



Cabinet

Date **Wednesday 17 July 2013**
Time **9.30 am**
Venue **Main Hall, The Glebe Centre, Durham Place, Murton,
Seaham, Co. Durham, SR7 9BX**

Public Question and Answer Session

9.30 a.m. to 10.00 a.m.

An opportunity for local people to have a 30 minutes informal question and answer session with Cabinet Members.

Cabinet Business

10.00 a.m. onwards

Part A

**Items during which the Press and Public are welcome to attend.
Members of the Public can ask questions with the Chairman's
agreement.**

1. Minutes of the meetings held on 5 June 2013 and 24 June 2013
(Pages 1 - 6)
2. Declarations of interest

Ordinary Decision:

3. 2012/13 Final Outturn for General Fund and Housing Revenue Account
- Report of Corporate Director, Resources (Pages 7 - 42)

Key Decisions:

4. Medium Term Financial Plan (4), Council Plan and Service Plans
2014/15-2016/17 - Joint Report of Corporate Director, Resources and
Assistant Chief Executive [Key Decision: CORP/R/13/02] (Pages 43 -
58)
5. Proposed change to the Age Range of St Oswald's Church of England
(CE) Aided Infant and Nursery School from 3-7 to 3-11 from 1
September 2014, to establish a Primary School - Report of Corporate
Director, Children and Adults Services [Key Decision: CAS/01/13]
(Pages 59 - 90)

6. Community Buildings: Progress Report - Report of Assistant Chief Executive [Key Decision: CORP/A/05/11/3] (Pages 91 - 100)
7. Updated Street Lighting Policy - Report of Corporate Director, Neighbourhood Services [Key Decision: NS/21/13] (Pages 101 - 122)

Ordinary Decisions:

8. Corporate Asset Management Plan and Property Strategy - Report of Corporate Director, Regeneration and Economic Development (Pages 123 - 214)
9. Residential Car Parking Standards - Report of Corporate Director, Regeneration and Economic Development (Pages 215 - 220)
10. NHS and Public Health Reform - Report of Corporate Director, Children and Adults Services (Pages 221 - 232)
11. Restoration of Wharton Park Project - Report of Corporate Director, Neighbourhood Services (Pages 233 - 246)
12. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration.
13. Any resolution relating to the exclusion of the public during the discussion of items containing exempt information.

Part B

Items during which it is considered the meeting will not be open to the public (consideration of exempt or confidential information)

14. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration.

Colette Longbottom
Head of Legal and Democratic Services

County Hall
Durham
9 July 2013

To: **The Members of the Cabinet**

Councillors S Henig and A Napier (Leader and Deputy Leader of the Council) together with Councillors J Brown, N Foster, L Hovvels, O Johnson, M Nicholls, M Plews, B Stephens and E Tomlinson

Contact: Ros Layfield

Tel: 03000 269708

This page is intentionally left blank

DURHAM COUNTY COUNCIL

At a Meeting of **Cabinet** held in Committee Room 2, County Hall, Durham on **Wednesday 5 June 2013 at 10 am**

Present:

Councillor S Henig (Leader of the Council) in the Chair

Members of Cabinet:

Councillors J Brown, N Foster, L Hovvels, O Johnson, A Napier, M Nicholls, M Plews, B Stephens and E Tomlinson

Other members:

Councillors B Armstrong, J Armstrong, B Avery, J Clare, P Conway, M Dixon, B Graham, O Gunn, I Jewell, R Lumsdon, J Maitland, J Shuttleworth, A Surtees, O Temple, M Wilkes and R Yorke.

Prior to the commencement of the meeting, the Leader welcomed everyone to the first meeting of Cabinet after the recent local elections. He explained the procedure for members of the Authority asking questions at meetings of Cabinet, and that there would be changes made to the public participation at meetings which would be announced in due course.

1 Declarations of interest

There were no declarations of interest.

2 Minutes

The minutes of the meeting held on 10 April 2013 were confirmed as a correct record and signed by the Chairman.

**3 Empty Homes Cluster Programme
Key Decision: R&ED/10/13**

The Cabinet considered a joint report of the Corporate Director Regeneration and Economic Development and Corporate Director Resources which updated members on the progress in establishing the County Council's Empty Homes Cluster Programme to purchase private sector owned empty properties in targeted areas and, with partner Registered Providers, invest in those properties in order to bring them back into use (for copy see file of Minutes).

In response to the question from Councillor Wilkes, Councillor Tomlinson advised of that should the Government release further funding for the purchase of empty homes, the Authority would consider the possibility of bidding for additional funding and providing any matched funding that may be required.

Resolved:

That the recommendations contained in the report be approved.

4 North East Independent Economic Review Findings and Review of Governance Arrangements

The Cabinet considered a report of the Corporate Director Regeneration and Economic Development which provided an update on the decision of the seven Local Authority Leaders and Elected Mayor in the North East LEP area to embed collaborative working arrangements in a statutory form. A review of governance arrangements was underway for the seven local authorities in the North East LEP to assess if the existing governance arrangements in relation to Economic Development, Regeneration and Transport could be improved upon with the formation of a Combined Authority made up of the 7 constituent authorities.

This report further updated Cabinet on the key findings from the recently published North East Independent Economic Review (NEIER). The review set out an agenda for creating “more and better jobs” in the North East and called for the devolution of powers, responsibilities and resources from central Government to the area (for copy see file of Minutes).

Resolved:

That the recommendations contained in the report be approved.

5 Quarter 4 2012/13 Performance Management Report

The Cabinet considered a report of the Assistant Chief Executive which presented progress against the council’s corporate basket of performance in (PIs) and reported other significant performance issues for 2012/13. A presentation on the issues was provided by the Assistant Chief Executive (for copy of report, and slides of presentation see file of Minutes).

Resolved:

That the report be noted.

6 Update on the delivery of the Medium Term Financial Plan 2

The Cabinet considered a report of the Assistant Chief Executive which provided an update on the progress made at the end of March 2013 on the delivery of the

2012/13 to 2015/16 Medium Term Financial Plan (MTFP) 2, and provided a summary over the past two years of the MTFP savings made (for copy see file of Minutes).

Resolved:

That the report be noted.

7 Implications for Durham County Council of the Government's policy programme

The Cabinet considered a report of the Assistant Chief Executive which provided an update on the major policy developments, announcements and analysis of the implications for Durham County Council since the last report which was presented on 16 January 2013 (for copy see file of Minutes).

Resolved:

That the report be noted.

8 Voluntary and Community Sector Strategy

The Cabinet considered a report of the Assistant Chief Executive which sought agreement for the Voluntary and Community Sector Strategy and Action Plan (for copy see file of Minutes).

Resolved:

That the recommendations contained in the report be approved.

9 2013 Refresh of the Safe Durham Partnership Plan 2011-14

The Cabinet considered a report of the Corporate Director, Children and Adults Service which sought approval on the 2013 refresh of the Safe Durham Partnership (SDP) Plan 2011-14. The Crime and Disorder Regulations 2007 require that at the start of each year revise the Partnership Plan, following the completion of an annual Strategic Assessment (for copy see file of Minutes).

Resolved:

That the recommendations contained in the report be approved.

10 Transfer of Investing in Children to a Community Interest Company

The Cabinet considered a report of the Corporate Director, Children and Adults Services which advised of a delegated decision, made under the delegated powers

set out in paragraph 12 of the General Delegations Table One to transfer Investing in Children to a Community Interest Company (for copy see file of Minutes).

Councillor Johnson, in responding to a question from Councillor Temple advised of the reason for the delegated decision being undertaken.

Resolved:

That the recommendations contained in the report be approved.

11 Interim Policy / Procedure for the Adoption of Public Open Space Associated with New Housing Developments

The Cabinet considered a joint report of the Corporate Director, Neighbourhood Services and Corporate Director Regeneration and Economic Development which presented details on the introduction of an interim countywide adoption policy for maintenance of public open space linked to new housing developments (for copy see file of Minutes).

Resolved:

That the recommendations contained in the report be noted.

12 Exclusion of the Public

Resolved:

That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the said Act.

13 Disposal of Land at Heighington Lane, Aycliffe

The Cabinet considered a joint report of the Corporate Director Regeneration and Economic Development and Corporate Director Resources concerning the disposal of Land at Heighington Lane, Aycliffe (for copy see file of Minutes).

Councillor N Foster provided a detailed response to the question from Councillor Wilkes.

Resolved:

That the recommendations contained in the report be approved.

DURHAM COUNTY COUNCIL

At a Special Meeting of **Cabinet** held in Committee Room 2, County Hall, Durham on **Monday 24 June 2013 at 1.00 pm**

Present:

Councillor S Henig (Leader of the Council) in the Chair

Members of Cabinet:

Councillors J Brown, N Foster, L Hovvels, O Johnson, A Napier, M Nicholls and B Stephens

Apologies:

Apologies for absence were received from Councillors Plews, and Tomlinson

Other members:

Councillors J Allen, B Armstrong, J Armstrong, D Bell, J Blakey, J Chaplow, J Clare, K Corrigan, I Geldard, J Gray, K Hopper, H Nicholson, C Potts, K Shaw and M Williams

1 Declarations of interest

There were no declarations of interest.

2 Improving Economic Governance Key Decision: R&ED/16/13

The Cabinet considered a joint report of the Corporate Director Regeneration and Economic Development which presented the outcome of a review of governance arrangements undertaken in relation to local authority functions concerning economic growth and transport across the seven North East local authority areas comprising: Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland. The report further proposed submission of the final report and scheme for the establishment of a combined authority to Government (for copy see file of Minutes).

Cabinet members spoke at length advising of their support for the proposal, and the benefits that it would have for Durham and the region.

Resolved:

That the recommendations contained in the report be approved.

3 County Durham Partnership Update Report

The Cabinet considered a report of the Assistant Chief Executive which provided an update on the issues being addressed by the County Durham Partnership (CDP) including summaries from the Board, the five Thematic Partnerships and all Area Action Partnerships (AAPs). The report further included updates on other key initiatives being carried out in partnership across the County (for copy see file of Minutes).

The Leader and Councillor Stephens in referring to the recent recruitment process undertaken, thanked those retiring members of the AAP's for their hard work and achievements over the last four year period.

Resolved:

That the report be noted.

4 Neighbourhood Planning - Council Procedure

The Cabinet considered a report of the Corporate Director Regeneration and Economic Development which sought agreement on a formal procedure for the way that the Council handles the various aspects of Neighbourhood Planning introduced by the Localism Act (for copy see file of Minutes).

Resolved:

That the recommendations contained in the report be approved.

5 Proposed ICT Services Collaboration between Durham and Sunderland

The Cabinet considered a report of the Corporate Director Resources which advised of the strategic proposal to deliver a collaborative ICT service for Durham County Council and Sunderland Council from a single joint organisation in conjunction with a commercial partner and sought approval to develop a full business case for the proposal.

Resolved:

That the recommendations contained in the report be approved.

Cabinet

17 July 2013

**2012/13 Final Outturn for General Fund
and Housing Revenue Account**



Report of Corporate Management Team

Don McLure, Corporate Director Resources

Councillor Alan Napier, Portfolio Holder for Finance

Purpose of the Report

- 1 To provide Cabinet with details of the Final Outturn for both the General Fund and the Housing Revenue Account (HRA) for 2012/13 including an Annual Treasury Management Review. The report will consider both Revenue and Capital.

Background

- 2 In setting the 2012/13 budget, the Council continued to face unprecedented levels of reductions in Government grants over the current Comprehensive Spending Review (CSR) period to 31 March 2015. The Council's Formula Grant for 2012/13 was £223.2m – a reduction of £17.1m when compared to 2011/12.
- 3 The Council agreed a net revenue budget of £432.58m for 2012/13. Factoring in inflation and other budget pressures required the delivery of £26.6m of savings in 2012/13 in order to deliver a balanced budget.
- 4 Forecast outturn figures based upon information as at 31 December 2012 were reported to Cabinet on 13 March 2013 and at that time it was forecast that there would be an increase in Cash Limit Reserves of £2.130m and an addition to the General Reserve of £2.779m.
- 5 The final outturn for 2012/13 is being determined as part of the production of the Statement of Accounts. During the process of finalising the Statement of Accounts, the Corporate Director Resources will be required to make a number of technical decisions in the best financial interests of the Council. Such decisions will be fully disclosed in the Statement of Accounts.

General Fund Outturn

- 6 This section of the report shows the following:
 - (i) Cash Limit Outturn for Service Groupings;

- (ii) Overall Revenue Outturn for the General Fund with summarised Service Grouping commentary;
- (iii) Overall Capital Outturn of the General Fund with summarised Service Grouping commentary;

Cash Limit Outturn

7 The overall outturn for the Council is shown in Appendix 2 and that shows details of how the cash limit outturn for each Service Grouping is calculated. Two key elements have been excluded from the Service Grouping outturn to calculate the cash limit outturn as detailed below:

(i) Sums Outside the Cash Limit

Some expenditure and Income should be excluded from the Cash Limit for a number of reasons. Some of these are detailed below:

- Items not controlled by the Service Groupings e.g. Capital Charges, Central Administration Recharges and items relating to International Financial Reporting Standards (IFRS).
- Exceptional expenditure pressures which were not accounted for in the service grouping base budget build and which are covered by contingencies or earmarked reserves held corporately e.g. Flooding and additional Winter Maintenance due to exceptional long periods of ice or snow and redundancy costs linked to MTFP savings proposals.

(ii) Use of or Contribution to Earmarked Reserves

Sums that Service Groupings have utilised or contributed to Earmarked Reserves, have been excluded from their outturn position in order to calculate cash limit position.

8 After taking into account the above exclusions, all Service Groupings have generated a cash limit underspend in 2012/13. The 2012/13 cash limit underspend for each Service Grouping is detailed below:

Service Grouping	Opening Balance as at 1 April 2012	Movement during 2012/13			Closing Balance as at 31 March 2013
		Use of reserve	Contribution to reserve	Transfer to / from Earmarked Reserves	
	£m	£m	£m	£m	£m
Assistant Chief Executive	-1.133	0.456	-0.488	0.000	-1.165
Children and Adults Services	-8.092	2.320	-3.960	0.000	-9.732
Neighbourhoods	-2.205	0.166	-0.419	0.147	-2.311
Regeneration and Economic Development	-2.960	0.100	-0.556	0.000	-3.416
Resources	-1.496	0.000	-1.625	-0.159	-3.280
Total Cash Limit Reserve	-15.886	3.042	-7.048	-0.012	-19.904

Revenue Outturn

- 9 Appendix 2 provides a detailed Outturn position for the Council's General Fund by Service Grouping. In addition, Appendix 3 provides a detailed Outturn position for the Council by type of expenditure and income. The table below provides a summary of the Final Outturn position:

	£m	£m
Gross Expenditure		1,380.281
Less:		
Gross Income		-953.690
Net Expenditure		426.591
Financed by:		
Council Tax	201.788	
Council Tax Freeze Grant	5.045	
Revenue Support Grant	4.245	
Redistributed Non-Domestic Rates	219.007	
New Homes Bonus	2.344	
LACSEG (Academy Schools Adjustment)	2.145	
Net Contribution to Cash Limit Reserves	-4.018	
Net Contribution from / to (-) Earmarked Reserves:		
Schools and DSG	1.059	
Non-Schools	-2.486	
Net Contribution to the General Reserve	-2.538	
Total Financing		426.591

- 10 The final outturn position for the General Reserve is detailed below:

	£m
Opening Balance as at 1 April 2012	-21.874
Add:	
Net Contribution to the General Reserve in 2012/13	-2.538
Closing General Reserve Balance as at 31 March 2013	-24.412

- 11 The General Reserve balance carried forward is within the Council's General Reserves policy of retaining up to 7.5% of Net Revenue Expenditure (£35m). The position at 31 March 2013 represents 5.2% of 2013/14 Net Revenue Expenditure Budget.

