schedules, benchmarking data, statutory guidance, etc. See appendices three and four for further details. The Panel meetings were held in private session to enable the Panel to meet with Members and Officers and consider the evidence and undertake its deliberations in confidence.
10. For full details of whom the Panel met and full range of information reviewed see:
- Appendix 1: for Members and Officers who met with the Panel
 - Appendix 2: for a list of the full range of written evidence considered by the Panel
 - Appendix 3: summary the other allowances schemes referred to by the Panel for benchmarking purpose

Considering the Evidence – A Tiered Approach

11. As per the previous review, the Panel took a tiered approach in considering the evidence. It is required to operate within the broad statutory framework laid down by the 2003 Regulations and 2006 Members' Allowances Statutory Guidance. The 2003 Regulations set out the legal framework within which the Panel is required to operate, i.e., providing discretionary authority for the payment of SRAs, and while mandating the payment of a Basic Allowance, paid equally to all Members. Within this legislative context, the Panel is obligated to pay regard to the 2006 Statutory Guidance, which for instance mandates Panels to consider a number of variables in arriving their recommendations.

12. The next level of evidence considered by the Panel was the representations made by the Members, both oral and written, which obtained the views of the groups and individual Members of the Council. The interviews were deliberative in nature and provided the Panel with a qualitative feel of the issues facing Members in relation to the topics under consideration. The meetings with Officers served to update the Panel on developments in the council since the last review in November 2016. Finally, all the evidence and representations have been reviewed and evaluated within the comparative context where meaningful comparisons can be made.

Principles and Key Messages

The Darlington BC model of remuneration: transparency, equity and simplicity

13. Benchmarking highlighted that the Darlington BC members' allowances scheme is based on a number of principles that are not always apparent in other schemes. In particular the scheme is underpinned by:
- A. Transparency:
- largely a function of the '1-SRA only' rule and the fact that the Basic Allowance is inclusive of a range of expenses that Members may incur in carrying out their duties. The Darlington BC allowances scheme does not provide for a range of allowances and the reimbursement of expenses that are often available in other authorities. The stated Basic Allowance and SRAs are in the main the sole payments received by Members.
- B. Equity:
- Compared to other council Darlington pays relatively few SRAs. In accordance with the 2006 Statutory Guidance no more than 50% of Members can be paid an SRA. For those SRAs payable in Darlington BC, there is a limited number of SRA bands. Other schemes will differentiate across the whole range of SRAs payable.
- C. Simplicity:
- The Darlington BC Members' Allowances scheme is simple to administer in that Members are not required to make a plethora of claims and Officers are not required to devote scarce resources that would be required for instance if Members were able to claim for instance travel and subsistence for duties carried out within the Borough. The scheme is not administratively burdensome.
14. These principles, which underpin the current Darlington BC allowances scheme, were understood by interviewees and recognised as being beneficial. There was a general view that these principles should continue to be adhered to unless there is a clear case to deviate from them.

Benchmarking: Regionally – North East Unitary and Metropolitan Councils

15. More than one Member during the course of the review said that, in the main, their allowances should be in line with those paid in the other four Teesside unitary councils. While this is understandable for the Panel, it is too limited a group of councils to make meaningful comparisons for benchmarking purposes. This small pool for benchmarking is further compounded by the fact that Hartlepool has a committee governance model and Middlesbrough has an elected mayor executive model - both of which mean different roles and considerations for their members' allowances.
16. Consequently, while being cognisant of the allowances paid in the other four Teesside Unitary, the Panel has widened the benchmarking to include all Unitary and Metropolitan councils in the North East. By utilising this wider group of councils for benchmarking purposes it provides a regional and therefore a more balanced perspective.
17. A key observation emerging from this benchmarking is that, as was the case in the previous review in 2016, it shows the Darlington BC Basic Allowance and executive SRAs remain comparatively low. It also shows that some Darlington BC SRAs are higher than the average paid in the comparator groups yet this is in the context whereby the number of SRAs payable in Darlington Borough Council is not as extensive as in many comparator authorities. The SRAs payable in Darlington Borough Council take the role and responsibilities of the post 'in the round' into account and do not 'build up' remuneration through the collection of remunerable posts as does occur in Newcastle for instance. It also leads to a more transparent model of remuneration in which both peers and the public can understand the level of remuneration received by Members, whereas in other comparator authority schemes a degree of obfuscation may be detected.
18. The Panel has not been driven by the rates and levels of allowances paid across the comparator authorities but was in the very least concerned to understand how the allowances under review have been addressed elsewhere, i.e., what is the most common and good practice. (See Appendix 3 for summary of benchmarking information utilised by the Panel).

A low Basic Allowance and Executive SRAs

19. The Basic Allowance and SRAs have been frozen at their current levels since 2012 – bar a two per cent increase in the Basic Allowance in 2017 after the HMRC no longer gave the Council a blanket £500 tax exemption in recognition that it included an element for expenses (in addition to their personal allowance) to partially compensate. While the Council has had the power to uplift allowances to take into account cost of living increases via indexation for the past seven years, it has decided not to do so. This is on top of the Council not accepting the recommended Basic Allowance of £8,285 in 2016. The Council has every right not to apply all or part of the operative indices if it so chooses. Yet, it is not without cost and not just in losing relative value – it slowly but surely

increases the financial barrier to being an elected Member.

The changing of nature of elected Members

20. Another theme emerging from the representations and evidence received was that the body of elected Members has changed since the last review. In particular, there is a more active, younger and more widely employed set of Members. Members now have a greater outward focus and, as the Officer body has been required to take its share of the burden of austerity, so have Members; not just in effectively freezing the allowance but having to step in and work more with local communities as 'self-starters' to step in where the Council may no longer be able provide the same level of services e.g., litter picks. Yet, with some exceptions, the workloads and responsibilities of elected Members of Darlington Borough Council have not changed dramatically to the extent that a root and branch review of the scheme is required – the main function of the Panel in this review has been to address the most glaring anomaly namely the Basic Allowance.

Function of Members Allowances – an enabler

21. It was mentioned during meetings with Members that the levels of remuneration payable under the current Darlington BC Members' Allowances scheme were not sufficient to 'attract' a wider range of people to put themselves forward to stand for Council. Moreover, they were insufficient to enable the role of a Member to be effectively a full time professional role. Indeed, this may well be the case, however, members' allowances schemes are not intended to 'attract' candidates for Council - they would have to be at a level so as not to be publically acceptable. Moreover, the Panel was not at ease with the argument on a conceptual level - if elected Members were standing for and remaining on the Council out of any financial appeal it would run contrary to the public service ethos and the desire to serve local communities and residents as the prime motive for being a Councillor. Members' allowances were never intended to be paid at full 'market rates' or support a body of full time professional local politicians.
22. The intention behind the requirement to establish a Members' Allowances scheme for all English councils is to enable and facilitate the Members' roles and responsibilities as far as practically possible while taking into account such factors as the nature of the council, local economic conditions and comparative and good practice. Thus the Panel has sought to recommend a scheme (particularly in regards to the Basic Allowance) that seeks to minimise financial barriers to public service so as to enable a wide range of people to become an elected Member without incurring undue personal financial cost.

Recommending the Basic Allowance

23. In considering the appropriateness of the current Basic Allowance, the Panel has adopted a 'triangulation' process. This has been done by arriving at a

tentative Basic Allowance via three different approaches namely

- I. Recalibration based on the 2006 Statutory Guidance
- II. Benchmarking
- III. Applying a retrospective indexation

The basis of the current Basic Allowance (2003)

24. The methodology to arrive at the current Basic Allowance (£8,027) has not been revisited since 2003, when the Panel, in line with the advice laid out in the 2003 (since revised in 2006) Statutory Guidance, calculated the Basic Allowance for Members of Darlington Borough Council (2003) based on the following formula:
- 104 days annual expected input – 45% (46.8 days) per year Public Service Discount = 57.2 remunerated days per year
 - 57.2 days per year x £122.10 per day (LGA day rate) = **£6,984**
25. In 2003, this recommended Basic Allowance was also deemed to be inclusive of incidental expenses such as in-borough travel and subsistence. By 2012, the Basic Allowances had, through indexation, reached £8,027 and is currently £8,188 with a 2 per cent indexation applied in 2017. While the 2011 review recommended no change in the level of Basic Allowance, the Panel did further deem the Basic Allowance to be inclusive of all IT hardware costs. The 2015 review recommended that the Basic Allowance increase to £8,285 but the Council did not accept that recommendation.

Recalibrating the Basic Allowance (2019)

26. The Panel recalibrated the Basic Allowance based on the most recent and relevant data available for the three variables used in the formula as set out in paragraphs 67-69 of the 2006 Statutory Guidance to arrive at a recalibrated Basic Allowance as follows:

Increasing expected time input to 152.5 days per year

27. The latest (2018) LGA Census of Councillors (England) shows that Councillors in unitary authorities who hold no positions of responsibility put in an average of 22 hours per week on “Council business”. This includes dealing with constituent/ward issues, community related meetings and other associated work such as emails, reading and preparation. It excludes group and other party business.² This equates to 152.5 days per year on a 7.5 hour working day. The Panel has adopted 152.5 days per year as the time expectation to recalibrate the Basic Allowance.

The Public Service Discount (PSD): no change at 45%

² This information is derived from the 2018 Councillors Census and the breakdown by type of council and by whether there are any posts held has been supplied to the Chair in an email from the Stephen Richards, LGA, 21st October 2019.

28. When considering the Basic Allowance, the 2006 Statutory Guidance (paragraph 68) states that it “is important that some element of the work of members continues to be voluntary – that some hours are not remunerated.” This is often called the ‘Public Service Discount’ (PSD).
29. A PSD of 45% is at the high end of the normal range (30-50%) used to recognise the principle of voluntary service within the Basic Allowance. However, the Panel has always conceptualized this as the element of work that relates to Members wards and local communities and in Darlington BC if anything this aspect has increased. The Panel is content that a PSD of 45% remains appropriate. This gives a voluntary contribution of 69 days per year (68.64 rounded up to 69 days) and leaves a remunerated time of 83.5 days per year.

Rate of Remuneration at £103 per day

30. Historically the Panel utilised the Local Government (LGA) 'day session' rate as the relevant rate of remuneration. This was a daily rate published each year by the Local Government Association (LGA) as a service to councils and IRP chairs. However, the LGA since 2011 stopped providing such advice. By that date most IRPs had switched to a more locally based rate of remuneration. They were able to do this as the Office of National Statistics starting to publish average earnings on an authority by authority basis as set out each year in the Annual Survey of Hours and Earnings (ASHE). The most recent ASHE publication (October 2108) shows the median daily gross earnings for all full time employees within Darlington BC area is £103.³
31. By replicating the formula approach with up dated variables it produces a recalibrated Basic Allowance as follows:
- 152.5 days annual expected input – 45% PSD (69 days)
= 83.5 remunerated days per year
 - 83.5 days per year x £103 per day
= **£8,600**

Benchmarking the Basic Allowance

32. Benchmarking shows that the current Darlington BC Basic Allowance is now markedly below that paid to regional peers, with a mean and median Basic Allowance of £9,556 and £9,150 respectively. This in itself is not a reason to revise the Basic Allowance but it does show that the Darlington BC Basic Allowance may be in danger of not fulfilling the function of enabling most people

³ ASHE shows the median gross weekly earnings for all full time jobs in the Borough of Darlington to be £515.20, Table 7.1a, ONS, October 2019. To arrive at a daily rate, the Panel divided this sum by 5 working days, which equates to £1043.04, rounded down to £103. The ONS advises that the median, rather than mean, is a more accurate measure of average earnings due to a few high earners and a high number of employees on or just over the national living wage.

to be a Councillor as it has started to drift below the average in peer councils.

Table 1: Benchmarking across NE Unitary Councils - Basic Allowance & main SRAs – NE Unitary Councils 2019/20

Allowance	Darlington	NE Unitary Councils - Mean	NE Unitary Councils - Median
Basic Allowance	£8,188	£9,556	£9,150
SRAs			
Leader	£22,933	£41,433	£38,386
Deputy Leader	£13,759	£16,109	£15,440
Cabinet Members	£11,467	£16,070	£16,970
Chairs Scrutiny Other	£9,173	£6,957	£6,250
Chair Planning	£9,173	£7,329	£6,954
Chair Licensing	£9,173	£6,750	£6,959
Chair Audit	£558	£5,335	£5,112
Leader Main Opposition Group	£9,173	£7,199	£5,046

Applying the full indexation since 2016 Review

33. As the third leg of the triangulation process, the Panel notes that if the Basic Allowance had been indexed from 2016 as recommended, then it would have increased to £8,519 for 2019/20. Table 2 below shows the how it would have increased over the past four years, including showing the annual percentage salary increase for Staff and Chief Officers for the same period.
34. The Panel notes that one of the reasons cited for not consistently indexing the Basic Allowance over the past four years was to be in line with Chief Officers who did not receive any increase in pay. This argument is undermined on two points
- Since 1st April 2016 Chief Officers have received the same percentage annual salary increase as Staff
 - The Panel recommended that the applicable indexation should be the annual cost of living percentage increase for Staff as agreed each year by the National Joint Council for Local Government Staff (the national pay negotiation body)

Table 2: The Basic Allowance if indexing had been applied since 2016 and Officers annual percentage salary increase in same period

Date	Basic Allowance Actual	Staff Increase %	Chief Officers Increase %	Basic Allowance if indexed to Staff % increase (recommended 2016)
2015/16	£8,027			
1/04/16	£8,027	1%	1%	£8,107
1/04/17	£8,188	1%	1%	£8,188
1/04/18	£8,188	2%	2%	£8,352
1/04/19	£8,188	2%	2%	£8,519

Basic Allowance: The range produced by Triangulation

35. By the process of triangulation, a number of potential figures for the recommended Basic Allowance has been arrived at as follows:
- I. Recalibration (2006 Statutory Guidance approach) £8,600
 - II. Benchmarking £9,556 Mean
£9,150 Median

- III. Applying a retrospective indexation £8,519

The recommended Basic Allowance (2020/21)

36. This process of triangulation shows there is a strong case to increase the Basic Allowance. The Panel has chosen not to be guided by the level suggested by benchmarking, as it would require too large an increase, something that had very limited support amongst Members. The recalibrated Basic Allowance has also not been accepted simply on the grounds that it is the second highest figure. Instead, the Panel has been cognisant of the views of Members in that the financial context must be acknowledged. Therefore the recommended Basic Allowance is the lowest figure produced by triangulation - applying a retrospective indexation as recommended in 2016. As the lowest figure it is the most defensible and can be seen to be fair in that it brings the Basic Allowance received by all Members in line with annual percentage staff increases since 2016.
37. **The Panel recommends that the Basic Allowance for 2020/21 should be £8,519, subject to any index that may apply.**

The Basic Allowance and Expenses – ICT and a Paper-Light Policy

38. On the recommendation of the Panel in 2011, the Council agreed that the Basic Allowance is deemed sufficient to include the costs of incidental expenses and ICT equipment, consumables and peripherals incurred on the part of Members. This resulted in a major administrative and real savings to the Council. Members can buy into an ICT support package provided by the Council which supplies relevant hardware but they have to buy it from the Council at £27 per month. Members are also expected to meet any broadband and associated line rental and operational costs out of their Basic Allowance.
39. The comparative practice is difficult to discern as the practice differs across councils in how ICT support is provided to Members and where such support is provided it is not always published in a council's allowances scheme. Nonetheless, it is typical for a Council to provide some support to Members for ICT outside the Basic Allowance, whether it is through direct provision or for instance North Tyneside Members can be reimbursed for the cost of the installation of a telephone line if not already connected, they can also claim the cost of line and telephone rental. In Middlesbrough Members can claim an annual telephone allowance of £300.
40. While there was not a firm consensus on the way forward (which is not an issue for the Panel as it is a matter reserved to the Council) there was an argument that if the Council was to formally adopt a 'paper-light' policy, then printed agendas and reports would no longer be available to Members as a matter of course and necessary ICT equipment to access relevant information electronically and/or print out papers they felt necessary and navigate the Council's intranet then they would need a relatively high specification of ICT

package. It is only equitable that Members are provided with such a standard ICT package if the Council goes 'paper light'.

41. **The Panel recommends that the Basic Allowance continues to be deemed sufficient to include the costs of incidental expenses and ICT equipment, consumables and peripherals incurred on the part of Members.**
42. **However, if and when the Council adopts a 'paper-light' policy, then it should provide all Members with a standard ICT package to enable them to comply with such a policy at no cost to Members either directly or through a reduction in the Basic Allowance.**

Arriving at the Special Responsibility Allowances - the Leader's SRA

43. Like all other SRAs, the Leaders' SRA has been frozen since 2012. This is in a context where the Leader and other executive Members are increasingly called upon to undertake a regional and sub-regional role, whether it is with the Darlington Partnership and the Teesside Combined Authority, an aspect of the Leader's work which has increased since the last review. Although this has been balanced out by the Leader no longer having a portfolio and increasing the size of the Cabinet from six to seven, including the Deputy Leader.
44. Benchmarking shows that the Leaders' SRA (£22,933) has also started to drift markedly below that of peers (see table 1 above). This further supports the case to apply a retrospective index to all SRAs in general. However, it was clear from the representation received that the main priority for this review was to address the Basic Allowance and when it came to SRAs, in particular the Panel should be cognisant of economic constraints. The Members still wish to lead by example when it came to SRAs and were keen to maintain this principle for SRAs in general. Consequently, the Panel at this stage is not recommending any change to the Leader's SRA.
45. **The Panel recommends that the SRA for the Leader should be maintained at £22,933 for 2020/21, subject to any index that may apply.**

The Deputy Leader

46. Many of the observations regarding the role of Leader are also pertinent for the Deputy Leader and to a lesser extent the other Cabinet Members, they are also required to take up a larger external role and their SRAs are generally lower than peers. Nonetheless, for the same reasons the Panel has recommended no change to the Leader's SRA the Panel is doing the same for the Deputy Leaders SRA.
47. **The Panel recommends that the SRA for the Deputy Leader of Darlington Borough Council remains at £13,759 for 2020/21, subject to any index that may apply.**

Other Cabinet Members (6)

48. One issue raised with the Panel was the degree of difference between the Cabinet Members' SRA (£11,467) and chairs of the main committees SRA (£9,173) being too narrow to reflect the real differentials in workloads and responsibilities. While a case can be made to increase the SRA for Other Cabinet Members, the Panel, as per the SRA for the Leader and Deputy Leader is not recommending any change at this stage.
49. **The Panel recommends that the SRA for the other Cabinet Members (6) is unaltered at £11,467 for 2020/21, subject to any index that may apply.**

Chairs of the Main Committees – Planning, Licensing and Scrutiny

50. All the chairs of the main committees receive the standard SRA (£9,173) for such posts. There was some representation that argued there is a case to differentiate between these committees but overall the principle of having flat rate SRAs for the Chairs of the main committees retained support. One consequence of this flat approach is that the SRA for the Chairs of the Scrutiny, Planning and Licensing Committees in Darlington BC are above their peers regionally although this is not so distinctive when looking at Teesside.
51. More specifically, the Planning Committee does have more scheduled meetings (12 per year) than the Licensing and Scrutiny Committees, as the Planning Committee has to deal with planning applications within a statutorily defined timeframe. On the other hand, the Chair of the Licensing Committee actually chairs two committees – the General Licensing Committee which meets four times per year and the Licensing Act 2003 Committee which meets no more than a couple of times per year, although they are both held on the same day. However, much of the work of the Licensing Committees is done through the General Licensing Sub Committee (mostly dealing with taxi/private hire applications/objections) and the Licensing Act 2003 Sub Committee (which deals mainly where there are objections to applications for obtaining an alcohol license or variation in hours of an already licensed premise). These two sub committees meet as and when but in 2018/19 the General Licensing Sub Committee met five times and so far this year has met four times. The Licensing Act 2003 Sub Committee met once and not at all so far during the same time periods. While the Chair of the Licensing Committees does not always chair the sub committees the expectation is they will be chaired by the Chair of the Licensing Committees. Where the Chair has not done so it is expected that the Vice Chair of Licensing will do so. Similarly, much of the work of scrutiny can be done outside the formal scheduled meetings, through Review or Task and Finish Review Groups. As such, while differentiations can be made between the workloads of the main committees it is not overwhelming.
52. It was also suggested that there was a case to differentiate between the SRAs for the Chairs of the five Scrutiny Committees as some have larger remits than others. Indeed, a case can be made that not all the Scrutiny Committees carry a similar range of responsibility and workload and some Scrutiny Committees may have a more extensive brief than others but that is partly due to issues

rising up and falling down the local government agenda over time and there is an element of swings and roundabouts at play. Moreover, the Scrutiny Committees now have greater control of their own work programme with the demise of the Scrutiny Monitoring and Coordination & Group (see below).

