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**NORTHUMBERLAND
ASSOCIATION
OF LOCAL COUNCILS**

**ANNUAL REPORT
2010-2011**

NORTHUMBERLAND ASSOCIATION OF LOCAL COUNCILS

What we offer

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, local strategic partnership, and National Park and AONB governance bodies.
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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.

About us

NALC is one of the forty, or so, county associations which together form the National Association of Local Councils (also shortened to NALC). We employ no staff: instead, we arrange for our partners, Community Action Northumberland (formerly the Community Council of Northumberland) to provide administrative and professional services on our behalf. Thus, David Francis is both the Honorary Secretary of NALC and the Director of CAN. This arrangement is cost-effective and it enables NALC and CAN to present a 'seamless' advisory and information service to parish councils of a sort which is much more fragmented in other parts of the country.

The policy and overall direction of NALC is organised through our County Committee which is composed of councillors and clerks drawn from all parts of our area. These representatives are appointed in thirds, on a rolling basis, each autumn at our Annual General Meeting.

NALC is a membership body, most of whose income is derived through the subscriptions paid by local councils in our area. NALC does not hold significant general reserves, nor does it own property.

NORTHUMBERLAND ASSOCIATION OF LOCAL COUNCILS

2010-2011

President

Mr Jim Rudd

Vice Presidents

Cllr David Woodard

Cllr Norman Dunn

Hon Treasurer

Miss Gillian Turner

Hon Auditor

Mr Richard Slater

COUNTY COMMITTEE

Cllr A Wallace (Chair)	East Bedlington
Mrs M Anderton	Broomhaugh & Riding
Cllr T Aynsley	West Bedlington
Cllr A Bowlas	Berwick upon Tweed
Cllr E Burt	Prudhoe
Cllr R Butler	Choppington
Cllr P Cowey	Ponteland
Cllr G Ferguson	Hexham
Cllr C Forster	Woolsington
Cllr W F Grant	North Sunderland
Cllr T Hood	Felton
Cllr I Knights	Newbrough
Cllr J McCormack	Ashington
Cllr G Miller	Horncliffe
Cllr D Parker	Morpeth
Cllr J Potts	Blyth
Cllr W Rogers	Newbiggin by the Sea
Cllr Mrs H Shaw	Ulgham
Cllr R Thompson	Dinnington
Cllr B Watson	Seaton Valley
Cllr C Weir	Amble
Cllr S Willoughby	Widdrington Station & Stobswood

As at March 2011

Secretary: David Francis

Chairman's foreword

With this being my first year as Chairman of the County Committee and only my second year as a parish councillor, I am indeed proud to have the responsibility of writing this foreword. I would like to take this opportunity to say thanks for the continual commitment of unpaid councillors and the professionalism of local clerks, working on behalf of their communities, and particular thanks to the members of the County Committee. Without them, without NALC and CAN over the past generations, I am sure local democracy and the needs of our communities would have greatly suffered.

It is true to say that last year has indeed provided a bumpy road. None more so than the crisis experienced by parishes over the Christmas and New Year with the worrying threat made by NCC over the transfer of services. NALC now meets regularly with the NCC Executive and assurances have been given that this crisis will not recur. We are also endeavouring to receive accurate NCC budget proposals sooner than in previous years in time for parishes to set their own precepts.

I am pleased to report that the new parishes of S.E. Northumberland have blended well into the NALC fold and this is well demonstrated with the new way of electing representatives to the county committee. All areas of Northumberland are equally represented and in addition a vice chair is elected from all three areas. I must thank the three vice chairs, Ray Butler, Peter Cowey and David Parker who have been most helpful in the past year to NALC in general and to me in particular. This was quite evident when the road shows "meeting the parishes", were held and were found to be most useful in determining what we were doing wrong as well as right.

We face another "bump in the road" since learning that the traditional way in which we have received financial support via CAN (Community Action Northumberland) has been ceased by the County Council. We have a number of options we are looking at and continuing dialogue at the highest level. This is the time for all parishes to stick together and when as a member you are made aware of your subscription to NALC may I suggest you ask three pertinent questions? Does the parish clerk think it worthwhile; how much would the advice the parish is seeking cost elsewhere; and if there were no NALC could NCC provide an independent opinion? We do need your support now more than ever.

Finally, may I conclude by thanking all the staff of CAN for all their help in my short time as Chair and in particular the tremendous assistance and guidance I have received in large doses from both Norman Dunn and David Francis.