12 The key reasons why the General Reserve has increased are detailed below:

- Local Authority Central Spend Equivalent Grant (LACSEG) income – a £2.145m refund was received from the Department for Education in respect of 2010/11 and 2011/12 LACSEG reductions;
- Interest and Investment income - £2.668m more than budgeted;
- Capital Receipt income from de-minimis asset sales - £0.324m more than budgeted, offset by:
 - Interest payable and similar charges - £2.828m more than budgeted

13 Appendix 4 details the use of Earmarked Reserves in 2012/13. The position at the end of the year is as follows:

	Non-Schools	Schools and DSG	Cash Limits	TOTAL
	£m	£m	£m	£m
Opening Earmarked Reserve Balances as at 1 April 2012	-59.439	-25.100	-15.886	-100.425
Less/Plus Use of / contribution to Earmarked Reserves	-2.486	1.059	-4.018	-5.445
Earmarked Reserve Balance as at 31 March 2013	-61.925	-24.041	-19.904	-105.870

Service Grouping Commentary

14 A summary from each Service Grouping Outturn follows. Detailed outturn reports will be provided to the relevant Overview and Scrutiny Committees.

Assistant Chief Executive (ACE)

15 The 2012/13 outturn is a cash limit underspend of £0.488m. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from the strategic reserves, year end capital entries and the use of / contributions to earmarked reserves.

16 The cash limit outturn position compares to the previously forecast position of a cash limit underspend of £0.348m.

17 The underspend is a managed position, reflecting the proactive management of activity by Heads of Service across ACE to remain within the cash limit. The main reasons for the outturn position are as follows:

- In line with corporate policy employees are budgeted at 97%. As a result of low vacancy levels within the service following restructures (driven by the requirement to meet MTFP savings targets) employee

costs overspent by £21k representing 0.3% of the employees' budget. The overspend in employees has been managed within the service by adjusting planned activity elsewhere within ACE to ensure this overspend is offset.

- The Premises, Transport and Supplies and Services areas of activity are under constant review by managers to minimise spending while still delivering a high level of service and as a result they delivered a £0.315m underspend.
- The Transfer Payments budget underspent by £65k as a result of effectively managing the allocation process of making grants to qualifying bodies.
- Income over recovered by £0.154m. This is primarily related to activity within Partnership and Community Engagement where managers have been able to identify and access additional funding to support additional activity within the AAP areas. Additionally support of the 'Police and Crime Panel' co-ordinated by the Overview and Scrutiny function and additional income achieved by the County Records Office also contributed to the over recovery.
- Each of the 14 area action partnerships (AAP) have an 'Area' budget to contribute to local projects of £0.120m in 2012/13. Combined with revenue budgets carried forward from previous years (related to committed expenditure on agreed projects) the total revenue budget across all 14 AAP's was £2.370m. £1.413m was expended in 2012/13, with the remaining £0.957m committed to projects in 2013/14 by 31 March 2013.
- Each elected member manages a 'Member's Neighbourhood budget' of £25k for priorities in their local AAP areas made up of £15k revenue budget and £10k capital. The revenue funding element has been reduced by £5k per member in 2013/14. Prior to 2012/13 all underspends on these budgets have been carried forward, however due to the Local Elections on 2 May 2013, only committed budgets have been carried forward into 2013/14.
- In 2012/13, the Members' Neighbourhood revenue budget, including sums carried forward from the previous year, totalled £3.495m. Expenditure in 2012/13 was £1.096m however, £2.393m was committed to schemes and members initiatives prior to 31 March 2013 and has therefore been carried forward.
- The Members Initiative Fund outturn was £0.316m which comprises the £0.252m budget for 2012/13 together with £64k of budget carried forward from 2011/12.

18 Further to the quarter 3 forecast of outturn report, the following items have been excluded from the outturn in arriving at the cash limit outturn position:

- £1.233m of capital charges over and above the budget;
 - £17k in respect of repairs and maintenance which is managed centrally;
 - £0.422m in respect of central admin recharges;
 - £36k in respect of design service recharges which is managed centrally;
 - £45k in respect of customer services recharges.
 - £40k in respect of unfunded pensions costs;
 - £2k in respect of staff pay accrued for holidays.
- 19 A range of transfers to and from earmarked reserves held corporately and within ACE have been excluded in arriving at the cash limit outturn:
- £45k use of the MTFP Redundancy and Early Retirement Reserve connected with MTFP linked restructuring exercises;
 - £17k use of the Insurance Reserve to meet corporate insurance costs in excess of the budget;
 - £64k use of the Members Initiative Fund Reserve
 - £0.644m contribution to the AAP Members Reserve.
 - £1.348m contribution to the Members Neighbourhoods Reserve.
- 20 Taking the final outturn position into account, including items proposed to be treated as outside the cash limit, transfers to and from earmarked reserves, the Cash Limit Reserve to be carried forward for ACE is £1.165m.

Children and Adults Services (CAS)

- 21 The 2012/13 outturn for Children and Adults Services (CAS) is a cash limit underspend of £3.960m. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from strategic reserves, year-end capital accounting entries and use of / contributions to earmarked reserves.
- 22 The cash limit outturn position compares to the previously forecast position of a cash limit underspend of £2.890m.
- 23 The underspend is a managed position, reflecting the proactive management of activity by Heads of Service across CAS to remain within the cash limit. The main reasons accounting for the outturn position are as follows:
- Early achievement of a number of future year MTFP management and support service proposals, together with the careful management and control of vacancies and general budgets across the service has created a net underspend for the year from former Adults, Wellbeing and Health services of £2.92m.

- Net spend on adult care packages was £3.2m below budget. This area of spend is closely monitored to assess the impact of demographic changes. Savings have arisen from consistent and effective application of the existing eligibility criteria, reducing the level of care packages subsequently commissioned. The service is reviewing its approach to current savings in order to consider increasing the saving associated with consistent application of eligibility criteria. This will need to be carefully considered in light of transition cases, potential for ordinary residence claims and the potential for increased care package costs linked to older carers and general increases in demand.
- CAS managers have reviewed plans in respect of available one-off additional funding, which has created an in-year contribution to the cash limit of £1.12m. It is anticipated that this funding will be utilised in part to resource the work associated with the outcomes of the LGA efficiency review work linked to the transformation agenda in social care for children and adults.
- To assist in the management of the demographic pressures facing the service over the MTFP period, the service targeted a planned underspend for 2012/13, repeating the approach applied in previous years, and a further contribution of £4.5m to the reserve for demographic pressures/hyperinflation has been actioned during the year.
- Children's Care overspent by a net £1.24m. This service experienced an overspend on independent foster agency and fostering related allowances (£1.74m), which reflects the higher than budgeted number of referrals and caseloads, particularly in the first half of 2012/13, and overspends due to transport costs (£0.41m) to fund contact visits ordered by the courts, together with excess school travel costs and car allowances. Managed underspends on employees (£0.78m) and additional income from Health to fund placements (£0.25m) have helped to partially mitigate the position in year. A Looked After Children (LAC) Strategy is now in place and, together with base budget realignment within CAS and falling numbers of LAC in quarter 4, the 2013/14 budget position is considered more sustainable.
- Home to School and college transport has overspent by £0.62m in 2012/13. This is a timing issue linked to the rollout of the policy changes implemented from September 2012. Whilst the policy changes will deliver the MTFP requirements in totality, the profiling of the savings will not be in line with the original MTFP assumptions and base budget adjustments have been actioned in 2013/14.
- A number of savings across Achievement, Countywide and Early Intervention and Partnership Services (£2.35m) mainly relating to employee related spend through vacancies and the early achievement of MTFP savings and reduced supplies and services expenditure.

- There is also an improved position on bad debts of £0.7m mainly due to the clearing of outstanding debts relating to local Primary Care Trusts.
- 24 Further to the quarter 3 forecast outturn report, the following items have been excluded from the outturn in arriving at the cash limit at year end:
- £96k transfer to the Continuous Professional Development Reserve, relating to the trading account surplus at the year end.
 - a reserve of £0.942m has been created for Tackling Troubled Families which reflects the unspent grant in 2012/13 to fund planned commitments in 2013/14.
 - an amount of £1.589m has been added to the Social Care Reserve from available one-off balances to help support the transformation agenda
 - a number of reserves totaling £0.904m which were planned to be used in 2012/13 but which spend will now be incurred in 2013/14 have been carried forward at year end; and
 - MTFP related redundancy costs of £0.562m have been funded through the use of the corporate reserve set up for this purpose.
- 25 Taking the outturn position into account, the Cash Limit Reserve to be carried forward for Children and Adults Services is £9.732m. There is pre-committed planned use of this reserve of £5.041m across the MTFP 3 period.

Dedicated Schools Grant

- 26 The Dedicated Schools Grant (DSG) allocation for 2012/13 was £342.05m, however due to schools converting to academies the budget was reduced by £64.107m in year to £277.943m. This includes both the delegated schools budget and the centrally retained DSG budget.
- 27 The total revised delegated budget for maintained schools was £257.7m and net expenditure for the year was £257.6m.
- 28 Where schools spent more than their delegated budgets, the overspend reduces their accumulated balance. Schools related balances were £19.418m at 31 March 2013, a reduction of £1.472m from the previous year. There has been a reluctance to commit funds due to the freeze on inflation within school budgets and until the impact of the School Funding Reforms, particularly the National Funding Formula from April 2015, becomes clearer.
- 29 The level of school balances is being closely monitored and managed, particularly those schools with a deficit balance and robust arrangements have been put in to place to monitor these in parallel with budget plans given the additional risks from schools that could potentially become a sponsored academy.
- 30 In 2013/14 and beyond there will be greater scrutiny and challenge being put to schools budget plans to identify and address areas of concern and risk to

the Council. Whilst the vast majority of schools are well managed and financially sound, termly updates will now be required from all maintained schools on their projections for the year, with reports also provided to School Governors. The Council will work constructively with schools to address any concerns and where appropriate take action to ensure the risk to the School and the Council is mitigated.

- 31 At 31 March 2013 there are 15 schools with a deficit balance carried forward totalling £0.46m, 25 schools holding a balance less than 2.5% of their overall funding and 220 schools with balances of more than 2.5% of their overall funding.
- 32 The pressure areas for the centrally controlled element of the DSG in 2012/13 have been within Education Other than at School, placements in independent special schools and school redundancy costs. This has been offset by underspends within the Access and Inclusion, Learning Support Service and capitalised repair and maintenance.
- 33 The overall outturn position for the centrally retained element of the DSG shows an underspend of £0.413m, which has been carried forward to support spend and budget pressures in 2013/14.

Neighbourhood Services

- 34 The 2012/13 outturn for Neighbourhood Services is a cash limit underspend of £0.419m. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from an earmarked reserve, year-end capital accounting entries and use of / contributions to earmarked reserves.
- 35 The cash limit outturn position compares to the previously forecast position of a cash limit overspend of £0.142m.
- 36 The underspend is a managed position, reflecting the proactive management of activity by Heads of Service across Neighbourhoods to bring spend within the cash limit, having previously forecast an overspend position. The main reasons accounting for the outturn position are as follows:
- There was a shortfall of £1.4m in the surplus generated within Highways Services. This was primarily due to reduced levels of workload across the year. Progress is currently being made to downsize the workforce in order to align it with a more sustainable level of income for 2013/14.
 - There was an overspend of £0.3m within Direct Services due a fall in the projected income from the sale of dry recyclates due to falling market prices.
 - In order to mitigate against previously identified overspends Neighbourhoods Management Team instigated an exercise to further identify areas of the budget where costs could be saved on a one-off basis within the service, and as a result an underspend of

approximately £0.700m was achieved on supplies and services across all areas of Neighbourhood Services.

- There was also an underspend of £1.0m within Strategic Waste, associated with savings from reduced levels of waste being generated, principally due to the economic climate, and the introduction of Alternate Weekly Collections, which increased diversion from landfill by more than was forecast.
- Finally, there was an underspend of approximately £0.400m within the service associated with both the Environment, Health and Consumer Protection service and Projects and Business Services where a number of planned MTFP savings from 2013/14 have been achieved early.

37 Further to the quarter 3 forecast outturn report, the following items have been excluded from the outturn in arriving at the cash limit:

- An additional overspend on Winter Maintenance activities of £0.311m
- Other sums outside the cash limit include costs in respect of capital accounting entries, and central administration recharges.

38 In addition, the Service is making a net contribution to earmarked reserves of £0.545m:

- £0.424m relates to a contribution to earmarked reserves in respect of Culture and Sport,
- £0.698m relates to a contribution to earmarked reserves in respect of Highways and Waste Disposal,
- £1.609m relates to a contribution to earmarked reserves in respect of Buildings and Grounds Maintenance, and Street Cleaning,
- £0.294m relates to a contribution to earmarked reserves for Environmental Health, and
- £0.110m relates to a contribution to earmarked reserves for Customer Services.
- Neighbourhoods have utilised £0.404m in respect of additional ER/VR costs, and £2.186m for additional Insurance charges. Both these sums are funded corporately from earmarked reserves held centrally

39 Taking the outturn position into account, the Cash Limit Reserve to be carried forward for Neighbourhood Services is £2.311m.

Regeneration and Economic Development (RED)

40 The 2012/13 outturn for Regeneration and Economic Development is a cash limit underspend of £0.556m. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from an earmarked reserve, year end capital accounting entries and use of contributions to earmarked reserves.

- 41 The cash limit outturn position compares to the previously forecast position of a cash limit underspend of £0.615m.
- 42 The underspend is a managed position, reflecting the proactive management of activity by Heads of Service across RED to remain within the cash limit. The main reasons accounting for the outturn position is as follows:
- Strategy Programmes and Performance - £0.121m saving due to the freezing of vacant posts and other general efficiency savings on Supplies and Services.
 - Economic Development and Housing - £0.117m underspend primarily due to savings on employee costs resulting from vacant posts, maternity leave and other general efficiency savings.
 - Planning and Assets - £0.490m underspend which is broken down into a £0.526m underspend in the Planning service and a £0.036m overspend on Assets. Building control income was lower than budget by £0.295m although planning fee income was higher and is offsetting this budget pressure. The underspend in the Planning Service results from vacant posts and other efficiency savings on Transport, Supplies and Services.
 - There were income pressures within the Assets Service, mainly from Newgate Street in Bishop Auckland, the Brackenhill Centre, Peterlee and Millenium Square in Durham City where rental income targets were not achieved.
 - Transport - £0.201m overspend which is primarily due to the non-realisation of budgeted vacancy savings and additional costs incurred for agency staff to cover for sickness on statutory duties. In addition there was a shortfall in anticipated income resulting from a delay in the implementation of Civil Parking in the South and loss of car parking income due to bad weather in the latter part of the financial year.
 - Central Costs - £29k underspend due to a rebate from Commensura, who manage our agency recruitment process, plus other general efficiency savings
- 43 Further to the quarter 3 forecast outturn report, the following items have been excluded from the outturn in arriving at the cash limit:
- £1.295m – relates to contributions to and from earmarked reserves and cash limits to support specific projects in 2013/14
 - -£3.113m – relates to a range of adjustments associated with capital charges, centralised repairs and maintenance, central administration and concessionary fares.
- 44 Taking the outturn position into account, the Cash Limit Reserve to be carried forward for Regeneration and Economic Development is £3.416m.

Resources

- 45 The 2012/13 outturn for Resources is a cash limit underspend of £1.625m. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from the strategic reserves, year end capital accounting entries and use of / contributions to earmarked reserves.
- 46 The cash limit outturn position compares to the previously forecast position of a cash limit underspend of £1.361m.
- 47 The main reasons accounting for the final outturn position are as follows:
- Employee costs underspent by £1.639m, which is primarily as a result of the planned early achievement of 2013/14 MTFP saving requirements linked to the unitisation of Finance and Human Resources. Proactive management of vacancies within Legal and Democratic Services, Internal Audit and ICT is intended to minimise the cost and disruption of restructures planned for 2013/14. The restructures linked to unitisation achieved the 2013/14 MTFP savings requirements and after accounting for transition contributed significantly to the underspend in 2012/13.
 - Premises costs are marginally underspent by £0.027m. The underspend is due mainly to reduced spend on general repairs and maintenance.
 - Transport costs underspent by £0.267m. This is due to lower than anticipated spend on car allowances across the Service.
 - Supplies and Services costs overspent by £0.920m. Contributing to the overspend are costs in Finance associated with the introduction of Hyperion and Business Intelligence budgeting tools and the cost of outsourced work packages in respect of the Housing Benefits Service.
 - Central Support and Capital is overspent by £0.209m. This is as a result of funding capital expenditure on ICT data centres, vehicles and printing equipment.
 - Income is over recovered by £0.808m. This is primarily due to an increase in court fee income within the Council Tax and Business Rates Service of £0.427m. There was also an over recovery of income in Legal Services, Corporate Finance and Financial Services.
- 48 Further to the quarter 3 forecast of outturn report, the following items have been excluded from the the outturn in arriving at cash limit:
- £1.242m of capital charges over and above the budget;
 - £5k in respect of repairs and maintenance which is managed centrally;
 - £1.569m in respect of central admin recharges;
 - £5k in respect of corporate and democratic core recharges;
 - £9k in respect of customer services recharges;

- £0.202m of costs in respect of the Coroners Service;
- £5k in respect of the single persons discount review in Revenues and Benefits;
- £0.204m of the bad debt provision charge relating to expenditure incurred on the building in Newgate Street Bishop Auckland (the “Mothercare Building”);
- £2k for the provision of backdating successful job evaluation appeals.
- £0.324m for capital receipts less than £10k;
- £18k in respect of staff pay for accrued holidays.
- £22k in respect of unfunded pensions.
- £6k in respect of equal pay provision.

