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Northumberland Association of Local Councils

ANNUAL REPORT

2013-2014

NORTHUMBERLAND ASSOCIATION OF LOCAL COUNCILS

What we offer

We are an association of local (ie parish and town) councils, which draws membership from the historical county area of Northumberland, which also includes Newcastle and North Tyneside. Our over-riding aim is to develop and support active and effective local councils. This requires local councils to be aware of local needs and concerns, and to find a way of addressing them, whether by taking direct action themselves or by encouraging others to take the lead. Local councils have unlimited powers to raise money by precepting on the Council Tax, and this is an opportunity which can be used enthusiastically but prudently to support local initiatives and services.

To support local councils, we provide:

- A regular distribution of topical information, mostly by email
- Advice to clerks and councillors, on a wide range of topics: legal, managerial, financial, etc
- Training: mostly short events, but also support for the CiLCA qualification (Certificate in Local Councils Administration)
- Access to new opportunities, ranging from insurance policies, equipment schemes, ICT solutions... and much more
- Representation on bodies such as the Standards Committee, and National Park and AONB governance bodies.

In addition to providing this direct help, we also undertake policy and partnership work, on behalf of the local councils' sector. This involves monitoring changes, policies and proposals which may impact on local councils, and working to influence the decisions which are made by local government, agencies and public utility providers. It also means working with other bodies to develop opportunities which can benefit local councils and their communities.

Chairman's Foreword

At last year's AGM Jim Rudd stood down as our President. It is with regret that Jim passed away, following a period of illness, earlier this year. Jim was a wise counsellor for NALC and will be greatly missed. Fortunately David Woodard agreed to be our new President. David has long experience as a parish councillor and also a borough/ county councillor, and has been an active contributor to our County Committee.

Following the decision by Northumberland County Council, to withdraw all of its funding for NALC and for CAN, we have had to rethink our subscription policy. A group met and recommended a straight 5% increase for the current year. We are still considering alternatives to our current formula including basing the subscription upon number of precept payers as opposed to number of residents. Amidst all of this, CAN vacated its premises in Morpeth, as part of an agreement with the County Council, and CAN and NALC are now based in Pegswood.

NALC represents all but about 6 of the Parish/Town Councils in Northumberland, plus five of the six in Newcastle. The range of differences between them is vast. The size varies from Towns with tens of thousands of residents to small Parishes with 70 or so residents. The size of the precept varies from nearly £1million, to a parish where no precept is set.

The political balance in parishes is quite varied and some local councils have not faced contested elections for several years. Some local councils have been established for many years, whereas the local councils in the South East were established only five years ago.

NALC represents and supports all of our member councils. On your behalf I would like to thank David Francis and his team for all the efforts they have made on our behalf.

On a personal note I thank our vice chairmen and committee members who have covered for me during my recent illness.

NALC is a support organisation. Local councils make their own decisions, but if you need advice or information contact NALC. That is what you pay your subscriptions for.

Ray Butler Chairman NALC County Committee

About us

NALC is one of about forty county associations of local councils in England, which together form the National Association. 'Local council' includes parish, town, neighbourhood, community and village councils of which there are 156 in our area (Northumberland and Newcastle). All but 5 or 6 are members of our Association. NALC was formed in the 1940s and, since 1951, has received administrative and professional support from CAN (Community Action Northumberland), thus saving on 'overhead' costs, and reducing duplication in the provision of our seamless advisory work to support local communities.

NALC is governed by a County Committee composed of representatives appointed by our member-councils. The current chairman is Ray Butler and he is supported by 3 vice Chairmen, chosen from each area of Northumberland. The staff team which provides a variety of support services for NALC is led by CAN's Director, David Francis.

The past year was busy, in terms of both the advice and support provided to our member councils, and also our work in representing the interests of the local councils' sector in its dealings with a variety of departments, agencies and programmes. Supporting local councils to initiate new projects was as demanding as ever, but so too were calls for our help to address problems and disputes, and overcome a range of bureaucratic challenges.

Very early in the year were the elections for all of the parishes and the County Council in Northumberland, thereby paving the way for a busy year to follow, with the provision of training events and other support.

Local councils' finance

It was a rocky year for local councils' financial planning. The government maintained their 'maybe we will, maybe we won't' stance on the possible introduction of a 'capping regime', which would require any precept increases that are deemed by the Government to be 'excessive' to be subjected to a referendum.

