

MINUTES of the ORDINARY MEETING OF STANLEY TOWN COUNCIL

Held at **Stanley Civic Hall**, Front Street, Stanley on **Tuesday 23rd February 2016** at **6.30pm**

PRESENT: J Nicholson* A Clegg G Graham C Thompson W Nixon
 R Harrison D McMahon D Tully C Bell D Mills
 D Walker R Ferris B Nair M Wilkinson

*Chairman

OFFICERS: Alan Shaw (Town Clerk)
 Nicola James (PA to the Town Clerk)

ABSENT: Cllr C McKee
 Cllr L Elliott

IN ATTENDANCE: 7 members of the Public & Alan Shield (Durham Money Advice)

542 APOLOGIES FOR ABSENCE

Apologies received from Cllrs J Charlton, T Davinson, D Marshall & L Marshall were accepted by Council.

543 DECLARATIONS OF INTEREST

Cllr C Bell declared a non-pecuniary interest as Chair of the Traders Association.
 Cllr D McMahon declared a non-pecuniary interest in PACT House.

544 PROCEDURAL AND APPROPRIATE ANNOUNCEMENTS FROM THE CHAIRMAN

The Chairman noted that Alan Shield from Durham Money Advice would speak under public participation and give an update on the debt advisory service provided with funding from STC.

The Clerk reminded members to speak through the chair and to stand when speaking.

545 PUBLIC PARTICIPATION

The Clerk invited Alan Shield to give an update on the debt advisory service. Mr Shield advised members that the service started on June 24th at the Tommy Armstrong Centre. Within 88 days, 134 new clients have been seen. 1/3 of a million pounds of debt is currently being managed. It was estimated that around 50 clients would be helped but Mr Shield had revised this estimate. By the end of June it is likely they will have seen over 200 clients, such has been the demand for the service.

546 CONFIRMATION OF COUNCIL MINUTES

It was **RESOLVED** that the minutes of the Ordinary Council Meeting held on 26th January 2016 be approved as a correct record and signed by the Chair.

547 MINUTES OF COMMITTEE MEETINGS

It was **RESOLVED** that the minutes of the Finance Committee Meeting held in January 2016 and Committee Meetings held in February 2016 be **RECEIVED** by Council.

548 RECOMMENDATIONS OF COMMITTEE MEETINGS

(a) PLANNING

Neighbourhood Planning - It was **RESOLVED** that Council support the Planning Committee's recommendation for the Council to continue with the designation application for the whole parish to be a Neighbourhood Planning Area and considers the matter again once the outcome of the application has been published.

(b) CRIME & COMMUNITY SAFETY

Provision of Salt Bins

It was **RESOLVED** that Council will adopt the Crime and Community Safety Committee's **RECOMMENDATIONS** that:

- (i) the assessment criteria for the provision of salt bins should be clarified; and
- (ii) the Town Clerk should explore the costs of providing and maintaining our own salt bins on private land.

Footway Gritting

It was **RESOLVED** that Council will adopt the Crime and Community Safety Committee's **RECOMMENDATION** that the footway gritting routes should prioritise schools, doctors surgeries and old peoples' bungalows.

(c) FINANCE

Civic Hall Credit Card Bookings

It was **RESOLVED** that Council will adopt the Finance Committee's **RECOMMENDATION** that a 2% surcharge be applied to credit card payments to offset the cost to the Council of accepting payments by credit card.

549 CORRESPONDENCE

Relocation of Craghead Post Office

Members **NOTED** the notification that Craghead Post Office is relocating to a new convenience store opposite the Village Hall.

Closure of St Aidan's Church

Members **NOTED** the notification from the Church Commissioners that St Aidan's Church in Annfield Plain will be closing.

550 REPORT OF THE TOWN CLERK

Community Consultation

The Clerk advised members that there were around 490 responses so far and that the 2 secondary schools were going to get involved with answering the questionnaire.

Mini Police

The Clerk advised that the mini police launch has been rescheduled for 26th February.

Civic Hall Refurbishment

The Clerk advised members that the windows have now all been replaced and that the changing rooms are currently being refurbished.

551 EDITORIAL POLICY

It was **RESOLVED** that:

- (i) the Communications Policy presented by the Town Clerk be adopted by Council; and
- (ii) editorial decisions relating to the Council's publications and web based media are delegated to the Town Clerk in line with that policy.

552 LOUISA MORRISON DISASTER MEMORIAL

Members considered what would happen with the Louisa Morrison Disaster Memorial when St Aidan's Church closes.

It was **RESOLVED** that the Town Clerk look into facilitating the re-location of the memorial on behalf of the Council with the preference of Council being that the memorial remains in Annfield Plain.

553 NORTH ROAD GYM - REQUEST FOR FUNDING

Members considered the request for free hire of the Civic Hall

It was **RESOLVED** that the request be declined, but that the request should be circulated to Members for consideration for funding under the Member's Initiative Fund.

554 CRAGHEAD VILLAGE HALL - REQUEST FOR FUNDING

Members considered the request for funding to organise an event to mark the 90th Birthday of HM the Queen.

It was **RESOLVED** that the request be declined, but that the request should be circulated to Members for consideration for funding under the Member's Initiative Fund.

555 THE QUEEN'S 90TH BIRTHDAY

It was **RESOLVED** that the Town Clerk should make enquiries with DCC and ask to identify if they are planning any events across the County in which STC could participate. Any information should be provided to the Communication and Events Committee for consideration.

556 CIVIC HALL COFFEE SHOP

Members considered the proposal from the Civic Hall Manager to open the Coffee Shop in the gallery for general trading. It was **RESOLVED** that the Civic Hall Manager be given authority to open the coffee shop using 4 part time staff (2 full-time equivalents) employed initially on 3 months fixed term contracts (renewable) so that members can review performance before deciding if the coffee shop should be opened permanently.

557 PACT HOUSE REPORT

The Town Clerk presented a report to Council detailing the expenditure incurred so far on the PACT House project. Members were advised that PACT House is waiting for Companies House to complete the company registration number before they can open a bank account. Once the community interest company is set up, the PACT House will be able to apply to external funders and once the works to the cafe are complete the AAP will release funding previously awarded.

It was **RESOLVED** that the Town Clerk be delegated authority to incur expenditure relating to the PACT House in the following areas:

- (i) to ensure legal compliance, i.e. rates, insurances, planning etc.; and
- (ii) to ensure that minimum standards are met in respect of the safety and habitability of the building (excluding replacement of the central heating system).

It was further **RESOLVED** that Councillor B Nair be nominated as the Town Council's designated member of the PACT House Board when the community interest company is established.

558 DATE, TIME AND VENUE OF NEXT MEETING

Tuesday 22nd March 2016, 18:30 at the Civic Hall.

MINUTES of the COMMUNICATIONS AND EVENTS COMMITTEE MEETING OF STANLEY TOWN COUNCIL Held at Stanley Civic Hall, Front Street, Stanley on Tuesday 8th March 2016 at 6.30pm

PRESENT: Cllr D Mills* Cllr L Marshall Cllr D Tully Cllr R Harrison
 Cllr J Nicholson Cllr W Nixon

*Chairman

OFFICERS: James Harper (Community Development Manager)
 Nicola James (PA to the Town Clerk)

559 APOLOGIES

Apologies received from Cllrs M Wilkinson, C Bell and D McMahon were accepted by the Committee.

560 DECLARATIONS OF INTEREST

None.

561 PROCEDURAL AND APPROPRIATE ANNOUNCEMENTS FROM THE CHAIRMAN OR TOWN CLERK

The Community Development Manager noted that no one was recording the meeting.

562 PUBLIC PARTICIPATION

No members of the public that were present had any questions.

563 CONFIRMATION OF MINUTES

It was proposed by Cllr B Nixon, seconded by Cllr D Tully and **RESOLVED** that the Committee approve the minutes of the Communications and Events Committee meeting held on 9th February 2016.

564 WORKING GROUP UPDATES

Brass Festival - No update.

Christmas Events - No update.

Stanley Fringe - The Memorial day event went well and progress is being made for the August Event.

Armed Forces Day - Members noted the update from Brian Hall - Armed Forces Day is progressing, Royal Artillery have confirmed large guns, weapons display, field catering. Royal Navy unable to participate due to prior commitments (Chester-le-Street Sea Cadets, HMS Calliope) John has volunteered to be a part of the event and is speaking with his Royal Air Force contacts with a view to involving cadets, aircraft, etc.

Play in the Park Days - Members noted the update from Brian Hall - Waiting to arrange play lead activities using Leisureworks and Groundworks play workers. Leisureworks full summer programme not yet published and Groundworks will be doing a play session every Thursday in school holidays at Oakey Park, there is a possibility for further sessions funded by us at Annfield Plain and View Lane.

Community Fun Days - Members noted the update from Brian Hall - 1st April South Moor Memorial Park family fun day, SAG application submitted, waiting for approval. Small rides, inflatables, catering provisionally booked, Groundworks play workers arranged, Faerie trail being organised by Katie the Faerie Architect, Durham Wildlife trust providing nature activities. Other events still in planning.

Stanley Family Cycle - Members noted the update from Brian Hall - Cycle event is progressing, a short route of 7 miles has been identified to Beamish and a longer 20-mile route to Cox Green nr Sunderland. A facebook page has been created and Ed Tutty is using social media and contacts from the Durham Big Ride to publicise the event. ASDA have been approached to make a small sponsor contribution but have declined as their national policy is now 'no community involvement', however Northumbria Water are contributing free bottled water. Cllr Linda Marshall queried whether the route is wheelchair friendly?

Moria Con 2 - The Chairman noted that Moria Con is progressing at quite a pace and that there are a number of traders already booked in.

Stanley Choir - The Chairman informed the Committee of an idea to create Stanley Choir. The initial costs would be around £1000 which would cover 3 rehearsal sessions per month in the small rehearsal room. It was proposed by Councillor Joan Nicholson, seconded by Councillor Ron Harrison and **RECOMMENDED** that the Town Clerk look into where the funds for the Choir could come from and report back to committee.

At the end of the meeting the Chairman noted the following updates: online booking should be available for Civic Hall events by the end of March and costs for opening the cinema should be available at the end of April.

565 COMMUNITY CONSULTATION

The Community Development Manager noted that the analysis is currently being collated and some information should be ready for Full Council.

566 STANLEY LIFE

Photo Competition - Members were asked to vote for their winner and 3 runners up from the top 10 shortlisted entries. Photo number 72 won the vote, with photos 80, 44 and 71 being runners up. The Town Clerk will contact the winners.

Other - Members were shown the flat plan for the next issue of Stanley Life. Members noted the flat plan.

567 DATE, TIME AND VENUE OF NEXT MEETING

Tuesday, 12th April 2016, 6.30pm, Stanley Civic Hall

MINUTES of the FINANCE AND GENERAL PURPOSES COMMITTEE MEETING OF STANLEY TOWN COUNCIL held at the Civic Hall, Front Street, Stanley on Wednesday, 9th March 2016 at 6.30pm

PRESENT: Cllr D Walker* Cllr R Harrison Cllr D Marshall
 Cllr B Nair Cllr J Nicholson Cllr W Nixon
 Cllr D Mills

*Chairman

OFFICERS: Derek Shingleton (Finance Manager)

IN ATTENDANCE: Gordon Fletcher (Internal Auditor)

568 APOLOGIES

Apologies received from Cllrs C Bell and Alan Shaw (Town Clerk) were accepted by the Committee.

569 DECLARATIONS OF INTEREST

Cllr D Marshall declared an interest in payments listed on the schedule of payments to Graphic Print as he is a partner in the business.