53. Moreover, as there was general support to retain an equal SRA for the Chairs of the main committees, the Panel recognises that if the remit of the Scrutiny Committees varied significantly then it is in the gift of the council to address such an imbalance - which it has done in the past.
54. **The Panel recommends that current SRA (£9,173) paid to each of the chairs of the main committees remains unaltered for 2020/21, subject to any index that may be applied. Specifically this recommendation applies to the Chairs of the following committees:**
- **Planning Committee**
 - **Licensing (General & Licensing Act 2003) Committees**
 - **Scrutiny Committees (5)**

Chair of the Scrutiny Monitoring & Coordination Group

55. The current allowances scheme contains provision for a SRA for the Chair of the Scrutiny Monitoring & Co-ordination Group, paid at slightly higher SRA (£9,747) than the other main Chairs as the post holder was *ex officio* a Chair of another Scrutiny Committee. Its role was to coordinate and oversee the work of the other Scrutiny Committees. The Scrutiny Monitoring and Coordination & Group no longer meets and has become redundant and much of its work has been devolved to the Scrutiny Committees.
56. **The Panel recommends that the SRA (£9,747) for the Chair of the Scrutiny Monitoring & Coordinating Group is removed from the allowances scheme.**

Vice Chairs of the Regulatory Committees (Planning and Licensing)

57. The Panel took time to explore the role of the Vice Chairs of the main Committees, who are all currently paid an SRA of £2,293, set at 25 per cent of the SRA paid to their respective Chairs. It was set on this level on the basis that all the Vice Chairs undertook a standard set of duties, including:
- I. Stand in for their respective Chairs when required
 - II. Attend relevant pre-meetings and briefings with Officers with their Chairs
 - III. Generally keep up to speed on their committees remit and support their Chair as required
 - IV. For the Vice Chair of Licensing taking a lead role in chairing Licensing Sub Committees when Chair is unable to do so
 - V. For the Vice Chair of Planning it's recognised they have to stand in on occasion due to the restrictions imposed by Planning law, such as

- conflict of interest where the Chair has to stand down; for instance there may be a particular application in their ward
- VI. For the Vice Chairs of the Scrutiny Committees taking a lead role in chairing task and finish working groups, and
 - VII. Sit on and attend the Scrutiny Monitoring & Coordination Group, and
 - VIII. Undertaking discrete tasks at the direction of their Chairs
58. The case remains that the Vice Chairs of the Planning and Licensing Committees have to stand-in regularly for the former and take an active part in the Sub Committees on the part of the latter. In particular, the animated nature of many Planning Committee meetings means the Chair has to regularly rely on the Vice Chair to keep things on track.
59. As such the Panel has decided to maintain the SRAs for the Vice Chairs of the Planning and Licensing Committees. It is noted that out of the 13 other Councils in the benchmarking group, eight pay Planning Vice-Chairs (mean/median SRA of £3,568/£3,125) and seven pay Licensing Vice Chairs (mean/median SRA of £3,154/£2,328). So, while not always paid elsewhere they are somewhat above that paid in Darlington, more so for Planning. Nonetheless, the Panel received no further evidence that the SRAs for the Vice Chairs of the Planning and Licensing Committees warranted revision.
60. **The Panel recommends that that the SRA for the Vice Chairs of the Planning and Licensing Committees remains at £2,293 for 2020/21, subject to any indexation that may apply.**

The Vice-Chairs of the Scrutiny Committees

61. The Panel took a long look at the role of the Vice-Chairs of the Scrutiny Committees. It remains the case that there is no standard brief for these Vice-Chairs, their workloads and responsibilities being variable. For instance, the Panel was informed that there is no expectation that Scrutiny Vice-Chairs will take a lead role in chairing task and finish review groups, some may but it is not a discrete task assigned to Scrutiny Vice-Chairs across the board; in practice it is not consistent across the Council. A further change since the previous review is that Scrutiny Vice-Chairs are no longer *ex officio* on the Scrutiny Monitoring & Coordination Group as this body no longer meets.
62. One suggestion put to the Panel was to pay an SRA to the Vice Chairs of the Scrutiny Committees when they have to stand-in for their Chair. However, the Panel rejected this approach as it cuts across the principle of simplicity.
63. Benchmarking shows that in all but two of the 13 other comparator councils, the Vice-Chairs of Scrutiny are paid an SRA (mean/median £3,258/£2,293). However, what the benchmarking does not show is the role(s) that may be undertaken such as chairing sub-committees or task and finish review groups.
64. The Panel does not feel that the role of Vice-Chairs of the Scrutiny Committees is significant enough to merit an SRA. **As such the Panel recommends that the SRA for the Vice Chairs of the Scrutiny Committees is discontinued**

with effect from 31st March, 2020

Chair of Audit Committee

65. The current SRA (£558) for the Chair of Audit is a historical figure and in the last review the Panel recommended an increase; up to £2,293, set at 10 per cent of the Leader's recommended SRA (£22,933).
66. It is recognised that the Chair of Audit continues to be held by convention by another post holder and therefore not payable under the 1-SRA only rule. Nonetheless, this may not always be the case and to future proof the scheme the Panel has decided to revisit this SRA. The Panel accepts that the Audit Committee is not a main committee, it only has four scheduled meetings per year but it still undertakes a number of regulatory functions including reviewing the Council's policies and procedures regarding:
- Governance, risk and control
 - Internal Audit
 - External Audit
 - Financial Reporting
 - Treasury Management
 - Ethical Standards – which is an additional function since the previous review
67. Benchmarking shows that the only other comparator council that does not pay an SRA to a Chair of an identifiable Audit Committee is Stockton-On-Tees but it does remunerate a Chair and Vice Chair of Governance (£2,108 and £992 respectively), a function included in the remit of the Darlington BC Audit Committee. Benchmarking further shows that the equivalent post is paid a mean SRA of £5,335 and median SRA of £5,112. The Panel has decided not to be guided by benchmarking largely on the grounds that the Audit Committee in Darlington BC is seen very much a junior committee. As such, the Panel reiterates its previous recommendation and has reset this SRA at 10% of the Leader's SRA, which equates to £2,293.
68. **The Panel recommends that the SRA for the Chair of the Audit Committee is reset at £2,293 for 2020/21, subject to any indexation that may apply.**

The Leader of the Main Opposition Group

69. The SRA (£9,173) for the Leader of the Opposition has been linked to that paid the Chairs of the main committees and set at 40% of the Leader's SRA. Benchmarking shows this is a comparatively high SRA with a mean SRA of £7,199 and median SRA of £5,046 for Main Opposition Group Leaders in the comparator councils.
70. One reason for this regional divergence may be down to the size of the Opposition Group - often the smaller the Opposition Group the smaller the SRA.

In Darlington BC the Opposition Group has consistently remained large, currently 20 Members. Nonetheless, the Panel is content with the current SRA. There is a duty on the Opposition Group Leader to provide challenge across the Council and for a healthy democracy to flourish the Opposition must be resourced. This view is underpinned by the 2003 Regulations (5. [2.] [b.]), which require an SRA to be paid to an Opposition Member where members divided into groups and a majority of Members form a ruling group.

71. **The Panel recommends that the SRA for the Leader of the Main Opposition Group remains at £9,173 for 2020/21, subject to any index that may be applied.**

The Deputy Leader of the Main Opposition Group

72. The Panel deliberated on the merits of whether to introduce a qualifying criteria before the SRA for the Deputy Leader of Main Opposition would be payable, e.g., have at least 20 per cent of the Council Membership. But as the Main Opposition Group in Darlington BC has consistently been over 20 per cent (and typically more) of the Council membership then this type of qualifying criteria was in effect a non-issue. As such the Panel has decided to maintain this SRA (£1,147), which was set at 5% of the Leaders' SRA.
73. **The Panel recommends that the Main Opposition Group Deputy Leader's SRA remains at £1,147 for 2020/21, subject to any index that may apply.**

Leaders of the Minority Opposition Groups

74. Likewise the Panel deliberated whether there was a case to set a qualifying criterion before the current SRA (£1,147) paid to the Leaders of the three Minority Opposition Groups became operable, particularly as two of these groups only had three Members while the third has two Members. This is type of qualification threshold is not uncommon. For instance, Middlesbrough pay Leaders of Minority Opposition Groups an SRA of £3,189 but only when such a Group attains 10 per cent of the Council membership. The Panel decided not to go down this route largely on the grounds that the current political context (with a minority administration) means that over the next four years the Minority Opposition Groups will be integral to the operation of the Council.
75. **The Panel recommends that the SRA for the Leader[s] of Minority Opposition Group[s] remains at £1,147 for 2020/21, subject to any index that may apply.**

Where a Political Group has a Co-Leadership model

76. One proposal presented to the Council was the possibility of recommending a Minority Opposition Group Leaders' SRA split between two Members where there was a co-leadership model in place. However, the Panel was advised that this proposal would be contrary to The Local Government (Committees and

Political Groups) Regulations 1990 SI 1553 (Regulation 8 (3) (c)) which specifies that there has to be a named Leader for constituted groups, and as such the Panel cannot recommend a split SRA.

Confirmation of the 1-SRA only rule

77. The 2003 Regulations do not prohibit the payment of multiple SRAs to Members, as the benchmarking clearly shows. The limit of 1-SRA only regardless of whether a Member holds more than one remunerated post is an internal rule agreed by the Council Members' Allowances going back to the recommendation of the Panel of 2003. The majority of Councils have a similar internal rule.
78. Moreover, this restriction on the payment of SRAs to Members means that posts are not simply sought out for financial reasons. Indeed, the pressure is that if anything, posts tend to be spread around more. It also makes for a more transparent allowances scheme and in practice it will also lead to a slight reduction in amounts paid out in SRAs, as there is often at least one Member who also holds more than one remunerated post, Due to the 1-SRA only rule such a Members is only paid the higher SRA.
79. **The Panel recommends that the Council retains the 1-SRA only rule within the Darlington Borough Council Members' Allowances scheme.**

The Mayor and Deputy Mayor of the Council and the Civic Allowances

80. The Civic Allowances are constitutionally outside the formal remit of IRPs. The Civic Allowances are paid under the Local Government Act 1972 (sections 3.5 and 5.4), not as remuneration (although in many authorities it has in effect become a substitute salary), but to meet the expenses of holding the office of Civic Head and Deputy Civic Head of the Council. However, many Panels are often asked to provide advice on the Civic Allowances in lieu of a council being able to draw upon any external validation.
81. Meaningful benchmarking is difficult when it comes to the Civic Allowances as some authorities explicitly remunerate their equivalent of Mayor and Deputy Mayor through an SRA in addition to the provision of a civic allowance for meeting the cost of holding office. Moreover, not all councils publish the Civic Allowances in their allowances scheme.
82. The Panel recognises the Mayoral role is an important one with the post holder expected to attend functions in and out of the Borough on an almost daily basis. The Mayor is the public face of the Council for most of the Borough's residents. Nonetheless, no evidence was received that the current Civic Allowance for the Mayor is insufficient to meet the cost of holding civic office and associated out of pocket expenses.
83. **The Panel does not recommend any change to the current Civic Allowance (£11,000) paid to the Mayor of Darlington Borough Council for 2020/21,**

subject to any index that may apply.

84. The Deputy Mayor, who is always the Mayor in waiting in Darlington, receives a Civic Allowance of £929 to meet their operational out of pocket expenses. This much lower sum is appropriate as the Deputy Mayor's main role is to stand-in where the Mayor is unable to attend a function. No evidence was received to change this allowance.
85. **The Panel recommends that the Civic Allowance for the Deputy Mayor of Darlington Borough Council for 2020/21 remains at £929, subject to any index that may apply.**

The Co-optees' Allowances

86. The scheme does not provide for a Co-optees' Allowance. This is an allowance that may be paid to independent non-voting Members co-opted onto committees under the Local Government Act 2000. In Darlington, these co-optees are restricted to the parent and religious governor representatives on the Children and Young Peoples' Scrutiny Committee. No evidence was received to indicate there was a case to pay co-optees in Darlington Borough Council a Co-optees' Allowance. The Panel is making no recommendation in this regard.

Travel and Subsistence Allowances

The Subsistence Allowance – Within the Borough

87. The right for Members to claim a Subsistence Allowance has been discontinued, it is deemed to be covered by the Basic Allowance. This is typical practice in the more geographically compact councils. The Panel received no evidence to revisit this provision; it is in line with the Panel's principle of simplicity.
88. **The Panel recommends that the Basic Allowance continues to be deemed to inclusive of subsistence costs incurred by Members for undertaking Council-related duties within the Borough.**

The Subsistence Allowance – Outwith the Borough

89. There were no issues brought to the Panel's attention regarding the scope and levels payable under the Subsistence Allowance scheme which Members can claim for undertaking approved duties outwith the Borough. The rates and terms and conditions are the same that apply to Officers. **The Panel does not recommend any changes to the current rates and terms and conditions of the Subsistence Allowances scheme for Members undertaking approved duties outwith the Borough.**

The Travel Allowance – Within the Borough

90. As with the Subsistence Allowance the Basic Allowance is currently deemed sufficient to cover Members' travel costs while carrying out Council-related duties within the Borough. There was however a couple of issues raised with the Panel in this regards, namely the cost of parking to attend Council meetings and the extra mileage costs incurred by Members living in or representing the more rural wards, whether it be travelling to Council, Parish Council or local community meetings or visiting constituents.
91. The Panel acknowledges that there can be additional parking costs for those Members who drive into the centre of Darlington to attend Council meetings. This is even more so in the case of Members representing the more rural wards as there are 10 Parish Councils and 15 Parish Meetings within the Borough. Although attending Parish Councils/Meetings is not part of a Member's formal duties it can be seen as part of their larger community role and advantageous for the Council to have an informal direct link to the Parishes.
92. Yet, the Panel is not making a recommendation regarding either parking costs or recognising additional travel costs associated with representing/living in a rural ward. To make exceptions in both these cases would undermine the Panel's principles of simplicity and transparency. In particular there would be a below the line administrative cost incurred through Officers having to check and process such claims. Finally, a small part of the rationale in recommending an increased Basic Allowance is to acknowledge these types of costs and other supplementary travel related costs that will be incurred by nearly all Members from time to time.
93. **The Panel recommends that the Basic Allowance continues to be inclusive of all travel related costs incurred by Members while carrying out Council-related duties within the Borough.**

The Travel Allowance – Outwith the Borough

94. Currently, the mileage rates that Members can claim for undertaking approved duties outwith the Borough are based on the HMRCs "Authorised Mileage Approved Mileage" (AMAP) rates. These rates are typically utilised by local authorities in determining Members' (and in some cases Officers') mileage rates; primarily because they are tax efficient in that they do not incur any tax liability for Members. The HMRC mileage rates are also the most prevalent mileage rates in the wider public sector. The Panel received no evidence to revise these rates.
95. However, the Panel notes the advice of the Office for Low Emission Vehicles which states (paragraph 12.1) that "electric and hybrid cars are treated in the same way as petrol and diesel cars for the purposes of AMAPs." AMAPs (Authorised Mileage Allowance Payments) are the rates applicable to Members when claiming mileage allowances. While no issues were raised regarding a Member using electric or hybrid vehicles the Panel has taken this opportunity to future proof the scheme to clarify the appropriate mileage rates if a Member uses an electric or hybrid vehicle for attending an approved duty outwith the Borough.

96. It is pointed out that HMRC AMAP rates do not simply cover the fuel element but are intended to reflect the total running costs of running a vehicle including wear and tear, depreciation, etc.
97. **The Panel recommends that the allowances scheme is amended to clarify that where a Member is using an electric or hybrid vehicle on an approved duty outwith the Borough that they are able to claim mileage at AMAP rates, which is currently 45p per mile for the first 10,000 miles and 25p per mile thereafter.**
98. **The Panel further recommends that the outwith current mileage rates, approved duties, terms and conditions that are applicable for which Members can claim travel mileage allowances and the reimbursement of public transport (where used) remain unchanged.**

Dependants' Carers' Allowance (DCA)

99. The Local Government Act 2000 explicitly clarifies the right of local authorities to pay a Dependants' Carers' Allowance (DCA), which Members can claim to assist in meeting costs for care for their dependants while on approved Council duties. It is an allowance explicitly designed to enable a wider range of candidates to stand for and remain on Council. In the 2003 review, the Panel recommended that the Council make available the DCA to those Members who have dependants living with them.
100. While it is not often claimed the Panel continues to support the DCA. The only issue raised that relates to caring for dependants was whether the Council should adopt a Parental/Adoption Leave policy for Members – there is such a policy in place for Officers. It is noted that Members are not legally classified as employees and are not entitled to paid parental/adoption leave just as they are not entitled to other statutory employee benefits such as redundancy, access to employer pension schemes and holidays. To some extent the issue is somewhat a red herring at least in regards to the Basic Allowance. If a Member did take parental/adoption (or sick) leave they would still receive their full Basic Allowance for up to six months. Under the six months rule a Member only has to attend an approved duty once every six months to remain a Councillor and the Basic Allowance is paid by virtue of being a Member. Even then the Council has the ability to vote to extend that period.
101. **Consequently, the Panel recommends no change to the current conditions and scope for which the DCA may be claimed for 2020/21 subject to any index that may be applied to the care for dependants on social/medical grounds.**

Independent Members on School Appeals Panels

102. The School Admission (Appeals Arrangements) (England) Regulations 2012 (paragraph 6.1) provide for the payment of a Financial Loss Allowance (FLA) to

independent members appointed to school appeals panels when attending "a meeting of an appeal panel or associated training." The Statutory Guidance 2012⁴ provides further clarification in that in addition to a FLA such appointees are eligible to receive travel and subsistence allowances and to be compensated for any expenses, including child minding costs. The Statutory Guidance also states that the "rate of payment for community and voluntary controlled schools is set by the local authority which must have regard to the recommendations of its independent remuneration panel."

103. Currently Darlington Borough Council pays independent appointees to its appeals panels a:

- FLA: £27.65 (meetings up to 4 hours)
£55.31 (meetings over 4 hours)
- Subsistence Allowance: at same rates that are applicable to Officers & elected Members although the conditions vary slightly
- Mileage Allowance: at HMRC AMAP rates
- DCA: at the same rates and conditions applicable to Members

104. No evidence was received to indicate the FLA or other allowances that may be claimed by the Independent Members on the Educations Appeals Panels required revisiting. **The Panel recommends that the FLA and allowances that may be claimed by the Independent Members appointed to the Council's School Appeals Panels are maintained at their current rates for 2020/21, subject to any indexation that may be applicable.**

Confirmation of Indexing

105. Although the Council has not implemented indexation except in 2017 in relation to the Basic Allowance, the Panel continues to support the principle of the indexation of allowances as it helps to prevent the loss of relative value that necessitates periodic increases that go beyond any uplift for cost of living increases.

106. The Panel has always recommended that the Basic Allowance and SRAs are indexed to the annual percentage cost of living increase received by Officers, as agreed each year by the National Joint Council for Local Government Staff (known as the NJC index). It conforms with one of the Panel's principles, namely equity, if Officers receive no annual percentage increase (which has occurred in the past) then the applicable percentage increase for Members is 0 per cent. Moreover, non-indexation of the Basic Allowance and SRAs as a matter of course has led to an erosion in their value over the years, to continue not indexing the Basic Allowance and SRAs would only exacerbate that context. It is also noted that the majority of English Councils now apply the NJC index to their Members Basic Allowance and SRAs.