49 A range of transfers to and from earmarked reserves held corporately and within Resources have been excluded the outturn in arriving at the cash limit position:

- £31k use of the MTFP Redundancy and Early Retirement Reserve connected with MTFP linked restructuring exercises;
- £54k use of the Equal Pay Reserve to fund the implementation of the Job Evaluation exercise;
- £1.654m use of the Insurance Reserve to meet the costs of insurance;
- £0.100m contribution to the Revenues and Benefits CIVICA Development Reserve;
- A further contribution of £0.321m to the Corporate Procurement Reserve;
- A contribution of £0.479m to the Housing Benefit Subsidy Reserve;
- £91k contribution to the Discretionary Housing Payments Reserve;
- £0.350m contribution to the Oracle Development Reserve to pay for the implementation of Oracle Release 12;
- £80k to the ICT Mobile Infrastructure Reserve;
- £0.400m to the ICT Trading Account Reserve.
- £16k contribution to the DWP Welfare Assistance Reserve.

50 Taking the final outturn position into account, the Cash Limit Reserve to be carried forward for Resources is £3.280m.

Resources - Centrally Allocated Costs

51 The 2012/13 outturn for Resources – Centrally Allocated Costs is an underspend of £80k. The outturn has been adjusted to take into account the removal of sums outside the cash limit in respect of Central Administration recharges.

- 52 The outturn position compares to the previously forecast position of an underspend of £64k.
- 53 The main reasons accounting for the final outturn position are as follows:
- Supplies and Services underspent by £0.106m primarily due to an underspend on audit fees.
 - Income is under recovered by £26k from the VAT sharing arrangement with North Star Housing Group.
- 54 Further to the quarter 3 forecast of outturn report, the following items have been excluded from the cash limit:
- £1.561m in respect of central admin recharges.

Central Budgets

Interest Payable and Similar Charges

- 55 The Revenue Summary at Appendix 2 shows a £2.828m overspend at year end against this heading. In-year savings of £9.385m, due to lower than forecast interest rates on loans and delayed borrowing decisions due to higher levels of cash balances than forecast, have been used to offset the cost of borrowing utilised to support the capital programme.

Interest and Investment Income

- 56 There has been an overachievement of investment income of £2.668m which is due to the higher than anticipated levels of cash balances held during 2012/13. This is due in the main to lower than expected use of reserves and re-profiling of capital expenditure originally anticipated to be expended in 2012/13. In addition, £0.299m in respect of the interest has been accounted for on the loan to Newcastle International Airport Limited (NIAL) and £0.230m received for granting permission to Copenhagen Airport for the sale of their shares in the Airport.

Local Authority Central Spend Equivalent Grant (LACSEG) Fund

- 57 Following a successful legal challenge, the Council received an amount of £0.646m in 2012/13 in respect of the Government's top slice of the LACSEG grant to fund new academy schools in 2011/12 which was proven to have been 'illegal'. This payment will be used to offset any redundancy costs associated with downsizing of 'centrally managed' Behavioural Support Services, following the decision by the Schools Forum on 15 October 2012 not to 'de-delegate' Dedicated School Grant to fund these pan-county strategic services from 1 April 2013. At present the payment has been added to the Council's general reserves and future reports will detail the redundancy costs as they become known.

- 58 In addition, a further £1.499m was received in May 2013 relating to the year ended 31 March 2013 in respect of the Government's top slice of the LACSEG grant in 2012/13.

Durham County Waste Management Company

- 59 The Durham County Waste Management Company (and its subsidiary Premier Waste Management) entered into a Company Voluntary Arrangement (CVA) on 12 February 2013 as part of a managed liquidation of the company from 1 June 2013. This follows the Council's decision to re-let its Waste Disposal and Treatment contracts from that date.
- 60 The company was unable to submit a bid for the new contract and, having explored a range of options, resolved that it was in the best interest of its creditors to wind up the company.
- 61 As part of agreeing the CVA, the Council made a number of financial concessions, which were necessary to ensure continuity of service provision (access to Transfer Stations; Household Waste Recycling Centres etc.) to 31 May 2013. As part of these concessions, the Council has waived its right to a claim against the liquidator for a dividend distribution linked to an outstanding loan obligation for the funding of one of the now demolished anaerobic digesters. The balance on the loan that has been written off is £0.797m.
- 62 The Council's concession was fundamental to the successful delivery of the CVA and continuity of service was maintained. The new waste Contract commenced 1 June 2013 and will deliver significant savings for the Council going forward.

2012/13 Capital Outturn

Capital

Background

- 63 The General Fund (GF) capital budget for 2012/13 approved by Council in February 2012 was £197.436m. Spend originally planned in the 2011/12 capital programme was re-profiled into 2012/13. This amounted to £32.214m and was approved by Cabinet on 11 July 2012.
- 64 During the year, the Capital Member Officer Working Group (MOWG) has continually reviewed progress in delivering the capital programme to take into account changes in planning and delivery timescales and analysis of changes in demands on resources. This included consideration of requests for re-profiling at year end once the outturn position was known. The recommendations following the MOWG review are included in this report.
- 65 The following table summarises the original budget and revisions reported through and agreed by MOWG, which were approved by Cabinet on 6 February 2013 as well as the outturn position for each service. The table also details the request for budget to be carried forward, which was approved at the Member Officers Working Group held on 14 May 2013.

General Fund Capital Programme 2012/13

Service	Revised 2012/13 Budget	2012/13 Outturn	Structural Maintenance outturn adjustment	Other amendments to Service Outturn	Total Revised outturn	Variance		Budget carried forward
	£m	£m	£m	£m	£m	£m	%	£m
Assistant Chief Executives	1.867	1.422	-0.043	0.122	1.501	-0.366	-19.6	0.367
Children and Adults Services	70.041	57.248	-1.559	-	55.689	-14.352	-20.5	14.989
Neighbourhoods Regeneration and Economic Development	26.403	24.572	-3.666	-0.080	20.826	-5.577	-21.1	5.673
Resources	40.521	30.997	5.272	-0.042	36.227	-4.294	-10.6	4.996
Other	4.582	2.847	-0.004	-	2.843	-1.739	-38.0	1.916
	9.540	-	-	-	-	-9.540	-	-
Total	152.954	117.086	0.000	0.000	117.086	-35.868	-23.5	27.941

- 66 In addition to underspends against schemes that are being requested to carry forward into 2013/14, the variances in the table above also include overspends that are due to accelerated spending, where 2013/14 budgets will be adjusted accordingly, and also overspends that are being financed from additional funding that was received after the revised capital budget was approved by the Council in February 2012.
- 67 The Capital Programme is financed via various funding sources including grants, capital receipts; revenue contributions; contributions from reserves and borrowing. The financing of the 2012/13 Outturn is detailed in the table below.

Financing – General Fund Capital Programme 2012/13

Financed by	2012/13 Outturn
	£m
Grants	63.354
Reserves	2.743
Direct Revenue Financing	
DSG	1.992
Other	11.150
Capital Receipts	8.154
Borrowing	29.693
Total	117.086

Service Grouping Commentary

- 68 The Capital Member Officer Working Group has approved the outturn against the agreed programme on a scheme by scheme basis for each service grouping. Reasons for any slippage and necessary reprofiling have been thoroughly challenged. A summary of the Capital Outturn for each Service Grouping is shown below:

Assistant Chief Executive (ACE)

- 69 The 2012/13 outturn capital spend for ACE was £1.501m, against the revised budget of £1.867m, a £0.366m underspend for the year.
- 70 Included in the capital outturn position is overspending resulting from the accelerated delivery of schemes that span the 2012/13 - 2013/14 financial years. A £0.010m overspend on Community Buildings in 2012/13 is a profiling issue and has been managed by reducing the 2013/14 budget.
- 71 Planned and budgeted capital expenditure of £0.377m will be reprofiled into 2013/14 and budgets adjusted in year accordingly.

Children and Adults Services (CAS)

- 72 The 2012/13 outturn capital spend for Children and Adults Services was £55.689m, against a revised budget of £70.041m, a £14.352m underspend for the year.
- 73 Included in the capital outturn position is overspending on schemes financed by additional capital grants and contributions that were not included in the budget of £2.213m and accelerated spend on 2013/14 schemes that have been brought forward and commenced in quarter 4 of £1.482m. The 2013/14 capital budgets will be adjusted in quarter 1 2013/14 to reflect this.
- 74 Planned and budgeted capital expenditure of £16.470m will be reprofiled into 2013/14 and budgets adjusted accordingly.

Neighbourhood Services

- 75 The 2012/13 outturn capital spend for Neighbourhood Services was £20.826m, against a revised budget of £26.403m, a £5.577m underspend for the year.
- 76 Included in the capital outturn position is overspending on schemes financed by additional capital grants and contributions that were not included in the budget of £0.670m and accelerated spend of £79k that have been financed by reducing 2013/14 budget.
- 77 Planned and budgeted capital expenditure of £5.752m will be re-profiled into 2013/14 and budgets adjusted in year accordingly.
- 78 In addition, unspent Neighbourhood's capital budgets of £0.925m were released back to capital contingencies.

Regeneration and Economic Development (RED)

- 79 The 2012/13 outturn capital spend for Regeneration and Economic Development was £36.227m, against a quarter 3 revised budget of £40.522m a £4.295m underspend for the year.

- 80 The RED capital budget was revised at quarter 3 to include £9.385m for the refinancing of the Newcastle International Airport Limited loan which was approved by Cabinet on 13 March 2013. Further information has recently been received and following a review of accounting regulations, the refinancing of the loan is no longer to be classified as capital expenditure and is now being accounted for as a long term debtor, which means the revised budget is no longer required. For presentation purposes this budget is shown in 'Other' on the table under paragraph 65.
- 81 Included in the capital outturn position is overspending on schemes financed by additional capital grants and contributions that were not included in the budget of £0.700m and accelerated spend on 2013/14 schemes that have been brought forward and commenced in quarter 4 of £0.954m. The 2013/14 capital budgets will be adjusted in quarter 1 2013/14 to reflect this.
- 82 Planned and budgeted capital expenditure of £5.949m will be re-profiled into 2013/14 and budgets adjusted in year accordingly.

Resources

- 83 The 2012/13 outturn capital spend for Resources was £2.843m, against a revised budget of £4.582m, a £1.739m underspend for the year.
- 84 Included in the capital outturn position is overspending on schemes financed by additional capital grants and contributions that were not included in the budget of £0.178m and accelerated spend on 2013/14 schemes that have been brought forward and commenced in quarter 4 of £76k. The 2013/14 capital budgets will be adjusted in quarter 1 2013/14 to reflect this.
- 85 Planned and budgeted capital expenditure of £1.992m will be reprofiled into 2013/14 and budgets adjusted in year accordingly.

Housing Revenue Account (HRA) – 2012/13 Revenue and Capital Outturn

Revenue Outturn

- 86 Appendix 5 details the outturn position on the HRA showing the actual position compared with the original budget. In summary it identifies a surplus outturn position on the revenue account of £24k alongside a balance on the general HRA reserve of £7.155m. The following table summarises the position:

Housing Revenue Account	2012/13 Budget	2012/13 Outturn	Variance
	£m	£m	£m
Income			
Dwelling Rents	-60.115	-60.173	-0.058
Other Income	-1.350	-1.546	-0.196
Interest and Investment Income	-0.114	-0.266	-0.152
Total Income	-61.579	-61.985	-0.406
Expenditure			
ALMO Fees	17.266	17.266	0
Repairs, Supervision and Management Costs	11.975	11.964	-0.011
Negative Subsidy Payment to CLG	0	-0.094	-0.094
Depreciation	15.510	7.851	-7.659
Interest Payable	12.234	11.303	-0.931
Revenue Contribution to Capital Programme	4.570	13.671	9.101
Total Expenditure	61.555	61.961	0.406
2012/13 Surplus transferred to balances	-0.024	-0.024	0

87 The HRA outturn showed a surplus position on the revenue account alongside a balance on the general HRA reserve of **£7.155m**. The main variances detailed in Appendix 5, are explained below:

- a) **Dwelling Rents £58k additional income** – overall rental income was in line with the budget with a slightly lower than anticipated void rate;
- b) **Charges for Services and Facilities £22k additional income** – primarily resulting from the enhanced management of Communal Halls within the Durham City area;
- c) **Contributions towards Expenditure £0.163m additional income** – resulting from additional water rates collection commission, furniture pack administration service charge and right to buy administration allowance;
- d) **Repairs and Maintenance £0.536m overspend** – arising from an improved increased cost per void as a result of the implementation of the lettable standard scheme. An overspend is being incurred as a result of problems encountered with specific gas boilers purchased prior to LGR, which are now out of warranty. Adverse weather conditions also resulted in additional repairs being carried out in 2012/13;
- e) **Supervision and Management £36k underspend** – a small underspend in overall terms. This is partly off-set by an overspend on customer services recharges of £100k and additional expenditure on the housing stock options process;

- f) **HRA Subsidy £94k underspend** – relates to a refund due to the Council resulting from Housing Subsidy payments made to the CLG in 2011/12;
- g) **Depreciation £7.659m underspend** – under HRA Self Financing Local Authorities can no longer use the Major Repairs Allowance as proxy for depreciation. Underspends on depreciation reduce the finance available to finance the HRA Capital Programme and as such an increased revenue contribution is required;
- h) **Bad Debt Provision £0.514m underspend** – this is due to lower than anticipated rent arrears at the year end;
- i) **Interest Payments £0.931m underspend** – this results from a lower interest rate achieved and lower overall level of debt;
- j) **Revenue Support to Capital £9.101m overspend** – this is the balancing item on the HRA, which identifies the potential resources available to support the capital programme and reduce reliance on borrowing.
- k) **Interest and Investment Income £0.152m additional income** – this results from an increase in the value of Investment Properties held in the HRA (such as shops).

88 The final position on HRA general and earmarked reserves as at 31 March 2013 is as follows:

- Stock Options Reserve - £0.500m
- Durham City Homes Improvement Plan - £0.650m
- HRA Reserve - £7.154m

Capital Outturn

89 The Housing Revenue Account (HRA) capital budget was set at £44.854m with re-profiling of £1.465m from 2011/12 to 2012/13 agreed by Cabinet on 11 July 2012.

90 The following table summarises the original budget and revisions reported through and agreed by MOWG, which were approved by Cabinet on 6 February 2013, as well as the outturn position for the HRA Capital Programme. The table also details the request for budget to be carried forward which was approved at the Member Officers Working Group held on 14 May 2013.

Housing Revenue Account Capital Programme 2012/13

Service	Revised 2012/13 Budget	2012/13 Outturn	Variance		Budget carried forward
			£m	%	
HRA	45.474	43.919	-1.555	-3.4	0.958
Total	45.474	43.919	-1.555	-3.4	0.958

- 91 The following table summarises the recommended financing of the HRA capital programme spend in 2012/13:

Financing – Housing Revenue Account Capital Programme 2012/13

Financed by	2012/13 Outturn
Grants	13.088
Reserves	2.000
Direct Revenue Financing	13.671
Capital Receipts	0.960
Major Repairs Allowance	7.692
Borrowing	6.508
Total	43.919

- 92 The 2012/13 outturn capital expenditure was £43.919m against a revised budget of £45.474m, a £1.555m underspend for the year.
- 93 The majority of the underspend (£0.930m) relates to underspending in Durham City Homes, which has achieved significant procurement efficiencies in year. This underspend has been re-profiled into 2013/14, to enable the improvement of dwellings in the Durham City area to be continued.
- 94 The HRA programme has been enhanced by £13m of Homes and Communities Agency Decent Homes Backlog Grant funding, with £12m being used in the East Durham Homes area.
- 95 During the year, 3,439 properties were brought up to the Decent Homes standard.

