



RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** on **WEDNESDAY 29 FEBRUARY 2012**.

The decisions will come into force and may be implemented from **12 March 2012** unless the Overview and Scrutiny Management Committee or its Committees object to any such decision and call it in.

**Community Buildings:
Consultation Feedback and Proposed Strategy
Key Decision: CORP/A/05/11/3**

Summary

The Cabinet considered a report of the Assistant Chief Executive that outlined the results of the consultation carried out on the Community Buildings Review and sought agreement for a Community Buildings Strategy.

On 14th September, 2011, Cabinet gave approval to consult on the findings of a Community Buildings Review. The report had considered the potential future approach to the Council's stock of 120 community buildings as well as the grant aid it provides to 129 community buildings (38 of which are owned by the Council).

The consultation took place from 19th September to 12th December, 2011 and involved over 3,600 people (including over 400 young people) as well as a joint Member/Officer Working Group. Given the scale of the service users affected by the review, a range of consultation methods was used to seek responses. These included an online questionnaire, a number of stakeholder presentations, use of the Council's Citizens' Panel, attendance at all 14 Area Action Partnerships (AAPs) and critically, interviews with individual community building management committees.

As a result of this consultation, the Council has gathered an extensive resource to help inform the development of a Community Buildings Strategy. Respondents to the consultation were offered the opportunity to comment on a broad range of issues relating to community buildings, with particular focus on four key issues. The findings of the consultation established that there is clear support to target investment of £2.15 million on prioritised Council owned community buildings based on a principle of asset transfer. There was also general support for the criteria proposed to prioritise buildings.

Whilst there were a number of updates to the accuracy of data held on individual buildings, the resulting changes were of such a scale that they did not have a major impact on the priority ranking contained in the report to Cabinet in September. As a

result of incorporating the new data, it is proposed that the Council's 120 community buildings are categorised into five categories as set out below:

- i. Invest from the current programme (36 buildings)
- ii. Do not invest from the current programme unless resources become available (38 buildings)
- iii. Do not invest and take immediate action to close or Asset Transfer (16 buildings)
- iv. Confirm closure (14 buildings)
- v. Do not invest as full repair and insurance leases already in place (16 buildings)

The incorporation of this updated information has resulted in 36 community buildings being prioritised for investment (subject to a number of conditions, including the ability to progress with an asset transfer), the same overall number proposed in the report to Cabinet in September. This however involved changes to the ranking within categories that has resulted in a number of buildings moving between the 'invest' and 'invest if resources become available' categories.

Based on the results of this consultation, the report sought approval for a Community Buildings Strategy which recognises the vital role that community buildings play in the heart of their local communities and the valuable work carried out by the dedicated volunteers who manage these facilities. The proposed strategy has the vision to, 'Ensure that by 2014 the County has a network of sustainable, well placed, highly valued and well used community buildings which are controlled by local people.'

Maximising the impact of available resources will be achieved by applying the proposed prioritisation criteria to target the Council's £2.15 million of capital investment on 36 buildings, in line with the categorisation set out in the report. Handing over control to local communities will entail the Council actively working with community buildings management committees to promote the option of asset transfer. The consultation established widespread support for the principle of asset transfer, with respondents recognising the advantages it offered to, 'Empower local communities, access additional resources and ultimately, to improve their long-term sustainability'.

The strategy recognises that the dedicated volunteers that run community buildings need support, such as advice and guidance, and the time to prepare for change. Indeed, the consultation process highlighted that it would be essential if the strategy is to be implemented by 2014. By April, 2014, at the end of the implementation stage of the attached Strategy, the aim is for as many council owned community buildings to have been subject to asset transfer as possible, for the temporary Support Team to step down and for ongoing support to be provided by permanent staff within the Council's Partnership and Community Engagement Service as well as VCS agencies.

At a time of severe financial challenges for the Council, it is in recognition of the role community buildings can play in developing strong and vibrant communities that the report proposes investing significant resources into the sector over the next two years. Progressing this strategy will require extensive negotiations with the

management associations of community buildings, and in a number of instances, because of current contractual arrangements, it may be necessary to revisit the action plan and timeframe with regard to certain facilities. Where there is a strong demand within the local community for a facility to remain open and to be placed in local control, then the proposals set out in this report will ensure that the mechanisms are in place to try to make this possible. However, for those buildings that are currently closed, and the consultation has established little or no local appetite for them to reopen, the report is seeking to formally declare them surplus to requirements.