In the previous year, the government had reduced each council's precepting capacity by removing households who were receiving Council Tax Benefits from the tax-paying base, resulting in the precept being funded by fewer people. For 2013-14, the government channelled compensation to local councils, via the principal authorities. In the Autumn of 2014, we were disappointed to learn that the incoming political administration at County Hall had decided not to continue to 'passport' any of the DCLG national £3.3 billion compensation pot on to local councils in our area, amounting to a loss of £626k. Elsewhere, the significant majority of principal authorities (including neighbouring Newcastle) continued to do so. Our efforts, and those of our National Association, to bring about a change-of-heart, were regrettably unsuccessful.

Despite these losses and uncertainties, a number of the larger councils in the south-east of Northumberland took the adventurous step of increasing their precepts substantially, in order to create new environmental/street maintenance teams, in partnership with NCC. Across our area, the precept of each local council now varies significantly, from as little as about £5 per year, to over £130 per year, expressed as a Band D equivalent.

Parish elections

In Northumberland, the 2009 LGR (local government reorganisation) had the effect of putting parish elections on a different cycle from much of the rest of the country. Parish councillors who were elected in 2007 were thus given an exceptional 6-year period of office. In the several months leading up to the May 2013 elections, we worked with the County Council Democratic Services Team and with numerous local councils to promote public interest, and to encourage people to stand for election. However, the number of contested elections was not great, with polls taking place in only 25 of the 150 councils, and many councils facing a serious shortfall of councillors. This overall picture, of a shortfall of candidates, meant that it took several more months of 2013 for many of our councils to regain their full strength.

Parish representation

Following the May 2013 local council elections, we arranged an election/selection process for placing local council representatives as other public bodies. On behalf of DEFRA, we conducted the elections for the 6 parish places on the Northumberland National Park Authority. The successful appointees were: Sue Bolam, Chris France, Kirsten Francis, Valerie Gibson, Michael Walton and Johnny Wilson. NNPA helpfully delayed their annual meeting to allow sufficient time for these parish representatives to take-up their seats before the NNPA committees and honorary officer positions were appointed. We also co-operated with the County Council over the appointment of parish representatives to the Standards Committee. The 3 appointees were: David Buckle, David Parker and Carl Rawlings.

Planning matters

We continued to support local councils' involvement in the planning system. We worked with the County Council to create designated 'slots' at planning committee meetings, to enable local councils to make brief oral contributions as part of the committees' determination of planning applications. After some persistence on our part, between May 2013 and March 2014, we were pleased to persuade the County Council eventually to stage a number of introductory events on the planning system for the new local councillors who joined at the May elections.

Over the year, there was growing interest in the new statutory Neighbourhood Planning system, which was created by the Localism Act. Neighbourhood Planning initiatives are progressing well, with 9 designated NP areas in Northumberland: Allendale; Alnwick/Denwick; Cramlington; Morpeth area; Beadnell/Bamburgh/Seahouses; Ponteland; Stannington; Tasset/Greystead; and Longhorsley. Within Newcastle, the Dinnington NP is progressing quickly and may prove to be the first Neighbourhood Plan to be implemented in the North-East.

We also took stock of the 'planning gain' situation. It now appears that section 106 agreements will continue to have a role in the planning system, alongside the new Community Infrastructure Levy. We will be working to secure an appropriate role for local councils, in the negotiations over, and allocation of, any such 'planning gains' for community benefit.

We were pleased to have as the guest speaker at our AGM Jo Anne Garrick, who leads the team that is preparing the Northumberland LDP.

Accountability

During the year, the government began a programme of making significant changes to how local councils are accountable to their local communities. As part of its drive to reduce the number of non-departmental government bodies ('QUANGOs'), the Government took steps to dissolve the Audit Commission, and thereby initiate new arrangements for the audit and overview of councils' financial affairs. The larger councils were already encouraged to publish on websites all of

their financial transactions with a value of £500 or more, but more radical steps were to come.