570 PROCEDURAL AND APPROPRIATE ANNOUNCEMENTS FROM THE CHAIRMAN

None.

571 PUBLIC PARTICIPATION

No members of the public were present at the meeting.

572 CONFIRMATION OF MINUTES

It was **RESOLVED** that the Committee approve the minutes of the meeting held on 10th February 2016.

573 REPORTS FROM INTERNAL AUDITOR

Mr Fletcher talked Members through his internal audit reports:

Bar - Income Collection & Banking – Mr Fletcher has assessed the assurance level as Substantial. The Action Plan recommended that a pre-numbered order form is completed for all bar orders. In response to a question from Cllr Marshall, Mr Fletcher confirmed that he does undertake follow-up audits and subject to no other issues arising next time, a Full Assurance should be given if the recommendations are implemented.

Budgetary Control – Mr Fletcher has assessed the assurance level as Substantial. The Action Plan recommended that a Medium Term Financial Plan be completed during the next budget process. In response to a question from Cllr Nicholson, it was confirmed that such a plan was a forecast which could be amended annually and not a commitment of resources.

Events and Activities – this was given Full assurance. In response to a question from Cllr Marshall, it was made clear that this audit covered events organised by the Town Council and not those booked at the Civic Hall. The Finance Manager agreed to submit a report to next month's meeting of the Committee on the financial performance of a representative sample of bookings held at the Civic Hall. Members re-affirmed their view that any concessionary events at the Hall be supported by either MIF contributions or Council funds. The Finance Manager confirmed that future budgetary control reports would separately identify the financial performance of the bar and the coffee shop.

Main Accounting – this was given Full assurance

Members Initiative Fund – this was given Full assurance.

Cllr Walker stated that it was reassuring that the conclusions on all five audits were positive, and thanked the auditor for his work and attendance.
Mr Fletcher left the meeting.

It was **RESOLVED** that the Committee **NOTE** the reports with no further action required at this time.

574

ACCOUNTS FOR PAYMENT AND BANK RECONCILIATION

Schedule of payments – members considered the schedule. In response to questions raised by Members, D Shingleton explained that the space available in the Transaction Details column is not enough to provide full details of invoices paid. He also explained that recent work had identified some phone lines as being surplus to requirements and these had been cancelled.

It was **RESOLVED** that:

- (i) the schedule of payments be **APPROVED**;
- (ii) In future, the Finance Manager is to briefly summarise invoice details and make available the file containing the month's invoices for Members to access if there are any questions.
- (iii) The Finance Manager to investigate the possibility of providing more information on the schedule of receipts.

Bank Reconciliation & Unpresented Cheques – Members **NOTED** the Report and **RESOLVED** that no further action was required.

575 BUDGETARY CONTROL TO 29 FEBRUARY 2016

Members considered the Report from the Finance Manager and **RESOLVED** that no further action was required at this stage.

576 EXTERNAL AUDIT ARRANGEMENTS

Members considered the Report from the Finance Manager and **RECOMMENDED** that:

- (i) the Council's external audit arrangements for the year 2017/2018 onwards be secured through SAAAL,
- (ii) the 30-day period for public inspection of the accounts begins on Monday, 13 June 2016 and ends on Friday, 22 July 2016.

577 DATE, TIME AND VENUE OF NEXT MEETING

Wednesday, 13 April 2016, 6.30pm, Civic Hall.

STANLEY TOWN COUNCIL



Audit Arrangements

Prepared for Ordinary Council 23rd March 2016

Prepared by: Derek Shingleton, Finance Manager

15th March 2016

BACKGROUND

- 1 The Local Audit and Accountability Act 2014, which received Royal Assent on 30 January 2014, abolished the Audit Commission. The Commission, which was responsible for appointing the external auditors of all local authorities, ceased to exist from 1 April 2015. A new company – Smaller Authorities' Audit Appointments Limited (SAAAL) – has been created to take over the appointment of external auditors and the setting of audit fees for smaller authorities from 2017. This Company was set up on behalf of the Department for Communities and Local Government (DCLG) by NALC, SLCC and the Association of Drainage Authorities.
 - 2 A smaller authority is an authority that has gross annual income or expenditure (turnover) of less than £6.5 million and therefore includes Stanley Town Council.
 - 3 The changes introduced by the new legislative framework will happen in two stages. The first stage started on 1 April 2015 and applies to the 2015/16 and 2016/17 financial years. The second stage will start on 1 April 2017 and apply to all financial years from 2017/18 onwards.
 - 4 Smaller authorities will keep the external auditor appointed by the Audit Commission, currently BDO in our case, until the 2016/17 audit process has been completed. The Comptroller and Auditor General will be responsible for publishing the Code of Audit Practice and for issuing guidance to auditors.
 - 5 There are limited changes for smaller authorities from 1 April 2015. Authorities will continue to prepare annual accounts in the form of an Annual Return, which must be prepared in accordance with proper practices. For 2015/16 (the current year's accounts) and 2016/17 the Annual return will be audited by the external auditor (BDO) appointed by the Audit Commission.
 - 6 There are, however, two important decisions which councils must make before 31 March 2016, and these are as follows:
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STANLEY TOWN COUNCIL**7 EXTERNAL AUDITOR APPOINTMENT**

- 7.1 For the financial year starting 1 April 2017 authorities will be responsible for appointing their own external auditor, and the appointment must be made by 31 December in the year preceding the year of audit. There are two choices. Authorities can either opt in to the arrangements undertaken by SAAAL and continue to receive an audit from the auditors appointed on their behalf by the Company, or they can opt out and make their own arrangements.

This decision must be made by the Full Council by no later than 31 March 2016.

- 7.2 If a decision is made to opt out of the SAAAL arrangements, the Council will be required to set up an independent audit panel. This can either be our own panel or a joint panel with other authorities. There must be at least three members on the panel, the majority of whom must be independent of the council. They must be suitably knowledgeable and experienced and be properly appointed with a detailed job description and an advertisement placed widely. Members may be paid an allowance at the Council's discretion. The panel will recommend an external auditor, who will have to be an accounting firm that meets certain licensing criteria agreed by the DCLG and professional accountancy bodies. Fees would have to be considered and agreed.
- 7.3 There are obvious major advantages in opting in to the arrangements with SAAAL. None of the work to set up an independent panel would be required, costs would be saved, and I do not believe that we have the resources to undertake this process. I am not aware of any other local council taking this approach. The cost of the external audit would undoubtedly be more through opting out, and the SAAAL have already indicated that audit fees for authorities that opt in will be no more than those currently in place.

8 ELECTORS' RIGHTS

- 8.1 From 1 April 2015 there are changes to the way smaller authorities support local electors in the exercise of their rights in relation to the accounts. For the financial year 2015/16 (the current year), and beyond, it is the Responsible Financial Officer (RFO) not the external auditor who must set the commencement date for the exercise of public rights.
- 8.2 From the commencement date set by the RFO and for a single period of 30 working days the accounts can be inspected. During this period the electors can ask questions of the auditor and make an objection. Any question or objection must be raised during the 30 day period.
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STANLEY TOWN COUNCIL

- 8.3 Although the RFO has some discretion in setting the 30 day period, it must include a common inspection period during which the accounts of **ALL** smaller authorities must be available for inspection at the same time. This is a 10 day period which is the first 10 working days of July following the end of the financial year to which the accounts relate. They must be consecutive days and exclude Saturdays, Sundays and bank holidays. The Council must publish its accounts, with any certificate or opinion from the auditor, by no later than 30 September.
- 8.4 The first 10 working days of July are from Friday 1st to Thursday 14th. I would propose that the 30 day inspection period commences on Monday, 13th June and ends on Friday 22nd July 2016.

RECOMMENDATIONS

It is **RECOMMENDED** that:

- (i) the Council's external audit arrangements are undertaken through Smaller Authorities' Audit Appointments Limited (SAAAL) i.e. STC opts into the new arrangements; and
 - (ii) the 30 day period for public inspection of the accounts begins on Monday, 13th June 2016 and ends on Friday 22nd July 2016.
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THE LIEUTENANCY OF DURHAM

K. W. SMITH OBE DL

Clerk to the Lieutenancy

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Lieutenancy Office
The Rivergreen Centre
Aykley Heads
Durham
DH1 5TS

27th February 2016

Cllr Joan Nicholson
Chair of Stanley Town Council
Stanley Civic Hall
Front Street
Stanley
County Durham
DH9 0NA

Dear Cllr Nicholson

Mini Police Project

Mrs Sue Snowdon, Lord-Lieutenant of County Durham has requested I pass on her thanks to you, the warm welcome received at the above event was greatly appreciated.

Mrs Snowdon was so pleased she was able to attend and feels this is a first class initiative which will benefit all participating. It was a pleasure to meet yourself and the team at Stanley.

Yours sincerely



Norma Wilson

Durham Constabulary

Michael Barton Q.P.M., LL.B.
Chief Constable

Chief Constable's Office
Constabulary Headquarters
Aykley Heads
DURHAM
County Durham
DH1 5TT



Altogether Better Policing

Tel. No.: **101**
Web Site: www.durham.police.uk

4th March 2016

Dear friend,

You must forgive me for this letter; however, I simply could not pass up the opportunity to let you know the good news – apologies if you already know. *(and some of you have very kindly written to me - thank you!)*

Durham Constabulary has been graded as the best police force in the country by Her Majesty's Inspectorate of Constabulary and we are absolutely delighted. In the 10 areas that were inspected over the last 12 months, the force received 'outstanding' grades in seven of the categories. We received a clean sweep of 'outstandings' in the efficiency category. Meanwhile, in the effectiveness category, from the eight 'outstandings' awarded nationally, we received four.

For the second year in succession we were the only force out of the 43 to receive an 'outstanding' at investigating crime. This is something that I am particularly proud of.

These results are not something which have happened overnight. They are the fruits of hours, weeks, months and years of hard work and dedication by everyone who serves and works for Durham Constabulary.

I am in the privileged position of being Chief Constable of the force which is at the pinnacle of British policing.

However, it is our fantastic staff and officers and their great professionalism and sheer hard work which creates that 'Durham Difference' and a service the people of County Durham and Darlington can hopefully be proud of.

We are not perfect, and we may not get it right every time, but we are determined to keep on learning and improving.

I would humbly ask you to spread the good news (and maybe the map attached!)

I would also like to thank you for all your help and continued support - it is very much appreciated.