⁴ Department for Education, School Admission Appeals Code: Statutory Guidance for School Leaders, Governing Bodies, and Local Authorities, paragraph 1.15, February 2012

107. **The Panel recommends and confirms the use of the following indices for allowances for the next four years:**
- **Basic Allowance, SRAs, Civic Allowances & Appeals Panel Members FLA:**
 - Increased by same percentage applied annually to the pay of local government staff, implemented at the start of each municipal year (linked to spinal column point 43 of the NJC scheme) starting from annual meeting on 21 May 2020.
 - **DCA: Elderly/Disabled element:**
 - Indexed to the hourly rate chargeable by the Council for provision of a Home Care Assistant.
 - **Travel (out of authority only):**
 - Mileage rates to be indexed to HMRC rates. Other travel will be reimbursement of actual costs taking into account the most cost effective means of transport available and the convenience of use.
 - **Subsistence (out of authority only):**
 - Indexed to the same rates that apply to Officers of Darlington Borough Council, for reimbursement of actual costs up to the maximum rate applicable.
108. **The Panel further recommends that as per regulations, the indices recommended by the Panel are to run for four years from 21st May 2020 up until the day before the annual meeting of the Council in May 2024 or until the Council requires a further review.**
109. The Panel notes that if the Council does not have provision for indexation in place it cannot apply any indices. Yet, if the provision is in place the Council can still decide not to apply all or any of the indices that may be applicable, e.g., the Council could decide to apply adopted index to the BA but not SRAs in any one year. It was only by adopting the principle of indexation in 2016 that enabled the Council to apply a one off uplift to the Basic Allowance in 2017.

Implementation

110. **The Panel recommends that the recommendations within this report (with any amendments as agreed by Council) are implemented with effect from 1st April, 2020 or any date beforehand that the Council may agree upon subsequent to the publication of report.**

Appendix One

Members and Officers who met with the Panel

Members

Cllr H. Allen	Backbench Representative (Liberal Democrat)
Cllr J. Clarke	Vice-Chair Health & Partnerships Scrutiny Committee (Conservative)
Cllr P. Culley	Backbench Representative (Conservative) and Vice Chair of Children & Young People Scrutiny and Place Scrutiny Committees
Cllr A-M Curry	Leader of Minority (Liberal Democrat) Opposition Group
Cllr J. Dulston	Portfolio Holder for Community Safety (Conservative)
Cllr S. Durham	Chair of Scrutiny Committee (Efficiency & Resources) and Chair of Audit Committee
Cllr S. Harker	Leader of Main (Labour) Opposition Group
Cllr C. Johnson	Deputy Leader of the Council & Portfolio Holder – Efficiency & Resources
Cllr D Jones BEM	Chair of Planning Committee (Conservative)
Cllr A. Kier	Vice Chair of Planning Committee (Conservative)
Cllr C. McEwan	Backbench Representative (Labour) and Deputy Mayor
Cllr K. Nicholson	Leader of Minority (Independent) Opposition Group and Chair of the Licensing Committee
Cllr H. Scott OBE	Leader of the Council and Conservative Group and Chair of Cabinet
Cllr M. Snedker	Co-Leader Minority (Green) Group
Cllr N. Wallis	Mayor of Council (Labour)

Written Submissions:

Cllr H. Allen Backbench Representative (Liberal Democrat)

Cllr E. Heslop Backbench Representative (Labour)

One written submission was submitted anonymously

Officers

Luke Swinhoe: Assistant Director Law & Governance

Shirley Wright: Democratic Services Manager

Paul Wildsmith: Managing Director, Darlington Borough Council

Appendix Two

Information Received by the Panel

1. Darlington Borough Council, Members Allowances Review - Council report dated 26th September, 2019 (including Terms of Reference)
2. The local Authorities (Members' Allowances) (England) Regulations 2003
3. New Council Constitutions: Guidance on Regulation for Local Authority Allowances May 2006 version (Extract of section on allowances)
4. Darlington Borough Council current Members' Allowances Scheme 2019/20
5. Details on other support received by Members :-
 - Training and development programme;
 - Advertising/booking of ward surgeries
 - Assistance with preparation/printing of newsletters
 - Letter templates
 - Business cards
 - IT Services and Support
 - Booking on courses/conferences
 - Support in Committee Roles – particularly to Chairs of Scrutiny
 - Modern.Gov
6. Darlington Borough Council statutory publication of allowances and expenses received by Members 2018/19
7. Darlington Borough Council Committee Information:-
 - Memberships of Cabinet/Committees and Joint Arrangements – 2019/20;
 - Calendar of Meetings 2019/20; and
 - Political Balance/Council
8. Number of meetings of Licensing Committees and Subs :-
 - General Licensing Committee met four times during the 2018/19 Municipal Year;
 - General Licensing Act Sub-Committee met five times during the 2018/19 Municipal Year
 - Licensing Act 2003 Sub-Committees met once during the 2018/19 Municipal Year; and
 - Licensing Act 2003 Committee met once during the 2018/19 Municipal Year

9. Darlington Borough Council remit or responsibility for functions for main committees and sub committees:-
 - Schedule 1 –Council Committees; their membership and powers :-
Council :-
 Planning Applications Committee;
 General Licensing Committee;
 General Licensing Sub-Committee;
 Licensing Act 2003 Committee;
 Licensing Act 2003 Sub-Committee;
 Member Standards Hearing Committee
 Audit Committee
 - Schedule 2 – The Executive :-
 Executive Portfolios;
 Delegation of Executive Functions;
 Cabinet Sub Committee
 Executive Members Scheme of Delegation
 - Schedule 3 - Scrutiny Committees :-
 Efficiency and Resources;
 Adults and Housing;
 Health and Partnerships
 Children and Young People
 Place Scrutiny Committee
 General Role of the Council's Scrutiny Committees
 Tees Valley Joint Health Scrutiny Committee
 Monitoring and Co-ordination Group
10. Benchmarking information :-
 - Summary of Basic Allowances and SRAs paid in all 14 North East Unitary Councils: BM1-3
11. Darlington Borough Council, Members' Allowances - Council report dated 25th February, 2016 (including report of the Independent Remuneration Panel December, 2015) and Council Minutes dated 28th February, 2016 that shows amendment to report and subsequent approval
12. Councillors' Census 2018 (LGA), breakdown of weekly hours worked (mean) by councillors by number of positions held, as set out in personal email to the Panel Chair from Stephen Richards (LGA) 21 November 2019
13. Education Appeals :-
 - Department for Education, School Admissions Appeals Code, Statutory Guidance for school leaders, governing bodies and local authorities (with particular reference to paragraphs 1.4-1.5 – Costs), February 2012; and

- Darlington Borough Council – Scale of Allowances currently paid to Education Appeals Panel Members
14. Annual Survey of Hours and Earnings (ASHE), Table 7.1a, Weekly Pay – Gross (£) – for full-time employee jobs (median and mean) in Darlington Borough Council (Work Geography), Office of National Statistics, October 2019
 15. Written submissions from members (X3)
 16. Office for Low Emission Vehicles, Tax Benefits for Ultra Low Emission Vehicles, 14th May 2018

Appendix Three: Benchmarking – all North East Unitary and Metropolitan Councils

BM1 Darlington BM Group: BA + Leaders/Elected Mayors + Exec & Scrutiny SRAs 2019/20											
Comparator Council	Basic Allowance	Leader or Elected Mayor	Leader or Elected Mayor Total	Deputy Leaders	Exec Mbrs	Exec Support Mbrs	Chair Main O&S	V/Chair Main O&S	Chairs or Leads Scrutiny	V/Chairs Scrutiny	Comments
Sunderland	8,369	37,667	46,036	25,111	20,716	12,556	12,556	6,277	5,179	2,590	
Newcastle	9,000	18,000	27,000	9,000	6,750				4,500	2,250	Scrutiny Sub Chair & V/Chair £3,375/£1,688
South Tyneside	7,667	28,121	35,788	17,894	12,241				10,226	7,668	
N. Tyneside	10,358	55,161	65,519	7,209	3,187		3,187	2,229	2,229	1,564	
Gateshead	10,977	32,940	43,917	21,956	16,471				16,471	6,864	
Durham	13,300	36,575	49,875	19,950	13,300		13,300	7,980	2,660	1,330	
Northumberland	14,004	27,000	41,004	18,090	14,850				12,150	5,467	Only BA is indexed
Hartlepool	8,107	24,321	32,428	Committee Governance Structures							BA inc. Tel costs
North Yorks	9,885	32,243	42,128	16,970	15,273	1,697	10,182		5,091	1,697	
Cumbria	8,573	25,755	34,328	14,423	10,302		10,302		7,158		
Middlesbrough	6,506	65,056	71,562	19,517	13,011	6,130	13,011		6,506		
Stockton	9,300	25,000	34,300	13,750	11,250		6,250	3,125	6,250	3,125	
Redcar & C'land	9,550	15,500	25,050	11,280	9,680				2,852	992	Tel Allowance £180
Darlington	8,188	22,933	31,121	13,759	11,467		9,747		9,173	2,293	
Mean	9,556	31,877	41,433	16,070	12,192	6,794	9,817	4,903	6,957	3,258	
Median	9,150	27,561	38,396	16,970	12,241	6,130	10,242	4,701	6,250	2,293	
Lowest	6,506	15,500	25,050	7,209	3,187	1,697	3,187	2,229	2,229	992	
Highest	14,004	65,056	71,562	25,111	20,716	12,556	13,300	7,980	16,471	7,668	

BM2 Darlington BM Group: Main Regulatory SRAs 2019/20										
Comparator Council	Chair Planning	V/Chair Planning	Chair Licensing	V/Chair Licensing	Chair Audit & Risk/Other	V/Chair Audit	Chair Standards	Chair Appeals	V/Chair Appeals	Comments or Other
Sunderland	6,277		8,369		6,277					Area Chairs £10,350, Chairs DCC Sub Area + V/Chairs £6,277, Chair Regulatory £8,369
Newcastle	6,750	3,375	4,500	2,250	3,375	1,688	2,250	4,500	2,250	Members of Planning £1,350, Members of Licensing + Regulatory & Appeals £450, Chair Constitutional £1,125
South Tyneside	7,668	5,112	7,668	5,112	5,112	2,556	5,112	7,668	5,112	Chairs & V/Chairs HR + Thematic Panels £5,112 & £2,556, Area Chairs £6,053, Standards V/Chair £2,556
N. Tyneside	3,187	2,229	2,229	1,564	2,229	1,564	3,187			Chair & V/Chair HR £2,229 & £1,564, Tel line rental paid
Gateshead	13,721	6,864	13,721	6,864	13,721	6,864	Inc in Audit	13,721	6,864	Chair & V/Chair Health & WB £13,721 & £6,864
Durham	3,325	1,662	3,325	1,662	2,660	1,330	2,660	2,660	1,330	Chairs & V/Chairs Area Planning + Statutory Licensing £3,325 & £1,662, Chairs Licensing Subs £3,325
Northumberland	12,150	5,467	9,450	2,362	4,005	1,350	2,700			Area Chairs & V/Chairs £10,800 & £3,645, Area DCC Chairs £3,645, Chair & V/Chair Rights of Way £9,450 & £5,467, Chairs & V/Chairs WGs £4,005 & £1,350
Hartlepool	8,107		4,864		8,107					
North Yorks	4,243		1,697		3,394		1,697	5,091	849	Chair Pensions £5,091, Area Chairs £2,546,
Cumbria	7,158		Inc in DCC		7,158					Chairs Areas + Pensions £7,158, Harbour Board £7,094
Middlesbrough	9,758		9,758		6,506		3,253			Chairs Staff Appeals + Pension Fund £3,253, Tel Allow £300
Redcar & C'land	4,836	1,984	Inc in DCC							Chair & V/Chair HR £2,852 & £992, Chair & V/Chair Governance £2,108 & £620
Stockton	6,250	3,125	6,250	3,125	6,250	3,125				
Darlington	9,173	2,293	9,173	2,293	558					
Mean	7,329	3,568	6,750	3,154	5,335	2,640	2,980	6,728	3,281	
Median	6,954	3,125	6,959	2,328	5,112	1,688	2,700	5,091	2,250	
Lowest	3,187	1,662	1,697	1,564	558	1,330	1,697	2,660	849	
Highest	13,721	6,864	13,721	6,864	13,721	6,864	5,112	13,721	6,864	

BM3 Darlington BM Group: Main Group SRAs 2019/20					
Comparator Council	Main Opposition Group Leader	Main Opposition Deputy Leader	Minor Opposition Group Leaders	Minor Opposition Groups Deputy Leaders	Comments or Other
Sunderland	12,556	8,369	6,277	4,184	Cabinet Secretary £25,111
Newcastle	6,750	3,375			Opposition Spokespersons £2,250
South Tyneside	2,556				
N. Tyneside	2,229	3,187			
Gateshead	16,471	6,782			
Durham	3,325		3,325		5 Minor Opposition Groups
Northumberland	12,150	4,860	2,430		
Hartlepool	4,864				
North Yorks	5,091		2,546		Group Secretaries £2,546, £1,697 & £849
Cumbria	12,534		5,374		
Middlesbrough	3,253		3,253		
Redcar & C'land	4,840				
Stockton	5,000				
<i>Darlington</i>	<i>9,173</i>	<i>1,147</i>	<i>1,147</i>		<i>Pays 3 Minor Opp Group Leaders</i>
Mean	7,199	4,620	3,479		
Median	5,046	4,118	3,253		
Lowest	2,229	1,147	1,147		
Highest	16,471	8,369	6,277		

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Members' Allowances Scheme

The Darlington Borough Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended), hereby makes the following scheme:-

Introduction

1. This scheme may be cited as the Darlington Borough Council Members' Allowances Scheme, and shall have effect for the period commencing 1st April, 2020 and shall continue in force thereafter until amended.

2. The previous Darlington Borough Council Members' Allowances Scheme is revoked with effect from 31st March 2020.

3. In this scheme,

'the Authority' means Darlington Borough Council;

'Councillor' means a Member of the Darlington Borough Council who is a Councillor; and

'Year' means the period beginning 1st April to 31st March.

Basic Allowance

4. For each year a basic allowance ('Basic Allowance') set out in Schedule 1 shall be paid to each Councillor.

5. Where the term of office of a Councillor begins or ends otherwise than at the beginning or end of a year, his/her entitlement shall be to payment of such part of the basic allowance as bears to the whole the same proportion as the number of days during which his/her term of office as Councillor subsists bears to the number of days in that year.

Special Responsibility Allowances

6. For each year for which this scheme relates a Special Responsibility Allowance ('Special Responsibility Allowance') shall be paid to those Councillors who have the special responsibilities in relation to the Authority that are specified in Schedule 2.

7. The amount of each Special Responsibility Allowance shall be the amount specified against that special responsibility in Schedule 2.
8. Where a Councillor does not have throughout the whole of the year any such special responsibilities as entitle him/her to a Special Responsibility Allowance, his/her entitlement shall be to payment of such part of the Special Responsibility Allowance as bears to whole of the same proportion as the number of days during which he/she has such Special Responsibilities bears to the number of days in that year.
9. Any Councillor who will be entitled to claim more than one special responsibility allowance in accordance with Schedule 2, shall only be entitled to receive one such allowance (and where the allowances are of different amounts, the entitlement shall be to the highest amount), unless otherwise provided in Schedule 2.

Mayoral Allowances

10. Allowances will be payable as detailed in Schedule 3

Dependent Carers' Allowance

11. An Allowance ('the Dependent Carers' Allowance') will be paid to each Councillor who needs to incur the expenses of arranging for the care of their children or dependants whilst undertaking the duties as specified in Schedule 4.
12. The Dependents' Carers' Allowance will be payable in respect of actual expenditure up to a maximum of 35 hours in any one week, as specified in Schedule 4.

Travel and Subsistence Allowances

13. No allowance will be made to any Councillor for any travelling or subsistence incurred whilst performing Council duties within the Borough Council boundary.
14. Travelling and Subsistence Allowances will be paid as specified in Schedule 5.

Education Appeals Panel Members

15. Allowances will be payable as detailed in Schedule 6.

Amendments and Repayment of Part of Allowances

16. This scheme may be amended at any time but may only be revoked with effect from the beginning of a year.
17. This scheme makes provision for an annual adjustment of the Basic, Special Responsibility allowances for a period of four years as detailed in paragraph 25 below.
18. Where an amendment is to be made which affects an allowance payable for the year in which the amendment is made, the entitlement to such allowance may apply with effect from the beginning of the year in which the amendment is made.
19. Where payment of any allowance already being made in respect of any period during which the Councillor concerned :-
 - ceases to be a Councillor; or
 - is in any other way not entitled to receive the allowance in respect of that period,

The Authority may require that such part of the allowances relates to any such period be repaid to the Authority.

20. Where a Councillor is also a Member of another Authority (as defined in the Regulations) that Councillor may not receive allowances from more than one Authority in respect of the same duties.

Election to Forego Allowances

21. A person may, by notice in writing given to the Assistant Director Law and Governance, elect to forego all or part of his/her entitlement to any allowances under this scheme.

Payments

22. Payments shall be made in respect of basic and special responsibility allowances, in instalments of one-twelfth of the amount specified in this scheme.
23. Where a payment of one-twelfth of the amount specified in this scheme in respect of the basic allowance or a special responsibility will result in the Councillor receiving more than the amount to which, by virtue of the basic and special responsibility allowance, he/she is

entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he/she is entitled.

Publicity

24. The Council is required to make arrangements for the publication of this Scheme within the Council's area as soon as practicable after it is made.
25. The Council is also required to publish after the end of the year the total sum paid to each Councillor during the year.

Indexation

26. The following indices are applied to the remuneration and allowances paid to Members of Darlington Borough Council :-

Basic Allowance, SRAs, Civic Allowances and Education Appeals Panel Members Financial Loss Allowance :-

- Increased by same percentage applied annually to the pay of local government staff, implemented at the start of each municipal year (linked to spinal column point 43 of the NJC scheme) starting from annual meeting on 21 May 2020.

Dependant Carers Allowance: Elderly/Disabled element :-

- Indexed to the rate chargeable by the Council for provision of a Home Care Assistant

Travel :-

- Mileage rates to be indexed to HMRC rates. Other travel will be reimbursement of actual costs taking into account the most cost effective means of transport available and the convenience of use.

Subsistence (out of authority only) :-

- Indexed to the same rates that apply to Officers of Darlington Borough Council, for reimbursement of actual costs up to the maximum rate applicable.

SCHEDULE 1

Basic Allowance 2020/21

The amount of the Basic Allowance payable to each Member of the Council is **£8,519**

The Basic Allowance is deemed sufficient to include incidental expenses and the current provision of ICT equipment, consumables, and peripherals by Members. Accordingly, the direct provision of ICT equipment, related consumables, and peripherals is not provided unless Members re-imburse the Council for an ICT package and support from their Basic Allowance.

SCHEDULE 2**Special Responsibility Allowance 2020/21**

The following are specified as special responsibility allowances in respect of which special responsibility allowances are payable, and the amounts of those allowances, subject to the provisions contained in this scheme are:

	£
Leader	22,933.00
Deputy Leader (60 per cent of Leader)	13,759.00
Cabinet Member (50 per cent of Leader)	11,467.00
Scrutiny - Chair (40 per cent of Leader)	9,173.00
Chair - Planning (40 per cent of Leader)	9,173.00
Vice-Chair - Planning (25 per cent of Chair of Planning)	2,293.00
Chair - Licensing (40 per cent of Leader)	9,173.00
Vice-Chair - Licensing (25 per cent of Chair of Licensing)	2,293.00
Leader of Opposition (40 per cent of Leader)	9,173.00
Deputy Leader of Opposition (5 per cent of Leader)	1,147.00
Leader of Minority Group (5 per cent of Leader)	1,147.00
Chair - Audit Committee	2,293.00

SCHEDULE 3

MAYORAL ALLOWANCES

The following allowances are payable:-

Mayor	£11,000
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Deputy Mayor	£ 929
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SCHEDULE 4

Darlington Borough Council

Dependent Carers' Allowance Scheme

1. A Councillor may claim a Carers' Allowance in accordance with this scheme when they incur additional expenditure for the care of children or dependent relatives whilst undertaking the following 'approved duties' :-
 - a meeting of Council
 - a meeting of Cabinet or its Sub-Committee
 - a meeting of a Scrutiny Committee or a Task and Finish Group
 - a meeting of Planning Applications Committee or its Sub-Committee
 - a meeting of Licensing Committee and its Sub-Committee
 - a meeting of the Audit Committee
 - a meeting of a Subsidiary Body appointed by the Council
 - a Training and Development Session
 - a meeting of an outside body

The Childcare Element

2. The childcare element reimburses reasonable expenses incurred for the care of dependent children whilst a Member carries out approved duties as specified in the 2003 Members' Allowances Regulations.
3. The re-imbusement is for actual expenditure incurred up to a maximum of 35 hours in any one week. A Member can therefore claim for care for multiple children but the total number of hours claimed for can be no more than 35 hours in total in any one week. The maximum hours claimable also allows for cancellation of meetings and for childcare that has to be booked in pre-defined blocks of time.