The passing of the Local Audit and Accountability Act 2014, when fully implemented, will (among other things)

- Abolish the Audit Commission and require larger (ie above £25k pa) local councils to make their own external audit arrangements
- Create opportunities for local accountancy businesses to become council auditors
- Alter the detail of the end-of-year audit process
- Abolish external audit altogether for the smallest (less than £25k per annum) councils, and require them to publish certain information re finance and governance on a website
- Alter some of the procedure for Council Tax capping referendums
- Alter the conditions under which a parish meeting may demand the holding of a parish poll
- Allow the public to video/film/record and subsequently broadcast the proceedings of council meetings
- Require more detail to be made available on the decisions which are made by council officers.

The implementation of this Act by local councils, will require significant support from our Association in the year ahead.

Working with the County Council

Since 2008 we have worked with senior members and a range of officers of the County Council to develop and nurture the collaborative working relationship between local councils and a range of departments within the County Council. Despite the presence of an agreed Charter, and a clear 'think parish' commitment from the Leader, the relationship has been variable, due largely to the long-term instability of the Council's finances and the comings-and-goings of different members of staff.

With the establishment of a new political administration following the May 2013 elections, aspects of this relationship have been under review, and various new liaison arrangements are being put in place, including:

- A Parish Liaison Working Group, for the chairmen of certain larger councils
- Regular one-to-one meetings with each of the larger councils
- Formal partnership agreements, with jointly-funded local services teams, for a number of councils in the South-East
- Less frequent open meetings for the remaining councils, at various venues
- Various meetings between NALC's Secretary with NCC staff.

During the year the County Council introduced a new review of the Charter, following consultation with local councils. It was much more concise than its predecessor, with fairer commitments and caveats, and bearing some uncertainties

about future responsibilities. Further work will be needed to interpret the implications of some parts of the new Charter, in the year ahead.

Working with Newcastle City Council

We continued to play our part in 'oiling the wheels' in the relationship between the 6 local councils and the City Council in Newcastle. The pressure on the City Council to make significant cuts in its budget is likely to increase the expectations of local councillors for their local councils to address some of the shortfalls, for example, in local libraries and leisure provision.

We were pleased that, despite its financial difficulties, the City Council has continued to 'passport' to all 6 local councils the share of the Localisation of Council Tax Benefits compensation money which the DCLG has continued to make available.

We have continued to provide advice, information and training, on demand, to individual local councils in the City.

Training

The parish elections always bring-in a fresh batch of councillors, and therefore a big demand for training. Possibly because many of the councils took some time after May to fill all of their vacancies, the demand for training for new members extended well beyond the usual Summer months.

As a result, we ran 12 introductory events for councillors between June 2013 and March 2014, together with 3 events for new parish clerks, 2 for new chairmen, and 2 on financial management. With CAN, we also ran two sessions on community assets, and an 'Easy Accounts' course linked to the collaborative BOSS (Back-Office Support Services) initiative.

NALC's finances

The delivery of most of our activities is undertaken by colleagues in our sister-organisation CAN (Community Action Northumberland), to whom we make an annual financial contribution, as part of our joint NALC- CAN Memorandum of Understanding. Hence, this is our biggest item of annual expenditure. This relationship provides an effective and well- co-ordinated mechanism for supporting community organisations (both local councils and voluntary bodies) which has served our area well since the 1940s.

Our financial activity has fluctuated in recent years, due to some short-term and tapering grant aid from the County Council, and to variations in our membership

levels. Compared with the previous year (2012-13), NCC support reduced by £5k, but we were able in part to increase our income from increased membership subscription income (due to several non-members opting to rejoin), and due to a higher-than normal level of training activity. This enabled us to move from a £400 deficit to a (short-term) surplus of £3800.

Thanks

We are very grateful for the support which we receive from a variety of organisations and individuals, including:

- The local councils throughout our area, whose subscriptions provide the major part of our income
- The members of our County Committee, and our Honorary Treasurer and Auditor, who voluntarily give their time and energy to governing and administering NALC
- David Francis and his colleagues at CAN who, through their various roles, provide a range of services for NALC
- Morpeth Town Council, for the free use of their premises for many of our meetings
- Staff in the National Association of Local Councils, who provide a range of specialist briefings and advice for our member councils, and who are continually working with central government departments and agencies on behalf of our interests
- Norman Dunn, who assists us with drafting various briefings, and commenting on NALC policy matters.