Yours sincerely

Michael Barton

Michael Barton



facebook

www.durham.police.uk

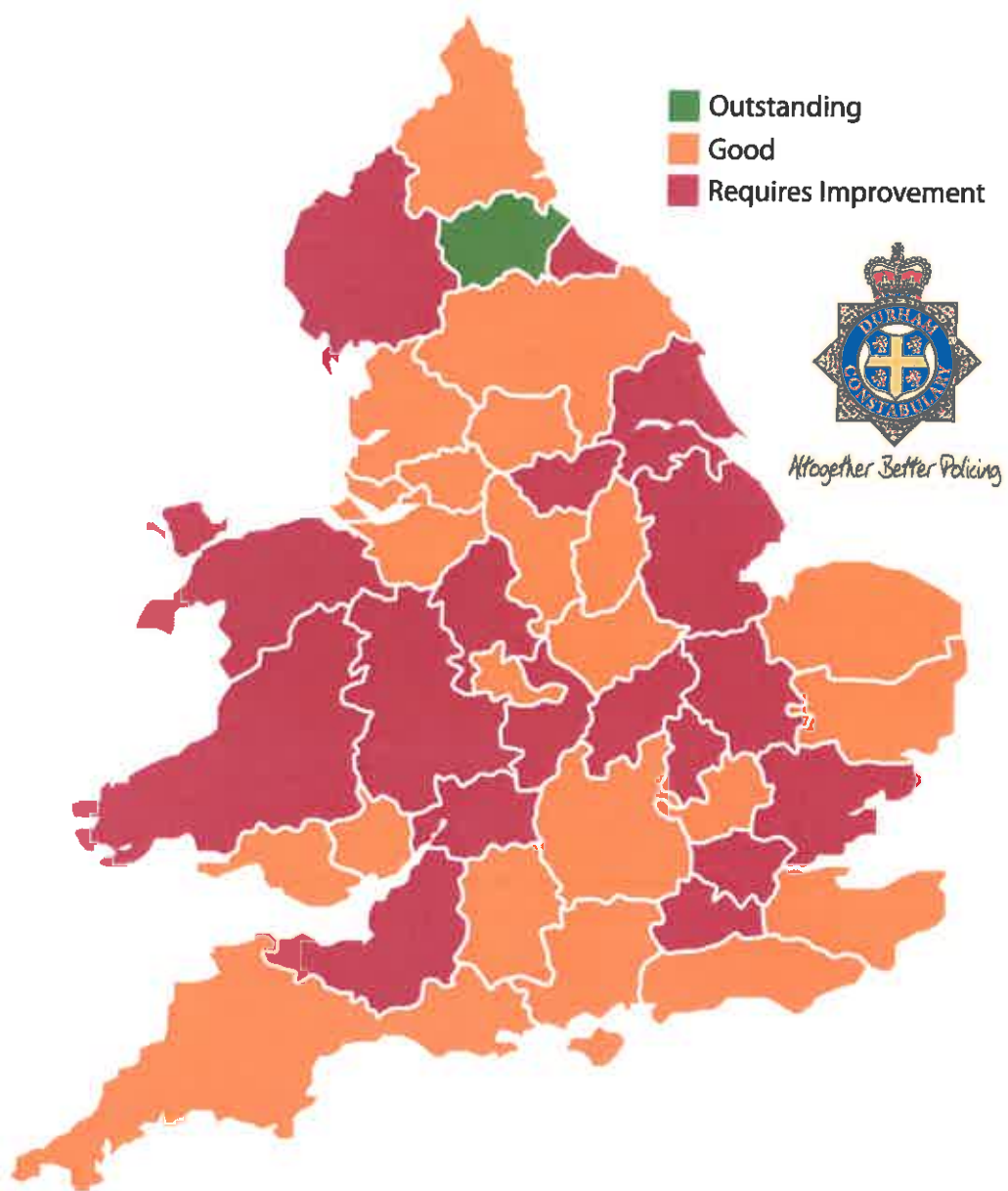
twitter

**DURHAM
CONSTABULARY**



101

IN AN
EMERGENCY
ALWAYS
CALL 999



STANLEY TOWN COUNCIL

Report of the Town Clerk

Prepared for Ordinary Council 23rd February 2016

Prepared by: Alan Shaw, Town Clerk

17th March 2016

1. CILCA

I have enrolled myself and the Community Development Manager in the mentored CiLCA course, which commences in May 2016. This course is organised by CDALC and has 6 sessions over a 6 month period to support candidates undertaking the CiLCA qualification.

2. ANNUAL PARISH MEETING/ ANNUAL REPORT

I am preparing an Annual Report of the activities of Council to be circulated in advance of the Annual Parish Meeting. It is my intention to have a small number of these printed hard copy to circulate to key stakeholders who will be invited to the meeting and to publicise the report online through social media and the website to the wider public. The report will include:

- Details of Events and activities provided or funded by the Town Council;
- A breakdown of the events, productions and users of the Civic Hall;
- Financial Information
- A full breakdown of Members' MIF contributions, and
- Member's attendance records.

I would like to include a more detailed statement about the Council's aspirations in future years, however I will include information about the Community Consultation exercise in this year's report.

3. ASSET TRANSFER

I have already advised Members of Council that I have held discussions with officers from the County Council to explore options for transfer of responsibility of some key assets like parks, play areas, recreation grounds and allotments to the Town Council and circulated some information. I am meeting with officers from the County Council on 21st March 2016 and may have a further update to bring to the meeting.

4. WINTER MAINTENANCE

A meeting was held with Andrew Blanckley from Durham CC to discuss the Council's decisions relating to Winter Maintenance on 1st March 2016. It appears that DCC have reconsidered their

position in relation to provision of winter salt bins by Towns and Parishes and are currently updating their Winter Maintenance Policy. This means that we will in future be able to site our own salt bins. We were also provided with a detailed map of where the salt bins are located in Stanley at present. In relation to the areas to be treated by our enhanced service, Andrew was open to suggestions for changes. We will work up a more detailed proposal for consideration by members at a future meeting in relation to Winter Maintenance.

5. BLOOMING GOOD FUN/ STANLEY IN BLOOM

Our Blooming Good Fun Competition was launched on 16th March and the launch of DCC's Stanley in Bloom 2016 was held today at the Civic Hall.

ask
Stanley
2016



Stanley
Town
Council

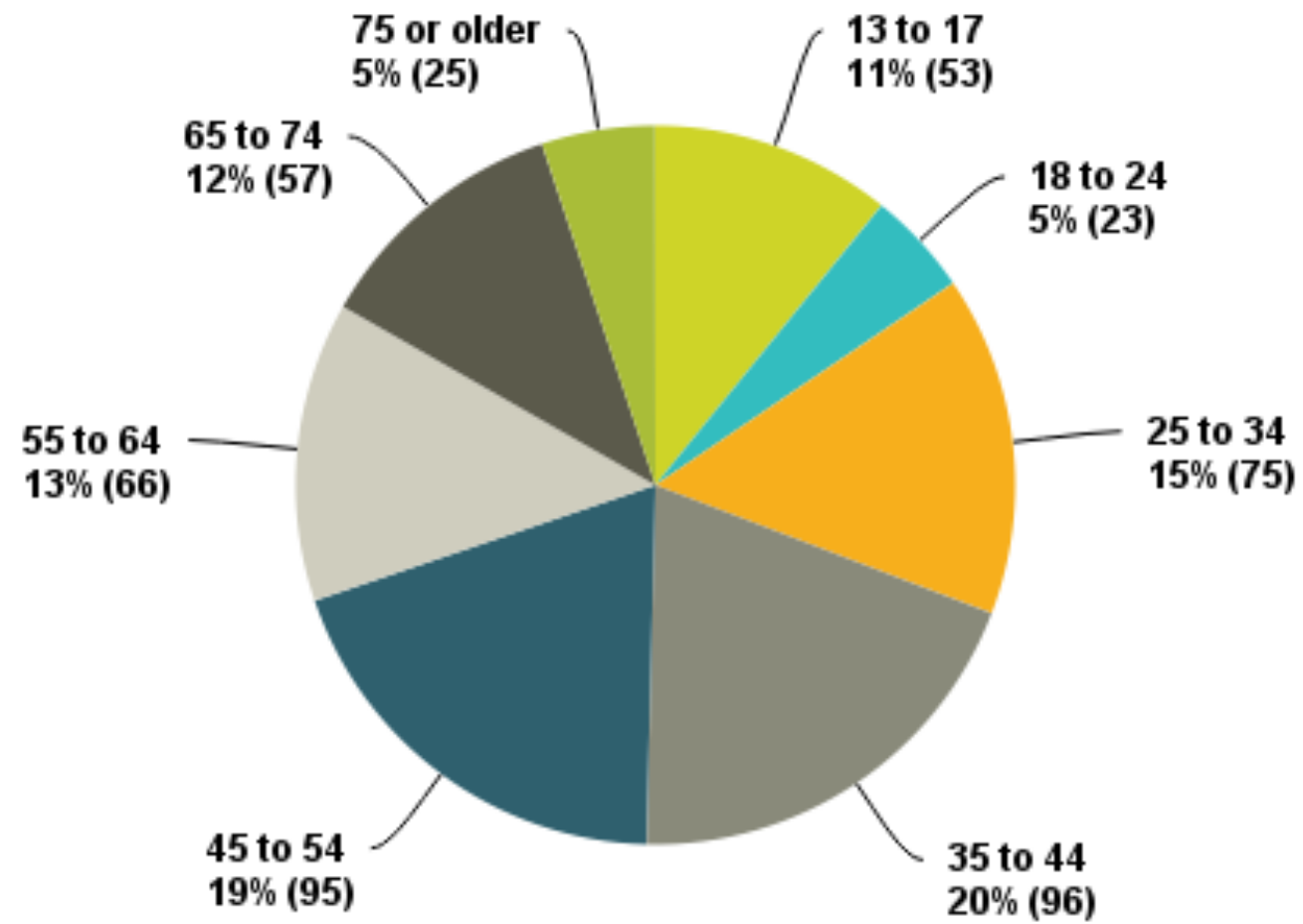
there were
498 responses
to the survey



Stanley
Town
Council

Q4 What is your age?

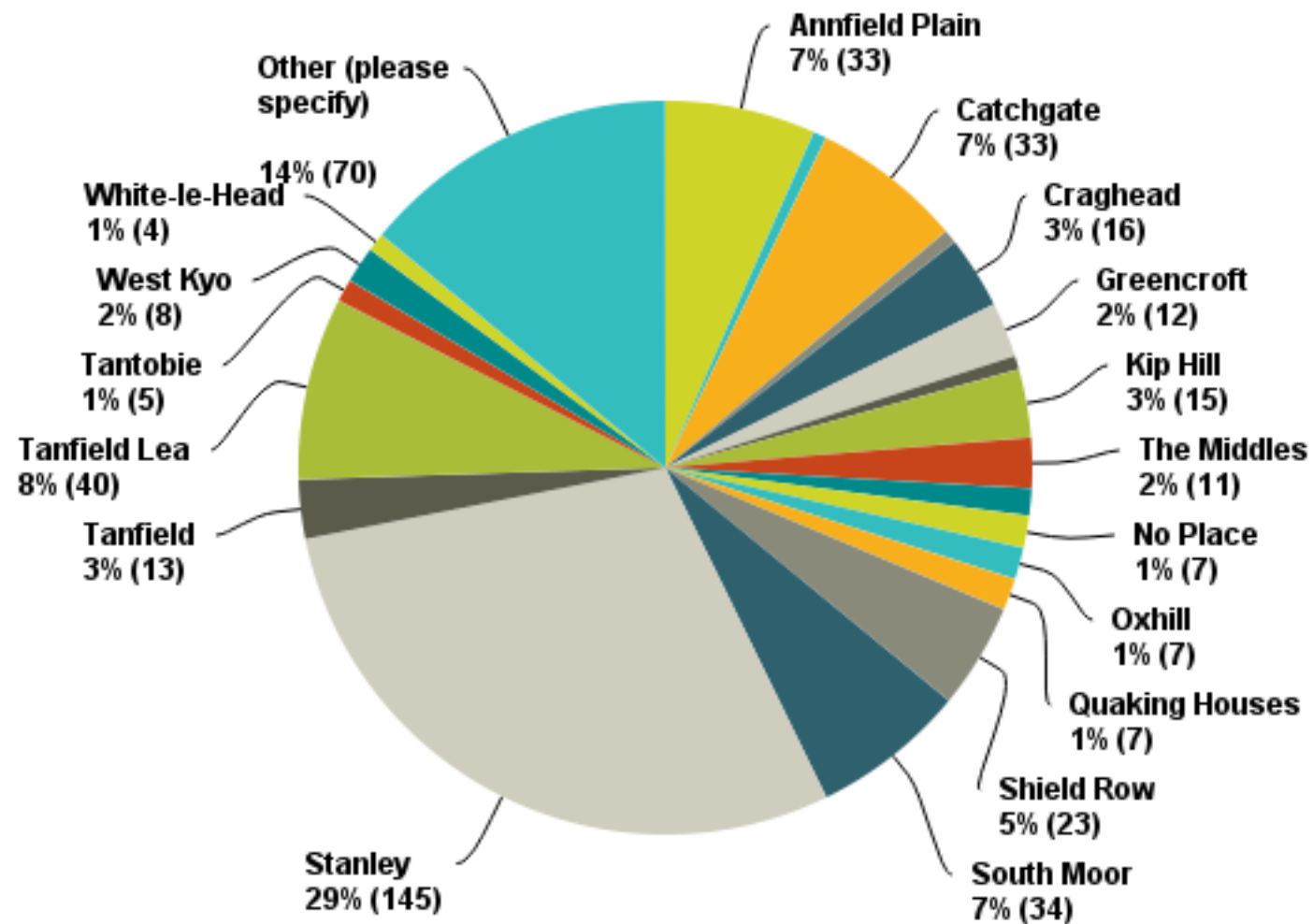
Answered: 490 Skipped: 8



Stanley
Town
Council

Q5 Which part of the Stanley Town Council Area do you live in?