Qualifying Criteria

4. The childcare element of the allowance is paid on the basis of self monitoring. A Member must :-
 - (a) self-register with the Council's Monitoring Officer (the Assistant Director – Law and Governance) that they have a dependent child or children under the age of 16 living with them; and
 - (b) claim the allowance on production of a receipt or signed statement, which declares that the childcare has actually been provided by a childminder and not by a member of the immediate family normally resident at the Member's home address.

Care for Dependents on Social/Medical Grounds

5. The DCA also provides for care of dependents on social/medical grounds, such as dependents who are elderly and/or disabled. The social/medical dependent care element of the allowance will be paid at a similar rate chargeable by Darlington Borough Council for provision of a Home Care Assistance.
6. The allowance is to be paid only on the production of a receipt for actual expenditure incurred whilst a Member is on approved duties. As care for dependents with social/medical needs will be provided by professional carers they will be in a position to provide formal receipts in a way that many child carers will not be able to do so.
7. The social/medical element of the Dependents' Carers Allowance is available to Members who have an express need for such an allowance. This express need is to take the form of a written declaration by a Member, which is lodged with the Monitoring Officer (the Assistant Director Law and Governance).

Further Restrictions on Claiming the DCA

8. Members cannot claim for multiple carers for multiple dependents within the same category of care.

SCHEDULE 5**Travelling and Subsistence Allowances****Subsistence Allowance: Outside the Darlington Borough Council area**

The Subsistence Allowances, and the conditions by which they can be claimed, by Members attending approved duties outside the Darlington Borough Council area are based and indexed to the same rates that apply to Council Officers.

Only reasonable claims will be reimbursed (only outside normal working hours in accordance with the Officers scheme) and receipts must be provided.

- **Overnight Accommodation:** Any overnight accommodation required by Members will be reserved and paid for in advance by the Council

Mileage Allowance – Within Darlington Borough Council Area

There is no change to the provision prohibiting Members claiming Mileage Allowance for attending meetings within the Darlington Borough Council area.

Mileage Allowance – Outside Darlington Borough Council Area

No change to the mileage rates claimable by Members undertaking approved duties outside the Borough; they are linked to rates applicable to Officers (casual user rate).

The applicable mileage rates are set out below:-

Vehicle Type	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Cars and vans (including electric or hybrid)	45p	25p
Motor cycles	24p	24p
Bicycles	20p	20p
Passenger Supplement Rate	5p per passenger	5p per passenger

Approved Duties and Attendance at other Statutory Bodies

A full schedule of approved duties for which Members may claim travel and subsistence allowances (when taking place outside the Borough Boundary is detailed in the schedule below:-

Travelling and Subsistence Allowances can be claimed for the activities and meetings below when the sessions take place outside the Borough Boundary

Travelling and Subsistence Allowances cannot be claimed where the external body pays a travel and subsistence allowance or when has its own Members Allowances Scheme

Training and Development Events

Courses, Seminars and Conferences

Council Appointments

Association of Councillors (a) General Management Committee (b) Northern Branch Committee
Association of North East Councils:- (a) Leaders' and Elected Mayor's Group (b) Collaborative Procurement Sub-Committee (c) North East Cultural Partnership (d) Health and Well Being Chairs Network (e) Resources Task and Finish Review Group
Combined Fire Authority – Travelling and Subsistence not claimable (a) Appointments Panel (b) Appeals Committee (c) Audit and Risk Committee (d) Finance and General Purpose Committee (e) Policy and Performance Committee (f) Joint Consultative Committee (g) Salary Review Group Other Bodies (a) Local Government Association (b) Community Interest Group (c) Vital Fire Solutions Ltd
Cruse Bereavement Care (Tees Valley)
Darlington and District Town Twinning Association Management Committee
Darlington Community Carnival Committee
Darlington Young Men's Christian Association – Local Management Board
Local Government Association
Poor Moor Charity

Standing Advisory Council on Religious Education (SACRE)
--

Willow Road Community Centre – Management Committee

Cabinet Appointments

Association of Rail North Partnership Authorities Rail North Ltd. Transport for the North North East Rail Management Unit
--

Charitable Organisations for the Blind (COB)
--

Community Library (Cockerton Ltd.)

County Durham and Darlington Foundation Trust – Board of Governors
--

Creative Darlington

Darlington Cares

Darlington Partnership Board

Darlington Railway Museum Trust

Durham County Pension Fund Committee

Durham Tees Valley Airport Limited - Board
--

Durham Tees Valley Airport Limited - Consultative Committee

Family Help Organisation

Family Placement Panel

Maidendale Nature and Fishing Reserve (Associate Member)
--

North East Ambulance Service

North East Child Poverty Commission

North East Regional Employers Organisation Executive Committee

North East Strategic Migration Partnership
--

Northern Housing Consortium

Northumbrian Regional Flood and Coastal Committee

Poor Moor Fund

RELATE North East

Tees Valley Local Access Forum

Tidy North Regional Consultative Committee

SCHEDULE 6

Education Appeals Panel Members

1. Panel Members are entitled to claim any financial loss occurred whilst attending a Panel meeting at the following rates:-
 - £27.65 (meetings up to 4 hours)
 - £55.31 (meetings over 4 hours)
2. Dependant Carers Allowances are payable to Education Appeals Panel Members as detailed in Schedule 4.

Subsistence Allowances

3. Only reasonable claims will be reimbursed (only outside normal working hours in accordance with the Officers scheme) and receipts must be provided.

Mileage Allowances

4. The applicable mileage rates are set out below:-

Vehicle Type	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Cars and vans (including electric or hybrid)	45p	25p
Motor cycles	24p	24p
Bicycles	20p	20p
Passenger Supplement Rate	5p per passenger	5p per passenger

**COUNCIL
30 JANUARY 2020**

ITEM NO.

COUNCIL TAX CALCULATION OF TAX BASE 2020/21

**Responsible Cabinet Member – Councillor Charles Johnson
Resources Portfolio**

Responsible Director – Paul Wildsmith, Managing Director

SUMMARY REPORT

Purpose of the Report

1. To determine the Council's tax base for 2020/21.

Summary

2. In accordance with Section 33 of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) Regulations 2012, the Council has to decide its tax base by 31 January in the year preceding that for which the tax base applies. This has then to be notified to any precepting authorities and is used in the calculation and setting of the Council Tax. The relevant tax base calculations are shown in **Appendices 1 and 2**.

Recommendation

3. It is recommended that:-
 - (a) The report for the calculation of the Council's tax base for the year 2020/21 be approved.
 - (b) The tax base for the Council and the individual tax base for the parishes as set out at Appendix 2 be approved.

Reasons

4. The recommendations are supported to comply with statutory requirements, enabling the Council Tax for 2020/21 to be set by Council in February 2020.

**Paul Wildsmith
Managing Director**

Background Papers

Council Tax regulations
Council Tax database

Peter Carrick - Extension 5401

S17 Crime and Disorder	This report has no implications for crime and disorder
Health and Well Being	There are no health and wellbeing issues
Carbon Impact and Climate Change	There are no implications
Diversity	There are no diversity issues
Wards Affected	The proposals affect all wards
Groups Affected	The proposals affect everyone liable for Council Tax
Budget and Policy Framework	The report does not represent a change to the Budget or Policy framework
Key Decision	This is not an executive decision
Urgent Decision	This is not an executive decision
One Darlington: Perfectly Placed	This report has no implications for the Sustainable Community Strategy
Efficiency	The reports does not have any efficiency implications
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

MAIN REPORT

Information and Analysis

5. The tax base is the total number of domestic properties in the Borough, calculated as a weighted average 'Band D equivalents'. The amount of Council Tax payable for properties in each of the 8 valuation bands A to H is statutorily determined as proportions of Band D. The tax base is adjusted for discounts, exemptions and estimated changes over the coming year. An estimate of the collection rate is also applied. The tax base represents the amount of revenue that it is estimated will be raised by each £1 of band D Council Tax. It is, therefore, an important part of setting the Council Tax.
6. The council tax base is, for the purpose of calculating a billing authority's and a major precepting authority's council tax, the taxable capacity of an area or part of an area. The amounts are calculated for each financial year and represent the estimated number of chargeable dwellings after allowing for reductions and discounts and adjusted to take account of the authority's collection rate.
7. The regulations changed the formula for calculating the council tax base so as to take account of any reductions which will be made under the local council tax reduction scheme or increases for local premiums for empty or long-term empty dwellings.
8. Under the previous council tax benefit system, billing authorities received payment to cover 100% of the cost of council tax benefit paid. The council tax base was therefore unaffected by changes in council tax benefit granted because the billing authority did not forego any council tax income from dwellings in receipt of council tax benefit.
9. However, under the local council tax support scheme, the council tax base is affected by whether a dwelling is in receipt of a council tax reduction awarded under the scheme, as the authority is foregoing council tax income from these dwellings.
10. Local council tax support reductions need to be reflected in the calculation of the council tax base, in order to calculate the correct amount of Band D council tax for the billing or major precepting authority area. If the council tax base did not reduce, authorities would set their council tax bills based on an incorrect level of taxable capacity. The outcome being that dwellings where an occupier was eligible to receive a reduction under the local authority's council tax reduction scheme would not be required to pay the full amount of council tax and the authority would not therefore be able to collect the correct amount of council tax to meet its council tax requirement, with a deficit being created on the collection fund.
11. Similarly the tax base is increased by the premium generated through the empty and long term empty homes scheme whereby the consequent increase in the council tax base is used to lower council tax bills.
12. The actual calculation of the tax base is prescribed in the above regulations and has several components. Calculations must be made of the 'relevant amount' for the year, for each of the 8 valuation bands as shown in the Council's Valuation List submitted by the Listing Officer (HM Revenue and Customs) on 30 November 2019

and the Band A(-) category introduced with effect from 1 April 2000 to provide relief to disabled persons residing in Band A properties. The relevant amount for each band represents the number of chargeable dwellings, as adjusted for exemptions, disabled reductions, discounts and also estimated changes up to 31 March 2021. The final total for each band has to be converted to the equivalent number of Band D dwellings.

13. The relevant amounts for the individual bands are then totalled and the estimated collection rate for the year is applied. The collection rate is based on the proportion of the amount payable into the Collection Fund for the year, including appropriate adjustments for benefits and any transitional relief, which the Council believes will ultimately be collected. The resulting figure, plus any contributions in lieu from the Ministry of Defence in respect of forces accommodation, is the Council's tax base for its area for the year concerned.
14. The estimates and calculations outlined above in respect of the tax base for 2020/21 are shown in **Appendix 1**. Members will see that the calculations produce a total Band D equivalent of 33,592.4 (line 16) which, when combined with an estimated collection rate of 99.0% and contributions in lieu, results in an overall tax base figure of 33,329.3 which is a 1.4% increase on 2019/20.
15. Similar calculations also need to be made in respect of the parishes and in particular the same estimated collection rate must be applied as that used for the whole of the Council's area. The tax base calculations for each parish are as shown in **Appendix 2**.

Outcome of Consultation

16. This is a technical report, which follows a prescribed format. There has been no consultation in compiling this report.

APPENDIX 1

DARLINGTON BOROUGH COUNCIL - ESTIMATED TAX BASE 2020/21

		Band A (-)	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	TOTAL
1	Dwellings per Valuation List		22,789	10,662	7,367	5,432	3,093	1,259	569	54	51,225
2	Disabled Band Relief		(51)	(48)	(36)	(34)	(29)	(11)	(8)	(16)	(233)
3	Disabled Band Relief (Chargeable)	51	48	36	34	29	11	8	16		233
4	Disabled Band Relief (Adjusted)	51	(3)	(12)	(2)	(5)	(18)	(3)	8	(16)	0
5	Exemptions	0	(527)	(146)	(138)	(84)	(27)	(14)	(9)	(0)	(945)
6	Single discount (25%)	(24)	(10,986)	(3,848)	(2,319)	(1,235)	(582)	(193)	(78)	(2)	(19,267)
7	Double discount (50%)	(2)	(32)	(11)	(14)	(13)	(14)	(5)	(22)	(5)	(118)
8	Equated discounts	(7)	(2,762.5)	(967.5)	(586.75)	(315.25)	(152.5)	(50.75)	(30.5)	(3)	(4,875.75)
9	Empty Homes Premium (100%)	0	75	17	8	4	3	1	1	1	110
10	Empty Homes Premium (200%)	0	40	13	6	4	2	0	0	0	65
11	Chargeable Dwellings	44.00	19,651.50	9,579.50	6,660.25	5,039.75	2,902.50	1,192.25	538.50	36.00	45,644.25
12	Council Tax Reduction Scheme (CTRS)	(13.15)	(4,775.34)	(963.47)	(318.61)	(128.22)	(40.43)	(10.06)	(3.75)	(0)	(6,253.04)
13	Chargeable Dwellings after CTRS	30.85	14,876.16	8,616.03	6,341.64	4,911.53	2,862.07	1,182.19	534.75	36.00	39,391.21
14	Estimated Changes					239					239
15	Band D Multiplier	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
16	Band D Equivalent (Relevant Amount)	17.14	9,917.44	6,701.36	5,637.01	5,150.53	3,498.09	1,707.61	891.25	72.00	33,592.42
17	Estimated Collection Rate										99.0%
18	Contributions in Lieu					72.8					72.8
19	Council Tax Base										33,329.3

ESTIMATED TAX BASE 2020/21 – EXPLANATION OF TERMS

	Each column shows the totals for each Council Tax band A to H. The TOTAL column is the total for the whole Council. The Band A(-) column is the total in Band A where a disabled band relief applies.
Lines	
Line 1	The number of dwellings in each Council Tax band as per the Valuation List, as at 30/11/19.
Line 2	The number of dwellings in each band where a disabled band relief applies
Line 3	The number of dwellings in each band after the disabled band relief has been applied
Line 4	The net number of dwellings in each band after the disabled band relief has been applied (Line 3 - Line 2)
Line 5	The number of dwellings in each band that are exempt from Council Tax (where an exemption applies), to be deducted from the total number of dwellings
Line 6	The number of dwellings in each band where a single (25%) discount applies
Line 7	The number of dwellings in each band where a double (50%) discount applies
Line 8	The adjustment for each band where a discount applies (Line 6 x 25%) + (Line 7 x 50%)
Line 9	The number of properties that have been unoccupied or unfurnished for a period in excess of two years and which attract a 100% Premium.
Line 10	The number of properties that have been unoccupied or unfurnished for a period in excess of five years and which attract a 200% Premium.
Line 11	The equivalent number of chargeable dwellings before the application of the Council Tax Reduction Scheme
Line 12	The equivalent number of properties in receipt of council tax benefit (working age only) in each band
Line 13	The equivalent number of properties after the application of the Council Tax Reduction Scheme
Line 14	The estimated number of additional band D equivalent dwellings that will be included in the tax base during 2020/21
Line 15	The band D multiplier that is applied to the number of chargeable dwellings in each band (this multiplier is prescribed in law)
Line 16	The adjusted number of chargeable dwellings in each band after applying the multiplier (Line 13 + Line 14) x Line 15
Line 17	The estimated percentage collection rate
Line 18	The estimated number of band D equivalent dwellings for contributions in lieu. (Armed Forces Accommodation)
Line 19	The Council Tax Base for 2020/21 (Line 16 x Line 17) + Line 18

APPENDIX 2

PARISH COUNCILS – ESTIMATED TAX BASE 2020/21

Parish	Current Parish Tax Base (1)	Adjusted Band D Equivalent 20/21 (2)	Collection Rate	Parish Tax Base
Bishopton	172.7	174.7	99.0%	172.9
Heighington	901.9	966.4	99.0%	956.7
High Coniscliffe	111.2	111.2	99.0%	110.1
Hurworth	1,232.0	1,285.9	99.0%	1,273.0
Low Coniscliffe and Merrybent	304.0	294.1	99.0%	308.1
Middleton St. George	1,784.6	1,895.1	99.0%	1,876.1
Neasham	239.0	247.5	99.0%	245.1
Piercebridge	63.1	65.4	99.0%	64.8
Sadberge	284.8	285.3	99.0%	282.4
Whessoe	538.8	545.8	99.0%	540.3

PARISH COUNCILS ESTIMATED TAX BASE 2020/21 – EXPLANATION OF TERMS

Columns	
Current Parish Tax Base (1)	The calculated Council Tax base for each Parish, using the methodology set out in Appendix 1, and after the estimated changes for 2020/21 have been applied
Adjusted Band D Equivalent 20/21 (2)	The calculated Council Tax base for each Parish, using the same methodology set out in Appendix 1, and after the estimated changes for 2020/21 have been applied
Collection Rate	The estimated percentage collection rate
Parish Tax Base	The Council Tax Base for 2020/21 for each Parish

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COUNCIL 30 JANUARY 2020

LEADER OF THE COUNCIL PORTFOLIO OVERVIEW

Medium Term Financial Plan

1. I was pleased to present a four-year balanced MTFP for consultation, the plan allows for further investment in the Futures Fund and provides funding for both the capital and revenue costs of refurbishing and running the Crown Street Library.
2. Following consultation, Council will consider the MTFP at the Special Council in February.

Council Plan

3. I was pleased to present, the first Council Plan of the new administration, for consultation with the public. The plan sets out a vision for what we would like to see Borough of the Future, together with key actions to be taken to achieve the vision. Following consultation, the plan will come to Council in March for consideration.

Towns Fund

4. I reported last meeting that initial work was undertaken and that an advisory Town Fund Board required establishing, this has been done and it is due to have its initial meeting before 31 January 2020. The Board will develop plans to submit to government for up to £25m. Cabinet will have the final sign-off of the bid, as the accountable body for the bid and if successful, the delivery of the plan.

Darlington Partnership

5. I attended the last Darlington Partnership Board held on 4 December 2019.
6. The Partnership received a report on the Northgate initiative and agreed to:
 - (a) Support this initiative
 - (b) Encourage the participation of partner agencies
7. A report on the activity of Darlington Cares was welcomed by the Board. In 2019 Darlington Cares organised 15,000 hours of volunteering from the employees of its members making a significant impact across its three areas of focus: education, social justice and environment. The target for next year is 20,000 hours.
8. As the responsibilities of the Partnership grows and changes it was agreed that its shape and structure should be reviewed. A meeting with its funders will be called early this year.

Strategic Transport

9. The Tees Valley Strategic Transport Plan (STP) has been consulted upon and the final document will now be presented to TVCA Cabinet with a recommendation to adopt the plan and the supporting documents that focus on Road, Freight, Rail, Bus, Walking & Cycling specifically. The STP will be supported by Local Implementation Plans (LIPs) produced by each of the local authorities. These plans will set out local responsibilities and priorities but will align with the overarching STP to ensure a consistency of approach.
10. In terms of Major Road Projects being progressed by TVCA an Outline Business Case (OBC) was submitted to Government for the New Tees Crossing seeking funding for the project and work continues to refine the Strategic Outline Business Case for Darlington Northern Link Road following feedback from Government.
11. Work continues to progress an Outline Business Case for Darlington Station Improvements and it is the intention to submit this to Government early in 2020 to secure commitment to the development of the project.
12. I attended a meeting of Rail North and Transport for the North in my capacity as portfolio holder with Tees Valley Combined Authority where the main issue was the appalling record of Northern Rail and Trans Pennine Express. Both companies tried to blame others for the cancellations which were not accepted. A strong message was given particularly to TPE that improvements had to be made by the end of March. I continue to lobby on behalf of Tees Valley and Darlington Station.

**Councillor Mrs Heather Scott OBE
Leader of the Council Portfolio**

COUNCIL
30 JANUARY 2020

OVERVIEW OF ADULTS PORTFOLIO

Purpose of the Report

1. To inform and update Members on progress within Adult Social Care since the last meeting of Council. The following are the main areas of work under the Portfolio for Adults.