Annual Treasury Management Review

Executive Summary

- 96 Treasury Management is the management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks. It is concerned with how the Council manages its cash resources and its scope covers borrowing, investment and hedging instruments and techniques. Risk is inherent in all treasury management activities and it is necessary to balance risk against return on investment.
- 97 2012/13 continued the challenging investment environment of previous years, namely low investment returns and continuing heightened levels of counterparty risk. The original expectation for 2012/13 was that Bank Rate would not rise until quarter 4 of 2014. However, economic growth in the UK was disappointing during the year due to the UK austerity programme, weak consumer confidence and spending, a lack of rebalancing of the UK economy to exporting and weak growth in our biggest export market - the European Union (EU).
- 98 The UK Coalition Government maintained its tight fiscal policy stance against a background of warnings from two credit rating agencies that the UK could lose its AAA credit rating. Moody's followed up this warning by actually downgrading the rating to AA+ in February 2013 and Fitch then placed their rating on negative watch, after the Budget statement in March 2013. Key to retaining the AAA rating from Fitch and Standard and Poors will be a return to strong economic growth in order to reduce the national debt burden to a sustainable level, within a reasonable timeframe. Weak UK growth resulted in the Monetary Policy Committee increasing quantitative easing by £50bn in July to a total of £375bn. Bank Rate therefore ended the year unchanged at 0.5% while CPI inflation fell from 3% at the start of the year to end at 2.8% in March, with a fall back to below 2% pushed back to quarter 1 of 2016.
- 99 The EU sovereign debt crisis was an ongoing saga during the year with first Greece and then Cyprus experiencing crises which were met with EU 'bailouts' after difficult and fraught negotiations.
- 100 Gilt yields oscillated during the year as events in the ongoing Eurozone debt crisis ebbed and flowed, causing corresponding fluctuations in safe haven flows into / out of UK gilts. This, together with a further £50bn of quantitative easing (QE) in July and widely expected further QE still to come, combined to keep Public Works Loan Board (PWLB) rates depressed for much of the year at historically very low levels.
- 101 The Government's 'Funding for Lending' Scheme, announced in July 2012, resulted in a flood of cheap credit being made available to banks and this has resulted in money market investment rates falling sharply in the second half of the year. However, perceptions of counterparty risk have improved after the European Central Bank (ECB) statement in July that it would do "whatever it

takes” to support struggling Eurozone countries. This has resulted in some return of confidence to move away from only very short term investing.

Treasury Position

102 The Treasury position at the beginning and end of 2012/13 is shown in the table below:

	31-Mar-12	Rate/ Return	Average Life	31-Mar-13	Rate/ Return	Average Life
	£m	%	yrs	£m	%	yrs
Total Debt	418	5.03		440	4.61	
Capital Financing Requirement (CFR)	579			605		
Over / (-) Under Borrowing	-161			-165		
Total Investments	144	1.1	0.3	112	1.72	0.3
Net Debt	274			328		

103 Investments decreased by £32m across the period, reflecting an outflow of cash from the Council, however by identifying core cash levels that could be invested in longer dated deposits it was possible to improve the average rate earned on those balances by 0.62%.

104 The Council’s underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).

105 In addition, another £30m of loans was taken from the Public Works Loans Board (PWL B) during the year. This enabled the Council to take advantage of historically low interest rates and to maintain its under-borrowed position at a manageable level.

Capital Expenditure and Financing

106 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants or revenue contributions), which has no resultant impact on the Council’s borrowing need, or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

- 107 Actual capital expenditure forms one of the required prudential indicators. The table below shows actual capital expenditure and how this was financed.

	2011/12 Actual	2012/13 Estimate	2012/13 Actual
	£m	£m	£m
Non-HRA Capital Expenditure	143.77	152.96	111.99
Non-HRA PFI and Finance Lease	2.75	-	5.09
HRA Capital Expenditure	41.73	45.47	43.92
HRA Self-Financing	52.89	-	-
Total capital expenditure	241.14	198.43	161.00
Resourced by:			
Capital receipts	9.46	20.34	9.11
Capital grants	95.42	78.19	76.44
Capital reserves	11.70	18.04	7.69
Revenue	15.63	18.68	31.56
Unfinanced capital expenditure	108.93	63.18	36.20

Overall Borrowing Need

- 108 The CFR results from the capital activity of the Council and what resources have been used to pay for the capital spend. It represents the 2012/13 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.
- 109 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the Corporate Director Resources' treasury management group organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements.
- 110 This may be sourced through borrowing from external bodies (such as the Government, through the PWLB or the money markets), or utilising temporary cash resources within the Council.
- 111 The Council's (non HRA) underlying borrowing need known as its capital finance requirement (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the non-HRA borrowing need (there is no statutory requirement to reduce the HRA CFR).
- 112 The Council's 2012/13 MRP Policy, as required by the Department of Communities and Local Government (CLG) guidance was approved as part of the Treasury Management Strategy Report for 2012/13 on 22 February 2012.

113 The Council's CFR for the year is shown below, and represents a key prudential indicator.

CFR	31-Mar-12 Actual	31-Mar-13 Estimate	31-Mar-13 Actual
	£m	£m	£m
Opening balance	484.646	579.135	579.135
Add unfinanced capital	108.943	64.504	41.293
expenditure (as above)			
Less MRP/VRP	-14.454	-14.995	-15.600
Closing balance	579.135	628.645	604.828

114 The borrowing activity is constrained by prudential indicators for net borrowing and the CFR, and by the authorised limit. In order to ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of investments, must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure.

115 The authorised limit is the "affordable borrowing limit" required by section 3 of the Local Government Act 2003. The Council does not have the power to borrow above this level.

116 The table below demonstrates that during 2012/13 the Council has maintained gross borrowing within its authorised limit.

117 The operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

	2012/13 £m
Authorised limit	682.000
Operational boundary	629.000
Average gross borrowing position	435.703

Investment Strategy

118 The prime objective of the Council's Investment Strategy is to ensure prudent investment of surplus funds. The Council's investment priorities are therefore the security of capital, liquidity of investments and, within those objectives, to secure optimum performance. The Council has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code").

119 Therefore the primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration.

Selection Criteria

120 The criteria for providing a pool of high quality investment counterparties are:

1. Banks 1 – the Council's strategy requires the use of UK banks only which have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):

	Fitch	Moody's	Standard & Poors
Short Term	F1	P1	A-1
Long Term	A	A2	A
Viability/Financial Strength	bb-	C1	-
Support	3	-	-

2. Banks 2 - Part nationalised UK banks – Lloyds Bank and Royal Bank of Scotland. These banks are included so long as they continue to be part nationalised or they meet the ratings in Banks 1 above.

3. Banks 3 – Co-operative Bank - The Council's own banker for transactional purposes. If the bank falls below the above criteria balances will be minimised in both monetary size and time.

4. Bank subsidiary and treasury operation. The Council will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.

5. Building societies. The Council only use building societies which meet the ratings for banks outlined above.

6. Money Market Funds.

7. UK Government (including gilts, Treasury Bills and the Debt Management Account Deposit Facility).

8. Local authorities and parish councils.

Time and Monetary Limits applying to Investments

121 The time and monetary limits for institutions on the Council's Counterparty List are as follows:

	Long Term Rating	Money Limit	Time Limit
Banks 1 category high quality	AA	£50m	1 year
Banks 1 category medium quality	A	£25m	3 months
Banks 2 category – part-nationalised	n/a	£60m	1 year
Banks 3 category – Council's banker	A-	£25m	3 months
DMADF/Treasury Bills	AAA	unlimited	6 months
Local Authorities	n/a	£10m each	1 year
Money Market Funds	AAA	£10m each (overall £50m)	liquid

Amendments to Limits

- 122 In June 2012 the Corporate Director Resources, in consultation with the Cabinet Portfolio Holder for Resources, has increased the monetary limit for the 'Banks 2' category from £50m to £60m.
- 123 With widespread and multiple downgrades of the ratings of many banks and sovereigns, continued Eurozone concerns, and the significant funding issues still faced by many financial institutions access to high quality counterparties is becoming restricted and this change will enable the Council to place additional funds with part-nationalised UK banks.
- 124 In order to provide more flexibility to act in such circumstances, the power to amend counterparty monetary and time limits has been delegated to the Corporate Director Resources. Any changes to the Annual Strategy made during the financial year are reported to County Council in either the Mid-Year Review or the Final Outturn Report.

Icelandic Deposits Update

- 125 In October 2008, the Icelandic banks Landsbanki, Kaupthing and Glitnir collapsed and the UK subsidiaries of the banks, Heritable and Kaupthing Singer and Friedlander went into administration. The authority had £7m deposited across three of these institutions, with varying maturity dates and interest rates as follows:

Bank	Date Invested	Maturity Date	Amount Invested	Interest Rate
			£	%
KSF	30/10/07	28/10/08	1,000,000	6.120
Landsbanki (1)	12/04/07	13/10/08	1,000,000	6.010
Landsbanki (2)	12/04/07	14/04/09	1,000,000	6.040
Glitnir Bank (1)	25/10/06	24/10/08	3,000,000	5.620
Glitnir Bank (2)	18/12/07	16/12/08	1,000,000	6.290
Total			7,000,000	

- 126 All monies within these institutions are currently subject to the respective administration and receivership processes. The amounts and timing of payments to depositors such as the authority will be determined by the administrators / receivers.
- 127 The current situation with regards to recovery of the sums deposited varies between each institution.

Kaupthing Singer and Friedlander Ltd

- 128 The current position on actual payments received and estimated future payments is as shown in the table. The Council has decided to recognise an impairment based on it recovering 85.25p in the £ compared to 83.5p in the £ at 31 March 2012.

Date	Repayment
	%
Received to 31 March 2013	76.00
Received in June 2013	3.00
January 2014	3.25
January 2015	3.00

- 129 Recoveries are expressed as a percentage of the authority's claim in the administration, which includes interest accrued up to 7 October 2008.

Landsbanki

- 130 Landsbanki Islands hf is an Icelandic entity. Following steps taken by the Icelandic Government in early October 2008 its domestic assets and liabilities were transferred to a new bank (new Landsbanki) with the management of the affairs of Old Landsbanki being placed in the hands of a resolution committee.

- 131 The Icelandic Supreme Court's decision to grant UK local authorities priority status was followed by the winding up board making a distribution to creditors in a basket of currencies in February 2012. Further distributions were made in May and October 2012.
- 132 An element of the distribution is in Icelandic Kroner which has been placed in an escrow account in Iceland and is earning interest of 4.17% as at 31 March 2013. This element of the distribution has been retained in Iceland due to currency controls currently operating in Iceland and as a result is subject to exchange rate risk, over which the Council has no control.
- 133 The current position on estimated future payouts is as shown in the table below and the Council has used these estimates to calculate the impairment based on recovering 100p in the £.

Date	Repayment
	%
Received to 31 March 2013	49.65
December 2013	7.5
December 2014	7.5
December 2015	7.5
December 2016	7.5
December 2017	7.5
December 2018	7.5
December 2019	5.35

- 134 Recoveries are expressed as a percentage of the authority's claim in the administration, which it is expected may validly include interest accrued up to the deposit maturity date.

Glitnir Bank hf

- 135 Glitnir Bank hf is an Icelandic entity. Following steps taken by the Icelandic Government in early October 2008 its domestic assets and liabilities were transferred to a new bank (new Glitnir) with the management of the affairs of Old Glitnir being placed in the hands of a resolution committee.
- 136 The Icelandic Supreme Court's decision to grant UK local authorities priority status was followed by the winding up board made a distribution to creditors in a basket of currencies in March 2012.
- 137 An element of the distribution is in Icelandic Kroner which has been placed in an escrow account in Iceland and is earning interest of 3.4% up to 22 June 2012 and 4.2% thereafter. This element of the distribution has been retained in Iceland due to currency controls currently operating in Iceland and as a result is subject to exchange rate risk, over which the Council has no control.
- 138 The distribution has been made in full settlement, representing 100% of the claim.

Recommendations and reasons

- 139 It is recommended that Cabinet note:
- (i) the addition to the Cash Limit Reserves of £4.018m in the year. These sums will be held as Earmarked Reserves and be available for Service Groupings to utilise to manage budgets effectively.
 - (ii) the closing General Reserve balance of £24.412m.
 - (iii) the closing balance on Earmarked Reserves (excluding Cash Limit Reserves) is £85.966m of which £19.418m relate to schools balances.
 - (iv) the closing HRA balance of £7.155m.
 - (v) the closing balance on HRA Earmarked Reserves of £1.150m.
- 140 It is recommended that Cabinet approve:
- (i) that capital budget carried forward of £26.820m for the General Fund and £0.958m for the HRA is moved into 2013/14 and that Service Groupings regularly review capital profiles throughout 2013/14 reporting revisions to MOWG and Cabinet as necessary.

Contact: Jeff Garfoot Tel: 03000 261946

Appendix 1: Implications

Finance

The report details the financial outturn for the Council for 2012/13 for Revenue and Capital. The report covers General Fund and Housing Revenue Account for both Revenue and Capital.

Staffing

None.

Risk

None.

Equality and Diversity / Public Sector Duty

None.

Accommodation

None.

Crime and Disorder

None.

Human Rights

None.

Consultation

None.

Procurement

None.

Disability Issues

None.

Legal Implications

None.