Decision

1. The Cabinet agreed to the Community Building Strategy and its associated Action Plan that builds on the results of the extensive consultation process that was carried out from the 19th September to the 12th December, 2011.

2. To progress the implementation of this strategy, Cabinet agreed to:

- i. The time limited support package as set out in the report is put in place to assist community building management committees.
- ii. The Assistant Chief Executive, in consultation with the Portfolio Holder for Local Neighbourhoods and Partnerships, is delegated to agree the asset transfer of community buildings, the management of the capital investment fund of £2.15 million and the closure of community buildings where they are unable to progress with asset transfer.
- iii. Implementation of the strategy is overseen by the Council's project assurance framework.
- iv. The Assistant Chief Executive Service's Grouping take on responsibility for managing the non-staffing revenue budgets for the 120 community buildings in line with the approach set out in the report.
- v. Discussions continue with the relevant social housing providers, and if this leads to an alternative approach to one set out in the strategy attached to the report, this is presented to a future meeting of Cabinet for consideration.
- vi. Investigations continue to determine the requirements placed upon the Council where it is a trustee or a community building and to note the outcome of these discussions may impact on whether the building receives investment from the Council.
- vii. The current moratorium on capital investment from the Council's resources (including Members Neighbourhood Budgets) in the Council's community buildings remains in place unless the works are aligned with an asset transfer of the building in line with the process set out in the report.
- viii. The decision to progress with health and safety improvements in excess of £5,000, in line with the process set out in the report is delegated to the Assistant Chief Executive in consultation with the Portfolio Holder for Local Neighbourhoods and Partnerships.
- ix. The following closed community buildings are declared surplus to requirement:

80 Bede Terrace, Bowburn
Bedburn Close, Durham

Collier House, Sunnybrow
Crookgate Communal Room, Burnopfield
Dipton, Front Street Communal Room, Stanley
Elite Hall, Crook
Gairloch Drive Communal Room, Pelton
Grasmere Grove, Crook
Hambleton Hut, Chester le Street
Millfield, Crook
Shakespeare Centre, Seaham
Sycamore Grove, West Auckland
Wood Street, Chester-le-Street
Woodland House, Kelloe

Localism Act 2011

Summary

The Cabinet considered a joint report of the Assistant Chief Executive, Corporate Director, Resources, and Corporate Director, Regeneration and Economic Development that updated on the final provisions of the Localism Act 2011, considered the implications for the Council and revisited the action plan in the light of the final outcome of this important piece of legislation.

When it was introduced to Parliament on 13 December 2010, the Localism Bill was billed as one of the most significant pieces of legislation affecting local government in recent years, which set out to shift the balance of power between local communities and the state. Overall, the Government intended that the measures in the Bill would provide:

- a) new freedoms and flexibilities for local government;
- b) new rights and powers for local communities;
- c) reforms to make the planning system clearer, more democratic and more effective;
- d) reforms to ensure that decisions about housing are taken locally.

The Localism Act 2011 as it is now known, retains many of the initial features of the original Bill in relation to community empowerment and additional powers and responsibilities for local government, but is now much more focussed.

A number of the additional general powers to be conferred on the Secretary of State and directly elected Mayors have been curtailed and the definitions involved in the provisions relating to neighbourhood planning and 'community rights' have been tightened up.

However, the Act still contains several provisions which enable the Secretary of State to direct what local government does through regulation and secondary legislation and that the Government has defended its stance on 'guided localism', whereby Ministers express a view about how local authorities should act, reinforced

by the prospect of statutory direction if councils fail to respond to Ministers' 'reasonable expectations'.

In several areas, the practical detail and commencement orders for different parts of the Act have yet to be published and the Government's timetable for when they can be expected is still awaited.

The Council nevertheless has to plan ahead and as such, has revisited the initial action plan for anticipating and responding to the proposed legislation, as agreed by Cabinet last year.

Decision

In order to respond to the Localism Act, Cabinet:

- a) noted the contents of this report and the implications of the final legislation;
- b) noted the timetable for implementation of the legislation;
- c) agreed to the proposed action plan for how the Council can prepare for the commencement of the legislation.
- d) delegated authority to the relevant members of Corporate Management Team in consultation with the relevant portfolio holders to respond to subsequent consultations on draft regulations and supplementary guidance to the Act.