Strategic Commissioning

2. Following completion of an ADASS Carers Policy Network and Carers UK Self - Assessment Tool for Councils to assess their performance against the requirements of the ADASS publication 'A Guide to: Efficient and effective interventions for implementing the Care Act 2014 as it applies to carers', a regional event organised by the NE ADASS Carers Network took place on 28th November 2019 to look at the findings of the collated responses across the region. Darlington representatives attending were a Commissioning Officer, staff from Darlington Carers Support, Darlington Young Carers, Healthwatch and North East Commissioning Support. Key issues identified included: the need for health partners to identify and support carers; the need for Councils and health partners to recognise their own staff as carers and to offer signposting/support as appropriate; the need for carers to be recognised as equal partners in care provision/planning.
3. A successful Provider Event focussing on how best to support individuals with complex needs was held at the Dolphin Centre. This was well attended by home care, residential care providers and social work staff. The findings of this event will inform future commissioning intentions and market development, with a focus on strengths-based approaches. Further Provider Events are planned for April 2020.

Operational Services

4. Performance in key areas continues to be strong. The Reablement service continues to support people to maximise their independence and well-being, resulting in 64 per cent of people who used the service having no ongoing care needs following the completion of their support plan. This gives us an assurance that our strengths-based approach to support is achieving positive impact.
5. We continue our focus on supporting younger adults with support needs to remain at home, wherever possible. This is demonstrated by the low numbers of adults, aged 18-64, who are placed in permanent residential care (with only 3 adults in 2019). This is in line with the trend that we have established over the 3 years and gives assurance of our commitment to support people to develop their independence and remain active citizens within their own communities.
6. Adult Social Care plays an integral role in supporting children with Special Educational Needs and Disability (SEND) to transition into adulthood, and service developments are underway via a sub group of the multi-agency SEND Steering

Group. Work that is being undertaken was presented to the Parent/Carer conference in early December. The sub group have led the way in co-producing a vision statement and action plan with young people and parent/carers. The co-production event this year attracted over 70 participants. The model of co-production developed has been highlighted as a model of good practice by the Department of Education Preparing for Adulthood support programme.

Darlington Safeguarding Partnership

7. The Statutory Safeguarding Partners continue to meet, in line with the new arrangements. Issues that have been addressed include updates on the investigation into Whorlton Hall. The police investigation and CQC internal review are on-going.
8. The position regarding Newbus Grange was also discussed and it was confirmed that the Care Quality Commission has suspended the registration for Newbus Grange, which has now closed.
9. NHS England was the commissioner for both settings and a National Working Group has been established and is looking to ensure local commissioners have oversight of settings such as these.
10. Key pieces of work are progressing within the sub groups, including the development of revised performance scorecards and dashboards. These are being delivered through the Quality Assurance and Performance Management Sub Group. Further work will be undertaken with a Quarter 3 themed report being presented in April.

Councillor Rachel Mills
Cabinet Member with Portfolio for Adults

COUNCIL
30 JANUARY 2020

OVERVIEW OF CHILDREN AND YOUNG PEOPLE PORTFOLIO

1. Since the last meeting of Council, the following are the main areas of work undertaken under the Children and Young People Portfolio.

Corporate Parenting Panel

2. The Panel held an informal session on 11 December 2019, which was predominantly a Christmas social occasion to enable the young people, Members and officers to strengthen their relationships. Young people in care, Members and Officers developed the Children in Care 'Promises Tree' which was formally approved at the meeting. This will be launched in the New Year. Governance arrangements with an action plan will be in place to ensure progress is being made against the 'Promises' agreed by Darlington's Corporate Parents to the children and young people we look after.

Education

3. Cabinet has given approval for the Education Village Academy Trust (EVAT) to take over the site of the Haughton Children's Centre on standard lease terms under the Academies Act 2010 to provide Special Educational Needs and Disabilities (SEND) placements at Beaumont Hill Academy (BHA).
4. The use of the site will support Darlington's strategic aim to educate more pupils with SEND in the borough, address the increasing demand in Darlington for specialist placement for pupils with SEND; and to reduce the need for high cost out of area placements.
5. The Schools Forum met for a special meeting on 21 November. The meeting concerned the proposal to move 0.5 per cent of the schools block of the Dedicated Schools Grant (DSG) to the high needs block of the DSG to contribute towards budget pressures in the provision of special educational needs support. The Forum agreed to this proposal and to the parameters for setting the 2020/21 school budget share calculation.
6. The Education Partnerships Team is working with schools to explore aspects of successful transition from primary to secondary school. Gathering pupil voice will be an important part of this work and will help to inform transition arrangements in the future.
7. This academic year (2 September 2019 to 12 December 2019) Educational Support Officers have issued 286 Penalty notices of which 261 were for leave of absence (holidays).

Engagement Work

8. From September to December 19 The Box staff have run a total of 135 planned sessions working with children and young people referred via Early Help Services, Social care teams, schools and colleges. The work carried out within these sessions included developing social skills, support for issues around low self-esteem and confidence through to providing positive activities for socially isolated children and young people. In addition to these planned sessions, The Box also ran 71 drop in sessions. The total attendance for all sessions Sept to Dec is 989 children/young people.
9. 24 “Internet safety sessions” have been delivered across various primary schools in Darlington under the Cyber Squad project and in support of Darlington Internet Safety Partnership. These sessions were delivered to children, parents and teaching staff and included an internet safety workshop on behalf of Darlington Safeguarding Board within a local women’s refuge.

Child Protection/Looked After Children Statistics/Care Leavers

10. The universal offer through the children’s centres provides on-going support for families in areas of deprivation, and the number of families attending activity groups from within 30 per cent of the highest areas of deprivation remains high, with the centres being busy. This enables practitioners to support families through universal work, but also identify those families who may benefit from early help support, and offer the service to them.
11. At the end of November 2019 there were:
 - 455 children supported by Early Help services
 - 386 children in need
 - 94 children subject to child protection plans
 - 282 children in care
 - 118 care leavers

Children’s Commissioning and Contracts

12. A Tees Valley wide commissioning exercise, where the total contract value is £32 million, was successfully led and completed by Darlington Borough Council. This resulted in the award of the Tees Valley Residential Framework contract to a number of providers. A Children and Young People residential provider forum will meet in the summer of 2020, to further develop the strong rapport between service providers and service commissioners. The forum will continue to facilitate high quality, timely and accessible placements for local young people.
13. Over the last quarter contract monitoring has been undertaken with Independent Foster Agency (IFA) providers operating on the Tees Valley IFA contract. The contract monitoring process has been further enhanced this year to include direct feedback from Foster Carers. Positive feedback was received.

Fostering Services

14. A celebration evening was held prior to Christmas at Bannatynes Hotel to thank our foster carers and supported lodgings' providers for the work they do. The event was well attended and was a huge success.
15. We continue to see an increase in the number of mainstream foster carers recruited, and maintain a focus on the recruitment and retention of carers. The service continues to assess and support connected carers (family members) and as part of our Strengthening Families work, we are looking to develop our offer to connected carers and for post Special Guardianship Order support.

Darlington Safeguarding Partnership

16. The Statutory Safeguarding Partners continue to meet, in line with the new arrangements. Issues considered have included ongoing updates on the closure of West Lane Hospital. Statutory Partners have written to NHS England to establish whether any bed provision will be provided in the local area following the closure of West Lane Hospital.
17. A key piece of work progressing through the Quality Assurance and Performance Management Sub Group includes the development of a revised multi-agency performance scorecard and dashboard. Further work will be undertaken with a Quarter 3 themed report being presented to the partners in April.

**Councillor Paul Crudass
Children and Young People Portfolio**

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COUNCIL
30 JANUARY 2020

OVERVIEW OF ECONOMY PORTFOLIO

1. Since the last meeting of Council, the following are the main areas of work undertaken under the Economy Portfolio.

Darlington Town Centre/Estates and Property

2. Officers continue to work with external support from AECOM Limited (Architecture Engineering Consulting Operations and Maintenance) to complete the business case for the Future High Street Fund. The bid will focus on the development of residential homes in the East Street and Crown Street area. An early business case has been submitted to Government and we await feedback. The final business case will be submitted before 30 April 2020.
3. The Council's Shop Front and Business Support Scheme continues to attract attention from local retailers. Initially focussed on Post House Wynd the scheme will be further expanded to include the conservation area of the town centre in Spring 2020.
4. The acquisition of the former Argos and Cash Convertors buildings in Skinnergate is now complete. Over the last six months, Officers have been developing a residential scheme to replace the current buildings and to complement the existing No. 12 Skinnergate which is a listed building. A planning application for 15 residential properties will be submitted in February 2020.
5. Other Town Centre Strategic Acquisitions are ongoing:
 - (a) purchase of the Union Street Congregational Church and Hall;
 - (b) 10-12 Union Street expected to complete by the end of January 2020;
 - (c) negotiations with the owners of the adjacent former nightclub building are continuing.
6. All of the above properties have been vacant for some time and when acquired will be demolished at the earliest opportunity to improve the general appearance of the area and make way for future developments.
7. Refurbishment works to the Council's shop premises at the corner of Skinnergate and Duke Street are progressing well and are expected to be complete by mid-January 2020. The refurbished unit previously occupied by the Co-op Bank has been let to Queensway Dental Practice who are already in Darlington on Yarm Road and have practices in Billingham and Jesmond.
8. The Town Centre has seen an increase in the number of units taken up with independent traders, particularly in the Grange Road area which is nearly at full occupancy.

9. Members will recall that at the last Council meeting, I informed Council of the launch of the Government's Towns Fund. The Council are currently working on the development of a Town Deal which will be submitted to Government in summer 2020. Town Deals will improve connectivity, provide vital social and cultural infrastructure and boost growth, with communities having a say on how the money is spent. A new Town Board has recently been established to ensure communities views are considered in the development of the Town Deal through a comprehensive consultation process.

Business Investment

10. In early December 2019, Amazon announced plans to open its new Fulfilment Centre in Darlington and begin recruitment for more than 1,000 new permanent jobs. Recruitment has now started for a range of new roles including engineers, HR and IT professionals, health and safety and finance specialists and operations managers. The Council will be working with Amazon and other partners to ensure Darlington residents have every opportunity to gain employment at the new centre.
11. Confirmation has been received from Aldi HQ that their new facility at Faverdale is fully operational. The facility includes a new multi storey car park and a chiller expansion to handle an increased range of fresh foods for their store network. This expansion will result in an additional 100 plus jobs for the local area.
12. Work is underway to develop a new Professionals Network in Darlington to support the Business Professionals and Financial Services sector in the town and look at how they can be better supported, and growth encouraged. Early conversations with local businesses are positive and a delivery framework will be developed in the New Year.
13. Negotiations are ongoing with prospective tenants for Feethams House and we hope to update Members in early 2020.

Planning Development Management and Environmental Health

14. Over the last few months permissions have been granted for the development of Stag House and Section 106 Agreements have been completed for Oak Meadows Farm, Middleton St. George which means that the commencement of development is imminent.
15. Further work is being undertaken relating to the Development Management Charter, which sets out the reasonable expectations of both developers and objectors within the Development Management System. A report will be brought back to Members for consideration when complete.
16. An engagement process with Parish Councils has been completed to explain the planning process focussing on Section 106 legal agreements. A presentation was given by the Head of Development Management and Environmental Health to the Association of Parish Councils. There has been very positive feedback regarding this renewed engagement process resulting in a formal request to engage in the 106 process to ensure wherever possible that funds are secured to facilitate local improvements.

17. An outline planning application for 46 dwellings on brownfield land at Sadberge Reservoir on behalf of Northumbrian Water Ltd has been approved by the Planning Committee. The scheme will secure finance to extend the current bus service to and from the village and to improve the existing play area by way of a Section 106 agreement. As an alternative the money could be spent on the creation of a new play area in a more accessible place.
18. Planning Permission for the construction of a new Fire Station on the existing site in Darlington has also been granted after some delays relating to flooding matters.
19. An application for a supermarket in the Faverdale area is reaching the final stages of negotiation. A recommendation to Members of the Planning Committee will be forthcoming in February.

Environmental Health

20. Darlington Environmental Health have been the lead Authority in a partnership with Public Health England in setting up a pilot hospital notification system that will allow Accident and Emergency departments to notify Local Authorities about patients attending hospital as a result of an allergy attack linked to a food premises (shortly to be trialled at Darlington Memorial Hospital, Northern Children's Hospital and RVI). If successful, this trial could be rolled out nationally.
21. The background to the development of this initiative is as follows. In the UK food allergies affect eight per cent of adults and two per cent of children and the effects can be life changing. This equates to 2 million people living with a diagnosed food allergy. Every year approximately ten people die from food related anaphylaxis (FSA, 2008). More people per year are admitted to hospital with a food related hypersensitivity than food-borne diseases. In the UK, £900 million per year is spent on allergies in primary care and £68 million on allergy-related hospital admissions. A considerable amount of this large figure is avoidable. There is no cure for food allergies or intolerances therefore the only way to manage the condition is through a strict avoidance diet. It is therefore of the utmost importance that sufferers have access to accurate allergen information. The Environmental Health section at Darlington Borough Council were receiving a significant number of complaints from consumers who had an allergic reaction following the ordering of food at premises or where the knowledge of the food business was lacking with regards to allergens.
22. Therefore since 2015 we have carried out several visits as part of our regulatory duties with local businesses in relation to allergies.
23. Our initial results found:
 - (a) 40 per cent of food premises tested were discovered to not be fully compliant with the Food Information Regulations 2014.
 - (b) Over 65 per cent of businesses did not have any written policies, procedures or documentation such as the allergen matrix.
 - (c) Those without documentation were questioned verbally about the presence of allergens within their menu items. 40 per cent of those questioned failed to give satisfactory answers.

- (d) 20 per cent of the test purchase samples were found to be containing the allergen despite the server confirming that the item did not contain said allergen.
 - (e) Take away businesses were found to be the businesses with the lowest level of allergen compliance. The main issues found were that often takeaways were cooking their food in nut oil, using mixed ground nut as a substitute for almond or using mixed pastes which contained allergic ingredients but not declaring this to the consumer. This was putting consumers with an allergy at a significant risk of harm.
24. To deal with this we have carried out the following (using funding provided by the Director of Public Health team) and using an invited trainer:
- (a) A series of four training sessions were implemented targeting these business (Caterers/Takeaways/Lunch Clubs & Indian/Bangladeshi restaurants). These were done free of charge for the business and held at The Kings Centre Church and local restaurants where participants were likely to feel most at ease and so that practical activities could take place to aid understanding. Businesses were also provided with an information pack and signposted to information in other languages. We experienced a very good turnout and the feedback following the events was very positive.
 - (b) Training has been provided at Darlington College for 1st Year Catering students in order to engage with the chefs of the future.
 - (c) Formal food samples have been obtained from food premises where intelligence suggests more action is needed (currently being tested at a public analysts' laboratory).
25. Our work was recently presented to Environmental Health colleagues in the North East in order to promote best practice and Darlington is now the lead authority for allergens within the region. We were also finalists in this year's APSE awards based on this work.
26. Environmental Health have seen an increased number of complaints relating to people allegedly living in caravans in the street and on housing estates. These issues have been dealt with using powers normally used for dealing with Unauthorised Gypsy and Traveller Encampments and, with the exception of one case, have ensured the caravans have been moved with minimal enforcement need.
27. One individual who set up camp in White Hart Crescent led to complaints about anti-social behaviour, substance misuse, fires and accumulations of scrap material. Environmental Health and Legal Services obtained a Court Order on 25 November to ensure that the caravan was removed from the area.

Local Plan

28. The Local Plan will be considered at Special Cabinet on 11 February and Special Council on 20 February. If approved the Plan will be placed on deposit in the Spring for a period of six weeks to allow representations. All representations submitted will be forwarded to the independent Inspector appointed by the Secretary of State who will be responsible for Examining the Plan to ensure its soundness and legal compliance.
29. Anyone who makes representations on the Plan may request to appear in front of the Inspector when the Plan is discussed.

Climate Change

30. A Sustainability and Climate Change Lead Officer has been appointed and commenced duties on Monday 27 January. The initial primary task will be working with the Cross-Party Members Working Group to develop an Action Plan to meet the Council's resolution on climate change.

**Councillor Alan Marshall
Economy Portfolio**

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**COUNCIL
30 JANUARY 2020**

OVERVIEW OF HEALTH AND HOUSING PORTFOLIO

Purpose of the Report

1. Since the last meeting of Council, the main areas of work under my Health and Housing Portfolio were as follows:-

Dolphin Centre Ten Pin Bowling

2. Cabinet has approved the release of funding to install a five-lane ten pin bowling alley and for an extension to the existing soft play facility within the Dolphin Centre.
3. The provision of a bowling alley was borne from the recent Town Centre Strategy Consultation and the introduction of the facilities will improve the family and teen offer within the Dolphin Centre.

Public Health

4. The first meeting of the Darlington Childhood Healthy Weight Plan Engagement Group has been held to agree a series of actions to begin implementing the plan. This will include targeted work with schools to provide a consistent approach including:
 - (a) Daily mile / physical activity
 - (b) Healthy catering
 - (c) Encouraging active travel
5. A second wave of NHS England funding has been awarded to Darlington specifically for grass roots projects that support suicide prevention. Four projects were awarded funding for the following initiatives:
 - (a) A school-based inclusive community garden
 - (b) Training sessions for 11-18-year olds to build emotional resilience
 - (c) Peer support groups for men experiencing poor mental health
 - (d) Men's IT "shed", personal development sessions and Job Club

Health and Well Being Board

6. The Darlington Health and Well Being Board has not met since my last report.

Sheltered Housing Project

7. The Sheltered Housing programme has engaged 154 residents from the sheltered housing schemes within the town. The gentle activity sessions are offered to all residents and there are 15 sessions set-up weekly. The majority of the residents are aged 60 years plus. The activity sessions have had 2681 attendances during 2019.

8. As well as physical activity, the Move More Team have brought in different events for the residents to improve their social activities. Choirs, museums, dance groups, 'techy' coffee mornings, arts and crafts, and beauty sessions have been held within the sheltered housing project. There have been 649 attendances at these events since the start of the project.

Health in Haughton Matters

9. The Health in Haughton project launched in October 2019 with the Move More Team working alongside the Haughton Residents Association to deliver sport and physical activity in the Haughton area. The project was launched with Archery, Couch 2 5k, Gentle Exercise Class, Family Xplorer and a Health Walk. So far the project has engaged over 70 local residents with new activities introduced in the New Year including, Walking Netball and a Fit Mamas group.

In2 Project

10. The In2 programme is aimed to use sport and the arts as early intervention tools to address aspiration, behavioural and health and wellbeing challenges in school age children. The programme enables participants to access and engage with a wide range of cultural and sporting activities which would not normally be available to them.
11. In December, 30 Year 7 and 8 pupils, who are part of the programme, attended Ted Fletcher Court to give a fresh coat of paint to garden benches and they helped to make the hen coop at the scheme ship-shape for winter. The pupils worked alongside Henpower staff to create and design some ideas for the outside space as well as refurbishing items in the garden and around the hen coop. Their hard work was rewarded afterwards with a visit to Darlington Hippodrome to watch the pantomime, Jack and the Beanstalk.

Housing Income

12. We have made significant improvements in reducing levels of rent arrears, with the amount outstanding at around the same level as this time last year. This is despite the number of our tenants receiving Universal Credit almost doubling over that period. This is particularly impressive, as Universal Credit is paid monthly in arrears, as opposed to Housing Benefit which is paid weekly in advance.
13. Our Housing Income Team take a proactive approach to all tenants in rent arrears, including Tenancy Sustainment Officers providing support and early intervention to tenants in receipt of Universal Credit, offering budgeting and money advice. In particular, we have focused on helping our tenants manage and prioritise their Universal Credit payments to ensure priority debts, such as rent, are paid. We also offer digital support to help tenants access their on-line Universal Credit journals to report changes and any problems to the DWP, to ensure that payments reflect their current circumstances.

14. We have also assisted tenants in making over 400 applications to Northumbrian Water for their Social Tariff funding, which has meant that since April, nearly £90,000 has been awarded to Council tenants to help reduce their water rates bills.

Councillor Lorraine Tostevin
Cabinet Member with Portfolio for Health and Housing

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**COUNCIL
30 JANUARY 2020**

OVERVIEW OF LOCAL SERVICES PORTFOLIO

1. Since the last meeting of Council, the following are the main areas of work undertaken under the Local Services Portfolio.