Appendix 2: Revenue Summary 2012/13

	Cash Limit Adjustments								
	Original Budget	Revised Budget	Service Groupings Final Outturn	Variance	Sums outside the Cash Limit	Cash Limit Reserve	Contribution to / Use of Earmarked Reserves	Cash Limit Position	Cash Limit Carry Forward
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assistant Chief Executive	11,369	12,628	12,070	-558	-1,795	-1	1,866	-488	488
Children and Adults Services	273,278	264,213	248,576	-15,637	5,486	0	6,191	-3,960	3,960
Neighbourhood Services	98,176	114,088	101,247	-12,841	11,877	-47	592	-419	419
Regeneration and Economic Development	42,513	53,186	54,448	1,262	-3,113	-38	1,333	-556	556
Resources	20,369	22,446	20,001	-2,445	201	0	619	-1,625	1,625
Cash Limit Position	445,705	466,561	436,342	-30,219	12,656	-86	10,601	-7,048	7,048
Contingencies	11,248	6,497		-6,497		0	0	-6,497	6,497
Centrally Held Budgets	0	0	3,540	3,540	0	0	-2,743	797	-797
Corporate Costs	0	1,641	0	-1,641	1,561	0	0	-80	80
NET COST OF SERVICES	456,953	474,699	439,882	-34,817	14,217	-86	7,858	-12,828	12,828
Capital charges	-49,115	-51,722	-70,353	-18,631				-18,631	18,631
Gain/Loss on disposal of fixed assets	0	0	35,122	35,122				35,122	-35,122
Interest and Investment income	-577	-577	-3,245	-2,668				-2,668	2,668
Interest payable and similar charges	30,715	21,582	24,410	2,828				2,828	-2,828
HR Accrual - reversal	0	0	775	775	-775			0	0
Net Expenditure	437,976	443,982	426,591	-17,391	13,442	-86	7,858	3,823	-3,823
Funded By:									
Council tax	-201,788	-201,788	-201,788	0				0	0
Council tax freeze grant	-4,989	-4,989	-5,045	-56				-56	56
Use of (-) / Contribution to earmarked reserves	-2,633	-8,459	1,427	9,886				9,886	-9,886
Revenue Support Grant	-4,245	-4,245	-4,245	0				0	0
Re-distributed Non Domestic Rates	-219,006	-219,006	-219,007	-1				-1	1
New Homes Bonus	-2,551	-2,551	-2,344	207			-206	1	-1
LACSEG Grant	0	0	-2,145	-2,145				-2,145	2,145
Contribution to Cash Limit Reserve	-2,764	-2,944	4,018	6,962				6,962	-6,962
Contribution to the General Reserve	0	0	2,538	2,538				2,538	-2,538
TOTAL	0	0	0	0	13,442	-86	7,652	21,008	-21,008

Appendix 3: Revenue Summary by Expenditure / Income for 2012/13

	Cash Limit Adjustments										
	Original Budget	Revised Budget	Service Groupings Final Outturn	Corporate Costs	Variance	Sums Outside the Cash Limit	Cash Limit Reserve	Contribution to / Use of Earmarked Reserves	Cash Limit Position	Cash Limit Carry Forward (including Corporate Costs)	Variance - Corporate Costs
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Employees	516,389	524,165	517,661	0	-6,505	-1,775	-1	-1,962	-10,243	10,243	0
Premises	55,144	51,377	52,489	0	1,112	-74	0	15	1,053	-1,053	0
Transport	52,620	52,966	49,504	0	-3,462	564	0	43	-2,855	2,855	0
Supplies and Services	120,541	127,891	144,424	1,693	18,226	12	-38	1,459	19,659	-19,659	-106
Agency and Contracted	228,398	230,854	226,218	56	-4,580	-1,232	0	5,501	-311	311	0
Transfer Payments	258,751	257,299	261,423	0	4,124	0	0	1,130	5,254	-5,254	0
Central Costs	85,038	92,052	84,477	0	-7,575	-4,930	0	-1,286	-13,791	13,791	0
Other	1,131	-1,059	2,999	0	4,058	-428	0	2,460	6,090	-6,090	0
DRF	0	9,385	15,900	0	6,515	0	0	-2,743	3,772	-3,772	0
Capital Charges	49,115	51,722	35,231	0	-16,491	16,491	0	0	-0	0	0
GROSS EXPENDITURE	1,367,127	1,396,653	1,390,326	1,749	-4,578	8,628	-39	4,617	8,628	-8,628	-106
Income											
- Specific Grants	597,299	605,499	605,436	14	-49	0	0	-578	-627	627	0
- Other Grants and contribs	25,984	28,709	35,889	0	7,180	-34	0	-11	7,135	-7,135	0
- Sales	8,397	8,597	9,978	0	1,381	-324	0	-400	657	-657	0
- Fees and charges	102,147	106,618	106,235	0	-383	0	47	-149	-485	485	0
- Recharges	172,201	165,046	174,719	1,577	11,250	-5,231	0	-172	5,847	-5,847	0
- Other	15,394	13,982	18,187	158	4,363	0	0	-1,931	2,432	-2,432	26
Total Income	921,422	928,451	950,444	1,749	23,742	-5,589	47	-3,241	14,959	-14,959	26
NET EXPENDITURE	445,705	468,202	439,882	0	-28,320	14,217	-86	7,858	-6,331	6,331	-80

Appendix 4: Earmarked Reserves as at 31 March 2013

EARMARKED RESERVES AND CASH LIMIT RESERVES	SERVICE GROUPING	2011/12 CLOSING BALANCE	USE OF RESERVES	CONTRIBUTION TO RESERVES	TRANSFERS BETWEEN RESERVES	TOTAL MOVEMENT ON RESERVES	2012/13 CLOSING BALANCE
ACE AAP/Members Reserve	ACE	-2,364	1,571	-1,061	0	510	-1,854
ACE Grant Reserve	ACE	-233	0	0	0	0	-233
ACE Operational Reserve	ACE	-140	0	0	0	0	-140
Heritage and Culture Reserve	CAS	-209	0	0	209	209	0
Social Care Reserve	CAS	-9,368	3,652	-7,778	9,441	5,315	-4,053
Health and Wellbeing Reserve	CAS	-1,347	847	0	0	847	-500
Community Safety Reserve	CAS	-75	53	0	0	53	-22
Aycliffe Young People's Centre Reserve	CAS	-475	47	0	0	47	-428
Continuing Professional Development Reserve	CAS	-373	0	-96	0	-96	-469
Education Reserve	CAS	207	167	-6	-751	-590	-383
Tackling Troubled Families	CAS	0	0	-942	0	-942	-942
CYPS Leisure Reserve	CAS	-52	17	0	0	17	-35
Special Projects Reserve	CAS	-60	0	0	0	0	-60
Neighbourhoods AAP Reserve	NS	-504	477	-39	0	438	-66
Customer Services Reserve	NS	-360	300	-50	0	250	-110
Direct Services Reserve	NS	-1,406	96	-1,284	0	-1,188	-2,594
Env. Health and Consumer Protection Reserve	NS	-141	0	-289	0	-289	-430
Culture and Sport Reserve	NS	-1,765	695	-790	-396	-491	-2,256
Strategic Waste Reserve	NS	-104	0	-272	0	-272	-376
Technical Services Reserve	NS	0	0	-445	0	-445	-445
Transport Asset Management Programme Reserve	NS	-365	47	0	0	47	-318
Economic Development Reserve	RED	-1,666	470	-531	709	648	-1,018
Planning Reserve	RED	-1,774	86	0	0	86	-1,688
North Pennines AONB Partnership Reserve	RED	0	0	-919	0	-919	-919
Employability and Training Reserve	RED	-855	130	-121	0	9	-846
RED Regeneration Reserve	RED	-990	163	0	-224	-61	-1,051
Housing Regeneration Reserve	RED	-95	79	-61	0	18	-77
Housing Solutions Reserve	RED	-1,321	444	-110	0	334	-987
Restructure Reserve	RED	-500	271	0	-500	-229	-729
LSVT Reserve	RED	-122	11	0	0	11	-111
Transport Reserve	RED	-364	0	0	0	0	-364
Funding and Programmes Management Reserve	RED	-193	63	0	-45	18	-175
Resources Corporate Reserve	Resources	-1,164	0	-739	60	-679	-1,843
Resources DWP Grant Reserve	Resources	-159	0	-107	159	52	-107
Resources System Development Reserve	Resources	-700	300	-450	0	-150	-850
Resources Housing Benefit Subsidy Reserve	Resources	-1,200	0	-1,379	0	-1,379	-2,579
Resources Land Search Fees Reserve	Resources	-1,000	0	0	0	0	-1,000
Resources Legal Expenses	Resources	0	0	-200	0	-200	-200
Resources Elections Reserve	Resources	-800	0	0	0	0	-800
Resources ICT Reserves	Resources	0	0	-480	0	-480	-480
Corporate Regeneration Reserve	Corporate Fin	-578	0	0	578	578	0
Cabinet Reserve	Corporate Fin	-498	278	0	0	278	-220
Corporate Reserve - Demographic Pressures	Corporate Fin	0	0	0	-8,650	-8,650	-8,650
Equal Pay Reserve	Corporate Fin	-3,408	131	-3,834	0	-3,703	-7,111
Insurance Reserve	Corporate Fin	-11,841	4,154	-145	0	4,009	-7,832
Performance Reward Grant Reserve	Corporate Fin	-1,319	162	0	-578	-416	-1,735
MTFP Redundancy and Early Retirement Reserve	Corporate Fin	-9,552	4,713	0	0	4,713	-4,839
New Homes Bonus Reserve	Corporate Fin	-206	206	0	0	206	0
Total Non-Schools Reserve		-59,439	19,630	-22,128	12	-2,486	-61,925
Schools' Balances							
Schools' Revenue Balance	CAS	-20,890	5,663	-4,191	0	1,472	-19,418
DSG Reserve	CAS	-4,210	0	-413		-413	-4,623
Total Schools and DSG Reserve		-25,100	5,663	-4,604	0	1,059	-24,041
Cash Limit Reserves							
Assistant Chief Executive		-1,133	456	-488	0	-32	-1,165
Children and Adults Services		-8,092	2,320	-3,960	0	-1,640	-9,732
Neighbourhood Services		-2,205	166	-419	147	-106	-2,311
Regeneration and Economic Dev		-2,960	100	-556	0	-456	-3,416
Resources		-1,496	0	-1,625	-159	-1,784	-3,280
Total Cash Limit Reserves		-15,886	3,042	-7,048	-12	-4,018	-19,904
Total Earmarked Reserves		-100,425	28,335	-33,780	0	-5,445	-105,870

Appendix 5: 2012/13 Housing Revenue Account Outturn Position

	Annual Budget	Outturn	Variance	
	£000	£000	£000	
Income				
Dwelling Rents	-60,115	-60,173	-58	a)
Non Dwelling Rents	-995	-1,005	-10	
Charges for Services and Facilities	-105	-127	-22	b)
Contributions towards Expenditure	-250	-413	-163	c)
Total Income	-61,465	-61,718	-253	
Expenditure				
ALMO Management Fee and Outsourced Contract	17,266	17,266	0	
Repairs and Maintenance	4,187	4,723	536	d)
Supervision and Management - General	4,550	4,514	-36	e)
Supervision and Management - Special	549	555	6	
Rents, Rates, Taxes and other Charges	100	111	11	
Negative HRA Subsidy		-94	-94	f)
Depreciation and Impairment of fixed assets [Net MRA Adj]	15,510	7,851	-7,659	g)
Increase/Decrease in bad debt provision	916	402	-514	h)
Debt Management Costs	186	186	0	
Total Expenditure	43,264	35,514	-7,750	
Net cost of HRA services per Authority I&E Account	-18,201	-26,204	-8,003	
HRA services share of Corporate and Democratic Core	1,085	1,085	0	
HRA share of other amounts included in the whole authority				
Net Cost of services but not allocated to specific services	402	387	-15	
Net cost of HRA Services	-16,714	-24,732	-8,018	
Interest Payable and Similar Charges	12,234	11,303	-931	i)
Direct Revenue Financing [Balancing Item on HRA]	4,570	13,671	9,101	j)
Interest and Investment Income	-114	-266	-152	k)
[Surplus] / Deficit for the year on HRA services	-24	-24	0	

Cabinet

17 July 2013

Medium Term Financial Plan (4), Council Plan and Service Plans 2014/15 – 2016/17**Key Decision No. CORP/R/13/02**

**Report of Corporate Management Team
Joint Report of Don McLure, Corporate Director Resources and
Lorraine O'Donnell, Assistant Chief Executive
Councillor Alan Napier, Portfolio Holder for Finance**

Purpose of the Report

- 1 The report aims to provide an update on the development of the 2014/15 Budget, the Medium Term Financial Plan (MTFP (4)) and Council Plan/ Service Plans.

Executive Summary

- 2 The financial outlook for the council continues to be extremely challenging.
- 3 Based upon the 2010 Comprehensive Spending Review (CSR) the Government expected that that the public sector deficit would have been eradicated by the end of 2014/15. In MTFP (1) the council forecast that the savings required over the four year period 2011/12 to 2014/15 would be £123m.
- 4 Every Autumn Statement and March Budget since the 2010 CSR however has resulted in increases in cuts for local government and an extension of the period when cuts will be required. It is now expected that cuts will continue until at least 2017/18 with a possibility that the cuts could continue until 2020.
- 5 Council approved MTFP (3) on 20 February 2013 and at that point the forecast of total savings across the period 2011/12 to 2016/17 was £188m. Since the council's budget was set however the Government announced in the March 2013 Budget that local authorities will face an extra 1% budget cut in 2014/15 and the 26 June 2013 Spending Round announced a headline additional 10% funding cut for local authorities in 2015/16. The detail supporting the 10% funding cut announcement for 2015/16 is still to be released by the government so the forecasted total savings of £202m required by the council over the period 2011/12 to 2016/17 and included in this report is based on the most recent forecasts.
- 6 The council carried out an extensive consultation on the MTFP in 2010. The results of the consultation have formed the foundation for the council's approach to our subsequent MTFP strategies. Key areas of the council's budget have been protected whilst savings have been delivered against the required target. By 31 March 2013, £93m of savings have been delivered for 2011/12 and 2012/13, with excellent progress being made in realising the £20.9m savings target in 2013/14. Total savings achieved will be £113.9m by the end of 2013/14, but estimated additional savings of £25.9m are going to be required for 2014/15 and a further £62.7m for 2015/16 to 2016/17 to reach the revised £202m total savings target. This figure will need to be revised further when the detail of 2015/16 Spending Round impact for the council is evaluated.

- 7 The council's forward planning which has underpinned the MTFP process to date has been extremely effective and has enabled the council to maintain its financial strength whilst still investing in key front line services and priorities including the capital programme. Effective forward planning and robust assurance frameworks have ensured that the council has been successful in delivering the necessary savings required to date. This process has been supported at all times by Members of the council, partners, employees and the trade unions. For the next phase of the MTFP process however, from MTFP (4) onwards, a full reassessment of priorities will be required.
- 8 To assist in this reassessment, the council will carry out a comprehensive consultation process during the autumn of 2013. The key aim of this consultation will be to determine those council services which are seen to be a key priority to the public in County Durham and also those services which are not seen as being a priority. The results of this consultation will be key in assisting the council in planning the approach future budgets and in determining the future approach to meeting the challenging savings targets.

Background

- 9 To ensure the MTFP (4), Council Plan and Service Plans can be developed effectively, it is important to agree a robust plan and timetable.
- 10 The Council's current MTFP, which is referenced as MTFP (3), covers the period 2013/14 to 2016/17. There is significant uncertainty in relation to a number of factors beyond this period, especially as regards to the level of future Government financial settlements. With this in mind, at this point MTFP (4) is being developed for a three year period only, being 2014/15 – 2016/17.
- 11 At this stage the following key areas need to be considered:
- (i) The impact of the March 2013 Budget and the 26 June 2013 Comprehensive Spending Round (CSR) upon forecasts for future Government financial settlements;
 - (ii) Options for addressing the 2014/15 Budget shortfall of £12.122m reported to Council on 20 February 2013 as part of MTFP (3);
 - (iii) MTFP (4) – 2014/15 to 2016/17 position
 - (iv) Proposed approach to the Council Plan and Service Plans;
 - (v) A draft MTFP (4) and Council Plan timetable;
 - (vi) Proposed approach for consultation on MTFP (4) and the Council Plan;
 - (vii) Equality considerations.

Impact of the March 2013 Budget and the 26 June 2013 CSR

- 12 The March 2013 Budget contained a number of announcements which will impact upon both the future Government finance settlements for Local Government and the costs incurred by the Council. The key announcements were as follows:

(i) **Additional cuts for non-protected Government Departments**

The 2012 Autumn Statement announced additional reductions for non-protected Government Departments of 1% in 2013/14 and 2% in 2014/15. Local Government however was protected from the additional 2013/14 reduction but not from the additional 2% in 2014/15.

The 2% reduction in 2014/15 is already built into the £29m reduction in Government funding forecast for 2014/15 in MTFP (3).

The March 2013 Budget then announced additional cuts on top of those announced in the 2012 Autumn Statement. All non-protected Government Departments faced an additional 1% reduction in 2013/14 and an additional 1% reduction in 2014/15. Local Government has again been protected from the 2013/14 reduction but will face the additional 1% reduction in 2014/15.

The key problem at this stage is that it is not clear under the new Business Rate Reduction (BRR) regime how this 1% cut will apply to Local Government in 2014/15 and whether it will apply to funding streams such as Public Health. At this stage a prudent, additional reduction in Government funding of £3m has been introduced into the 2014/15 MTFP model increasing the Government funding reduction from £29m to £32m.

(ii) **Single Pension Implementation and impact upon National Insurance Contributions**

The Government has introduced a significant cut for the public sector in the March 2013 Budget as part of the announcement to bring forward by a year, the implementation of the single flat rate pension of £144 per week, to 2016/17. Once this policy change on pensions is implemented the National Insurance rebate of 3.4% the Council presently receives on employer National Insurance contributions will end, resulting in a significant increase in the National Insurance contribution the Council presently pays. The additional cost to the Council in 2016/17 is forecast to be £5.1m. In Government terms the change to National Insurance will bring in an additional £6.5bn per annum to the Treasury.

This base budget pressure will significantly increase the saving the Council is required to achieve in 2016/17 as the Government has presently identified that it expects public sector organisations to absorb this additional cost.

This policy will also impact on employees as they presently receive a 1.4% Employees National Insurance rebate. This will also end in 2016/17 with National Insurance contributions for employees increasing by up to £40 per month. Once employees reach state pension age however they will receive the enhanced state pension which would not be the case under the current arrangements.