Answered: 498 Skipped: 0



Stanley
Town
Council

Q6

We asked:

Tell us 3 things about your
area that you like

Bus Estate Open spaces Good neighbours School Easy access House Walks
Community Friendly neighbours **Quiet** Town **Countryside**
Rural **Park** Street Centre Fields Friendly people Facilities Nice Village
Shops Places Local

‘Park’ was the most used word at 77 (6%)
‘Quiet’ the second at 69 mentions

Q7

How could they be improved?

Cut Cycle Track South Stanley Better Transport Investment Young
People Stop Public Transport Tidy Louisa Centre Road Money
Shops Community Centre Park Children's Play Improved
Activities Litter Cleaner Front Street Local Councillors Place
Countryside Bus Service Poo Bins Street Lighting Council

'Park' was the most used, 61 times (16.14%)
“make the park better”, “more parks”, “park needs updating and
tidying up”

Q8

Tell us three things about your area that you do not like

Poo Waste Traffic Pub Place Anti ASB Town Centre Flooding Roads

Kids Stanley Fly Tipping **Litter** Investment **Street**

Footpaths **Shops** Derelict Buildings Parking Rented Houses

Empty Buildings Fouling Young Mess Run Down Buildings

Rubbish Bus Lights

Most used word 'Street' | 38 mentions (10.5) mostly in relation to
Front Street

Q9

What do you think could be done to improve these?

Kids Old Bus Properties Stricter Monitoring Litter Fly Tippers Police Young

Road Signs **Shops** Waste **Stanley** Rid **Street** ASB

Parking Community Events **Investment** Shield Row Council

Catchgate School **Clean** Better Enforcement **Wardens** Youth Groups

Town Centre Bus Service

‘Street’ was the most used word with 66 mentions (14.7%)
again in relation to improvements on Front Street

Q10

What Leisure facilities do you and/or your family use in the Stanley area?

Expensive Public Facilities Kingdom Leisure Centre Village Hall
Community Centre NDA Gym Pubs **Swimming**
Cycle Track Bowls Civic Hall Bowls **Civic Hall Louisa Centre**
Walks Asda Annfield Plain Centre Sports Centre Stanley Baths
Football Shops

‘Louisa Centre’ most mentioned along with swimming pool, gym,
leisure centre

How could these facilities be improved?

Civic Hall Transport Kids Gym Membership Prices Money Pool
 Opening Hours Improved Investment Louisa Centre Bring **Park**
 Club **Facilities** Baths **Children** Community Centre
 Swimming Activities Residents Events Footpaths Cheaper Cost

‘Facilities’ most mentioned word 31 times (9.3%)

‘Park’ second 22 times (6.6%)

“parks need attention” “toilets in park”

Q12

What Council services in the Stanley area do you currently use?

Roads Alun Armstrong Theatre Surestart Annfield Plain Lighting

Recycling Transport **Tip** Swimming Baths **Library** Bags

Collection Think **Centre** Derwentside Homes

Services Morrison Busty Civic Hall School Stanley Refuge Waste
Disposal Durham County Council Household

‘Collection’ most mentioned 43 times (11.4%)

How could these services be improved?

Pay Variety Town Happy **Advertised** Funding Stanley Activities
Rubbish Residents **Collection** Green **Roads** Accessible
Services Queues **Centre** Fly Tipping Council Attract
Open Longer Cinema Think Properly **Staff** Civic Hall Bus Grit
Funding Cinema Happy Properly Variety Civic Hall

‘services’ most used word 19 (7.7%) followed by ‘road’
12 (4.9%) most road references about repair/maintenance

Q14

What services would you like to be provided in the Stanley area that are not currently?

Council garden Waste Roads Aldi Family Rubbish Kids Wardens
Children Entertainment **Park** Paths **Stanley** Youth Clubs
Shops Think **Services** Retail **Street** School Cinema
Mentioned Restaurants Child Community Business Support
Activities Citizens Advice

‘Shops’ most mentioned 42 responses(13.8%)
‘Park’ 25 mentions (8.2%)

Q15

The Town Council currently funds or directly provides a number of events for residents. What sort of events should be organised for residents in Stanley?

Older People Brass Bands Young Support Think Charity **Fun Days**

Sort **Children** Big **Family** Clubs **Stanley** Residents

Fireworks Farmers Markets **Music Festival** Concerts

Community Coffee Morning Silver Surfers **Summer Outdoor**
Events Needs Sports Events Kids Job Fairs Front Street

'Fireworks' most mentioned 37 times (11.5%)

Q16

What sort of development would you like to see in the Stanley area?
Please talk about any kind of development you think is needed, e.g.
housing, infrastructure, transport, commercial, leisure, recreational

Small Shops Green Spaces Catchgate Smaller Independent Family Trees Better
Transport Travel to Consett **Leisure** Cost **Commercial** South Moor

Housing Retail Outlets **Stanley** Police Station **Front**
Street Prices **Recreational** Young Children Town Centre Bus
Services Cinema Complex High Street Pubs Cafes McDonalds Young
People

‘Housing’ most mentioned 82 (18.8%)
followed by ‘Front Street’ 62 times (14.2%)

Q17

How can the Town Council and other services in the Town communicate effectively with residents? What kind of information would you like to see provided and through what means?

STC Open Forum Meetings Surveys Transparent News Letters
Expensive Town Council County Durham Leaflets Plans
Social Media Mail Newsletter Bus Stanley Listen
E-Mail Problems Facebook Updates on Progress Door Postal
Community Waste Think Local Businesses Flyers Live

‘Newsletter’ 52 times (14.3%) and E-mail 51 (14%) out in front

Questions/ Discussions



Stanley
Town
Council



STANLEY TOWN COUNCIL



Stanley Arms

Prepared for Ordinary Council 23rd March 2016

Prepared by: Alan Shaw, Town Clerk

15th March 2016

BACKGROUND

At the Ordinary Council meeting held on 26th January 2016, it was **RESOLVED** that the Town Clerk should liaise with Durham County Council to attempt to facilitate the coat of arms granted to the former Stanley Urban District to be adopted by Stanley Town Council. (*Minute #501 of 2015/16 refers*).

TRANSFER OF ARMS

The arms can only legally be transferred through the College of Arms, who grant the arms on behalf of the Crown. Durham County Council do not have the authority to give licence to use them as I had originally believed, although they can either choose to either oppose or support an application by the Town Council to use them.

In order for us to use them officially it would be necessary to petition for a Royal Licence.

The procedure is that the Herald of the College of Arms would draft on the Council's behalf a formal petition for submission to Her Majesty. This will need to include details of the following (where applicable):

- When Stanley UDC ceased to exist.
- The precise date of the order of the Secretary of State constituting Stanley as a parish.
- The date of the District Council's order establishing the parish council.
- The date of the council's meeting at which the resolution to become a Town was passed.

They would also need either a letter from the superior council, i.e Durham County Council giving their approval of the transfer, and/ or a letter from the Lord Lieutenant or High Sheriff of the County stating that Stanley Town Council can be seen to be the natural successor to Stanley Urban District Council and that the proposed transfer would be fair and equitable.

Her Majesty would then issue a Warrant addressed to the Earl Marshal, who has responsibility for matters of this nature. He would then issue a Warrant to the Kings of Arms, the senior officials

STANLEY TOWN COUNCIL

at the College of Arms, instructing them to officially recognise the right of the Town Council to bear the Arms. The Kings of Arms would then issue either Letters Patent (a large formal document on vellum with hand-painted illumination of the Arms, and wax seals attached), or a Certificate (a simple paper certificate), exemplifying the Arms to the Town Council.

The official fees for this procedure are as follows: If the transfer by Royal Licence is to be exemplified by Letters Patent of the Kings of Arms, a magnificent illuminated document is prepared by hand. The fee for this process stands at £12,100, with a further £50 or so for the entry in the London Gazette.

If the transfer is to be exemplified by Certificate, which is quite satisfactory for most purposes but less spectacular, the fees are reduced to **£3,300**, with the **£50** London Gazette fee on top.

The Town Clerk has written to both Durham County Council and the Lord Lieutenant of County Durham in respect of the transfer. I have had an exchange by email with an officer from Durham County Council's Legal Services team. In the last message received on 9th March, they stated that they were looking into who had the authority to make a decision about our request.

I am more hopeful that the Lord Lieutenant will be able to provide a supportive response. However, assuming we receive one or both of the endorsements the Herald has stated are required, the Herald notified me that the process beyond acceptance of the petition and payment of the fee is a formality, so we could begin officially using the arms as the Town Council's emblem.

DECISION REQUIRED

If the relevant letter(s) are obtained, it will be possible to secure the transfer of the arms to Stanley Town Council. There will however, be a fee of **£3,350**. If the arms were transferred they would belong to STC for as long as the Council exists as a body corporate.

Council is requested to **CONSIDER** this matter and **DECIDE** what to do.

STANLEY TOWN COUNCIL

STANLEY TOWN COUNCIL



Internal Control

Prepared for Ordinary Council 23rd March 2016

Prepared by: Derek Shingleton, Finance Manager

15th March 2016

1. INTRODUCTION

- 1.1 The Accounts and Audit Regulations 2015 require the Council to ensure that it has a sound system of internal control which-
- a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;
 - b) ensures that the financial and operational management of the Council is effective; and
 - c) includes effective arrangements for the management of risk.
- 1.2 The 2015 Regulations also require the Council each year to:
- a) conduct a review of the effectiveness of the system of internal control referred to above; and
 - b) prepare an annual governance statement.
- 1.3 Following the review the Council must-
- a) consider the findings of the review by members of the Council meeting as a whole; and
 - b) approve the annual governance statement by resolution of members of the Council meeting as a whole prior to the approval of the statement of accounts.
- 1.4 The 2015 Regulations also require the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, and control and governance processes. Although the Regulations do not require a “smaller relevant body” to undertake an annual review of internal audit arrangements, I consider that this would be a useful part of the review of internal control and have included such a review below.
- 1.5 A review for the year 2015-2016 has now been undertaken and details are provided below.
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STANLEY TOWN COUNCIL**2. INTERNAL AUDIT**

- 2.1 An annual review of the effectiveness of the system of internal audit is beneficial as part of continually improving governance and accountability. The review is designed to provide sufficient assurance for the Council that standards are being met and that the work of internal audit is effective.