I hope you enjoy the Annual Report

Alex Wallace

Introduction

This was a year of dramatic change, a roller-coaster of significant opportunities and threats for the local council world. The General Election in May returned a Coalition Government with a radical programme to reverse the economic recession, transform the organisation of public services, rationalise the organisation of government and put more responsibility in the hands of local people and institutions.

Significant cutbacks in local government finance challenged the delivery of a range of local and strategic services, and put greater pressures on our local councils to address the shortfall. Against a policy backdrop of 'easing' the bureaucracy, a range of new compliance requirements, applicable to local councils, were either introduced or at least proposed.

The demands on NALC were every bit as great at any time in the past. This annual report attempts to do justice to this work.

The Northumberland Charter

The Charter was compiled in the lead-up to the April 2009 Local Government Reorganisation in Northumberland, to define the relationship between the two tiers of council and to clarify their future respective roles. It arose from demands from local councils, to secure a common approach across a county where previously there had been six different (district) sets of policies and practices, and to ensure that local councils could play a recognised role within an emerging new model of engagement, partnership and empowerment which Northumberland was developing.

During the summer of 2010, we worked with the County Council and local councils to review the Charter. Probably the loudest message to emerge from the review was that insufficient attention had so far been given to the 'relationship' aspects: how to improve consultation and communication; how to ensure that NCC does not inadvertently take decisions that adversely impact on local councils; and how best to develop local councils' 'community leadership' role, alongside County Councillors and other interests.

Regrettably, other priorities in County Hall hampered progress, but we expect the review to be completed during 2011-12.

Transfer of local services

One of our aims in recent years has been to address the long-running concerns of many – mostly rural – local councils that they and their residents are having to 'pay twice' for the provision of local services. They directly fund and operate services (such as parks, allotments, cemeteries etc) in their own parishes, but they also have to contribute to the principal authority to provide similar services in the towns, thereby 'subsidising' town residents. Conversely, residents in South-East Northumberland feel that they are also 'paying twice', where they are now having to pay through their

Council Tax for new parish councils. Until early-December 2010 we had been working closely with the County Council to support those local councils who would be taking over these services, which NCC had inherited from the former district councils. There had been a year-by-year phased approach, with training and other support made available. Thus, seasonal lighting and town-twinning had already been transferred, followed by allotments, play areas and newer bus shelters. Further transfers would follow, in an orderly manner, with effect from April 2012; there would be a moratorium on any transfers in 2011.

Regrettably, widespread alarm was caused by two letters which were sent to all local councils over the Christmas 2010/New Year 2011 period, both proposing an imminent mass transfer of services and requiring a four-fold financial increase in their budgets, and local councils were given a fortnight in January in which to respond. NALC and local NCC members only became aware of this correspondence at a later stage.

Thankfully, the NCC Executive moved quickly to retract the threat, but it has taken a great deal of subsequent effort to rebuild confidence in the relationship.

Community forums and partnerships

Community forums were part of the model of partnership working which first emerged in 2006 within the 'Natural Communities' initiative: a means of promoting cooperation at a variety of geographical scales, from local/neighbourhood through to Northumberland-wide. Despite some false starts and some misgivings, a number of community forums did emerge, bringing together local councils with a range of other agencies and interests to develop projects and address issues. Some were less successful, especially where they were groups of residents with no mandate or brief, from any particular organisation. We had made efforts over several years to encourage local councils to play an active part in community forums as a means of working with other agencies, and of addressing issues which were geographically 'bigger' than the individual parish. However, community forums had become a politically contentious issue within the County Council and we were not entirely surprised to learn in March 2011 that a decision had been taken to withdraw financial and officer support.

In parallel with this development, a review of the NSP was carried out, starting in autumn 2010, which led to a decision to disband the three Area Partnerships and most of the subject-specific partnerships and forums. On reflection, it was felt that the structure was too prescribed, lacked sufficient spontaneity, and demanded too much staffing as a secretariat. It has been replaced by a slimmer NSP Leadership Forum, on which NALC is represented.

Government initiatives

In 2010, the incoming Coalition Government moved with extreme haste and little caution to dismantle and remove a range of institutions and programmes which had previously supported local councils and their communities. The following is just a selection of examples.

The Government Office for the North East had given us ready access to a large number of Government departments and enabled a locally-responsive and joined-up approach to be taken to initiatives such as neighbourhood empowerment, European funding, government programmes etc. Its closure was confirmed in September 2010.

One North-East, the Regional Development Agency, pro-actively supported and developed a range of private, public and voluntary sector initiatives, ranging from market town regeneration and renewable energy schemes, to heritage tourism, EU Leader programmes and third sector capacity building.