(iii) **Public Sector Pay Cap and Review of Incremental Progression**

The Government have confirmed an extension of the 1% public sector pay cap into 2015/16. In addition a review of incremental progression has also been announced with an intention to link progression to performance. Government at this stage cannot enforce such changes or pay rise caps upon local authorities. In line with past experience however it is expected that the Government will use

the pay cap as evidence for passing additional savings onto local authorities in 2015/16.

- 13 The Government also confirmed the date for publishing the results of the next Spending Round in the March 2013 Budget. The Spending Round announced on 26 June 2013 is for 2015/16 only, where the Government has set out how it will deliver additional national public expenditure savings of £11.5bn. Health, Education and International Development will continue to be protected and the 10% additional cut on Local Government and the implications for Durham is being evaluated .
- 14 For practical purposes, at this stage the forecast Government financial settlements for 2014/15 onwards are in line with the Government Control Totals announced in the March 2013 Budget. These figures will need to be adjusted following the Spending Round announcement.

2014/15 Base Budget Shortfall

- 15 The MTFP (3) model included in the Budget report to Council on 20 February 2013 identified that there was a budget shortfall of £12.122m in 2014/15. A thorough review has been carried out on the 2014/15 budget model which has enabled an up to date position to be developed. The key adjustments have been as follows:
- (i) The Government funding reduction has increased by £3m in line with the March 2013 Chancellor’s Budget announcement of an additional 1% cut for local authorities.
 - (ii) Savings targets have been increased by £7.268m. Service Groupings have been asked to identify additional savings of £5.164m and a “Corporate” savings target of £2.104m has been set with a focus on “cross cutting” budget areas.
 - (iii) Additional business rate yield of £2.5m is forecast in 2014/15. In the first year of the Business Rate Reduction (BRR) scheme in 2013/14, the Council was required to account for all outstanding rateable value appeals prior to April 2013, which reduced the estimated income from business rates. This requirement was a one-off for 2013/14 and will not be required in 2014/15.
- 16 Full details of all of the amendments to the 2014/15 budget are detailed in Appendix 2 with a summary table shown below:

	£m
Original 2014/15 Budget shortfall	12.122
Add items which increase shortfall	3.190
Revised shortfall	15.312
Deduct provisional items which reduce shortfall	(12.468)
Current Shortfall	2.844

- 17 The table above highlights that the shortfall has reduced from £12.122m to £2.844m. The key factor which has reduced the shortfall is an increase in savings required of £7.268m. Total proposed savings for 2014/15, which are still subject to approval, have now increased from £15.744m to £23.012m.
- 18 Budgets will be monitored throughout the coming months alongside consideration of additional savings options, to enable this shortfall to be eliminated and to enable the setting of a balanced budget for 2014/15.

MTFP (4) – 2014/15 to 2016/17 position

- 19 MTFP (3) detailed that £51.276m of savings were 'still to be identified' for the period 2014/15 to 2016/17. A number of issues and Government announcements has subsequently had an impact upon the 2015/16 and 2016/17 forecast. The table below summarises the current forecast budget shortfall across the MTFP (4). An updated MTFP model is provided at Appendix 3 and full details of the adjustments made available at Appendix 4.

Year	Budget Shortfall
	£m
2014/15	2.844
2015/16	18.294
2016/17	37.365
TOTAL	58.503

- 20 The increase in the forecast MTFP (4) budget shortfall is mainly as a result of a £12.47m increase in the forecast of the level of the Government funding cut in 2016/17 and the additional £5.1m National Insurance cost in 2016/17.
- 21 The 10% additional cut announcement within the Spending Round will result in an increase in the forecast Government funding cut for the Council in 2015/16 and our savings target will need to increase.

Proposed Approach to the Development of the Council Plan and Service Plans

- 22 The Council Plan is the overarching corporate plan for the County Council, setting out what the Council is aiming to achieve over the next four years. The development of the current Council Plan was integral to deciding on the priorities for the MTFP (3). Investments and savings agreed as part of the MTFP (3) are targeted to achieving the objectives identified in the Council Plan as part of our strategic planning processes.
- 23 The Council Plan aligns to the Sustainable Community Strategy (SCS), which is a 20 year strategy for the county developed and agreed by the council and its partners through the County Durham Partnership.
- 24 The Council Plan sets out how the Council will deliver its contribution to the SCS across five priority themes:
- Altogether Wealthier
 - Altogether Better for Children and Young People
 - Altogether Healthier
 - Altogether Safer
 - Altogether Greener.
 - Plus a sixth theme of an Altogether Better Council, aimed at improving how the council runs itself.
- 25 A fundamental review of the Council's priorities was carried out in 2010/11 in light of the significant challenge of needing to reduce our spending following reductions to Government grant funding. Lighter touch reviews were conducted in 2011/12 and 2012/13. Members formed a key part of these processes and were consulted through a number of seminars.

- 26 The priorities set out on the current Council Plan reflect our decision, backed up by consultation findings, to protect frontline services. Our spending plans for this year and the forthcoming year are based on these assumptions.
- 27 This year, it is proposed that the review of the Council Plan will link to a public consultation on MTFP (4) spending priorities, as well as ongoing work being done to refresh the Sustainable Community Strategy. It is proposed that the Council plan remains a 3 year rolling plan, to align with the development of the MTFP (4).
- 28 The review of Council Plan objectives and outcomes is proposed to take place over the summer and autumn, alongside work on MTFP (4) proposals. This will allow the Council Plan to be updated to reflect relevant changes in Government policy, including the ongoing implications of welfare reform, plus any changes in our local priorities for example arising from consideration of performance outcomes for the current year. Member input is proposed via Corporate Issues Overview and Scrutiny Committee considering key Cabinet reports, linked to the MTFP, in accordance with the timetable at paragraph 32.
- 29 Draft Service Plans for each service grouping are scheduled for development during the autumn, based on the revised Council Plan framework agreed with Cabinet. The final draft Council Plan will be presented to Cabinet and Council for consideration alongside the final MTFP (4) proposals, early in 2014.

MTFP (4) and Council Plan Timetable

- 30 The development of MTFP (4) is fundamental to ensuring that the Council can plan and prepare for the continuing reductions in Government funding. The timetable for delivery of MTFP (4), the Council Plan and Service Plans has taken the following into account:
- The need to make changes to Council priorities as part of the development of the Council Plan
 - Consultation requirements
 - Equality considerations
 - Government announcements
 - The need to consider both revenue and capital
- 31 A high level timetable up to Council Budget Setting is detailed below:

26 June	Publication of Comprehensive Spending Round (2015/16 only)
17 July	MTFP/Council Plan scene setting and update report to Cabinet
19 July	Overview and Scrutiny Management Board considers 17 July Cabinet report.
25 July	Corporate Issues Overview and Scrutiny Committee (CIOSC) consider 17 July Cabinet report
9 October	MTFP/Council Plan report to Cabinet providing further update
14 October	CIOSC meeting considers 9 October Cabinet report
Oct/Nov	MTFP/Council Plan consultation process
End Nov	2014/15 finance settlement announced by DCLG

18 Dec	MTFP/Council Plan report to Cabinet. Detail on settlement and outcome of consultation process
20 Jan	CIOSC meeting considers 18 December Cabinet report
12 Feb	Budget report to Cabinet
13 or 14 Feb	OSMB meeting to consider Budget
26 Feb	Council Budget and MTFP report

Proposed Approach to Consultation

- 32 It is proposed that the opportunity is taken in October/November this year to carry out a comprehensive consultation on the Council's MTFP to build on the prioritisation exercise carried out in November, 2010.
- 33 That exercise provided an opportunity for the public to consider the financial challenges facing the Council and to identify those services that they felt should receive larger or smaller budget reductions over the following four years. The results of that exercise provided a clear steer for the Council and have played a major role in guiding the subsequent funding allocations of the authority. Since that exercise, the following consultations have tended to focus on proposals for the forthcoming year, and in 2012, sought views on the impact of the reductions made to date as well as how well the public felt the Council was managing this difficult process.
- 34 The findings of the 2012 consultation concluded that the public felt positive about the manner in which the Council was managing the reductions whilst emphasising the need to continue engaging with them in the decision making processes.
- 35 Taking these comments on board, although the initial consultation in 2010 was for the period up to 2014/15, given the scale of the financial challenges outlined in this report, it is now felt appropriate to carry out a further prioritisation exercise on the Council's overall budget.
- 36 Learning from the approach taken in 2010, in addition to the process providing valuable information for the Council, for those who took part, there was also an appreciation of the difficulty of the task facing the Council to set a balanced budget. Reflecting on the 2010 consultation, it was concluded that in order to provide a considered view on how the Council should allocate multi million pound budget reductions, the most effective methods were through deliberative fora, where the public could discuss the options amongst fellow members of the community before reaching a conclusion.
- 37 Building on that experience, it is proposed that the main focus of the consultation which will be held in October and November 2013 will use the following mechanisms:
- The County Durham Partnership (including its Board, Thematic Partnerships and Forum)
 - Area Action Partnerships
 - Groups representing equality standards
 - Citizens' Panel
 - VCS and Local Councils' Working Group
- 38 The proposed focus of the consultation will be a prioritisation exercise for the full range of the Council's services. To improve understanding of the Council's budget,

information on the various budget areas will be made available to the public prior to the consultation commencing in September. In order to try to ensure a wide spectrum of individuals take part in the exercise through Area Action Partnerships, it is proposed that the consultation is focused on a series of events held on Saturdays alongside a Participatory Budgeting exercise where members of the public will vote on a Small Grants Scheme. The Council has been leading within the region on the development of such schemes and where they have been held they have attracted high levels of participation.

- 39 The aim is to build on that success and to provide a series of major engagement events across the County during this period. In order to make efficient use of these events and to provide a broad range of issues that will hopefully help attract large numbers to take part, it is also proposed the AAP meetings will provide the last opportunity for the public to comment on the Draft Durham Plan before considered by a Planning Inspector in 2014.
- 40 In addition to providing a view on prioritising how further reductions should be made over the period of the MTFP, it is also proposed that there is an opportunity to comment on the appetite to hold a referendum in order to increase Council Tax beyond 2%. It is proposed that this would also be the subject of an online questionnaire to the general public.

Equality Considerations

- 41 Alongside the development of the MTFP (4), equality impact assessments will be considered throughout the decision making process. This is in line with the Equality Act 2010 which under the public sector equality duty requires us to pay 'due regard' to the need to:
- Eliminate discrimination, harassment, victimization and any other conduct that is prohibited by or under the Act;
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 42 To ensure that equalities considerations are properly built into this year's MTFP (4) process, an updated overall summary of the cumulative impacts of the previous MTFP decisions was provided as part of the 5th June 2013 Cabinet report on MTFP (2) delivery progress, and will be updated quarterly for MTFP (3) going forward. Equalities considerations will also be built into MTFP (4) guidance to services, setting out an overall timetable and approach for completing equality impact assessments for any additional savings proposals identified.
- 43 In addition we will continue to ensure that full equality impact assessments inform final decision-making on implementing MTFP (4) savings for 2014/15 and subsequent years. This is built into management arrangements to monitor delivery of all MTFP savings, and will help to ensure that any changes implemented take into account equality impacts and that mitigating actions are taken where possible.

Recommendations and Reasons

- 44 Cabinet is asked to:
- (i) Note the updated 2014/15 budget position including the current £2.844 shortfall

- (ii) Note the current £58.503m Budget Shortfall for the MTFP (4) period 2014/15 – 2016/17 which will need to be adjusted further when the impact of the Government’s Spending Round for 2015/16 is evaluated
- (iii) Agree the proposed approach to preparing the Council Plan and Service Plans
- (iv) Agree the outlined approach to consultation
- (v) Agree the high level MTFP (4) and Council Plan timetable
- (vi) Agree the proposals to build equalities considerations into decision making

Contact: Jeff Garfoot

Tel: 03000 261946

Appendix 1: Implications

Finance

The report highlights the current £2.844m shortfall in 2014/15 MTFP (4) model and identifies that additional options will be considered throughout the year to enable a broadly balanced budget position to be achieved. The report also highlights a £58.5m budget shortfall for the period 2014/15 – 2016/17.

Staffing

The savings proposals within MTFP (4) and any additional savings identified could impact upon staff. HR processes will be followed at all times.

Risk

Risks will continue to be assessed throughout the Budget/MTFP process.

Equality and Diversity/Public Sector Equality Duty

Equalities considerations are built into the proposed approach to developing the MTFP (4), Council Plan and Service Plans, as a key element of the process.

Accommodation

None

Crime and Disorder

None

Human Rights

Any Human Rights issues will be considered for any detailed MTFP (4) and Council Plan proposals as they are developed and decisions made to take these forward. There are no Human Rights implications from the information within this report.

Consultation

The proposed consultation process is an integral element of this report and it is suggested will involve a series of deliberative discussions with the public throughout September – November 2013.

Procurement

None

Disability Issues -

All requirements will be considered as part of the equalities considerations outlined within the main body of the report.

Legal Implications -

None

Appendix 2 - Review of 2014/15 MTFP Model

	£m	£m
Current MTFP (3) Shortfall		12.122
Increases in Shortfall		
1 Revised Estimate for Government Funding Cut The cut is expected to increase from £29.086m to £32.086m due to the additional 1% cut for Local Government announced in the March 2013 Budget.	3.000	
2 Carbon Reduction Commitment – Carbon Tax The Government has announced that the Carbon Tax is to be extended to Street Lighting increasing the pressure faced in 2014/15.	0.090	
3 Housing Benefit Lost Admin Grant This grant is forecast to reduce further in the future. It will not be practical to recover the initial protection provided.	0.100	
		3.190
Reductions in Shortfall		
1 Additional Service Grouping Savings Target To reduce the 2014/15 budget shortfall service groupings have been asked to identify additional MTFP savings.	(5.164)	
2 Additional Corporate Savings Target In line with previous practice all options are being considered to identify cross-cutting efficiency savings to contribute to the MTFP. An additional savings target has been introduced.	(2.104)	
3 Business Rate Additional Yield Under the new BRR arrangements the Council retains 50% of all business rates collected. In the first year of operation in 2013/14 the Council has included a significant estimate of the sums that need to be reimbursed in relation to outstanding appeals. Once this significant one-off cost is discounted and the expected rate yield is analysed against the 2013/14 budget of £52.985m, it is forecast that the income budget could be increased in 2014/15 by £2.5m.	(2.500)	
4 Concessionary Fares In past years the Council has experienced significant budget pressure in this area due to price and demand issues. A £0.4m base budget pressure in the MTFP has been included as an ongoing pressure. Effective budget management and robust negotiations on price by RED is expected to negate the need for any additional budget in 2014/15.	(0.400)	

	£m	£m
5 Energy Energy prices continue to be volatile and in the past a £0.5m base budget pressure has been included in the MTFP. Current forecasts on price and demand would indicate however that the current base budget will be sufficient for 2014/15,	(0.500)	
6 Capital Financing and Investment Income Continuing low interest rates and high cash balances are reducing the costs of borrowing to support the Capital Programme and resulting in slightly higher investment returns.	(1.800)	
		(12.468)
REVISED SHORTFALL		2.844