Forecast of General Fund and Housing Revenue Account Revenue and Capital Outturn 2011/12 – Period to 31 December 2011

Summary

The Cabinet considered a report of the Corporate Director, Resources that provided a forecast of 2011/12 revenue and capital outturn for the period to 31 December 2011 for the Council's General Fund and Housing Revenue Account.

Revenue

The following adjustments have been made to the Original Budget:

- (i) agreed budget transfers between Service Groupings;
- (ii) budget transfer from contingencies for expenditure items outside the cash limit;
- (iii) planned contribution to Earmarked Reserves.

Capital

The revised General Fund (GF) capital budget for 2011/12 was set at £167.929m and was approved by Cabinet on 8 February 2012.

Since the revised budget was approved, an additional £0.311m of Disabled Facilities Grant has been confirmed and is reflected in the total GF Capital Programme detailed in the tables below.

The revised Housing Revenue Account (HRA) budget for 2011/12 was set at £42.792m and was approved by Cabinet on 16 November 2011.

The HRA Capital Programme has increased by £0.362m to £43.154m. The changes to the programme comprise a £1.235m increase in the New Build Scheme at Crook, which has been brought forward from 2012/13 at the request of the Homes and Communities Agency, offset by a £0.873m decrease through slippage in the Housing Demolitions programme.

Decision

The Cabinet:

- Approved the Revised Net Expenditure Budget of £443.712m for 2011/12
- Approved the revised Capital Budget including the HRA of £211.395m for 2011/12
- Noted the forecast use of and contribution to Earmarked Reserves
- Noted the forecast end of year position for the Cash Limit underspend reserves
- Noted the forecast end of year position for the General Reserve
- Noted the forecasted outturn position for the Housing Revenue Account.

Disposal of Oversteads House and Brandon House - Tender Evaluation

Summary

The Cabinet considered a report of the Corporate Director Regeneration and Economic Development which detailed the outcome of a tender process for the disposal of two County Council owned sheltered housing schemes at Oversteads House, Ushaw Moor and Brandon House, Brandon and recommends their disposal at 'nil' value to the preferred developer, Vela Group.

Built in the 1970's, these two sheltered schemes have struggled with high management and maintenance costs for many years. The Councils Older Persons Accommodation and Support Needs Strategy (2010) had identified the problem of over provision of this type of accommodation across the county. An opportunity

arose to consider how best to remodel or redevelop these two schemes for the greater benefit of future residents.

Given the poor design standards and the level of investment required Cabinet previously agreed on 10 November 2010:

- To close Oversteads House and Brandon House
- To investigate further the possibility of one or other of the sites being transferred to another housing provider for development as affordable housing preferably for older people.

In March 2011 adverts were placed to invite Expressions of Interest (EOI) from suitable developers in relation to the redevelopment/ refurbishment of the two schemes. The closing date for submitting EOIs was 26 April 2011. EOIs were received by the due date from both private developers and Registered Providers. Shortlisting took place in May 2011 and five organisations were subsequently invited to tender. During the course of the tender period three of the shortlisted companies withdrew from the tender process.

In order to facilitate fair and accurate comparisons, the developer's proposals were structured according to the methodology derived from the Home and Communities Agency publication "Quality Reviewer-Appraising the design quality of development proposals."

The successful tenderer is expected to submit a detailed planning application on or before 31 March 2012 as well as submitting a Statement setting out the developers approach to targeted recruitment and training opportunities to support employment in the local area.

An assessment panel met on the 1 December 2011 to carry out an assessment of the two bids. Both bids complied with the requirements of the Development Brief and were structured according to the methodology derived from the HCA Quality Reviewer and both included space for a communal lounge, a lift, electric buggy store and public open space for residents.

The outcome of the Panel assessment judged the Vela Group was the preferred bid to deliver 20 two bedroom apartments and 2 two bedroom bungalows on the Brandon House site and 16 two bedroom apartments on the Oversteads House site. Of the total, 7 will be offered for shared ownership.

The outcome of this will be the provision of two high quality schemes specifically for older persons which will provide affordable housing (primarily for rent but with a shared ownership option) in popular locations within the county. It exemplifies a strong working partnership between the authority, the homes and Communities agency and one of our partner housing associations.

Decision

The Cabinet agreed:

- (a) To accept the tender proposals from Vela Group
- (b) Under the General Disposal Consents Order 2003 to dispose of Oversteads and Brandon House to Vela Group for redevelopment.
- (c) Subject to contract to the disposal of Oversteads House and Brandon House at nil value.

Colette Longbottom
Head of Legal and Democratic Services
2 March 2012