Current Arrangements

- 2.2 The Council's current Internal Auditor is Mr Gordon Fletcher, who was formerly Head of Internal Audit at Easington District Council, up to its abolition in 2009, and currently provides the internal audit service for several local town and parish councils, including Ferryhill, Peterlee, Yarm and Seaham. Mr Fletcher carries out his audits in accordance with a three- year audit plan which ensures that all systems within the Council are examined, based on high, medium and low risks to the Council. Mr Fletcher has been with the Council since July 2014.

Review

- 2.3 Guidance recommends that the review of internal audit covers five categories and these are addressed below.
- 2.4 **Scope of Internal Audit** – Mr Fletcher's audit plan is prepared based on an examination of the Council's budget document and guidance on the level of risk that each of the Council's activities represents. No areas of the Council's activities are excluded from the audit plan. The Plan provides for 7 days' audit work, made up of 6.25 days on specific audits and audit follow-ups, and 0.75 days for administrative work. Mr Fletcher presented his Plan for the year 2015/2016 to the meeting of the Finance and General Purposes Committee on 16 June 2015. During the year so far seven audits have been undertaken on payroll, accounts payable, budgetary control, main accounting, events & activities, bar income and MIFs. All recommendations arising from the audits are discussed with the relevant officer and the Town Clerk, and all reports have been submitted for consideration by the Finance and General Purposes Committee. The Committee requires confirmation by follow-up audits that all agreed recommendations have been actioned.
- 2.5 **Independence** – Mr Fletcher is given access to all relevant personnel and to all reports, records and supporting documents. Reports are prepared in his name and there is no influence on any recommendations made. Mr Fletcher has a direct reporting line to the Finance and General Purposes Committee and he has no other role within the Council.
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STANLEY TOWN COUNCIL

- 2.6 **Competence** – Mr Fletcher is a qualified internal auditor and member of the Institute of Internal Auditors, with many years' experience in public sector auditing. There was no evidence of a failure to carry out internal audit work ethically, with integrity and objectivity.
- 2.7 **Relationships** – Mr Fletcher operates independently within the Council, with freedom to decide his audit priorities and no influence is exerted on the outcome of any audit. The respective responsibilities of officers and internal audit are defined in relation to internal control, risk management and fraud and corruption matters.
- 2.8 **Planning and Reporting** – as I have said, the audit plan takes account of all of the risks facing the Council. Mr Fletcher reported to the Finance and General Purposes Committee on 16 June 2015 and 9 March 2016.
- 2.9 The purpose of the review of internal audit is to assess effectiveness. I believe that Mr Fletcher provided an effective internal audit service to the Town Council in the year 2015-2016. Audits were undertaken on each of the high risk areas within income and expenditure, recommendations were made in each of the audits to improve arrangements and all of the reports were submitted to Members at the appropriate Committee.

3. INTERNAL CONTROL

- 3.1 Internal control is the range of policies, procedures and other arrangements designed to safeguard the assets of the Council, and to reduce the chances of losses through fraud, corruption and error. Internal audit is part of internal control, and this has been reviewed in Section 2 of this report. I will now address the remaining features of internal control.
- 3.2 The Town Council's Financial Regulations and Standing Orders were approved at the Annual General Meeting in May 2015. The approved Standing Orders are based on the Model issued by NALC. However, I believe that in addition there should be policies relating to Anti-Fraud and Corruption, Whistle-blowing, Treasury Management, Data Protection, Gifts & Hospitality and a range of others in the categories of Corporate, Finance, Consultation, Freedom of Information, Health & Safety, Members, Personnel and Services. Some of these Policies may already exist, but a review should be undertaken to ensure that appropriate policies are in place and are up to date.
- 3.3 Four of the internal audits undertaken resulted in a Full Assurance being given and three received Substantial Assurance. For the three without Full Assurance an Action Plan was provided detailing actions to be undertaken to improve internal control. These had been considered and agreed by Officers.
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- a) In relation to Payroll (substantial assurance), the action plan recommended that staff holiday cards should be approved by line managers before leave is taken, and that they should show leave entitlement from which days taken are deducted to show the current position;
- b) In relation to Budgetary Control (substantial assurance), the action plan recommended that a three-year medium term financial plan be prepared during the next budget process; and
- c) In relation to Bar Income Collection and Banking (substantial assurance) the action plan recommended that a pre-numbered order form is completed for every order, and where orders are placed over the phone the order number is given to the supplier.

- 3.4 I consider that internal control arrangements are adequate, bearing in mind the size of the Council and the limited capability for ensuring a division of duties.
- 3.5 An important feature of internal control is the principle of separation of duties. This means that no one officer should be involved in the full range of income duties (i.e. collection, banking and accounting) or expenditure duties (i.e. ordering goods and services, receiving them, checking invoices, paying invoices, bank reconciliation). Whilst this is more difficult in a small organisation, such as a Town Council, we are able to ensure that the key elements of these duties are separated.

4. RISK MANAGEMENT

- 4.1 Another element of internal control is risk management. Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements. A risk assessment review should be undertaken at least annually and this is the review for the year 2015/2016.
 - 4.2 I have prepared a schedule of risks, which is based on advice provided by the Council's external auditors BDO, and this is attached as **ATTACHMENT L**.
 - 4.3 I have reviewed the risks in seven categories – management, finance, assets, liability, employees, members and services. Column 1 of the Appendix allocates a unique reference to each risk. Column 2 identifies the subject. Column 3 gives a brief indication of the risk areas. Columns 4 and 5 identify whether the risk is classified as low, medium or high in terms of likelihood (column 4) and impact (5). Column 6 identifies how the risk is currently managed or controlled. Column 7 suggests where further improvements may be required to reduce either the likelihood of the risk happening and/or the consequences for the Council if it does. Column 8 identifies the officer
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responsible and column 9 suggests a deadline for any actions to be taken. I refer below to Risk which may need particular attention.

Management

- 4.4 **M1, M2, M3, M4 – Business Continuity** – in the event of a major incident at the Civic Hall, consideration needs to be given to the availability of and relocation to other premises in order to ensure business continuity. In terms of records, it may be that manual documents are damaged or destroyed and consideration needs to be given to how essential records may be preserved. New IT arrangements are now in place which ensure that computer records are adequately backed up.
- 4.5 **M5 – Freedom of Information Act Requests** – a review of the Council's Publication Scheme and procedures is probably due.
- 4.6 **M6 – Rights of Electors** – with the recent changes in the procedures for external audit of the Council, I consider that written procedures would be beneficial and I aim to complete these by the end of May.

Finance

- 4.7 **All Risks (F1 to F17)** - the issues regarding Finance related risks have been addressed on the basis of the current circumstances. As Finance Manager, with my experience in finance matters at local councils, Members can be assured that all processes, procedures and actions in relation to major financial requirements such as budget setting, final accounts, payment of creditors, monitoring budgets etc will be properly addressed. However, if this was to change, any future staffing structure must address the need to have adequate financial qualifications and experience in place, irrespective of the Town Clerk being the Responsible Financial Officer, to ensure Members can continue to rely on financial matters being properly addressed.
 - 4.8 **F1 – Precept** – the setting of the Precept would benefit from written procedures covering the whole budget setting process, and I aim to complete this by 31 July (i.e. prior to the budget setting for the year 2017/2018).
 - 4.9 **F3 – Insurance** – the Council has been with Zurich Insurance since it was set up in 2009. It may be time to consider testing the market at some point, although the total premium is currently less than £5,000 and savings may be limited.
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- 4.10 **F4, F5 – Banking, Cash** – properly documented systems and procedures for the collection, banking and accounting for cash have been drafted and these will be completed and implemented by 31 May.
- 4.11 **F9, F13 – VAT, Creditors** – an increasing number of goods and services are ordered online and there is scope for improving the way in which invoices are obtained and VAT is accounted for. I aim to have this reviewed by 31 May. In relation to the payment of invoices we hope to be in a position to be able to pay invoices by bank transfer and written procedures will be required.
- 4.12 **F11 - Grants** – time needs to be found by the Finance Manager to investigate whether the Council can benefit from grant funding e.g. Awards for All and the Big Lottery.
- 4.13 **F12 – Investments** – a policy on investments is required and I aim to have one prepared by 30 September.
- 4.14 **F11 - Grants** – time needs to be found by the Finance Manager to investigate whether the Council can benefit from grant funding e.g. Awards for All and the Big Lottery.
- 4.15 **F14, F15 Reserves, Resources** – a more positive approach to Reserves needs to be taken to ensure that the level is managed. Consideration must be given to the development of a medium term financial plan, as recommended by the Internal Auditor, not least to accommodate the possibility that DCC grant funding may be withdrawn at some stage in the future.
- 4.16 **F16 – Charges** – it is good practice to review charges annually as part of the budget process. This is not currently being done, and I propose to rectify this from the next budget setting round.
- 4.17 **F17 – Borrowing** – I believe that a policy for borrowing, alongside one for investments referred to above, and a written procedure document are required.

Assets

- 4.18 **A1 – Buildings** – as part of the Council's insurance arrangements with Zurich we must have our assets properly valued to make to ensure that the insurance cover is adequate. Any undervalued properties would lead to a reduced settlement figure in the event of a claim if they are undervalued. This will be addressed as part of this year's renewals process.
 - 4.19 **A3 – Health and Safety** – there are ongoing issues of security at the Civic Hall. Access is relatively unrestricted and options to address this need to be considered.
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Employees

- 4.20 **All Risks (E1 to E4)** – although a revised staffing structure is in place, with just one vacant post, there is a continuing risk relating to the impact of the loss of key employees, and the retention and motivation of staff.

5. ANNUAL GOVERNANCE STATEMENT

- 5.1 The Accounts and Audit Regulations 2015 require Councils to prepare annually a governance statement, and have this approved by a meeting of the Full Council prior to the approval of the Statement of Accounts. Guidance is currently being completed on the format of such a statement and I will report to Members as soon as this is available.