Appendix 3 - Medium Term Financial Plan (MTFP(4)) 2014/15 - 2016/17 Model

	2014/15	2015/16	2016/17
		£'000	£'000
Overall Government Grant Reductions	0	15,600	22,000
Revenue Support Grant Reduction	32,086	0	0
Council Tax Increase (2% each year from 2014/15)	-3,290	-3,355	-3,422
Business Rate Additional Yield	-2,500	0	0
Business Rates - RPI increase (Estimated 3%/2.5%/2%)	-1,600	-1,365	-1,120
Business Rates Top Up Grant - RPI increase (Est. 3%/2.5%/2%)	-1,785	-1,500	-1,230
NHS Social Care Funding	0	7,100	0
New Homes Bonus	-1,250	0	0
New Homes Bonus - Re-imbursement of Top Slice (Est)	-750	0	0
Use of Earmarked/Cash Limit Reserve in CAS	-1,000	-200	3,350
Estimated Variance in Resource Base	19,911	16,280	19,578
Pay inflation (1% - 1% - 1.5%)	1,950	1,900	2,850
Price Inflation (1.0% - 1.5% - 1.5%)	1,475	2,137	2,137
Corporate Risk Contingency Budget	-1,000	-1,300	-1,000
Base Budget Pressures			
Carbon Reduction Commitment - 'Carbon Tax'	370	0	0
Expiry of four year Disturbance Allowances payments	-220	0	0
Employer National Insurance increase	0	0	5,100
Single Status Implementation	0	0	3,800
Additional Employer Pension Contributions	1,100	1,000	1,000
Concessionary Fares	0	400	400
Energy Price Increases	0	500	500
Community Building running costs	-180	0	0
CAS Demographic and Hyper Inflationary Pressures	1,000	1,000	1,000
Community Governance Reviews	0	-50	0
Prudential Borrowing to fund new Capital Projects	2,000	2,000	2,000
Capital Financing for current programme	-250	1,500	0
Investment Income	-300	0	0
TOTAL PRESSURES	5,945	9,087	17,787
SUM TO BE MET FROM SAVINGS	25,856	25,367	37,365
Savings			
Provisional MTFP Savings (subject to approval)	-23,012	-7,073	0
TOTAL SAVINGS	-23,012	-7,073	0
DEFICIT	2,844	18,294	37,365
ADJUSTED SHORTFALL 14/15 - 16/17	58,503		

Appendix 4 – Adjustments to the 2015/16 and 2016/17 MTFP Model

	2015/16 £m	2016/17 £m
Current MTFP Shortfall	23.309	15.845
Increases in Shortfall		
1 Increase in Government Funding Cut The March 2013 Budget detailed additional cuts for Local Government for 2016/17, increasing the forecast reduction for the Council from £9.53m to £22m. The CSR may also announce an additional cut for 2015/16.	-	12.470
2 NHS Social Care Funding In 2012/13 the Council was utilising £5.9m of NHS Social Care Funding to support core activity. In 2013/14 this has increased to £7.1m. This funding is only guaranteed until 2014/15 and could manifest as a budget pressure in 2015/16. A base budget pressure of £5.9m was already reflected in MTFP (3).	1.200	-
3 Employer National Insurance The implementation of the Single Pension in 2016/17 will end the 3.4% rebate the Council receives on Employer National Insurance contributions. The forecast cost to the Council is £5.1m.	-	5.100
4 Single Status The implementation of Single Status will exceed the £6.5m budget available. In 2013/14, 2014/15 and 2015/16 the Equal Pay Reserve will be utilised to finance the shortfall. The reserve will be exhausted in 2015/16 however and the 2016/17 base budget pressure of £3.8m will need to be budgeted for.	-	3.800
5 Housing Benefit Lost Admin Grant This grant is forecast to reduce further in the future. It will not be practical to recover the initial protection provided.	0.100	
Reductions in Shortfall		
1 Pay Inflation Allowance The Government has announced a 1% pay cap for Public Sector workers for 2015/16. The current MTFP model assumes a 1.5% pay award. The allowance for 2015/16 has been reduced from £2.85m to £1.9m.	(0.950)	0
2 Retail Price Index (RPI) Increases on Business Rates and Top Up Grant Assumptions have been built into the MTFP for an RPI increase in business rate yield and Top-Up Grant in 2015/16 and 2016/17. The RPI increase is forecast to be 2.5% in 2015/16 and 2% in 2016/17.	(2.865)	(2.350)

	2015/16 £m	2016/17 £m
3 Variations to utilisation of Demographic Pressures Reserve There is a planned use of the CAS Demographic Pressures Reserve over the MTFP period. Effective control of demographic pressure has enabled the use of the Reserve to be delayed thus extending the period over which the Reserve can be utilised.	(2.500)	2.500
REVISED SHORTFALL	18.294	37.365

This page is intentionally left blank

Cabinet

17 July 2013



Proposed change to the Age Range of St Oswald's Church of England (CE) Aided Infant and Nursery School from 3-7 to 3-11 from 1 September 2014, to establish a Primary School

KEY DECISION: CAS/01/13

Report of Corporate Management Team

Rachael Shimmin, Corporate Director, Children & Adults Services

Councillor Ossie Johnson, Cabinet Portfolio Holder for Children and Young People's Services

Purpose of the Report

1. The purpose of this report is to seek Cabinet approval to change the age range of St Oswald's CE Aided Infant and Nursery School from age 3-7 to age 3-11 to establish a primary school from 1 September 2014 and agree that the Admission Limit is changed from 30 pupils to 15 from that date.

Background

2. All of Durham County Council's Infant Schools, apart from St Oswald's, have a 'natural partner' in having a Junior School in the same locality where most children transfer to at the end of Year 2.
3. About 30 pupils each year from St Oswald's apply for a place at another school at the end of Year 2 to complete their primary education. There is no single school that can accommodate all 30 pupils and this has caused a lot of anxiety for families for a number of years. About half of the pupils are successful in being allocated a place in Year 3 at St Margaret's Primary School but the others have to find places in other schools. St Margaret's has an admission number of 42 at Reception and 60 at Year 3. (42 of these 60 places in Year 3 are taken up by the 42 pupils that are already in the school).
4. Governors of St Oswald's and officers from the Local Authority agreed that the best way to address this situation was to consult on a proposal to extend the age range of St Oswald's to become a Primary School and also increase the admission number at St Margaret's at Reception.
5. There is not enough room on the St Oswald's site to have a school for 30 pupils x 7 year groups (210 pupils) and there is no need to have a school of this size as there are currently sufficient school places across other Durham City primary schools to accommodate the expected numbers seeking a school place in this area of the county. The proposal to change the age range of St Oswald's would

therefore require the admission number to be changed from 30 to 15. Pupils would enter the school at Reception and stay there until they leave school at the end of their primary education. The capacity of the school would be 105 instead of 90. One extra classroom would be provided at St Oswald's.

6. An extra classroom would also be provided at St Margaret's Primary School. There would be an admission number of 60 at Reception with no separate admission stage at Year 3. The capacity of the school would increase from 380 to 420.
7. Making these changes at both schools would accommodate the number of pupils expecting a place at these schools in future years so that, in theory, no children would find themselves without a place in an 'all through' primary school in future.

Decision Making Process

8. St Oswald's CE Infant and Nursery School is a Voluntary Aided School, therefore any proposals to change the school are progressed by the Governors of the school but all decisions on school organisation proposals are still taken by the Local Authority.
9. Governors began consultation on the proposal to change the age range of the school, for six weeks between 4 February and 15 March, 2013. After the school Governors considered the views of those who responded to the consultation, a decision was taken to proceed to the next stage in the statutory process which was to issue a Public Notice, proposing a change to the age range of the school from 1 September 2014. (Refer to Appendix 2 – Governors' report of 18 April 2013).
10. The Public Notice (attached as Appendix 3) was issued on 18 April 2013 for 6 weeks, when objections and comments on the proposal could be sent to the Local Authority.
11. When making a decision, Cabinet should be satisfied that the consultation undertaken met statutory requirements. Consultation and the publication of the Statutory Notice was carried out in accordance with the guidance provided by the Secretary of State on 'making changes to a Maintained Mainstream School'. Paragraphs 13-16 of this report provide details of the consultation and provides a summary of responses received.
12. Consultation documents (attached in Appendix 2) were distributed widely across the local area on 4 February 2013. A series of meetings were also held so that Governors, Staff, Parents and the local community could share their views with Governors of the school. Details of the meetings are attached as Appendix 4.

Responses to the consultation and views of interested parties

13. Cabinet is required to consider the views of all those who may be affected by the proposals:

Responses to Consultation

23 responded in writing using the response form, letter and e-mail

25 responded using the online response form via the school's website

80 (approximately) people attended the parent and public meetings

7 members of staff attended the St Oswald's School staff meeting.

Summary of Responses

The following information provides a summary of the responses:

33 parents of pupils currently attending St Oswald's CE Aided Infant and Nursery School and Sunshine Club daytime provision responded to the consultation using the form, online response or by email and are in favour of the proposal to change the age range and reduce the admission number. 1 response was unclear.

Themes that emerged from these parents were:

- That the changes are welcomed as it will eliminate the disruption and uncertainty caused by the current situation regarding having to apply for Key Stage 2 places at other schools.
- That parents overwhelmingly support the proposal.
- That the parents think highly of the school, staff and Governors and have confidence that they can make the transition to being a primary school successful.
- That parents remain concerned about the overall number of primary school places in the local area.
- That parents strongly desire St Oswald's to continue to be an outstanding school during and after the transition.
- That parents are concerned that any building work that is required may be disruptive to children's education.
- That parents are concerned that the school does not currently have adequate facilities (including sporting) for older pupils.
- That some parents are concerned about how mixed-age classes will operate, particularly during the transition period.
- That some parents are concerned about mobility of pupils, particularly during the transition period as some pupils may leave at the end of Year 2 as they do currently.
- That parents would be keen to see a range of after-school activities established for older pupils.
- That parents would like reassurance that adequate funding and support will be available to the Governors and school management team to ensure the changes are successfully implemented.

62 parents of pupils currently attending St Oswald's attended parent meetings and/or the public meeting and the themes emerging from these were consistent with the replies to the consultation survey.

2 parents of pupils at St Margaret's CE Controlled Primary School were in favour of the proposal. It should also be noted that some parents of children at St Oswald's also have

children attending St Margaret's but have identified as the former when replying to the consultation survey. One parent stated a concern that the admission policy be carefully defined so as not to put children of another or no faith at a disadvantage and so that priority is given to children living in Durham City. One parent expressed their concern over the current situation whereby some parents struggle to secure a Year 3 place for their child. This parent fully supports the changes being proposed despite them coming too late for their own child.

1 parent of a child attending Busy Bees nursery is in favour of the proposed changes.

2 local residents are in favour of the proposed changes. One resident also supported the suggested use of the local park for school use.

6 members of staff from St Oswald's CE Aided Infant and Nursery School are in favour of the proposed changes.

1 member of staff from Shincliffe CE Controlled Primary School is in favour of the proposed changes and does not feel that there will be any impact on numbers at this school. This individual also stated that more places are needed in central Durham.

1 member of staff from Durham Johnston Comprehensive School is favour of the proposed changes.

4 members of staff from St Oswald's Sunshine Club are in favour of the proposed changes. One more member of staff is in favour of the proposed change in the age range but against reducing the admission number from 30 to 15. This person commented that if this was impossible then they support the proposed changes. One other member of staff commented that it would be better if a way could be found to retain the admission number of 30.

Analysis of consultation responses and current position

14. The school Governors and school management team worked closely with the Local Authority and Diocese to ensure that all concerns were addressed. The school welcomed open discussions with all parties.

15. The significant support for the proposal convinced Governors that the move to become a Primary School was the most appropriate way forward.

16. The Governing Body made the decision to proceed with the proposal after full and considered reflection of the circumstances impacting upon the school and in the best interests of the students and families that the school serves.

Response to the Public Notice

17. No objections or comments were received by the end of the 6 week statutory notice period.

FURTHER CONSIDERATIONS

Effects of the proposal on standards and school improvement

18. Cabinet should also consider the effects this proposal could have on standards and school improvement. In the most recent school inspection, Ofsted judged the school to be 'outstanding'. The school also offers a fully extended day and holiday club (Sunshine Club), which provides outstanding child care and education for children

aged 3 to 11. In light of the current 'outstanding' standard of education provided at the school, officers believe that the proposal to change the age range of the school will not have a detrimental effect on standards and school improvement. Children will also continue to have access to a range of extended services delivered from the school.

In the most recent school inspection, Ofsted also judged St Margaret's to be 'outstanding'.

SEN

19. Pupils with Special Educational Needs (SEN) will continue to have their needs met at St Oswald's. This proposal will not impact on the needs of individual pupils.

Creating Additional Places

20. The capacity of St Oswald's will increase from 90 to 105 pupils. The change to become a primary school will enhance provision across the Durham City area. The additional places will not have a negative impact on other schools as neighbouring schools are regularly over-subscribed and the increase from 90 to 105 will help to meet parental preference.

Capital

21. Capital funding will be required to provide an additional classroom, a lift and toilets on the St Oswald's school site and a classroom and kitchen re-wire at St Margaret's. The cost of this will be met from the Department for Education (DfE) grant funding, the Diocese and school funding:

		£	
• St Oswald's	-	276,000	Diocese Funding
		250,000	DfE Grant Funding
		20,000	School Funds
• St Margaret's	-	300,000	DfE Grant Funding
		40,000	School Funds

Recommendations and Reasons

22. Officers believe that proceeding with this proposal will enhance educational provision in Durham City. Having another primary school in the area instead of an infant school will help to meet the demands of parents who are regularly faced with the difficulties of seeking a place for their children in another school at the end of Key Stage 1 education.

23. Cabinet is therefore recommended to agree:

- (i) That the age range of St Oswald's CE Voluntary Aided Infant and Nursery School should be extended from age 3-7 to age 3-11 to become a Primary School from 1 September 2014; and
- (ii) That the admission number for the school be reduced from 30 pupils to 15 from 1 September 2014 to coincide with the increase in the standard intake number at St Margaret's Primary School.

Background Papers

Attached as Appendix 2-4.

**Contact: Sheila Palmerley, Strategic Manager,
School Places & Admissions
Telephone 265 731**

Appendix 1: Implications

Finance

DfE grant funding, funding from the Diocese and the school has been allocated to provide an additional classroom at St Oswald's and St Margaret's. (Please refer to paragraph 21 of the report).

Staffing

St Oswald's School Governors and leadership team will be responsible for having an appropriate staffing structure in the new Primary School.

Risk

A risk assessment has been carried out. There are no Reportable Risks.

Equality and Diversity / Public Sector Equality

As a public body, the Council must take into account the Equality Act 2010, a consolidating Act which brings together previous Acts dealing with discrimination. Decisions must be reviewed for potential impact on persons with "protected characteristics". An Equality and Diversity Impact Assessment has been carried out by the proposers.

Accommodation

The accommodation at the school will be enhanced to enable a Key Stage 2 curriculum to be delivered.

Crime and Disorder

N/A

Human Rights

Human rights will not be affected by this proposal.

Consultation

Details of the consultation that was undertaken are included in the body of the report.

Procurement

N/A

Disability Issues

N/A

Legal Implications

The process for extending the age range of the school has been carried out in accordance with the Department for Education's guidance.

18th April 2013

Outcomes of Consultation on a Proposal to change the Age Range of St Oswald's CE Aided Infant and Nursery School from 3-7 to 3-11, and Decrease the Planned Admission Number from 30 to 15.

Report of the Governing Body of St Oswald's CE Aided Infant and Nursery School

Purpose of the Report

1. To provide details on the outcomes of the consultation which was undertaken between 4th February and 15th March 2013, proposing a change to the age range of St Oswald's CE Aided Infant and Nursery School and reduce the admission number with effect from 1st September 2014 and to seek approval to proceed to the next stage in the statutory process which is to issue a public notice.

Background

2. In a meeting of 25 October 2012, the Governing Body of St Oswald's approved consultation to begin a proposal to change the age range of St Oswald's CE Aided Infant and Nursery School from 3-7 to 3-11 and to reduce the admission number from 30 to 15 from 1st September 2014.
3. Consultation documents (appendix 2) were distributed widely (appendix 3) and meetings were held with Governors and staff and parents of St Oswald's CE Aided Infant and Nursery School and Sunshine Club, and members of the local community at a Public Meeting.
4. Stakeholders were invited to respond in a variety of ways: written responses using the response form attached to the consultation document, letter, e-mail or completing the response form online via the School's website.

Responses to Consultation

5. 23 responded in writing using the response form, letter and e-mail
25 responded using the online response form via the school's website
80 (approximately) people attended the parent and public meetings
7 members of staff attended the St Oswald's School staff meeting.

Summary of Responses

- 6 The following information provides a summary of the responses:
33 parents of pupils currently attending St Oswald's CE Aided Infant and Nursery School and Sunshine Club daytime provision responded to the consultation using

the form, online response or by email and are in favour of the proposal to change the age range and reduce the admission number. 1 response was unclear.