A range of specific and area-based grants to principal local authorities were either instantly stopped, or otherwise phased-out, in July 2010, with an immediate impact on, for example, worklessness initiatives, children's play projects and neighbourhood management services.

The regional Rural Affairs Forum closed in March 2011, and the Commission for Rural Communities was considerably scaled-down at the same time, thereby diminishing the ability of government to be aware of rural problems and opportunities.

Reports of the closure of the Standards Board and Audit Commission proved to be premature, and we have sought to influence thinking on their successor arrangements. We have made representations that it is important to have an ethical standards regime in place, based on a commonly-understood and clear Code of Conduct. We have also supported the need for a locally-accountable, objective and affordable audit regime, to succeed the current arms'-length, light-touch (but often pedantic) regime conducted by auditors based in Southampton. In both the standards and the audit regimes, we believe there is merit in making joint arrangements with the principal authority and independent members, to oversee the regimes and promote good practice.

The Secretary of State for Communities and Local Government adopted a 'personal crusading' style, which has both supported and caused problems for local councils. We made our views known to DCLG on revisions to the Code of Practice on Local Authority Publicity. We were happy to support the controls on political lobbyists and the funding of party political activity, but the clampdown on council-supported newsletters and magazines was excessive. We achieved a concession which enabled local council-supported newsletters to be published as frequently as every month (cf. quarterly) but we were unsuccessful over DCLG's desire to restrict the content to factual information about public services. Local councils must now 'have regard' to statutory guidance that prohibits the supporting of community newsletters which contain material such as recipes, competitions and general local interest articles.

We also raised our reservations about a DCLG proposal to require all local councils to publish information of all their financial transactions of £500 or more, in a prescribed format on a national website. We felt there must be a better way of enabling local people to have access to a council's financial affairs, in a way which was less of an imposition on parish clerks. We also pointed out that access to basic ICT infrastructure was still a problem for some local councils.

In the autumn, we responded to a proposal to require local councils to face a public referendum if their precepts were to exceed a prescribed limit. The proposal was fraught with problems: current precept levels were not an adequate baseline; the 'capping limits' would not be finalised when the precept was set; the referendum would not be held until the following May; and in many instances the cost of the referendum could amount to more than the proposed increase in the precept. So far as we know, the proposal has been abandoned.

Late in the year we learnt that HM Revenue and Customs had withdrawn a long-standing concession, and would now require all local councils to operate a PAYE (Pay as you earn) system for administering Income Tax and National Insurance on employees' pay. This has created significant anxiety, especially among smaller local councils, with limited staff capacity. Clerks who subsequently contacted the local tax office received a more-supportive line, on which we have since attempted to secure written clarification from HMRC's central office.

Localism

In December, the Government published its Localism Bill, containing a range of opportunities that are potentially attractive to local councils. Neighbourhood planning is a new variation of community-led planning and parish plans, in which the development proposals are given statutory force. We started discussions with the planning authorities to develop a common approach to the provision of support for Neighbourhood Plans. Some of the other provisions will develop more slowly: measures to protect privately-owned assets of community value (shops, garages, pubs etc); opportunities to require council services to be out-sourced; the safeguarding of open space; participatory budgeting; a general power to undertake anything of community benefit, and so on.

Influencing local policies and proposals

We were pleased to be able to help the other authorities in our area to refine their policies and practices. We assisted the development of the County Council's Community Assets Policy, to ensure appropriate oversight of the disposal of surplus property, and to put in place mechanisms of support for local councils or other groups which might not otherwise be familiar with asset management. We encouraged local councils to make their own contribution to the draft Flood Plan and Dog Control Orders. We facilitated a closer working relationship with the NCC/Environment Agency fly-tipping enforcement officer. Late in the process we became involved in

the proposed Street Trading control regime, and we were able to avert a number of prospective difficulties with charitable fund-raising stalls, sales of produce at the garden-or farm-gate and fast-food stalls in lay-bys and industrial estates. Regrettably, the agreement which we thought we had secured re exempting mobile shops from these controls was reversed at a late stage.

However, we have not yet found a means of enabling local councils effectively to engage with the NCC budget process. Due largely to the unexpected scale of the required cuts, and the late arrival of key information from the Government, NCC's budget proposals did not become clear until January, with little time for consideration locally, and at a time when local councils' attention had been diverted by the service-transfer proposals already described. Nevertheless, as further cuts will be demanded for 2012, it will be essential that we assess the likely impact on local areas, and the implications for local councils' own budgets.