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Statement of Income & Expenditure

1 April 2013 - 31 March 2014

<u>2012-2013</u>		<u>2013-2014</u>	<u>2012-2013</u>		<u>2013-2014</u>
£	<u>Expenditure</u>	£	£	<u>Income</u>	£
11,894.95	National Association - Membership Fee	11,832.35	33,038.47	Membership Subscriptions	36,170.87
37,000.00	Community Action - Agency Fee	32,000.00	15,000.00	Northumberland County Council	10,000.00
1,139.50	Local Council Review	1,133.00	1,412.00	Local Council Review	1,431.00
30.30	Publications & Printing	873.89	15.82	Publications	842.02
125.00	Meetings & Events	240.00	290.00	Training Events	1,455.00
-	General Activities	-	25.00	General Activities	10.00
-		-	3.11	Bank Interest	3.08
-		-	405.35	Excess of Expenditure over Income	-
-	Excess of Income over Expenditure	3,832.73	-		-
<u>50,189.75</u>		<u>49,911.97</u>	<u>50,189.75</u>		<u>49,911.97</u>

NORTHUMBERLAND ASSOCIATION OF LOCAL COUNCILS

Balance Sheet at 31 March 2014

<u>2012/2013</u>		<u>2013/2014</u>		
£		£	£	£
	<u>CURRENT ASSETS</u>			
33.90	Sundry Debtors	379.17		
8,521.41	Cash on Deposit	<u>12,004.19</u>	12,383.36	
	<u>LESS CURRENT LIABILITIES</u>			
-	Sundry Creditors	-		
4.68	Receipts in Advance	<u>-</u>	<u>-</u>	
8,550.63				12,383.36
	<u>FINANCED BY</u>			
8,955.98	General Reserve - Accumulated Surplus		8,550.63	
-	- Surplus for Year		3,832.73	
405.35	- Deficit for Year		<u>-</u>	
8,550.63				12,383.36

Members 2013-14

Acklington	Harbottle	Rothbury
Acomb	Hartburn	Sandhoe
Adderstone with Lucker	Hartleyburn	Seaton Valley
Allendale	Hauxley	Shilbottle
Alnmouth	Hazlerigg	Shoreswood
Alnwick	Healey	Shotley Low Quarter
Alwinton	Hebron	Simonburn
Amble	Heddon on the Wall	Slaley
Ancroft	Hedgeley	Stamfordham
Ashington	Hedley on the Hill	Stannington
Bamburgh	Henshaw	Tarset & Greystead
Bardon Mill	Hepple	Thirlwall
Bavington	Hepscott	Thropton
Beadnell	Hexham	Tillside
Belford with Middleton	Hexhamshire	Togston
Bellingham	Holy Island	Tritlington & West
Belsay	Horncliffe	Chevington
Berwick upon Tweed	Horsley	Ulgham
Birtley	Humshaugh	Wall
Blakelaw & North Fenham	Ingram	Wallington Demesne
Blanchland	Kielder	Warden
Blyth	Kirkwhelpington	Wark
Bowsden	Knarsdale with Kirkhaugh	Warkworth
Branxton	Kyloe	West Allen
Brinkburn & Hesleyhurst	Lesbury	West Bedlington
Broomhaugh & Riding	Longframlington	Whalton
Broomley & Stocksfield	Longhirst	Whittingham, Callaly &
Brunswick	Longhorsley	Alnham
Bywell	Longhoughton	Whittington
Capheaton	Lowick	Whitton & Tosson
Carham	Lynemouth	Widdrington Station &
Cartington	Matfen	Stobswood
Chollerton	Meldon	Widdrington Village
Choppington	Melkridge	Wooler
Coanwood	Milfield	Woolsington
Corbridge	Mitford	Wylam
Cornhill	Morpeth	
Corsenside	Netherton with Biddlestone	
Cramlington	Netherwitton	
Craster	Newbiggin by the Sea	
Cresswell	Newbrough	
Dinnington	Newton by the Sea	
Doddington	Newton on the Moor &	
Duddo	Swarland	
East Bedlington	Norham	
Edlingham	North Sunderland &	
Eglington	Seahouses	
Ellingham	Nunnykirk	
Ellington & Linton	Ord	
Elsdon	Otterburn	
Embleton	Ovingham	
Falstone	Ovington	
Featherstone	Pegswood	
Felton	Plenmeller with Whitfield	
Ford	Ponteland	
Glanton	Prudhoe	
Greenhead	Rennington	
Haltwhistle	Rochester & Byrness	