Highway Improvement Schemes

2. Works on an improvement scheme to change the B6279 Tornado Way throughabout to a conventional roundabout has commenced. This is programmed for completion in April 2020.
3. Lingfield Way/Yarm Road traffic signalled controlled junction is currently under construction and is programmed to be complete by the end of February 2020. This includes a new footway/cycleway on Lingfield Way.
4. An engagement exercise has begun to advise local residents of proposed changes on Victoria Road. The scheme which improves the public realm on the approach to Darlington Station is programmed to commence in March 2020 and be complete later in the summer.

Highway Maintenance Programme

5. Highway Maintenance Schemes complete:
 - (a) Micro-Asphalt Programme: Carriageway Surfacing – 103 sites (18.500km)
 - (b) C39 School Aycliffe Lane. The Chestnuts to boundary (DCC): Carriageway reconstruction and resurfacing (1.100 km)
 - (c) A1150 Whinfield Road: Carriageway resurfacing (0.480 km)
 - (d) A6072 Main Road, Redworth: Carriageway reconstruction (0.587 km)
 - (e) C34a C38 Great Stainton to Bishopton: Carriageway reconstruction (2.750 km)

Transport Planning

6. The Department for Transport (DfT) has extended the Access Funding for a further year to enable the Let's Go Tees Valley travel behaviour change programme to continue. This will enable us to continue supporting people into employment; help people become more active through walking and cycling; reduce single occupancy car journeys; and work with businesses to implement travel plans to achieve their corporate social responsibility targets.
7. A bid has been submitted to the DfT for monies from the Local Highways Maintenance Challenge Fund. The bid is for £2.260m from DfT with a local contribution of £753k from Darlington's Local Transport Plan. The scheme is for full reconstruction on sections of the A68 in the rural section between the A6072 Swan House roundabout and the borough boundary, plus addressing other maintenance issues in some locations. Similar works are required on sections of the A68 in the urban area on West Auckland Road and Woodlands Road. In addition, it is

planned to improve flood resilience by improving gullies and drainage assets to manage surface water flooding and resurface the existing cycle route alongside West Auckland Road.

8. These works have been identified by the most recent asset management data. DfT intended to announce whether local authorities were successful by the end of December 2019. This is delayed until Ministerial appointments are announced following the General Election and expected early in the New Year.
9. An expression of interest has been submitted to the DfT's Local Pinch Point Fund to tackle congestion on the A68. The proposals include changes to a number of junctions; an upgrade to the Urban Traffic Management and Control system to better manage the flow of traffic, including priority for bus services; and provision of a new cycle route and better pedestrian crossing facilities. A decision will be taken by the Department in the summer, and successful authorities will be asked to develop a business case for funding in 2021/22 and 2022/23.

Proposed Waiting Restrictions McMullen Road Roundabout - Objections

10. Cabinet has considered an objection received to a proposal for waiting restrictions at McMullen Road/Yarm Road roundabout. Cabinet has agreed that the objection be set aside and authorised officers to proceed with the proposal to introduce a waiting restriction scheme.

Tees Valley Joint Waste Management Contract

11. Cabinet has agreed to adopt the Outline Business Case for the future treatment of municipal waste.
12. Cabinet has also agreed that the Council enter into the Inter-Authority Agreement (IAA) between the five Tees Valley Authorities in respect of the Tees Valley Municipal Residual Waste Treatment project, and that the Managing Director be authorised to approve the amendments to the IAA.
13. Cabinet has noted the financial commitment to Darlington's share of the procurement project costs of £1m and agreed that the funds be released subject to approval by full council as part of the 2020/21 Medium Term Financial Plan, to be applied to the Project in accordance with the IAA.
14. Cabinet has agreed that the Council enter into an agreement with the combined Authority to repay the £1m associated with the procurement over a 25-year period. I have delegated authority, along with the Assistant Director, Resources in consultation with the Director of Economic Growth and Neighbourhood Services, Assistant Director Law and Governance to agree the final details of the agreement.
15. I have delegated authority, along with the Director of Economic Growth and Neighbourhood Services, in consultation with the Assistant Director Resources, Assistant Director Law and Governance to accept any minor changes to the Outline Business Case, the IAA and the Terms of Reference of the Project Board if required.

Darlington Hippodrome

16. Christmas @ The Hipp took place on Saturday 7 December 2019. This free event ran between 10.00am to 3.00pm and included Christmas stalls, live music performed by 'Something Blue', wreath making workshops, tree decorating workshops, craft tables and a Santa's grotto. This family friendly event was well attended and received fantastic feedback from customers. The event took advantage of a 'no panto' Saturday and provided great footfall around the building with many people purchasing pantomime tickets.
17. Pantomime at the Hipp Exhibition, running from December 2019 to February 2020 in the Catherine Cookson Heritage Gallery, showcases items from our archive and shares the theatre's pantomime story. Featuring posters, photos and programmes from the last 100 years, the exhibition was created with the support of a dedicated team of Darlington Culture archive volunteers.
18. Jack and The Beanstalk, Darlington Hippodrome's annual pantomime opened on Friday 6 December 2019. Starring Shirley Ballas and George Sampson, the show had great reviews and a large number of full houses, entertaining families until 5 January 2020.

Head of Steam

19. The museum has been awarded £36,900 from Arts Council England's National Lottery Project Grant to fund a project that will engage with internationally renowned artist and founder of the Artificial Limb Project, Sophie De Oliveira Barata and a disability group formed of members of the Cleveland Limbless Association and BLESMA (British Limbless Ex-Servicemen's Association). Sophie will collaborate with our group, creating a prosthetic and have the group influence a railway themed design. The prosthetic will be the centrepiece of an exhibition and will then be accessioned into the museum's collection – making Head of Steam the second museum in the country to have one of Sophie's designs after the National Museum of Scotland.
20. The museum's next exhibition is 'Off the Rails' which runs until Sunday 3 March 2020. The exhibition is a small personal view, in and around trains, by local artist Bill Oakley.

Crown Street Library

21. On Saturday 14 December 2019, Crown Street Library hosted the Darlington Choral Society, who kindly provided a festive rendition of carols. Local Artists provided a Christmas crafts workshop for adults, there were crafts for children and a Christmas themed Lego session. The Friends of the Library served up coffee and mince pies for everyone.
22. During the week commencing 16 December 2019, parties for pre-school children were held at Crown Street and Cockerton Libraries, with a visit from Santa.
23. During January, a display in the Centre for Local Studies marked the 150th anniversary of The Northern Echo.

Creative Darlington

24. Bridging the Gap exhibition by textiles artist Helen Winthorpe-Kendrick was on display in the Gallery at Crown Street Library from Saturday 2 November 2019 until 9 January 2020, followed by an exhibition by Darlington Society of Arts from Saturday 11 January 2020.
25. The Trace Lines creative programme, focused on printmaking and exploring the heritage of Crown Street Library, offered free participatory sessions in a 'pop up'/temporary space within the Cornmill Centre in Darlington during December and January.
26. The Town Hall Exhibition Space hosted Can I call it Art?, an exhibition of photography and painting by Neil McKee, from Monday 25 November 2019 to Friday 17 January 2020.
27. In 2019/20 Creative Darlington has supported Orchestras Live, alongside Darlington Hippodrome and Durham Music Service, enabling professional musicians from ensembles including London Mozart Players and the Hallé Orchestra (who performed at Darlington Hippodrome on 9 January 2020) to work with pupils in Darlington schools in advance of performing at Darlington Hippodrome.

Ice Sculpture Trail Event – Saturday 7 December

28. The Ice Sculptures returned to Darlington for a second year on Saturday 7 December 2019. We had significant success utilising social media to reach members of the public with one post gaining over 106,000 views, and thousands of visitors on the day.

Christmas Markets – Thursday 5 to Saturday 7 December

29. Thousands of visitors attended this year's Christmas Market which was held in the Market Square and organised by Market Asset Management with support from the Council's Town Centre Events Team. Numerous Christmas-themed stalls were located inside a marquee with food and drink stalls and family entertainment around the perimeter.

Environmental Services

30. At the recent Association of Public Service Excellence (APSE) Performance Networks Awards, Darlington was awarded the Most Improved Cemetery and Crematorium Service Award and we were also a Finalist in the Most Improved Refuse/Recycling Service category. The awards are given as a result of data each local authority forwards to APSE, who then benchmark and determine the best service provider in the respective service areas.
31. The Grounds Maintenance winter programme is in full swing with the vast majority of hedges already now cut back and work is ongoing to Council-owned bushes and shrubs across the Borough. In addition, weather allowing, the path edging programme is ongoing around various Wards within the Borough.

32. As a result of the long, wet autumn period, leaf-fall from trees occurred over a much longer period of time rather than the short drop experienced when frosts occur. As a result, the Street Cleansing service have continually been removing accumulations of leaves from hardstanding areas (Council policy is to only remove leaves from hardstanding areas).
33. The Winter Maintenance season started in October and to date no issues have been experienced with the milder, wetter winter period so far.

**Councillor Mrs Heather Scott OBE
Leader of the Council**

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COUNCIL
30 January 2020

OVERVIEW OF RESOURCES PORTFOLIO

1. Since the last meeting of Council, the following are the main area of work undertaken under the Resources Portfolio.

Annual Audit Letter 2018/19

2. Cabinet has received our external audit report once again confirming that the Council's accounts give a true and fair view for the year ending 31 March 2019 and that the Council have in place proper arrangements to secure value for money in its use of resources.

Delivery of New Homes Programme – Joint Venture Proposal

3. We continue to fund new ways to raise income for the Council and Cabinet has approved the establishment of a Joint Venture Company between the Council and Esh Homes Limited to acquire land, deliver and build private sale and affordable homes over a nine-year programme.

Review of Outcome of Complaints made to Ombudsman

4. Cabinet has received an update on the outcome of cases determined by the Local Government and Social Care Ombudsman and the Housing Ombudsman. There were no identifiable themes running through the complaints considered by the Ombudsman and actions have been taken to ensure there is no re-occurrence.

Customer Services Performance

5. Our Customer Services team has reported improved performance for November 2019, with average telephone call waiting times at two minutes and 21 seconds, compared to three minutes and 37 seconds in November 2018. In addition, waiting times for visitors at the Customer Contact Centre are now four minutes and 31 seconds, compared to eleven minutes and two seconds in November 2018.
6. We have completed improvements to the Customer Contact Centre, with the number of computers available for customers to access Council Services doubling from four to eight. Additional floor walking staff have also been made available to assist our customers who require additional support to access the Council's digital services.

Estates and Property & Business Investment

7. Terms for another Town Centre Strategic Acquisition have taken place with the purchase of the Union Street Congregational Church and Hall, 10-12 Union Street expected to complete by the end of January 2020. The property is vacant and a target for vandalism and it is proposed that the building be demolished at the

earliest opportunity. Negotiations with the owners of the adjacent former nightclub building are continuing.

8. Refurbishment works to the Council's shop premises at the corner of Skinnergate and Duke Street are progressing well and are expected to be complete by mid-January 2020. The refurbished unit previously occupied by the Co-op Bank has been let to Queensway Dental Practice who are already in Darlington on Yarm Road and also have practices in Billingham and Jesmond.

UK Parliamentary (General) Election 2019 – Thursday, 12 December 2019

9. A 'snap' UK Parliamentary (General) Election took place on 12 December 2019, with the Democratic Services Team co-ordinating the arrangements for the election in the Darlington Constituency, and for those parts of the Sedgefield Constituency that lie within the Borough boundary.
10. Given the short notice period in terms of calling the election, and the overlap with the ongoing Annual Canvass, the Team worked within incredibly tight timescales to ensure that appropriate arrangements were in place in terms of staffing, securing venues as Polling Stations and liaising with our printers to produce the required paperwork. A total of 145 staff were employed and trained to work at 54 Polling Stations throughout the day, and 82 staff were employed to work on the Count later that evening, with a significant number of staff allocated to other key roles in the lead up to the election.
11. In the weeks approaching the election much consideration was given to the potential for adverse Winter conditions, with appropriate contingency arrangements put in place. This presented the team with unprecedented challenges and created much additional work.
12. This election represented the third significant electoral event of the year (and the second unscheduled election), following the Local Government (Borough) Elections on 2 May 2019, and the European Parliamentary Election on 23 May 2019, and Democratic Services once again delivered a professionally administered process.

Councillor Charles Johnson
Cabinet Member with Resources Portfolio

COUNCIL 30 January 2020

OVERVIEW OF STRONGER COMMUNITIES PORTFOLIO

1. Since the last meeting of Council, the following are the main areas of work undertaken under the Community Safety Portfolio.

Equalities

2. A three-hour training session has been developed for all staff and Elected Members on equality, diversity, dignity and respect. Since January, there have been three sessions a week running, which have been advertised through the briefing, posters and 'loo news'. There will be more than 200 members of staff trained by the end of February 2020.

Civic Enforcement Service

Closure Notice

3. A Premises Closure Notice was granted at Peterlee Magistrates Court in December for 88 Surtees Street, Darlington. These premises were involved in the drugs trade for some time and were successfully boarded up on Friday 10 January 2020. The dwelling will remain closed for a period of three months whilst the landlord seeks new suitable tenants. The previous tenants of the property and visitors had caused endless problems throughout the day and night for other residents trying to live peaceful lives. This Closure Order will ensure the neighbours and businesses in nearby streets will finally have some respite.

Back Lanes Project Update

4. The 15 streets involved in this pilot project are within Pierremont, Northgate, Bank Top and North Road Wards and have received a letter in relation to the project. A 'bin register' has been set up in certain streets identifying all household wheeled bins in the hope that any 'rogue' bins are identified quickly and removed reducing the risk of arson. Enforcement will be introduced in the next phase of the project. We continue to work closely with the Fire Service on visual audits, etc.

Parking Annual Report

5. The Parking Annual Report was published on the Council's website in December and covers the enforcement, appeals and finance aspects of parking for the financial year.

Community Safety

Purple Flag

6. The aim of Purple Flag is to raise the standard and broaden the appeal of town and city centres at night. It is the benchmark for good night time destinations.

Town and city centres that achieve a Purple Flag will be those that are safe, diverse, vibrant, appealing, well-managed and offer a positive experience to consumers. Darlington and its partners were assessed for accreditation on Friday 6 December 2019.

7. Following a rigorous assessment process and a meeting of the National Awards Panel held on 16 January 2020, Darlington has been officially awarded “Purple Flag” status in recognition of our evening and night-time offer in the town centre. The assessors and panel were “highly impressed” with our application which clearly reflects the time, energy and commitment of all who have made this award possible.
8. The Purple Flag Working Group will meet to debrief the award and focus on our next steps of the journey which will include the development and implementation of an Evening and Night-Time Strategy in Darlington. The Purple Flag and Certificate will be presented at an awards ceremony in April 2020.

Darlington Community Safety Partnership (CSP) 2020-2025

9. Members of Darlington Community Safety Partnership attended a planning event on Tuesday 17 December 2019 to discuss and formulate priorities for the Darlington Community Safety Plan 2020-2025. Following extended discussion, initial priorities were identified as: reducing domestic abuse, supporting vulnerable people, promoting safer places and improving community cohesion. Further consultation will take place early in 2020 prior to the launch in April 2020.

Trading Standards

10. On 13 November 2019, Robin Howe from Yarm and previously from Morton on Swale, Northallerton, was sentenced at South Tyneside Magistrates’ Court after being found guilty of fraud following a two-day trial at Gateshead Magistrates’ Court.
11. Mr Howe was found guilty of fraud by abuse of position under the Fraud Act 2006 after being prosecuted following an investigation by Trading Standards.
12. He was sentenced to a twelve months’ Community Order, with a requirement to complete 300 hours of unpaid work and ordered to pay £3,505 in prosecution costs, along with a £90 victim surcharge.

Private Sector Housing

Warm Homes Project

13. Approval was sought from Cabinet in early December to participate in a Tees Valley Partnership to deliver Warm Homes Fund Project. Participation in the project will deliver energy efficiency improvements for qualifying residents in the borough. The project will:
 - (a) Provide gas central heating to properties not connected to the gas network.

- (b) Provide air source heat pumps to rural properties where there is no available gas network.
 - (c) Provide advice to those in fuel poverty.
14. Fuel poverty levels in and associated problems will be reduced. Fuel poverty levels when last recorded in 2015, showed that 14.1 per cent of residents were in fuel poverty representing 6,663 households.
15. Work is currently being undertaken in conjunction with the Citizens Advice Bureau to identify vulnerable households who will qualify for the scheme and how this project will be communicated.

The Northgate Initiative

16. The introduction of an initiative in the Northgate Ward will comprise a multi-agency programme to pilot a range of interventions, from support to advice to enforcement activities where required in order to improve outcomes for residents in all areas of wellbeing, including: economy, education and childhood, health, environment and social relationships.
17. Northgate Ward has one of the highest concentrations of private rented property in the Borough. As part of this initiative, the Private Sector Housing team will be focusing on:
- (a) making residents and landlords aware of what constitutes a decent and safe home and ensuring they are aware of the what remedies are available to them should their home not meet these standards; and
 - (b) identifying long-term empty properties and how they can be brought back into use.

PREVENT

Self-Assessment Toolkit

18. The Community Resilience Officer has completed the Council's Prevent actions within the self-assessment toolkit and will be working with Durham County Council to summarise all partner assessments into a single Silver Board document once they are submitted in early 2020.

Community Engagement

19. A meeting was held with the Jewish community in the Darlington Synagogue to discuss their concerns over security and antisemitic groups. The Community Resilience Officer is now working with Durham Constabulary Special Branch to provide guidance and organise further larger-scale talks.
20. The Community Resilience Officer met with an Indian community in Mowden, following a burglary at one of their properties, which was the second such offence within six months. A meeting has been arranged with the Police to resolve communication issues and resources have been put in place to alleviate immediate

concerns.

Road Safety Scheme for Schools

21. Following an incident involving a young boy close to Mowden School, the Community Resilience Officer met with the head teacher and an action plan has been produced. The pupil involved has now returned to school and is continuing his recovery.
22. Working alongside the Highways section, the Community Resilience Officer has now met with five schools (inclusive of Mowden School) in a pilot programme and all have given a positive response to the enhanced scheme proposal. Although an official launch is planned for 24 February, the programme has commenced, and vehicle registrations reported by schools to be illegally parked are being processed and warning notices sent from the Police and Darlington Borough Council.

Purple Flag - Disability Sub-Group

23. The 'Disability Sub-Group' met for the third time in December just prior to the Purple Flag assessment in Darlington on 6 December. The meeting was chaired by the Community Resilience Officer and discussion focussed on the idea of an award scheme for shops, restaurants, bars and other service providers who met the minimum standards set out by the scheme. A draft charter was also presented to the group for feedback prior to circulating to other groups and partners (including businesses) for their comments.

Licensing

Operation Winter

24. Licensing have been working with Immigration Enforcement Officers on an intelligence-led operation targeting licensed premises believed to be using illegal workers. Out of four premises inspected, one was believed to have been using illegal workers, however, it was strongly suspected that staff had been alerted to the ongoing operation just prior to arrival. Arrangements have been made with Immigration Officers to make further unannounced visits who will seek additional powers of entry owing to the added intelligence gained as a result of this operation.
25. Two Town Centre venues have been closely monitored by partners with a view to taking them to a licensing review on the grounds of failing to meet the crime and disorder objective. The police licensing solicitor considered there was enough evidence for a review on one of those premises, however there had been a change in the management and a period of consolidation was required to ensure the new management was having an effect. The premises has been closely monitored since then and improvements have been made. It will continue to be monitored and reviewed if necessary along with the other high risk premises.

Animal Welfare

26. Licensing have been working closely with partners to identify and disrupt potential 'puppy farming' activities. The new Animal Welfare Regulations have raised awareness with the public who have provided actionable intelligence for early intervention. This is linked to organised crime and licensing has an important role in

disrupting these activities.

Alcohol Harm Reduction Strategy

27. Licensing are in the process of developing a new Alcohol Harm Reduction Strategy for Darlington. This is currently in draft form and a proposed stakeholder event will take place early in the New Year to finalise this strategy, which will be for a five year period. It will incorporate an action plan, which will be monitored by Darlington's Community Safety Partnership Board.