6. CONCLUSION

- 6.1 Having adequate systems of internal control in place and undertaking a review at least annually are statutory requirements on Councils. Systems include appropriate policies and procedures, internal audit and risk management. The aim of effective internal control is to reduce the potential risk of loss through error, fraud and corruption.
- 6.2 Managing risks effectively offers a number of benefits to the Council. It is not just about insurance or health and safety. Studies have shown that insurable risks account for only around 25% of an organisation's total risk profile. Effective risk management provides a means of improving strategic, operational and financial management. It can help to maximise opportunities and minimise loss events which might result in financial losses, service disruption, bad publicity, threats to public health and safety or claims for compensation.
- 6.3 In my view, the best way to identify risks is to involve everyone – staff and members – in thinking about what they do on a day to day basis and where the risks to the Council might lie. Time and limited staff resources have prevented this from being done up to now, but before this exercise is done next year I would like to think more people were involved in preparing the risk register.
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Ref (1)	Subject (2)	Risk(s) Identified (3)	H/M/L		Management/Control of Risk (6)	Review/Assess/Revise (7)	Officer Responsible (8)	Deadline (9)
			Likelihood (4)	Impact (5)				
	MANAGEMENT							
M1	Business Continuity	Council is not able to continue its business due to an unexpected event eg fire, storm etc	L	H	In the event of the Civic Hall being unavailable, it would be possible to re-locate to other buildings within the Town.	1. Consideration needs to be given to the availability of essential records and computer facilities in the event of damage to the Civic Hall. 2. Consideration needs to be given to the availability of other premises.	Town Clerk	30-Jun-16
M2	Location of Meetings	The Civic Hall is not always available	M	M	Meetings are held in the Civic Hall	Ensure that the agreed schedule of meetings is entered into the diary at the Civic Hall	Town Clerk	31-May-16
M3	Council Records	Loss through theft, fire or other damage.	M	M	Key documents do not appear to be stored and secured effectively.	A review of the effectiveness of storage for manual records is required.	Town Clerk	30-Jun-16
M4	Council Records (Electronic)	Loss through corruption, fire or other damage	M	M	Payroll records are maintained at Durham County Council. Improvements to IT systems have ensured that documents are adequately backed up.	Existing procedures are considered adequate	Town Clerk	Ongoing
M5	Freedom of Information Act	Failure to comply with the requirements of the legislation	L	M	The Council has a model publication scheme for Local Councils in place. The Town Clerk is aware that if a request for information is received it needs to be addressed within prescribed time limits.	Review publication scheme and procedure for dealing with FOI Act requests	Town Clerk	Ongoing
M6	Rights of Electors	The Council fails to meet the rights of electors in terms of inspection of the accounts, access to information and meetings etc	L	M	There have been recent changes to the external audit of the Town Council's accounts. The Council and appropriate staff are aware of these. The requirements of the public right to inspect the annual accounts are diarised and will be properly advertised.	Written procedures would be beneficial	Finance Manager	31-May-16

Ref (1)	Subject (2)	Risk(s) Identified (3)	H/M/L		Management/Control of Risk (6)	Review/Assess/Revise (7)	Officer Responsible (8)	Deadline (9)
			Likelihood (4)	Impact (5)				
	FINANCE							
F1	Precept	The Precept is inadequate The Precept request form is not submitted on time The Precept is not received	L	H	The current Finance Manager, who is a qualified CIPFA accountant with 12 years experience in Town Council finance, will ensure that 1. Sound budgeting arrangements are in place. 2. Budget is monitored regularly during the year. 3. Financial regulations are adhered to in relation to the first draft budget being reported to members in December. 4. Date for submission of Precept form is diarised. 5. Bank account is monitored for receipt of Precept.	Current procedures are adequate. Written procedures would be beneficial	Town Clerk	Finance Manager to develop written procedures by 31 July 2016
F2	Financial Management	Inadequate financial management leads to overspending	M	M	The Finance Manager ensures that 1. costs and income are monitored at least monthly against the budget. 2. Members receive a report monthly 3. Staff are involved in budget setting.	Existing procedures are considered adequate	Finance Manager	Ongoing
F3	Insurance	Cover is inadequate, expensive and/or incomplete	L	M	The Finance Manager monitors insurance arrangements annually.	Consideration may need to be given to testing the market for Insurance arrangements	Town Clerk	31-May-16
F4	Banking	Income is not banked promptly and completely	M	M	Income from the Civic Hall is collected and banked weekly	Draft written procedures have been prepared for the whole range of processes involved in recording bookings and collecting, accounting and banking income. These need to be finalised and implemented.	Finance Manager	31-May-16
F5	Cash	Cash is lost through error, theft or other dishonesty	L	L	Income from the Civic Hall is collected and banked weekly. Processes are subject to internal audit review.	Draft written procedures have been prepared for the whole range of processes involved in recording bookings and collecting, accounting and banking income. These need to be finalised and implemented.	Finance Manager	31-May-16
F6	Financial Records	Financial records are inadequate	L	L	Proper financial records are kept. Internal audit reviews records regularly.	Existing procedures are considered adequate	Town Clerk	None
F7	Financial Controls	Financial controls are incomplete and/or not complied with	M	H	Financial Regulations are in place and are reviewed every two years, or as required. The Finance Manager maintains a review of financial controls.	Existing procedures are considered adequate	Town Clerk	Ongoing

Ref (1)	Subject (2)	Risk(s) Identified (3)	H/M/L		Management/Control of Risk (6)	Review/Assess/Revise (7)	Officer Responsible (8)	Deadline (9)
			Likelihood (4)	Impact (5)				
F8	Election Costs	Inadequate budget provision exists for by-election costs	L	L	No budget provision is made for the costs of by-elections. Any costs actually incurred are funded through savings or reserves.	Existing procedures are considered adequate	Town Clerk	Ongoing
F9	VAT	Incomplete records exist for the completion of VAT returns VAT returns not completed on time	L	L	The Finance Manager ensures that VAT Returns are submitted on time. The Omega financial software provides all necessary information for the completion of quarterly VAT Returns. Deadline dates are diarised.	Procedures need to be improved in relation to goods/services ordered on the internet eg via Amazon, eBay, to ensure VAT is properly accounted for.	Finance Manager	31-May-16
F10	Annual Return	The Return is not submitted within time limits	L	L	The Responsible Financial Officer agrees the date for the external audit, and diarises the events which are required to complete the year end accounts process. The Finance Manager is familiar with appropriate deadlines for completing and submitting the Return.	Existing procedures are considered adequate	Finance Manager	Ongoing
F11	Grants	Grant opportunities are missed	H	M	The duties of the Finance Manager include researching grant opportunities, and applying for them where appropriate.	The Finance Manager is required to investigate grant funding opportunities on a regular basis	Finance Manager	Ongoing
F12	Investments	Surplus funds are not identified and invested appropriately to secure maximum interest while maintaining security of investment	L	M	The Finance Manager monitors bank balances on a weekly basis. Surplus cash is transferred to a Saver account where interest rates are higher.	1. A policy on Investments is required, which should be reviewed annually. 2. The Finance Manager should investigate opportunities for increasing investment income while maintaining security of funds.	Finance Manager	30-Sep-16
F13	Creditors	Procedures for the payment of creditor invoices are inadequate, leading to errors in payment, incorrect VAT accounting etc.	L	L	The Finance Manager pays invoices on a weekly basis by cheque. Limited liabilities are paid by Direct Debit. Members approve schedule of payments monthly.	1. Arrangements are to be introduced to pay invoices by bank transfer. 2. Written procedures would be desirable. 3. Improved procedures are required for the payment for goods ordered on the internet eg via Amazon, eBay.	Finance Manager	31-May-16
F14	Reserves	The level of reserves is either inadequate or excessive	M	M	Reserves have dropped significantly over the past few years from around £1.5 million to just over £0.4 million unallocated at the end of March 2015. Another £125,000 is committed.	Reserves need to be considered as part of the budget process.	Finance Manager	Annually
F15	Resources	The Council now depends on decisions made by DCC for a substantial part of its resources and is therefore subject to the loss of revenues with a negative impact on services or council tax levels.	M	H	Reserves are inadequate to cope with any significant loss in grant from DCC	1. Financial (and service) planning for more than one year ahead is essential. 2. A detailed look at the budget is required to identify possible areas of further savings.	Town Clerk, Members	April to September 2016

Ref (1)	Subject (2)	Risk(s) Identified (3)	H/M/L		Management/Control of Risk (6)	Review/Assess/Revise (7)	Officer Responsible (8)	Deadline (9)
			Likelihood (4)	Impact (5)				
F16	Charges	Income is lost through the failure to review charges regularly.	M	M	The only charges the Council has in place are in relation to use of the Civic Hall. These are not formally reviewed on a regular basis. There is no clear approach to concessionary use of the Civic Hall	Charges should be considered by Members as part of the budget process each year. This should include specific guidance on concessionary use of the Hall.	Civic Hall Manager	Budget preparation 2017/2018
F17	Borrowing	Borrowing level is not approved by Full Council, proper procedures are not followed, inadequate budget provision is made to repay the loan.	L	H	The Finance Manager is aware of the procedure for gaining borrowing approval, and for the borrowing of PWLB money. Budget provision is made for the repayments which are made by direct debit half yearly.	Written procedures would be beneficial	Finance Manager	30-Jun-16
ASSETS								
A1	Buildings	Damage to Council building through fire, storm or other incident	L	H	Insurance cover is in place to cover all risks to Council buildings, and alarms are in place and maintained.	1. A review of asset values is required to ensure we are not under-insured. 2. An updated Asset Register/Inventory is required	Finance Manager	Ongoing
A2	Maintenance	The value and condition and therefore operational use of Council properties are adversely affected by inadequate maintenance	M	M	Budgetary provision is included for the repair and maintenance of Council property.	Regular monitoring is required	Civic Hall Manager	Ongoing inspections required
A3	Health and Safety	Council buildings pose a threat to the health and safety of users and council employees	M	M	Regular electrical testing takes place on all appliances. The need to have buildings open to the public restricts the ability to make them fully secure. DCC have been engaged to advise on H&S issues.	A review of security arrangements at Council buildings is required. Staffing arrangements at the Civic Hall must be adequate and staff properly trained.	Town Clerk	Ongoing inspections required

Ref (1)	Subject (2)	Risk(s) Identified (3)	H/M/L		Management/Control of Risk (6)	Review/Assess/Revise (7)	Officer Responsible (8)	Deadline (9)	
			Likelihood (4)	Impact (5)					
	LIABILITY								
L1	Legal Powers	The Council undertakes illegal activities or makes illegal payments. Working parties/groups take decisions.	L	L	H M	All activities and payments made are within the powers of the Town Council, and are approved by Members. Working Parties have clear terms of reference.	Regular monitoring is required	Town Clerk	Ongoing
L2	Minutes/Agendas/ Statutory Documents	Minutes and agendas are not accurate and are not produced in accordance with statutory requirements.	L		M	Minutes and agendas are produced in the prescribed method and comply with legal requirements. Minutes are approved at the following meeting and are signed by the Chair of that meeting. Minutes re numbered consecutively. Minutes and agendas are displayed in accordance with legal requirements. Business conducted at Council meetings is managed by the Chair and in accordance with laid down procedures in Standing Orders, and with the assistance of the Town Clerk.	Existing procedures are considered adequate	Town Clerk	Ongoing
L3	Public Liability	The activities of the Council pose a risk to third parties ie play equipment, headstones, potholes etc	L		H	Adequate insurance is in place. The Council has few assets which may pose this kind of risk.	Existing procedures are considered adequate	Town Clerk/Civic Hall Manager	Ongoing
L4	Employer Liability	The Council does not comply with employment law	L		L	Support from Durham County Council HR Department is available to provide professional advice on employee related matters.	Further training may be required	Town Clerk	Ongoing
L5	Legal Liability	The Council undertakes activities for which it has no legal power, or fails to comply with legislation such as Data Protection, Freedom of Information etc. Failure to have in place proper document control.	L		L	The Town Clerk clarifies the legal position on any policy or other proposals and seeks advice from an appropriate source where necessary. Access to guidance regarding legislation is available from the likes of NALC. SLCC etc.	Existing procedures are considered adequate	Town Clerk	Ongoing