Newcastle

Along with the 150 local councils in Northumberland, we are happy to provide advice, information and training to the six local councils in Newcastle City. Their interests are also in our minds when we are making representations to national and regional proposals. We are able from time to time to help local residents in the un-parished areas of Newcastle and North Tyneside to understand the role and scope of local councils. However, we do not have sufficient capacity to engage with the principal authorities in the way that we do in Northumberland, beyond occasional meetings and exchanges of correspondence.

During the year, we were pleased to welcome a second Newcastle local councillor on to our Committee: Ray Thompson of Dinnington, alongside long-standing Woosington member Colin Forster.

Developing our services

The almost-universal use of ICT (computers, email, internet, etc) by local councils has enabled us to improve our delivery of services to member councils. Norman Dunn's involvement as a team member has also brought benefits.

In addition to some local council articles in Community Action Northumberland's CAN News, we now have a regular electronic newsletter and a NALC website, with a growing number of briefing papers. During the year, we conducted a survey of local councils to ascertain their state-of-play and aspirations, and through this we also extended our circulation list so that councillors (as well as clerks) can now receive our e-mailings directly.

In response to demands from councils for simple and 'accessible' documents, we published a basic set of model standing orders, a briefing on pensions and gratuities, a model complaints procedure, as well as updating our induction material for new clerks and councillors.

Nevertheless, we are aware that not all localities, and not all clerks, have the capacity to embrace the full potential of ICT, and so we have continued to make available, when needed, hard-copy material. We have worked with other partners to try to improve Broadband availability and performance across the county. We have also tried to ensure that departments within the County Council make allowances for those councils which are not on ICT, or where Broadband performance is poor.

Developing our organisation

During the year we reviewed our relationship with CAN and were pleased to reaffirm the importance of this long-standing, mutually-beneficial way of working. If anything, the government's Localism agenda emphasises the importance of having a joined-up approach to developing and supporting communities and their key organisations. However, we were saddened to hear that the County Council had decided that its support for CAN should no longer include support for NALC. We therefore sought separate financial support from the County Council: a process which was partly successful.

The introduction of Norman Dunn to the team increased our capacity to develop our services, and during the year we also engaged Tom Bolton on a DCLG-funded initiative to promote parish councils in the unparished areas of the North-East: primarily, the city areas.

We reviewed our constitution and introduced a new scheme to ensure geographical representation, drawing members on to our County Committee from all parts of our area. Now, members of the County Committee sit for three years, with one-third of the complement standing-down each year.

At the height of the LGR process, we convened a quarterly larger Councils Forum meeting. This enabled the new and the long-standing town councils to discuss and address common issues. Now that LGR is a memory of several years ago, the Forum has run its course.

Training

As well as the training which CAN provides to the diversity of community organisations, NALC provides focussed training specifically for local councils. Last year, we organised the training into two main 'waves', in May and November. These included nine events, at several different venues around the county, primarily for new clerks, councillors and chairmen. In addition, with the County Council we organised three events on managing local services (play areas, open spaces etc). We also provided a number of small-group and one-to-one tutorial sessions for the CiLCA (Certificate of Local Council Administration) qualification. Ten students in our area now hold the qualification.

We also began preparations with the County Council to provide training in town and country planning.

Support for individual councils

Arguably, most councils now receive most of the support which they need from NALC via our e-newsletter and website. However, this is backed-up by an advisory service, where councils need additional guidance and other support, and we are also able to offer a certain amount of face-to-face support, whether at our office or in the local area. Here are some examples of this casework:

- Taking over a County Council community centre
 - Diversifying the range of councillors, via co-option
 - Setting up and operating a community chest grants scheme
 - Developing a community benefits scheme using windfarm revenues
 - A potential micro hydro-electricity project
 - Supporting local youth initiatives
 - Extending a cemetery
 - Supporting the village shop
 - Supporting a talented teenager
 - Organising a Royal Wedding street party
 - Setting up a PAYE system
 - Dealing with a local complaint
 - Managing the public participation sessions at council meetings
 - Setting up delegated power/urgent matters arrangements
 - Minimising the VAT burden in a community project
- and loads more.

We are grateful to staff in the National Association, who provide us with many of the briefings which enable us to support local councils.

NALC People

We continue to receive valuable service from a range of CAN staff, including Margaret Tweddell (Finance Team), Sue Andrew (Office Administrator), Louise Currie (Community Initiatives Officer), and David Francis (Director). In addition, Norman Dunn joined the team, bringing invaluable experience of systems development.

Among the honorary posts, Bob Jackson (Longhirst PC) stood down as chairman, to be succeeded by Alex Wallace (East Bedlington PC). Gillian Turner (Treasurer) and Richard Slater (Auditor) continued in their roles.