Taxi and Licensing Act Consultation

28. During 2020 there will be a statutory requirement to consult on the new Taxi and Licensing Act policies for implementation in January 2021.
29. Drafts of these policies will be produced early in the New Year and approval will be sought from the Licensing Committee to consult with the wider community before final policies are presented to the Committee for approval.

Crime and Disorder

30. There has been a four per cent increase in the number of reported crimes during the period 1 April to 30 November 2019 compared to the same period in 2018. This equates to an increase of 329 crimes. Crimes showing an increase include: violence against the person and sexual. Crimes showing a significant decrease include: theft and burglary.

Anti-Social Behaviour in the Town Centre

31. There has been a three per cent increase in the number of reported ASB incidents in the Town Centre during this period compared to the same period in 2018. This equates to ten incidents. Darlington as a whole shows a two per cent decrease, this equates to a reduction 55 incidents.

**Councillor Jonathan Dulston
Stronger Communities Portfolio**

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**COUNCIL
30 JANUARY 2020**

ITEM NO.

**MID YEAR PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT
MONITORING REPORT 2019/20**

**Responsible Cabinet Member -
Councillor Charles Johnson, Resources Portfolio**

Responsible Director - Paul Wildsmith, Managing Director

SUMMARY REPORT

Purpose of the Report

1. This report seeks approval of the revised Treasury Management Strategy, Prudential Indicators and provides a half-yearly review of the Council's borrowing and investment activities. Council are requested to approve the revised Strategy and note changes to the MTFP with regard to the Treasury Management Budget (Financing Costs).

Summary

2. This report and the prudential indicators contained in it were examined by Audit Committee on 20 November 2019 and it was agreed at the meeting that the report be referred to Council via Cabinet (3 December 2019) to enable the updated indicators, revised Operational Boundary and Authorised Limit for borrowing, be approved and that the Audit Committee is satisfied with the Council's borrowing and investment activities, the reported indicators and the revised borrowing limits.
3. The mandatory Prudential Code, which governs Council's borrowing, requires Council approval of controls, called Prudential Indicators, relating to capital spending and borrowing. Prudential Indicators are set in three statutory annual reports, a forward looking annual treasury management strategy, a backward looking annual treasury management report and this mid-year update. The mid-year update follows Council's approval in February 2019 of the 2019/20 Prudential Indicators and Treasury Management Strategy.
4. The key objectives of the three annual reports are:
 - (a) to ensure the governance of the large amounts of public money under the Council's Treasury Management activities:
 - (i) Complies with legislation

- (ii) Meets high standards set out in codes of practice
 - (b) To ensure that borrowing is affordable
 - (c) To report performance of the key activities of borrowing and investments.
5. The key proposed revisions to Prudential Indicators relate to:
- (a) The Operational Boundary will reduce to £185.498m and the Authorised Limit to £194.773m to allow for any additional cashflow requirement.
 - (b) The facility to lend to Registered Social Landlords (RSL's) of £100m that was included in previous reports has been removed.
6. Investments now include £30m in property funds which are expected to increase our net return on investments by around £0.700m in future years.

Recommendation

7. It is recommended that :
- (a) The revised prudential indicators and limits within the report in Tables 1 to 6, 8 and 15 to 18 are examined.
 - (b) The over-spend in the Treasury Management Budget (Financing Costs) of £0.033m shown in Table 12 is noted.

Reasons

8. The recommendations are supported by the following reasons :-
- (a) In order to comply with the Prudential Code for Capital Finance in Local Authorities;
 - (b) To inform Members of the performance of the Treasury Management function;
 - (c) To comply with the Local Government Act 2003;
 - (d) To enable further improvements to be made in the Council's Treasury Management function.

**Paul Wildsmith
Managing Director**

Background Papers

- (i) Capital Medium Term Financial Plan 2019/20
- (ii) Accounting records
- (iii) The Prudential Code for Capital Finance in Local Authorities

Peter Carrick: Extension 5401

S17 Crime and Disorder	This report has no implications for S17 Crime and Disorder.
Health and Well Being	This report has no implications for the Council's Health and Well Being agenda.
Carbon Impact and Climate Change	There are no implications in this report.
Diversity	There are no specific implications for the Council's diversity agenda.
Wards Affected	All Wards.
Groups Affected	All Groups.
Budget and Policy Framework	This report must be considered by Council.
Key Decision	This is not an executive decision.
Urgent Decision	For the purposes of call in this report is not an urgent decision.
One Darlington: Perfectly Placed	This report has no particular implications for the sustainable Community Strategy.
Efficiency	The report refers to actions taken to reduce costs and manage risks.
Impact on Looked After Children and Care Leavers	This report does not impact on Looked After Children or Care Leavers.

MAIN REPORT

Information and Analysis

9. This mid-year review report meets the regulatory framework requirement of treasury management. It also incorporates the needs of the Prudential Code to ensure monitoring of the capital expenditure plans and the Council's prudential indicators (PIs). The Treasury Strategy and the PIs were previously reported to Council on 21 February 2019.
10. This report concentrates on the revised positions for 2019/20. Future year's indicators will be revised when the impact of the MTFP 2020/21 onwards is known.
11. A summary of the revised headline indicators for 2019/20 is presented in Table 1 below. More detailed explanations of each indicator and any proposed changes are contained in the report. The revised indicators reflect the movement in the Capital MTFP since its approval in February 2019 and the means by which it is financed.

Table 1 Headline Indicators

	2019/20 Original Estimate	2019/20 Revised Estimate
	£m	£m
Capital Expenditure (Tables 2 and 3)	34.149	38.658
Capital Financing Requirement (Table 4)	321.264	216.930
Operational Boundary for External Debt (Table 4)	310.498	185.498
Authorised Limit for External Debt (Table 6)	326.023	194.773
Ratio of Financing Costs to net revenue stream- General Fund (Table 15)	2.74%	2.57%
Ratio of Financing Costs to net revenue stream- Housing Revenue Account (HRA)(Table 15)	17.48%	17.11%

12. The capital expenditure plans and prudential indicators for capital expenditure are set out initially, as these provide the framework for the subsequent treasury management activity. The actual treasury management activity follows the capital framework and the position against the treasury management indicators is shown at the end.
13. The purpose of the report supports the objective in the revised CIPFA Code of Practice on Treasury Management and the Ministry of Housing, Communities and Local Government Investment Guidance which state that Members receive and adequately scrutinise the treasury service.
14. The underlying economic environment remains difficult for Councils and concerns over counterparty risk are still around. This background encourages the Council to continue investing over the shorter term and with high quality counterparties, the downside is that investment returns remain low.

Key Prudential Indicators

15. This part of the report is structured to update:
 - (a) The Council's capital expenditure plans
 - (b) How these plans are financed
 - (c) The impact of the changes in the capital expenditure plans on the PI's and the underlying need to borrow
 - (d) Compliance and limits in place for borrowing activity
 - (e) Changes to the Annual Investment Strategy
 - (f) The revised financing costs budget for 2019/20

Capital Expenditure PI

16. Table 2 shows the revised estimates for capital expenditure and the changes since the capital programme was agreed at the budget.

Table 2

Capital Expenditure by Service	2019/20 Original Estimate	2019/20 Revised Estimate
	£m	£m
General Fund	7.615	17.280
HRA	22.534	10.834
Total Estimated Capital Expenditure	30.149	28.114
Loans to Joint Ventures	4.000	10.544
Total	34.149	38.658

17. The changes to the 2019/20 capital expenditure estimates have been notified to Cabinet as part of the Capital Budget monitoring process (Quarterly Project Position Statement Report).
18. The current capital programme, that has not already been financed, now stands at £87.520m. The expenditure against these schemes will fall over a number of years and not just during 2019/20. A reduction of £49.000m has been allowed for schemes where it is known completion will be in 2020/21 onwards, however by the very nature of capital schemes it is likely that others will also slip into future years.

Impact of Capital Expenditure Plans

Changes to the financing of the Capital Programme

19. Table 3 draws together the main strategy elements of the capital expenditure plans shown above, highlighting the original elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element (Borrowing Need) increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR). Borrowing need has increased for 2019/20 due to slipped schemes from previous years being completed this financial year. This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

Table 3

Capital Expenditure	2019/20 Original Estimate	2019/20 Revised Estimate
	£m	£m
General Fund	7.615	17.280
HRA	22.534	10.834
Loans to Joint Ventures	4.000	10.544
Total Capital expenditure	34.149	38.658
Financed By:		
Capital Receipts - Housing	0.200	0.200
Capital Receipts - General Fund	1.686	1.705
Capital grants	5.929	14.753
Revenue Contributions - Housing	10.634	10.634
Total Financing	18.449	27.292
Borrowing Need	15.700	11.366

The Capital Financing Requirement (PI), External Debt (PI) and the Operational Boundary

20. Table 4 shows the Capital Financing Requirement (CFR), which is the underlying external need to borrow for capital purposes. It also shows the expected actual debt position over the period which is called the Operational Boundary. The reduction in Borrowing Need (Table 3) is around £4.3m and currently actual borrowing for the Council is £171.761m, it is proposed to set an actual borrowing figure of £174.000m this will accommodate the additional borrowing need and any debt requirements for cash flow purposes. Other Long term liabilities (the PFI scheme) will be added to give the revised operational boundary for 2019/20.

Prudential Indicator- External Debt/ Operational Boundary

Table 4

	2019/20 Original Estimate	2019/20 Revised Estimate
	£m	£m
Prudential Indicator- Capital Financing Requirement		
Opening CFR- Post Audit of Accounts	307.348	307.348
Closing CFR	321.264	216.930
CFR General Fund	131.799	125.921
CFR General Fund PFI/Leasing IFRS	11.498	11.498
CFR – Housing	68.967	68.967
CFR – Loans to RSL's	100.000	0.000
CFR – Loans to Joint Ventures	9.000	10.544
Total Closing CFR	321.264	216.930
Net Movement in CFR	13.916	(90.418)
Borrowing		
Borrowing	299.000	174.000
Other long Term Liabilities	11.498	11.498
Total Debt 31 March- Operational Boundary	310.498	185.498

Limits to Borrowing Activity

21. The first key control over the treasury activity is a PI to ensure that over the medium term gross borrowing should not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2019/20 and the next two financial years. As shown in Table 5 below.

Table 5

	2019/20 Original Estimate £m	2019/20 Revised Estimate £m	2020/21 Revised Estimate £m	2021/22 Original Estimate £m
Gross borrowing	299.000	174.000	176.760	176.760
Plus Other Long Term Liabilities	11.498	11.498	10.358	9.232
Total Gross Borrowing	310.498	185.498	187.118	185.992
CFR* (year-end position)	321.264	216.930	215.729	210.519

* includes on balance sheet PFI schemes and finance leases

22. The Assistant Director Resources reports that no difficulties are envisaged for the current and future years in complying with this PI.
23. A further PI controls the overall level of borrowing, this is the Authorised Limit which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. It reflects the level of borrowing which while not desirable, could be afforded in the short term, but is not sustainable in the longer term. The Authorised Limit for 2019/20 is currently set 5% above the Operational Boundary to allow for any additional cashflow needs. Whilst it is not expected that borrowing would be at these levels this would allow additional borrowing to take place should market conditions change suddenly and swift action was required. This is a Statutory limit determined under section 3 (1) of the Local Government Act 2003.
24. It is proposed to move the Authorised Limit in Table 6 in line with the movement in the overall Capital Financing Requirement.

Table 6

Authorised Limit for External Debt	2019/20 Original Indicator £m	2019/20 Revised Indicator £m
Operational Boundary	310.498	185.498
Additional headroom to Capital Financing Requirement	15.525	9.275
Total Authorised Limit for External Debt	326.023	194.773

Interest Rate Forecasts Provided by Link Asset Services

Table 7

	Bank Rate	PWLB rates for borrowing purposes*			
		5 year	10 year	25 year	50 year
	%	%	%	%	%
2019/20					
Dec 2019	0.75	2.30	2.60	3.30	3.20
March 2020	0.75	2.50	2.80	3.40	3.30
2020/21					
June 2020	0.75	2.60	2.90	3.50	3.40
Sept 2020	0.75	2.70	3.00	3.60	3.50
Dec 2020	1.00	2.70	3.00	3.70	3.60
March 2021	1.00	2.80	3.10	3.70	3.60
2021/22					
June 2021	1.00	2.90	3.20	3.80	3.70
Sept 2021	1.00	3.00	3.30	3.90	3.80
Dec 2021	1.00	3.00	3.30	4.00	3.90
March 2022	1.25	3.10	3.40	4.00	3.90

*PWLB rates above are for certainty rates (which are provided for those authorities that have disclosed their borrowing/capital plans to the government. Darlington Borough Council will be able to access these certainty rates which are 0.2% below PWLB's normal borrowing rates.

25. The above forecasts have been based on an assumption that there will be an agreed deal on Brexit at some point in time. Given the current level of uncertainties, this is a huge assumption and so forecasts may need to be materially reassessed in the light of events over the next few weeks or months.
26. It has been little surprise that the Monetary Policy Committee (MPC) has left Bank Rate unchanged at 0.75% so far in 2019 due to the ongoing uncertainty over Brexit. In its meeting on 1 August, the MPC became more dovish as it was more concerned about the outlook for both the global and domestic economies. That's shown in the policy statement, based on an assumption that there is an agreed deal on Brexit, where the suggestion that rates would need to rise at a "gradual pace and to a limited extent" is now also conditional on "some recovery in global growth". Brexit uncertainty has had a dampening effect on UK GDP growth in 2019, especially around mid-year. If there were a no deal Brexit, then it is likely that there will be a cut or cuts in Bank Rate to help support economic growth. The September MPC meeting sounded even more concern about world growth and the effect that prolonged Brexit uncertainty is likely to have on growth.
27. The overall balance of risks to economic growth in the UK is probably to the downside due to the weight of all the uncertainties over Brexit, as well as a softening global economic picture. The balance of risks to increases in Bank Rate and shorter term PWLB rates are broadly similar to the downside.
28. The downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- (a) Brexit - if it were to cause significant economic disruption and a major downturn in the rate of growth.
- (b) Bank of England takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- (c) A resurgence of the Eurozone sovereign debt crisis. In 2018, Italy was a major concern due to having a populist coalition government which made a lot of anti-austerity and anti-EU noise. However, in September 2019 there was a major change in the coalition governing Italy which has brought to power a much more EU friendly government; this has eased the pressure on Italian bonds. Only time will tell whether this new unlikely alliance of two very different parties will endure.
- (d) Weak capitalisation of some European banks, particularly Italian banks.
- (e) German minority government. In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. Then in October 2018, the results of the Bavarian and Hesse state elections radically undermined the SPD party and showed a sharp fall in support for the CDU. As a result, the SPD had a major internal debate as to whether it could continue to support a coalition that is so damaging to its electoral popularity. After the result of the Hesse state election, Angela Merkel announced that she would not stand for re-election as CDU party leader at her party's convention in December 2018. However, this makes little practical difference as she has continued as Chancellor, though more recently concerns have arisen over her health.
- (f) Other minority EU governments. Austria, Sweden, Spain, Portugal, Netherlands and Belgium all have vulnerable minority governments dependent on coalitions which could prove fragile.
- (g) Italy, Austria, the Czech Republic and Hungary now form a strongly anti-immigration bloc within the EU. There has also been rising anti-immigration sentiment in Germany and France.
- (h) There are concerns around the level of US corporate debt which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions. This has resulted in the debt of many large corporations being downgraded to a BBB credit rating, close to junk status. Indeed, 48% of total investment grade corporate debt is rated at BBB. If such corporations fail to generate profits and cash flow to reduce their debt levels as expected, this could tip their debt into junk ratings which will increase their cost of financing and further negatively impact profits and cash flow.
- (i) Geopolitical risks, for example in North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

29. The upside risks to current forecasts for UK gilts and PWLB rates are:

- (a) Brexit - if agreement was reached all round that removed all threats of economic and political disruption between the EU and the UK.
- (b) The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- (c) UK inflation, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

Treasury Management Strategy 2019/20 and Annual Investment Strategy Update

30. The Treasury Management Strategy Statement, (TMSS), for 2019/20 was approved by this Council on 21 February 2019.

31. There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

Debt Activity during 2019/20

32. The expected net borrowing need is set out in Table 8

Table 8

	2019/20 Original Estimate £m	2019/20 Revised Estimate £m
CFR (year-end position) from Table 4	321.264	216.930
<u>Less</u> other long term liabilities PFI and finance leases	11.498	11.498
Net adjusted CFR (net year end position)	309.766	205.432
Expected Borrowing	299.000	174.000
(Under)/ Over borrowing	(10.766)	(31.432)
Expected Net movement in CFR	13.916	(90.418)
Expected Net Movement in CFR represented by		
Net financing need for the year from table 3	15.700	11.366
Less MRP General Fund	0.000	0.000
Less MRP Housing	0.629	0.629
Less MRP relating to finance leases including PFI	1.155	1.155
Less RSL's removed	0.000	100.000
Movement in CFR (Net Borrowing Need)	13.916	(90.418)

33. The following new borrowing has been taken to date.

Table 9

Date Taken	Term	Amount £m	Interest Rate	Purpose	Lender
24/05/2019	1 year	2	1.02	Property Funds	Other Local Authority
24/05/2019	1 year	3	1.02	Property Funds	Other Local Authority
27/09/2019	1 year	5	0.83	Property Funds	Other Local Authority
03/10/2019	2 years	5	0.87	General	Other Local Authority
17/10/2019	3 months	5	0.70	General	Other Local Authority

34. The amount borrowed by the Council now stands at £171.761m, this excludes any additional cashflow loans which may be required.

35. There will still be an element of under-borrowing by the Council at the end of March 2020.

Increase in the cost of borrowing by the PWLB

36. On 9 October 2019 the Treasury and PWLB announced an increase in the margin over gilt yields of 100bps on top of the current margin of 80 bps which this authority has paid prior to this date for new borrowing from the PWLB. There was no prior warning that this would happen and it now means that every local authority has to fundamentally reassess how to finance their external borrowing needs and the financial viability of capital projects in their capital programme due to this unexpected increase in the cost of borrowing. Representations are going to be made to HM Treasury to suggest that areas of capital expenditure that the Government are keen to see move forward e.g. housing, should not be subject to such a large increase in borrowing.

37. Whereas this authority has previously relied on the PWLB as its main source of long-term funding, it now has to fundamentally reconsider alternative cheaper sources of borrowing. At the current time, this is a developmental area as this event has also taken the financial services industry by surprise. We are expecting that various financial institutions will enter the market or make products available to local authorities. Members will be updated as this area evolves.

38. The 100bps increase in PWLB rates from 09/10/2019 only applied to new borrowing rates, not to premature repayment rates.

Debt Rescheduling

39. Debt rescheduling opportunities have been very limited in the current economic climate given the consequent structure of interest rates, and following the increase in the margin added to gilt yields which has impacted PWLB new borrowing rates since

October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year.

Annual Investment Strategy 2019/20

Investment Portfolio

40. In accordance with the Code, it is the Council's priority to ensure security of Capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. It is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous years as rates are very low and in line with the current 0.75% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis together with other risks which could impact on the creditworthiness of banks prompts a low risk strategy. Given this risk environment investment returns are likely to remain low.

Treasury Management Activity from 1 April 2019 to 22 October 2019

41. Current investment position - The Council held £59.499m of investments at 22/10/2019 and this is made up of the following types of investment.

Table 10

Sector	Country	Up to 1 year £m
Banks	UK	9.000
AAA Money Market Funds	Sterling Funds	20.500
Property Funds - CCLA	UK	10.000
Hermes		10.000
Lothbury	UK	9.999
Total		59.499

Short Term Cashflow Investments

42. Cash balances are invested on a daily basis to maximise the benefit of temporary surplus funds. These include investments in Money Market Funds, the Government's Debt Management Office and bank short term notice accounts. A total of 42 investments were made in the period 1 April 2019 to 30 September 2019 totalling c£79m these were for short periods of up to 100 days and earned interest of £108k on an average balance of £28.171m which equated to an annual average interest rate of 0.75%.

Investment returns measured against the Service Performance Indicators

43. The target for our investment returns is to better or at least match a number of external comparators, this performance indicator is also known as yield benchmarking. As can be seen from Table 11, the short and long term investment achievements are above market expectations.