Ref (1)	Subject (2)	Risk(s) Identified (3)	H/M/L		Management/Control of Risk (6)	Review/Assess/Revise (7)	Officer Responsible (8)	Deadline (9)
			Likelihood (4)	Impact (5)				
	EMPLOYEES							
E1	Town Clerk and other key staff	Loss of the Town Clerk and/or key staff	M	H	Existing staff or outside agency staff to cover vacant period	The Council has a duty to ensure proper consideration is given to the welfare of staff including hours worked, health generally and stress in particular, training needs, sickness trends, appraisals and performance.	Town Clerk, Members	Ongoing
E2	Salaries	Staff are paid incorrectly; incorrect deductions are made; dummy employees are created; requirements of HMRC are not complied with	L	L	The Finance Manager notifies Durham County Council of monthly staff casual hours worked. Durham County Council ensures all procedures are properly followed, correct payments are made, and relevant information is provided.	1. The Finance Manager should copy the Civic Hall Manager into the email to DCC re casual hours worked. 2. The Council should approve the payment of increments each year.	Finance Manager	w.e.f. April 2016
E3	Retention of Staff	The Council is finding it difficult to retain staff	L	H	With the small team of staff, the loss of any single officer has a significant impact.	The Council has a duty to ensure proper consideration is given to the welfare of staff including hours worked, health generally and stress in particular, training needs, sickness trends, appraisals and performance.	Town Clerk	Ongoing
E4	Motivation of Staff	Staff morale is low	M	M	Terms and conditions for staff comply with national agreements. The staffing structure has been reviewed and implemented relatively recently, although there is one vacant post.	Consideration needs to be given to the introduction of staff appraisals.	Town Clerk	30-Jun-16
	MEMBERS							
C1	Members Interests	Conflicts of interest Failure to register interests	L	L	Agendas for all meetings have an item for the declaration of interests by Members.	Existing procedures are considered adequate	Town Clerk, Members	Ongoing
C2	Gifts and Hospitality	Failure to register the receipt of gifts and/or hospitality	L	L	A Gifts and Hospitality Policy and a Code of Conduct are in place which are reviewed regularly. All Members have copies.	Existing procedures are considered adequate	Town Clerk, Members	None
C3	Political Conflict	Inertia due to political conflict due to events including and following the May 2013 elections, and the next elections due in May 2017	M	H	Members have signed the agreed Code of Practice	Existing procedures are considered adequate	Town Clerk, Members	Ongoing
C4	Member Allowances	Allowances are paid incorrectly; incorrect tax deductions are made.	L	H	Members do not claim any allowances	Not applicable	Town Clerk, Members	Ongoing

Ref (1)	Subject (2)	Risk(s) Identified (3)	H/M/L		Management/Control of Risk (6)	Review/Assess/Revise (7)	Officer Responsible (8)	Deadline (9)
			Likelihood (4)	Impact (5)				
	SERVICES							
S1	Grants, including MIFs	No power to pay grants, no authority to pay grants, wrong amount is paid, wrong payee, conditions if any are not agreed and complied with	L	L	MIFs are paid up to the budget agreed by the Council. Policy on MIFs is in place. All MIF forms are signed by the relevant Members. Records are maintained by the PA. Specific approval is given by members for grants other than MIFs.	Existing procedures are considered adequate		Ongoing
S2	Contracts	Contracts for the supply of services by third parties are not properly prepared, are unsigned, not monitored, leading to disputes and losses.	M	H	The Town Clerk ensures that the work covered by the contract is properly specified, and the contract is drawn up in accordance with proper practices.	Existing procedures are considered adequate	Town Clerk	Ongoing

STANLEY TOWN COUNCIL



National Living Wage

Prepared for Ordinary Council 23rd March 2016

Prepared by: Derek Shingleton, Finance Manager

15th March 2016

BACKGROUND

1. The Chancellor of the Exchequer announced in July 2015 the Government's decision to introduce a National Living Wage with effect from 1 April 2016. From that date employers will be required to apply both the National Minimum Wage and National Living Wage to relevant employees. The intention is to phase in the National Living Wage between 2016 and 2020.

NATIONAL MINIMUM WAGE

2. The National Minimum Wage (NMW) was introduced in April 1999. It is the minimum hourly rate of pay that workers are entitled to by law. Most workers over school leaving age are entitled to receive the NMW, but the rate varies depending on the worker's age. Rates are reviewed annually by the Low Pay Commission and revisions are applicable from October each year.
 3. The current rates, from 1 October 2015, are:

£6.70 for workers 21 and over;

£5.30 for workers aged 18 to 20;

£3.87 for workers who are aged 16 to 17, who are above school leaving age but below 18; and

£3.30 for apprentices under 19, or 19 or over who are in the first year of apprenticeship.
 4. Those not entitled to the Minimum Wage are the self-employed, volunteers or voluntary workers, company directors and certain family members or people who live in the family home of the employer who undertake household tasks.
 5. It is unlawful to pay below the appropriate rate. Stanley Town Council currently pays casual workers at the Minimum Wage rate.
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STANLEY TOWN COUNCIL
NATIONAL LIVING WAGE

6. The National Living Wage is an additional rate to the National Minimum Wage but applies only to workers aged 25 and over. So, from 1 April 2016 the National Minimum Wage will apply to workers up to and including the age of 24 and the National Living Wage will apply to those aged 25 and above. It covers all employees, most agency workers, casual staff and apprentices who are 25 and over. The minimum rate for all qualifying wage periods beginning on 1 April 2016 will be £7.20 per hour, and the Government is hoping this will increase to £9 per hour by the year 2020.
7. It is a legal requirement to pay this rate, with the penalty for non-payment being 200% of the amount of underpayment.
8. For information, Durham County Council introduced their own Living Wage of £7.43 per hour with effect from 1 January 2015 by removing points 5 to 9 from the national pay scales. No member of staff employed by Durham County Council is paid less than £14,338 per annum.
9. At present all full time and part time staff at Stanley Town Council, with the exception of two part time cleaning staff, are paid more than £7.20 per hour. Based on the year 2015/2016 to date, 14 of the 26 casual staff used so far are over 25 years of age and would have been entitled to the National Living Wage had it been in force in the current financial year.
10. The National Minimum Wage increased with effect from 1 October 2015, so the Council's casual staff were paid at two different rates for six months of the year. It has been announced that the rate will increase from £6.70 to £6.95 per hour from 1 October 2016. In order to illustrate the impact of applying the National Living Wage I have assumed the same number of hours will be worked by the same number of casual staff over the age of 25 in the year 2016/2017.

Cost of Casual Staff:

April to September – 458.5 hours at £6.70 per hour	£3,072
October to March – 720.25 hours at £6.95 per hour	£5,006
	<hr/>
Total Cost	£8,078
Total hours (1178.75) at £7.20 per hour	£8,487

11. The impact of introducing the National Living Wage, based on the current year's situation, would be an additional cost of £409. In addition, the cost of the cleaning staff would have been £199 more.
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STANLEY TOWN COUNCIL

12. The impact of the National Living Wage is therefore estimated to be in the region of **£600**. This excludes the impact on employers' national insurance and superannuation costs.

CONCLUSION

Council must implement the National Living Wage of £7.20 for qualifying staff with effect from 1 April 2016.

STANLEY TOWN COUNCIL



Groundworks Contract

Prepared for Ordinary Council 23rd March 2016

Prepared by: Alan Shaw, Town Clerk

15th March 2016

BACKGROUND

1. The Town Council has had a Service Level Agreement in place with Groundworks North East since 2011. The SLA was originally negotiated by the former Deputy Town Clerk, Robin Tunstall. It has been renewed on more or less the same terms annually since that time.
 2. The Town Clerk has been reviewing the arrangement with Groundworks in light of the Council's decision to commit additional resources to enhancements (in the form of the 'entrances' proposal) in this year's budget setting exercise.
 3. There are a number of issues with the existing SLA:
 - (i) The client and contractor arrangement has to a large extent broken down, due to failures on both sides. This had led to a situation where Groundworks staff are acting as though they are directly employed by STC but without close supervision.
 - (ii) Since the tripartite relationship with DCC was terminated last year, we do not have a detailed specification for the allocation and monitoring of tasks and the positive outcomes of the work the team undertake is not being capitalised on to promote the Town Council.
 - (ii) The original contract was not procured in accordance with the rules on public procurement in force at that time. It has been allowed to roll over on an annual basis and must be reviewed, properly specified and tendered in the open market in accordance with the Public Procurement Regulations 2015.
 4. There are a number of factors to consider in considering the specification for the contract. Council should consider both the current needs and the possibility of future changes in service provision. As Members are aware, there is a possibility that the Town Council will have the opportunity to take on additional responsibilities, for example Parks and open spaces. If the Council were to take responsibility for these areas, this contract would be the means in the first instance to add amenity value to those areas.
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STANLEY TOWN COUNCIL**LEGAL IMPLICATIONS****5. Procurement Regulations 2015**

The threshold for a full procurement exercise under the Regulations is contracts which have a value of over £164,176. We have set aside a budget allocation of £138,000 for the forthcoming financial year, which is the value of the existing SLA with an additional allowance for the 'entrances' project which was agreed by Council during the budget setting process. If we were to procure an annual contract, it would fall under the 'light touch' rules, which would mean essentially we would advertise on the Government Contract Finder website and invite bids, in addition to inviting bids from our existing supplier and any other local suppliers to meet the requirements of our own financial regulations.

It is the opinion of the Clerk that procuring the contract on an annual basis would be administratively more burdensome than specifying a 3 year contract (with an option to extend for a further two) and carrying out a full procurement exercise. The value of the contract over 3 years would be in the region of £415,000, which is not an insubstantial sum and would be likely to attract bidders both locally and possibly wider.

6. Transfer of Undertakings (Protection of Employment) Regulations 2006

If the contract was to be won by an alternative provider, the current staff employed by Groundworks would be protected under the TUPE Regulations as they employed exclusively on this contract and would be transferred to any new provider.

PROPOSAL

7. Council *must act* to procure this contract in accordance with the applicable legislation. The Town Clerk has met with Groundworks and is proposing the following solution:
- (i) Council should authorise the Town Clerk to continue with the existing arrangement with Groundworks on a roll over basis whilst a specification is developed in consultation with Groundworks and Durham County Council.
 - (ii) The new specification should include the 'Gateways' project; an element of member tasking; some environmental enhancement tasking identified in consultation with DCC, the winter maintenance service, and will include some new proposals (based on the feedback from the surveys) looking at litter, dog fouling, unadopted paths/ alleys and floral displays, detail the skills and resources the provider must put into the contract and have the flexibility to be varied if circumstances change.
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STANLEY TOWN COUNCIL

- (iii) Draft specification to be presented to Council by May for approval and formal tender process begun.
- (iv) Final selection of successful bidder to be concluded by Council by September 2016 for award of contract.

January 2016

PROCUREMENT

Introduction

1. This LTN applies to local councils in England and Wales except for paragraphs 10 to 15 below which apply only to local councils in England.
2. In the context of local councils, “procurement” is the process by which they award contracts to third parties (frequently individuals or companies) to provide goods, services or to undertake works. A procurement process is designed to source the most suitable contractors based on cost and their knowledge, experience, capability, and financial standing.
3. In a procurement exercise by a local council in England, three sets of legal requirements are relevant. In a procurement exercise by a local council in Wales, two sets of legal requirements are relevant. These legal requirements are summarised in the table below.

Value of the Contract (net of VAT)	Legal Requirements
Up to £25,000 (England only*)	Requirements in the council’s standing orders (and financial regulations).
Over £25,000 (England only*)	Use of the Contract Finder website and other light touch rules in the Public Contracts Regulations 2015 (“the 2015 Regulations”).
Over £164,176 or £4,104,394	Other detailed and complex requirements in the 2015 Regulations.

* In Wales, the light touch provisions in the 2015 Regulations in respect of the procurement of contracts valued at £25,000 or more do not apply. However, provision for the procurement of certain types of contract (explained in paragraph 9 below) should be made in the standing orders and financial regulations of councils in Wales.

As illustrated below, the estimated value of the proposed contract is necessary to determine which legal requirements regulate the procurement process. A further explanation of the differences in England and Wales is explained in paragraph 9 below.