Finance

The overall volume of our income and expenditure rose from about £25k to £30k as a result of receiving full-year subscriptions from the new councils in South-East Northumberland. They had joined NALC part-way through 2009-10. We made a surplus over the year, of nearly £750. We are carrying a general reserve of nearly £9k, which equates to roughly four months of activity.

NORTHUMBERLAND ASSOCIATION OF LOCAL COUNCILS

Statement of Income & Expenditure

1 April 2010 - 31 March 2011

<u>2009-2010</u>		<u>2010-2011</u>	<u>2009-2010</u>		<u>2010-2011</u>
£	<u>Expenditure</u>	£	£	<u>Income</u>	£
7,716.17	National Association - Membership Fee	12,358.90	22,017.17	Membership Subscriptions	27,257.60
15,000.00	Community Action - Agency Fee	15,000.00	-	-	-
1,411.20	Local Council Review	1,392.00	1,834.50	Local Council Review	1,822.50
59.05	Publications & Printing	108.00	80.90	Publications	192.26
286.00	Meetings & Events	106.00	510.00	Training Events	255.00
-	General Activities	-	236.48	General Activities	183.33
-	-	-	4.11	Bank Interest	3.07
-	-	-	-	Excess of Expenditure over Income	-
210.74	Excess of Income over Expenditure	748.86	-	-	-
24,683.16		29,713.76	24,683.16		29,713.76

NORTHUMBERLAND ASSOCIATION OF LOCAL COUNCILS

Balance Sheet at 31 March 2011

<u>2009/2010</u>		<u>2010/2011</u>		
£		£	£	£
	<u>CURRENT ASSETS</u>			
1,917.09	Sundry Debtors	700.66		
6,595.62	Cash on Deposit	8,274.91	8,975.57	
	<u>LESS CURRENT LIABILITIES</u>			
286.00	Sundry Creditors	-	-	
-	Receipts in Advance	-	-	
8,226.71				8,975.57
	<u>FINANCED BY</u>			
8,015.97	General Reserve - Accumulated Surplus		8,226.71	
210.74	- Surplus for Year		748.86	
-	- Deficit for Year		-	
8,226.71				8,975.57

MEMBER COUNCILS

Acklington	Broomley & Stocksfield	Glanton	Lesbury
Acomb	Brunswick	Greenhead	Longframlington
Adderstone with Lucker	Bywell	Haltwhistle	Longhirst
Allendale	Capheaton	Harbottle	Longhorsley
Alnmouth	Carham	Hartburn	Longhoughton
Alnwick	Cartington	Hartleyburn	Lowick
Alwinton	Chollerton	Hauxley	Lynemouth
Amble	Choppington	Haydon	Matfen
Ancroft	Coanwood	Hazlerigg	Meldon
Ashington	Corbridge	Healey	Melkridge
Bamburgh	Cornhill	Hebron	Mitford
Bardon Mill	Corsenside	Heddon on the Wall	Morpeth
Bavington	Cramlington	Hedgeley	Netherton with Biddlestone
Beadnell	Craster	Hedley on the Hill	Netherwitton
Belford with Middleton	Cresswell	Henshaw	Newbiggin by the Sea
Bellingham	Dinnington	Hepple	Newbrough
Belsay	Doddington	Hepscott	Newton by the Sea
Berwick upon Tweed	Duddo	Hexham	Norham
Birtley	East Bedlington	Hexhamshire & District	North Gosforth
Blakelaw & North Fenham	Edlingham	Horncliffe	North Sunderland & Seahouses
Blanchland	Eglington	Horsley	Nunnykirk
Blyth	Ellingham	Humshaugh	Ord
Bowden	Ellington & Linton	Ingram	Otterburn
Branxton	Elsdon	Kielder	Ovingham
Brinkburn & Hesleyhurst	Embleton	Kirkwhelpington	Ovington
Broomhaugh & Riding	Falstone	Knaresdale with Kirkhaugh	Pegswood
	Featherstone	Kyloe	
	Felton		

Plenmeller with Whitfield	Shotley Low Quarter	Togston	Whalton
Ponteland	Simonburn	Tritlington & West Chevington	Whittingham, Callaly & Alnham
Prudhoe	Slaley	Ulgham	Whittington
Rennington	Stamfordham	Wall	Widdrington Station & Stobswood
Rochester & Byrness	Stannington	Wallington Demesne	Widdrington Village
Rothbury	Tarset & Greystead	Warden	Wooler
Sandhoe	Thirlwall	Wark	Woolsington
Seaton Valley	Thirston	Warkworth	Wylam
Shilbottle	Thropton	West Allen	
Shoreswood	Tillside	West Bedlington	