Table 11

	Cashflow Investments %
Darlington Borough Council - Actual	0.75
External Comparators	
London Interbank Bid Rate 7 day	0.57
London Interbank Bid Rate 3 months	0.70
London Interbank Bid Rate one year	1.00

Treasury Management Budget

44. There are three main elements within the Treasury Management Budget:-

- (a) Longer term capital investments interest earned - a cash amount of which earns interest and represents the Councils revenue balances, unused capital receipts, reserves and provisions, this will now include Property Funds.
- (b) Cash flow interest earned - since becoming a unitary council in 1997, the authority has consistently had a positive cash flow. Unlike long term capital investments it does not represent any particular sum but it is the consequence of many different influences such as receipt of grants, the relationship between debtors and creditors, cashing of cheques and payments to suppliers.
- (c) Debt serving costs - this is the principal and interest costs on the Council's long term debt to finance the capital programme.

Table 12 - Changes to the Financing Costs Budget 2019/20

	£m	£m
Original Financing Costs Budget 2019/20		(0.702)
Add reduced Repayment of Principal	(0.105)	
Add increased Interest payments paid on debt	(0.077)	
Less reduced interest earned on Investments	0.089	
Less reduced returns on Property Funds and Commercial Ventures	0.126	
Total adjustments		0.033
Revised Treasury Management Budget 2019/20		(0.669)

45. This statement concludes that the Treasury Management budget is forecast to overspend by £0.033m in 2019/20 due to a combination of less than expected returns on Commercial Ventures and investments and reduced interest/principal repayments, these have been reflected in the current MTFP projections.

Risk Benchmarking

46. A regulatory development is the consideration and approval of security and liquidity benchmarks. Yield benchmarks are currently widely used to assess investment performance and these are shown in Table 10. Discrete security and liquidity benchmarks are also requirements of member reporting.

47. The following reports the current position against the benchmarks originally approved.

48. **Security** – The Council’s maximum security risk benchmarks for the current portfolio of investments, when compared to historic default tables were set as follows;

0.077% historic risk of default when compared to the whole portfolio.

Table 13

Maximum	Benchmark 2019/20	Actual July	Actual September
Year 1	0.077%	0.002%	0.002%

N.B. this excludes Property Funds.

49. The counterparties that we use are all high rated therefore our actual risk of default based on ratings attached to counterparties is very low.

Liquidity

50. In respect of this area the Council set liquidity facilities/ benchmark to maintain:

- (a) Bank overdraft - £0.100M
- (b) Liquid short term deposits of a least £3.000M available within a week’s notice
- (c) Weighted Average Life benchmark is expected to be 0.4 years with a maximum of 1 year

51. The Assistant Director Resources can report that liquidity arrangements have been adequate for the year to date as shown in Table 13.

Table 14

	Benchmark 2019/20	Actual June	Actual September
Weighted Average Life	0.4 – 1 year	0.10 years	0.12 years

52. The figures are for the whole portfolio of cash flow investments deposited with Money Market funds on a call basis (i.e. can be drawn on without notice) as well as call accounts that include a certain amount of notice required to recall the funds.

Treasury Management Indicators

53. **Actual and estimates of the ratio of financing costs to net revenue stream** – This indicator identifies the trend in the cost of capital (financing costs net of interest and investment income) against the net revenue stream. The reduction in % relates to reduced financing costs for General Fund of £0.140m.

Table 15

	2019/20 Original Indicator	2019/20 Revised Indicator
General Fund	2.74%	2.57%
HRA	17.48%	17.11%

Treasury Management Prudential indicators

54. **Upper Limits on Variable Rate Exposure** – This indicator identifies a maximum limit for variable interest rates based upon the debt position net of investments.
55. **Upper Limits on Fixed Rate Exposure** – Similar to the previous indicator this cover a maximum limit on fixed interest rates.
56. Historically for a number of years this Council has used these percentages; together they give flexibility to the treasury management strategy allowing the Council to take advantage of both fixed and variable rates in its portfolio whilst ensuring that its exposure to variable rates is limited.

Table 16

	2019/20 Original Indicator	2019/20 Revised Indicator
Limits on fixed interest rates	100%	100%
Limits on variable interest rates	40%	40%

Maturity Structures of Borrowing

57. These gross limits are set to reduce the Council’s exposure to large fixed rate loans (those instruments which carry a fixed interest for the duration of the instrument) falling due for refinancing. The higher limits for longer periods reflect the fact that longer maturity periods give more stability to the debt portfolio.

Table 17

Maturity Structures of Borrowing

	2019/20 Original indicator	2019/20 Actual to Date	2019/20 Revised Indicator
Under 12 months	25%	17%	30%
12 months to 2 years	40%	6%	40%
2 years to 5 years	60%	12%	60%
5 years to 10 years	80%	9%	80%
10 years and above	100%	57%	100%

Total Principal Funds Invested

58. These limits are set having regard to the amount of reserves available for longer term investment and show the limits to be placed on investments with final maturities beyond 1 year. This limit allows the authority to invest for longer periods if they give better rates than shorter periods. It also allows some stability in the interest returned to the Authority.

Table 18

Principal Funds Invested

	2019/20 Original Indicator	2019/20 Revised Indicator
Maximum principal sums invested greater than 1 year	£50m	£30m

Conclusion

59. The prudential indicators have been produced to take account of the Council's borrowing position. The key borrowing indicator (the Operational Boundary) is £185.498m. The Council's return on investments has been good, exceeding both of the targets. Based on the first six months of 2019/20 the Council's borrowing and investments is forecast to overspend by £0.033m on the approved 2019/20 budget.

60. The Council's treasury management activities comply with the required legislation and meet the high standards set out in the relevant codes of practice.

Outcome of Consultation

61. No consultation was undertaken in the production of this report.

COUNCIL
30 JANUARY 2020

OVERVIEW OF ADULTS SCRUTINY COMMITTEE

1. Since the last meeting of the Council, the following are the main areas of work the Adults Scrutiny Committee has undertaken.

Better Care Fund

2. We received a report which provided an update to Members on the 2019/20 Darlington Better Care Fund Plan submission, and of Better Care Fund plans beyond the current period.
3. The Committee was informed that the Better Care Fund (BCF) was a programme spanning both the NHS and Local Government, which sought to join up health and care services so that people can manage their own health and well-being and live independently within their communities for as long as possible. Members heard that the Fund brings together ring-fenced budgets from Clinical Commissioning Group (CCG) allocations, and funding paid directly to Local Government, and that the 2019/20 plan was based on seven broad workstreams to support the delivery of the BCF priorities.
4. Members learned that the planning guidance for the 2019/20 submission was published on 18 July 2019, with a final submission date of 27 September 2019, following approval by local Health and Well-Being Boards, and that approval letters would be issued during December 2019, following regional scrutiny of all BCF plans. Members entered into discussion on the strong performance in terms of delayed transfers of care, and the potential effect of winter pressures on discharge arrangements.

Performance Indicators: Quarter 2 - 2019/20

5. The Committee received a report which provided Members with performance information against key performance indicators for 2019/20 at Quarter 2. The Adults Scrutiny Committee monitor twelve indicators, ten on a six-monthly basis, and two annually. Of the ten indicators reported on a six-monthly basis, four indicators showed an improved performance compared to this point last year; three indicators are showing a performance not as good as that recorded at this time last year, however are still on track to achieve service targets set; and three indicators were not comparable, and are reviewed at a point in time.
6. In considering the report, Members scrutinised a number of variables within the performance data and heard that some of these variables were due to seasonal pressures or counting issues, however Members were reassured that it is normal to see some fluctuations as a result of individual choices, or the comparatively small size of a data set. Members were pleased to learn that, on the whole, performance remains strong across the key performance indicators, and that we compare favourably both regionally and nationally, however recognised that the focus should

be on maintaining the current level of performance, and that any further improvements are likely to be marginal.

Work Programme

7. Members gave consideration to the Work Programme items scheduled to be considered by this Scrutiny Committee during 2019/20, and to any additional areas that Members would like to be included. The Committee noted a number of updates to the Work Programme and entered into discussion on the progress of the Support for Autism cross-party working group.

Councillor Anne-Marie Curry
Chair of Adults Scrutiny Committee

**COUNCIL
30 JANUARY 2020**

OVERVIEW OF CHILDREN AND YOUNG PEOPLE SCRUTINY COMMITTEE

1. Since the last meeting of the Council, the following are the main areas of work the Children and Young People Scrutiny Committee has undertaken.

Work Programme

2. Members gave consideration to the Work Programme items scheduled to be considered by this Scrutiny Committee during 2019/20, and to any additional areas that Members would like to be included.

Childcare Sufficiency Review 2019/20

3. We received the findings of the 2019/20 Childcare Sufficiency Review and the authority's Childcare Sufficiency Action Plan for 2019/20.
4. Local authorities have a duty to ensure there is sufficient childcare for working parents, or parents who are studying or training for employment, for children aged 0-14 or up to 18 for disabled children and we receive an annual report on how the authority are meeting their duty to secure sufficient childcare.
5. There are a number of factors which affect childcare demand including the number of parents in work in the Borough; regeneration projects in evidence; the increase in the amount of family housing and residential development in the Borough; and the number of new dwellings all affecting childcare demand.
6. Supply data for 2019 has again revealed that the early education and childcare market in Darlington remained fairly stable and there was sufficient capacity to meet overall demand for 30 hour places, however there was a latent demand for childcare with cost being the main barrier to take up of private hours.

Children and Young People's Plan 2017/22 – Progress Update

7. We received an update on the progress to date against the delivery of the Children and Young People's Plan (CYPP) 2017/22 and the key actions that will be taken to deliver the agreed Sustainable Community Strategy priority of the best start in life for every child.
8. We examined the seven priorities for the next five years and moving into year two of the five year delivery plan it had agreed by the Multi Agency Steering Group to continue with the focus on improving the mental health and emotional wellbeing of all children and young people (priority three) and that Youth unemployment (priority six) be replaced by child poverty (priority four).
9. The Communications Team continue their work with Children's Services on any communications activities deemed necessary in relation to specific elements of the CYPP or other projects that may link to the CYPP.

10. We discussed the benefits take up campaign #DarloMillions which is aimed at addressing family poverty and we have requested a breakdown of the funding available and Members were advised of Voluntary and Community Sector Funding in place help address social isolation in adults and older people and to support vulnerable families with children and young people.
11. An online counselling and support tool for children and young people aged 11-10 (Kooth) is currently being piloted across the region. Members expressed their concern regarding the accessibility of 'Kooth' for those with dyslexia and learning disabilities. Officers gave assurance that this was being addressed by the team leading the development of the software. The pilot will be completed by the end of Summer 2020, at which point the impact and outcomes of the service will be shared with Members of this Scrutiny Committee.
12. We also requested further information in respect of the success of Cognitive Behaviour Therapy in supporting the mental health needs of children leaving care and any other types of therapy that had been considered.

Performance Indicators Quarter 2 2019/20

13. We examined Quarter 2 (July-September) 2019/20 performance information and those areas where Children and Young People were performing well and those areas where there was a need to improve.
14. It was noted that we are performing well on timeliness of assessments which was above target; 92.8 per cent of Initial Child Protection Conferences were held within 15 working days from the Strategy meeting being held/Section 47 being initiated. 100 per cent of children with a Child Protection Plan and 100 per cent of Children Looked After had an allocated social worker; and 23.1 per cent of Care Leavers were not in employment, education or training (NEET).
15. Areas highlighted for improvement were in respect of statutory child protection visits completed within 15 working days and the percentage of statutory children in care visits completed within timescale. It was noted that the number of children in care had increased to 278.

Councillor Jamie Bartch
Chair of Children and Young People Scrutiny Committee

**COUNCIL
30 JANUARY 2020**

OVERVIEW OF COMMUNITIES AND LOCAL SERVICES SCRUTINY COMMITTEE

1. Since the last meeting of the Council, the following are the main areas of work the Communities and Local Services Scrutiny Committee has undertaken.

Replacement of Dog Control Orders with Public Space Protection Orders

2. Scrutiny Committee received a report seeking the views of this Scrutiny Committee on a report received by Cabinet at its meeting on 5 November, as part of the consultation process on replacing Dog Control Orders with Public Space Protection Orders and the introduction of wider powers concerning the walking and supervision of dogs, and the exclusion of dogs from cemeteries.
3. We considered the proposals outlined in the Cabinet report and Members requested that, as part of the consultation process, Cabinet give consideration to the introduction of a licensing scheme for individuals wanting to walk more than four dogs; and that a phased approach be implemented in respect of the introduction of the Public Space Protection Orders.

Performance Indicators – Quarter 2 2019/20

4. We have received information on the Quarter 2 performance against those key performance indicators for 2019/20 which are within the remit of our Scrutiny Committee.
5. Members noted that of the 16 indicators which are reported six monthly, six are showing performance which is better than the same period last year whilst one indicator is showing performance the same, four indicators are showing performance worse than the same period last year, five have no previous data to compare with and one indicator is reported a month in arrears.

Work Programme 2019/20

6. We have given consideration to the Work Programme for this Committee for the Municipal Year 2019/20 and possible review topics, the work programme is a rolling work programme and items can be added as necessary.
7. In light of the agreed amendments to the Portfolios and Scrutiny Committees, Members noted a number of items that have been transferred to Economy and Resources Scrutiny Committee.

**Councillor Brian Jones
Chair of Communities and Local Services Scrutiny Committee**

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COUNCIL
30 JANUARY 2020

OVERVIEW OF ECONOMY AND RESOURCES SCRUTINY COMMITTEE

1. Since the last meeting of the Council, the following are the main areas of work the Economy and Resources Scrutiny Committee has undertaken.

Children's Services – Update on Current Position

2. The Assistant Director Children's Services gave a presentation on the number of cases of the children and young people open to the Council's social services as at the end of quarter 2 2019/20.
3. At the end of quarter 2, there were 278 children looked after by the Council. This number has increased by 83 per cent between April 2006 and September 2019 and, although the numbers have now plateaued, we were advised that there was a particular spike in 2018, which was hard to attribute to any one factor. Officers continue to work to safely manage those children to leave care.
4. We were also advised of the number of children who became looked after year on year together with information on those who ceased to be looked after and, at the end of quarter 2 2019/20, more children ceased to be in care compared to the same quarter in 2018/19.
5. We looked at the areas of spend within the placement categories and discussed the need to increase the internal fostering provision.
6. We are receiving an update on a project which is being undertaken in conjunction with Leeds City Council and the DfE in January 2020.

Performance Indicators – Quarter 2 – 2019/20

7. Information has been provided on the quarter 2 performance against those key performance indicators for 2019/20 within the remit of our Scrutiny Committee.
8. There are 22 performance indicators reported within the three areas of economy and environmental health, governance and revenue collection, seventeen of which are on a six-monthly basis and five annually.
9. Each of the Officers gave us an overview of the indicators within their areas, however, we particularly highlighted CUL 080 – Town Centre footfall. From the data, despite the indications that more people are visiting Darlington, town centre footfall appears to be lower than last year. It was suggested that this could be due to issues with the accuracy and location of the current footfall counters and Officers are currently looking at purchasing an alternative system which will enable much more accurate comparisons to be made year-on-year.
10. Sickness absence is slightly higher than the same period last year, with stress remaining the highest absence reason. Proactive work is being undertaken in this area and specific work is being undertaken in relation to raising awareness of

mental health. Alongside the mental health mentors, the Authority also has 14 mental health first aiders which will provide employees with a good level of support at an early stage and hopefully prevent and reduce absence cases. We did ask that Officers look specifically at ways to ensure that males are encouraged to be more open about their mental health.

11. The mental health staff training sessions are open to Members to attend and details have been sent out.
12. In relation to Housing Benefits, the amount of housing benefit overpayments has reduced from £2.6 million in 2018/19 to £2.4 million in 2019/20, which has impacted on the amount available to recover. The majority of overpayments are due to the fact that people do not advise the authority when they have a change in circumstances. Since the introduction of Universal Credit, there are less people now claiming Housing Benefit. A training session on the implications of the introduction of Universal Credit is being arranged for Members.

Work Programme

13. We have considered and updated our work programme following the decision of Council to re-align the Scrutiny Committee remits to the Cabinet Portfolios.
14. As Members will be aware we now have the responsibility to scrutinise areas of work which are under the Economy Portfolio and we have included on our work programme a number of items which were on the Place Scrutiny Committee work programme.
15. We will continue to monitor the Children's Services budget and the work that Department is doing to manage the increasing costs of care within that area and I have asked the Chair of the Climate Change Working Group to attend a future meeting to update us on its on-going work.
16. The work programme will be reviewed and refreshed as and when required.

Councillor Scott Durham
Chair Economy and Resources Scrutiny Committee

**COUNCIL
30 JANUARY 2020**

OVERVIEW OF HEALTH AND HOUSING SCRUTINY COMMITTEE

1. Since the last meeting of the Council, the following are the main areas of work the Health and Housing Scrutiny Committee has undertaken.

Work Programme 2019/20

2. We have given consideration to the Work Programme for this Committee for the Municipal Year 2019/20 and possible review topics. In light of the agreed amendments to the Scrutiny Committee, Members were advised that the items on the Work Programme would be reviewed.

End of Life Care for People with Dementia Joint Review Group – Final Report

3. The End of Life Care for People with Dementia Joint Review Group has now concluded its findings and Scrutiny received the final report and recommendations.
4. Members considered the recommendations within the report. We discussed in particular the importance of ensuring people with dementia are included in any discussions in respect of their care whilst still they are still competent as this will achieve the best outcome for the individual. Members agreed that the recommendations be updated to reflect this discussion.
5. A representative from the Darlington NHS Clinical Commissioning Group in attendance at the meeting advised Members that the Clinical Commissioning Group would consider the recommendations from the Joint Review. We have requested an update in six months' time.
6. I would like to thank those who were involved and contributed to the findings of the Review.

Voluntary and Community Sector Funding: Update on Pilot Community Based Initiatives

7. We welcomed an update on the pilot of community based initiatives which were being funded from voluntary Sector Development Fund monies and piloted during 2019/20.
8. We noted the priorities for the non-recurring funding; to reduce isolation and loneliness in adults to improve health and wellbeing and provide early intervention support to vulnerable families to support children and young people to remain in education and live at home.
9. We also noted the details of the seven community based initiatives including the funding available and aims of each initiative.

10. Scrutiny was pleased with the progress and look forward to receiving an update in respect of the impact and outcomes of the funding at a future meeting.

Darlington CCG Financial Challenges and Impact on Services 2019/20 and beyond

11. Scrutiny Committee received a PowerPoint Presentation on the Darlington CCG financial challenges and impact on services for 2019/20 and beyond.
12. We were advised of the breakdown of spending for services in 2018/19 and forecast spending for 2019/20, and noted that expected outturn for 2019/20 was comparable with 2018/19, with the majority of spend on acute care.
13. Members noted that the CCG were on track to deliver an in-year break-even position and Scrutiny was provided with details of the 2019/20 efficiency programme, outlining key areas for efficiency plans with an overall target saving of £2.33m.
14. We also noted the merger of Darlington CCG with Hartlepool and Stockton on Tees CCG; and that a plan would be produced that combined commissioned services for the three CCGs.

Annual Report of the Director of Public Health 2018/19 Healthy New Towns: Darlington and Local Authority Health Profile 2019

15. We gave our consideration to the Director of Public Health 2018 statutory annual report which has a focus on the legacy of the Darlington Healthy New Towns programme.
16. We received an update on key messages contained in the Local Authority Health Profile 2019 which provides a snap shot of child and adult health in Darlington.
17. Reference was made to the percentage of women that smoke at the time of delivery in Darlington which remained statistically worse than the England average and Members noted the measures in place to address this.

CQC Scoring Across the Borough – Review Group

18. Members of this Scrutiny Committee were invited to attend a meeting to scope the review of CQC scoring across the Borough of Darlington for health and care settings. An invitation was also extended to the Chair and Vice Chair of the Adults Scrutiny Committee.
19. A meeting was held on 18 November 2019 and were advised of the work being undertaken by the Local Authority in respect of monitoring care settings in Darlington. We were pleased to note a mapping exercise was underway and would include details of CQC and Ofsted ratings for all settings in Darlington.
20. The Review Group will be reconvened to discuss the next steps following the completion of the mapping exercise.

Councillor Ian Bell
Chair of the Health and Housing Scrutiny Committee