Value (net of VAT)	Need to comply with		
	A council's standing Orders (and financial regulations)	The Contract Finder website and other light touch rules in the 2015 Regulations	Detailed and complex requirements in the 2015 Regulations
Up to £25,000 (England only*)	✓	✗	✗
Over £25,000 (England only*)*	✓	✓	✗
Over £164,176 or £4,104,394	✓	✓ Use of the Contract Finder website (see paragraph 20 below).	✓

* In Wales, the light touch provisions in the 2015 Regulations in respect of the procurement of contracts valued at £25,000 or more do not apply. However, provision for the procurement of certain types of contract (explained in paragraph 9 below) should be made in the standing orders and financial regulations of councils in Wales.

- The requirements for councils in England and Wales to have standing orders with respect to procuring and entering into contracts is set out in s.135 of the Local Government Act 1972 ("the 1972 Act"). This Note provides (A) an explanation of councils' responsibilities under the 1972 Act (England and Wales), (B) an explanation of the Contract Finder provisions and other light touch requirements for procuring and awarding contracts covered by the 2015 Regulations which are valued over £25,000 (England only) and (C) an overview of the detailed and complex requirements for procuring contracts covered by the 2015 Regulations which are valued over £164,176 for a public supply or public service contract or £4,104,394 for a public works contract (England and Wales).

Which contracts are covered by the 2015 Regulations?

5. The 2015 Regulations apply to “public contracts” which are defined as “contracts.... having as their object the execution of works, the supply of products or the provision of services.” Regulation 2 of the 2015 Regulations defines each of those 3 contracts as follows:

“public service contracts” meaning public contracts which have as their object the provision of services other than those referred to in the definition of “public works contracts”;

“public supply contracts” meaning public contracts which have as their object the purchase, lease, rental or hire-purchase, with or without an option to buy, of products, whether or not the contract also includes, as an incidental matter, siting and installation operations;

“public works contracts” meaning public contracts which have as their object any of the following:—

- (a) the execution, or both the design and execution, of works related to one of the activities listed in Schedule 2 (see paragraph 6 below);
 - (b) the execution, or both the design and execution, of a work;
 - (c) the realisation, by whatever means, of a work corresponding to the requirements specified by the contracting authority exercising a decisive influence on the type or design of the work;
6. The activities in Schedule 2 to the 2015 Regulations which are included in the definition of a “public works contract” include site preparation, demolition of buildings, construction of new buildings, erection of roofs, bricklaying, scaffolding, insulation work, plumbing, plastering, joinery installation, floor and wall covering and painting and glazing, civil engineering works and construction of highways, roads, airfields and sport facilities.

Public contracts which are exempted from the 2015 Regulations

7. Regulations 7 to 12 provide that certain public contracts are exempted from the requirements of the 2015 Regulations. In the context of local authorities, Regulation 12, for example, excludes:

- a contract with an incorporated body, controlled by a local authority, where more than 80 % of the body's activities are controlled by the local authority and there is no private sector ownership of the body, with certain exceptions;
- a contract between two or more local authorities who come together to provide a public service to achieve objectives they have in common and that the joint venture is governed solely by considerations relating to the public interest (e.g. where a parish council enters into arrangements with a principal council) and
- an incorporated body which is a contracting authority awards the contract to its controlling local authority or to an incorporated body controlled by the same local authority;

A. Standing Orders (s. 135 of the 1972 Act)

8. S.135 of the Local Government Act 1972 provides:

- (1) A local authority (which includes local councils in England and Wales) may make standing orders with respect to the making of contracts by them or on their behalf.
- (2) A local authority shall make standing orders with respect to the making by them or on their behalf of contracts for the supply of goods or materials or for the execution of works.
- (3) Standing orders made by a local authority with respect to contracts for the supply of goods or materials or for the execution of works shall include provision for securing competition for such contracts and for regulating the manner in which tenders are invited, but may exempt from any such provision contracts for a price below that specified in standing orders and may authorise the authority to exempt any contract from any such provision when the authority are satisfied that the exemption is justified by special circumstances.
- (4) A person entering into a contract with a local authority shall not be bound to inquire whether the standing orders of the authority which apply to the contract have been complied with, and non-compliance with such orders shall not invalidate any contract entered into by or on behalf of the authority.

9. S.135(3) confirms that, in England or Wales, a local council's standing orders may exempt contracts from a tendering exercise if they are below a certain value or if

specific circumstances apply. The Contract Finder and other light touch provisions of the 2015 Regulations apply in England to contracts valued above £25,000, and NALC takes the view that councils in England may reasonably decide to exempt contracts falling below that level from their standing orders entirely. The Contract Finder provisions of the 2015 Regulations do not apply in Wales but, nevertheless, councils in Wales would, in NALC's view, be acting reasonably if they, too, exempted contracts with a value of less than £25,000 from their standing orders. It would also be open to councils in England and Wales to consider exempting contracts of lesser level value - depending on circumstances. NALC's publication "Local Councils Explained" (© 2013 NALC) includes model standing orders in respect of a council's tendering processes for the supply of goods, materials, services and the execution of works which predate the introduction of the 2015 Regulations. Additional information about the impact of the 2015 Regulations on NALC's model standing orders and the standing orders and financial regulations adopted by a council is available in Legal Briefing L05 -15.

B. The Contracts Finder website and other light touch rules in 2015 Regulations (England only)

10. Where the estimated value of a public contract exceeds £25,000 (net of VAT) a local council in England must comply with Articles 109 to 114 of the 2015 Regulations Regulation 110, which provides that a council must advertise a contract opportunity, is summarised below.

- It must advertise the contract opportunity on the "Contract Finder" website – whether or not it advertises the contract opportunity elsewhere;
- It must advertise the contract opportunity on Contract Finder within 24 hours of advertising it elsewhere;
- A council is deemed to advertise a contract opportunity if it does anything to put the opportunity in the public domain or bring the opportunity to the attention of economic operators generally or to any class or description of economic operators which is potentially open-ended, with a view to receiving responses from economic operators who wish to be considered for the award of the contract. A council is not deemed to advertise an opportunity where it makes the opportunity available only to a number of particular economic operators who have been selected for that purpose (whether ad hoc or by virtue of their membership of some closed category such as a framework agreement), regardless of how it draws the opportunity to the attention of those economic operators.
- The information to be published on Contracts Finder shall include at least the following:— (a) the time by which any interested economic operator must respond

if it wishes to be considered; (b) how and to whom such an economic operator is to respond; and (c) any other requirements for participating in the procurement;

- Where a council publishes information on Contracts Finder it must — (a) by means of the internet, offer unrestricted and full direct access free of charge to any relevant contract documents; and (b) specify in the information published on Contracts Finder the internet address at which those documents are accessible;
- It must have regard to guidance issued by the Minister for the Cabinet Office.

11. Regulation 111 provides that councils cannot include a pre-qualification stage. A “pre-qualification stage” is defined as “a stage in the procurement process during which the contracting authority assesses the suitability of candidates to perform a public contract for the purpose of reducing the number of candidates to a smaller number who are to proceed to a later stage of the process.” A council may ask tenderers to answer “suitability assessment question” which is defined as relating “to information or evidence which the contracting authority requires for the purpose of assessing whether candidates meet requirements or minimum standards of suitability, capability, legal status or financial standing” if the questions are relevant to the subject-matter of the procurement; and proportionate. Councils must have regard to guidance issued by the Minister for the Cabinet Office.

12. Regulation 113 provides that councils must ensure that contracts contain suitable provisions stating that valid undisputed invoices will be paid by within 30 days. Public contracts must also contain a condition requiring contractors to include similar provisions in their contracts, and so on down the supply chain. Councils shall have regard to any guidance issued by the Minister for the Cabinet Office.

13. When a contract is awarded, a council, having regard to guidance issued by the Minister for the Cabinet Office, must publish on the Contracts Finder the information set out in Regulation 112. This includes:

- the name of the contractor;
- the date on which the contract was entered into;
- the value of the contract;
- whether the contractor is a SME (defined as an enterprise falling within the category of micro, small and medium-sized enterprises defined by the Commission) or VCSE (defined as a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives).

14. A council may withhold information in paragraph 13 above from publication where its release —
- (a) would impede law enforcement or would otherwise be contrary to the public interest,
 - (b) would prejudice the legitimate commercial interests of a particular economic operator, whether public or private, or
 - (c) might prejudice fair competition between economic operators
15. The above is a summary of the main requirements in relation to use of the contracts website. Council are recommended to read the 2015 Regulations which can be accessed via <http://www.legislation.gov.uk/>

C. Detailed and complex requirements in the 2015 Regulations

16. The 2015 Regulations incorporate the Public Contracts Directive 2014/24/EU (“the Public Contracts Directive”). In its simplest terms, the Public Contracts Directive facilitates the award of certain contracts to any business entity in the EU. The 2015 Regulations imposes procurement requirements on “contracting authorities” which include local authorities (and therefore includes local councils), associations formed by one or more such authorities (e.g. County Associations) and bodies governed by public law (e.g. government departments, NHS trusts, maintained schools and Academy schools) (Regulation 2 of the 2015 Regulations).

Financial thresholds (net of VAT)

17. Even if the procurement and award of a contract is covered by the 2015 Regulations (see paragraphs 5 and 6 above) and is not an exempted contract (see paragraph 7 above) it will not be subject to the full requirements of the 2015 Regulations unless its estimated value exceeds the thresholds, expressed in euros, in Article 4 of the Public Contracts Directive (Regulation 5 (1) of the 2015 Regulations). The thresholds in the Directive are adjusted by the European Commission every two years and are published in the Official Journal of the European Union (OJEU) (Regulation 5(4) of the 2015 Regulations). As already mentioned in paragraphs 3 and 4 above, the current thresholds, in pounds sterling, are below.

Type of contract	Threshold (net of VAT)
Public works contracts	£4,104,394
Public service contracts	£164,176
Public supply contracts	£164,176

18. Few contracts to be awarded by local councils will exceed the thresholds in paragraph 17 above but, if they do, they will be subject the requirements summarised in paragraph 20 below.
19. As noted above, contracts procured by councils in England which are worth over £25,000 but less than the thresholds in paragraph 17 above will still be subject to the Contracts Finder website and other light touch provisions in the 2015 Regulations summarised in paragraphs 10 – 15 above.

Procedural requirements

20. Contracts awards exceeding the thresholds in paragraph 17 above are detailed and complex. It is likely that councils considering such high value contracts will require technical and or legal advice from those who specialise in public procurement. Set out below is a very brief overview of the full requirements of the 2015 Regulations – where they apply.
- Procurement must take one of five forms; the open procedure, the restricted procedure, competitive dialogue, the innovations partnership procedure; and competitive procedure with negotiation;
 - Accelerated forms of the open procedure and competitive procedure with negotiation and the restricted procedure in situations of urgency that a local council can duly substantiate;
 - Relevant contractual notices have to be published in the Official Journal of the European Union (OJEU);
 - There is a pre-qualification stage;
 - Councils will need to comply with the requirements in respect of tenders;

- Contracts should be awarded on the “most economically advantageous tender (Regulation 67);
- Contracts can be varied without going through a new procurement exercise. (Regulation 72); and
- Contracts should be advertised on the Contracts Finder website (Regulation 106)

Other Legal Topic Notes (LTNs) relevant to this subject:

LTN	Title	Relevance
15	Legal Proceedings	Useful for threatened or actual legal proceedings relating to contract disputes.
35	Contracts	Guide to basic contract law

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