Themes that emerged from these parents were:

- That the changes are welcomed as it will eliminate the disruption and uncertainty caused by the current situation regarding having to apply for Key Stage 2 places at other schools.
- That parents overwhelmingly support the proposal.
- That the parents think highly of the school, staff and Governors and have confidence that they can make the transition to being a primary school successful.
- That parents remain concerned about the overall number of primary school places in the local area.
- That parents strongly desire St Oswald's to continue to be an outstanding school during and after the transition.
- That parents are concerned that any building work that is required may be disruptive to children's education.
- That parents are concerned that the school does not currently have adequate facilities (including sporting) for older pupils.
- That some parents are concerned about how mixed-age classes will operate, particularly during the transition period.
- That some parents are concerned about mobility of pupils, particularly during the transition period as some pupils may leave at the end of Year 2 as they do currently.
- That parents would be keen to see a range of after-school activities established for older pupils.
- That parents would like reassurance that adequate funding and support will be available to the Governors and school management team to ensure the changes are successfully implemented.

62 parents of pupils current attending St Oswald's attended parent meetings and/or the public meeting and the themes emerging from these were consistent with the replies to the consultation survey.

2 parents of pupils at St Margaret's CE Controlled Primary School were in favour of the proposal. It should also be noted that some parents of children at St Oswald's also have children attending St Margaret's but have identified as the former when replying to the consultation survey. One parent stated a concern that the admission policy be carefully defined so as not to put children of another or no faith at a disadvantage and so that priority is given to children living in Durham City. One parent expressed their concern over the current situation whereby some parents struggle to secure a Year 3 place for their child. This parent fully supports the changes being proposed despite them coming too late for their own child.

1 parent of a child attending Busy Bees nursery is in favour of the proposed changes.

2 local residents are in favour of the proposed changes. One resident also supported the suggested use of the local park for school use.

6 members of staff from St Oswald's CE Aided Infant and Nursery School are in favour of the proposed changes.

1 member of staff from Shincliffe CE Controlled Primary School is in favour of the proposed changes and does not feel that there will be any impact on numbers at this school. This individual also stated that more places are needed in central Durham.

1 member of staff from Durham Johnston Comprehensive School is favour of the proposed changes.

4 members of staff from St Oswald's Sunshine Club are in favour of the proposed changes. One more member of staff is in favour of the proposed change in the age range but against reducing the admission number from 30 to 15. This person commented that if this was impossible then they support the proposed changes. One other member of staff commented that it would be better if a way could be found to retain the admission number of 30.

A copy of all responses and notes of meetings held, are available from the Head Teacher, St Oswald's CE Aided Infant and Nursery School, Durham, DH1 3DQ.

Analysis of consultation responses and current position

- 7 The school Governors and school management team are working closely with the Local Authority and Diocese to ensure that all concerns are addressed. The school welcomes open discussions with all parties.
- 8 The overwhelmingly positive responses to the consultation support the Governors' proposed changes.
- 9 The Governing Body has made a decision 'after full and considered reflection of the circumstances impacting upon the school and in the best interests of the students and families that the school serves'.

Decision

- 10 The Governing Body has confirmed its decision to publish a statutory notice to change the age range and admission number of the school with effect from 1st September 2014.

Background papers

Attached

Contact: Mrs G. Harrison (Head Teacher) Tel: 0191-386-8029

Appendix 1: Implications

Finance – Capital funding from the Local Authority, Diocese and Governing Body will be required to secure additional accommodation and adaptations to the school building and grounds.

Staffing – No staff are ‘at risk’ as a result of the proposed changes. It is likely that an additional teacher will be required. Additional staff may also be required.

Risk – If this proposal was not implemented there is a risk that pupil numbers at St Oswald’s would fall and the school would not be viable.

Equality and Diversity / Public Sector Equality Duty - As a public body, the Governing Body must take into account the Equality Act 2010, a consolidating Act which brings together previous Acts dealing with discrimination. Decisions must be reviewed for potential impact on persons with “protected characteristics”. An Equality and Diversity Impact Assessment has been carried out.

S.149 of the 2010 Act also lays down the Public Sector Equality Duty whereby from the 5th April 2011, schools and other organisations exercising public functions must have due regard to 3 key areas:

- Eliminate unlawful discrimination, harassment and victimisation.
- Advance equality of opportunity between those who share a relevant protected characteristic and those who don’t; and
- Foster good relations between those who share a relevant protected characteristic and those who don’t.

The relevant “protected characteristics” are: age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

Accommodation – An additional classroom will need to be established at the school.

Crime and Disorder – N/A

Human Rights – Human Rights will not be affected by this proposal.

Consultation – The Cabinet Portfolio Holder for Children and Adult Services has been consulted about moving to the next stage in the process and is happy for the Governing Body of St Oswald’s CE Aided Infant and Nursery School to issue a public notice on 18th April 2013.

Procurement – N/A

Disability Issues – N/A

Legal Implications – The statutory process for changing the age range and admission number of the school will be carried out in accordance with the Department for Education’s guidance.



The Governors of St Oswald's Church of England Voluntary Aided Infant & Nursery School would like to hear your views about the proposal to extend the age range of the school, to establish a Primary & Nursery School with effect from September 2014.

CONSULTATION DOCUMENT

St Oswald's CE VA Infant & Nursery School: Proposal to extend the age range of the school to establish an all through Primary & Nursery School with a reduced Pupil Admission Number from September 2014.

Introduction

Durham County Council keeps under review the pattern and provision of schools across the county to ensure that there are enough schools of a suitable size to meet local requirements and to provide the best possible education for the pupils they serve.

A review of school places and education provision was carried out on the schools in Durham City and the findings show that there are sufficient school places for the number of children who require places within the City (based on families who live in or around the City). There is, however, an increasing difficulty for parents to find Junior School places for children who leave St Oswald's CE VA Infant & Nursery School at the end of Key Stage One (KS1).

St Oswald's school is unique in that it not only serves the children of the local community but also provides nursery and school places for a high proportion of Durham University staff and students' children. The school also offers a fully extended day and holiday club (Sunshine Club, which is a company limited by guarantee, managed by the Directors of the Club, including the school's Senior Management Team). Sunshine Club provides child-care and education for children aged 3 to 11 for 50 weeks of the year from 8.00am to 6.00pm. This facility, in addition to the excellent standards of education (OFSTED Outstanding School and OFSTED Outstanding Child Care provider), makes the school a popular choice for working parents and families within the community. Consequently many of our families work in the city but do not live there. Families choose our school so that their children can receive both outstanding education and child-care within a faith-based setting.

The consequences of not having a Durham City postcode, means that many of our families are unable to find Junior School places within the city. The children who transfer to St Margaret's CE Controlled school in Durham, are fortunate to be able to continue to attend the after school club due to Sunshine Club offering a taxi service from St Margaret's back to Sunshine Club at the end of the school day. The effect of not being able to secure a Junior School place at the school of their choice therefore has an impact both socially and domestically on the families involved.

There is a further negative impact on not securing an appropriate Key Stage Two (KS2) school place, which means that families who do not secure a place at a school of their choice are forced to go to an admissions appeal. The consequences of the appeal process means that many of the children do not have a school place secured by the end of July for the following September. This results in many of the children feeling extremely unsettled during the transition period, when children attend their chosen school in readiness for the move to KS2. If the children have any Special Educational Needs this can be particularly problematic, as they may require a carefully planned transition.

The outcome of a review of admissions by Governors has led the school to consult with you on a proposal to reduce the admission limit from 30 to 15 but to extend our provision to include KS2 and become a Primary School.

We would need to reduce the Pupil Admission Number to 15 because the school site is not large enough to accommodate 30 pupils in each year group of a Primary School (Reception to Year 6).

You will, no doubt, have many questions to ask about how this would work. This consultation document aims to answer some of these questions and explains how you can let the Governing Body know what you think.

1. Why are the Governors of St Oswald's CE VA Infant & Nursery School considering the change from Infant & Nursery to Primary School?

The Governors have become increasingly concerned by the difficulties families are experiencing when they apply for KS2 school places at schools within the City of Durham.

The uncertainty of not being able to secure a school place after KS1 is resulting in parents being forced to send their children to alternative schools at the end of their nursery provision. There has also been an increase, in recent years, of families having to withdraw their children from St Oswald's School as soon as a secure primary school place is made available at the school they would like their child to go to. The decision to remove their children from the school is stressful for the families and their children. Parents repeatedly tell us that they would rather their children could remain in the school and continue to experience the first-class education that their children have received throughout the school.

Governors are also concerned at the lack of appropriate transition the children receive if families have to appeal for places at other schools. This can be detrimental to the emotional health and well - being of the children concerned.

2. If the school reduces its admission number to 15 would the admission number be increased at other schools to make sure there were still enough places overall in Durham City schools?

At the same time we are proposing to lower our admission limit to 15, Durham St Margaret's Church of England Controlled Primary School is proposing to increase its admission number for entry at Reception from 44 to 60. They currently have 44 pupil places for intake into reception and throughout KS1 and a second admission stage for entry at Year 3 where an additional 15 places are available (making an admission number of 60). Governors of St Margaret's have agreed to the proposal to increase the admission number at Reception from 44 to 60 from September 2014. From that date there will be no separate application process for admission to Year 3 as the 60 pupils who enter the school at Reception will continue through the school to complete their Primary education.

3. Where do St Oswald's children typically transfer to at the end of Key Stage 1?

The table below shows the schools that the children attended in September 2012.

School	Pupil numbers transferring
Blue Coat Junior School	2
Bow School (private)	2
Choristers School (private)	2
Durham High School For Girls (private)	1
Durham St Margaret's	10 original places secured and 15 after appeals and late placements
Finchale Primary School	1
SELE School Hexham	1
St Joseph's RC primary School	1
	1 child left and went back to China. 2 left the school earlier in the year and secured a place at Shincliffe. 1 left school early and secured a place at Choristers. 1 left the County due to a house move.

As news of the problem regarding the difficulty for parents to get their children into their preferred school reached the year 1 parents, 6 families chose to remove their children from the school at the end of year 1, leaving only 22 children to move into the current year 2 class. There have since been 2 more places filled, leaving the current year 2 with 24 children.

This highlights the concerns of the Governing Body regarding the uncertainty of pupil numbers and concern for the welfare of the children.

4. If the proposal is approved, the all through Primary School would be created over a period of time until the school had 15 pupils in each Year group from Reception to Year 6 as illustrated below:

	Projected numbers based on current numbers at the school that may choose to continue their education in the Primary School	Projected numbers based on current numbers at the school that may choose to continue their education in the Primary School	Projected numbers based on current numbers at the school that may choose to continue their education in the Primary School	Projected numbers based on current numbers at the school that may choose to continue their education in the Primary School	Projected numbers based on current numbers at the school that may choose to continue their education in the Primary School	Projected numbers based on current numbers at the school that may choose to continue their education in the Primary School	Projected numbers based on current numbers at the school that may choose to continue their education in the Primary School
	2014	2015	2016	2017	2018	2019	2020
Reception	15 places available	15	15	15	15	15	15
Year 1	29 (Reception numbers in 2013)	15	15	15	15	15	15
Year 2	29 (current Year 1 numbers in 2013)	29	15	15	15	15	15
Year 3	29 places (available for existing Year 2)	29	29	15	15	15	15
Year 4	0	29	29	29	15	15	15
Year 5	0	0	29	29	29	15	15
Year 6	0	0	0	29	29	29	15
Total	102	117	132	147	133	119	105

5. How will the classes be organised during the transition period?

	2014	2015	2016	2017	2018	2019	2020
	102 children 4 teachers	117 children 4 teachers	132 children 5 teachers	147 children 5 teachers	133 children 5 teachers	119 children 4 teachers	105 children 4 teachers
Class 1	R/Y1	R/Y1	R/Y1	R/Y1	R/Y1	R/Y1	R/Y1
Class 2	Y1	Y2	Y2/Y3	Y2/Y3	Y2/Y3	Y2/Y3	Y2/Y3
Class 3	Y2	Y3	Y2/Y3	Y4	Y4/Y5	Y4/Y5	Y4/Y5
Class 4	Y3	Y4	Y4	Y5	Y4/Y5	Y6	Y5/Y6
Class 5	-	-	Y5	Y6	Y6	-	-

6. How would the school determine which mixed age class the children would attend?

The School has successfully taught mixed age classes throughout its history. The criteria of how children will be selected for each class (where a year group is split) will be determined on a number of factors.

Ultimately, the children will still receive the curriculum that they require for their stage as opposed to their age and their progress will be carefully tracked to make sure that they are not disadvantaged in any way.

7. The all through Primary School will cater for 105 pupils (15 pupils X 7 year groups) from 2020. There could be more than 105 pupils between 2015 and 2019. How will this be managed?

Additional accommodation is being provided at the school to ensure that there are sufficient classrooms for the number of pupils expected to attend the school. In the first instance, 1 additional classroom will be provided from September 2014. This will mean there will be 4 classrooms with spaces for 120 pupils (4 classes of 30 pupils in each). If the numbers projected in the table in paragraph 4 from 2016 to 2018 do take up places in the school, temporary accommodation will be provided for that period of time.

8. Why do the Governors not intend to keep the same admission level of 30 per year?

We have investigated the possibility of keeping the admission number of 30 per year group, however, this would be impossible to manage on such a small site. We are also advised that there would not be any additional funding for extra school places in Durham as there are sufficient school places for children within the city.

9. Will there be a cloakroom and toilets for the older children in Key Stage 2?

We are making plans to have additional toilets and a cloakroom built for the older children.

10. Will there be sufficient teachers in the school and will they be suitably qualified to teach a KS2 curriculum?

Two of our current teachers are Key Stage 2 trained and the Head Teacher has taught through the whole primary range.

All of the teachers will receive additional training in teaching mixed-age classes throughout the primary phase. Teachers would also be given an opportunity to go and work in other outstanding small faith schools, to look at good practice and gain valuable experience.

We will require an additional teacher from 2014 and a further teacher for three years from 2016, 2017 and 2018 as long as the projected numbers remain above 120 children.

11. Will the high standards of education continue in Key Stage 2?

We intend to continue with our high standards of education which is based on 'stage not age' and includes Personalised Learning.

We envisage that we will be at an advantage with our Key Stage 2 pupils because we will have tracking and assessment data which helps us to plan appropriately for each child's needs. This means that our Key Stage 2 children will be able to progress in line with their targeted expectations and will not require any adaptation to a new school and new systems of measuring progress.

12. Will the school have sufficient resources to cope with a Key Stage 2 curriculum?

The school is already extremely well resourced (as a result of the generous contributions from The Friends of St Oswald's) with one of the highest amounts of curriculum spend per child in the county. We will continue to ensure that there is sufficient budget provision to purchase any necessary resources, to continue to deliver an exciting and vibrant curriculum.

13. How will the school cope with Key Stage 2 Sport and Physical Education?

We will be discussing this issue with Choristers and will put forward a proposal that enables the school to make use of their playing field for team games such as football and rugby etc.

14. Will the younger children feel intimidated by older pupils during playtimes?

We are looking at various options which may include separate playtimes and lunchtime with the possibility of eventually making adaptations to the adjoining park for our older children to use at lunchtime. The latter would obviously require consultation with the Parish Church Council to establish if this is a possibility.

The school would continue to work with all of the children to ensure that high standards of behaviour are maintained and that pupil voice remains high on the agenda.

As a faith School, our ethos is rooted in Christian values and we would ensure this is maintained. All of our pupils will be nurtured to enable them to flourish and continue to feel a valued member of the school family.

15. If St Oswald's School does not make the transition to a Primary School and remains an Infant & Nursery School, how would this affect the future of the school?

We consider that the future of the school could be in jeopardy if St Margaret's increases its admission number to 60. There could be a possibility that more parents would choose to place their children in a Primary School from the onset. Ultimately there would no longer be any St Margaret's Key Stage 2 school places for families to apply for. This could potentially leave us with only 15 children applying for places in the school as opposed to the admission number of 30. If this were the case we would potentially have only 45 children in the school by the end of KS1 which would **not** make us viable to continue as an Infant school.

16. Would the potential changes have an effect on Nursery and Sunshine Club?

As St Oswald's has the only mainstream Nursery in the city which has capacity for 52 children (and 20 Sunshine Club children), there should be no effect on its continued success.

The Admission Policy for Sunshine Club would determine the children, who could attend Breakfast Club, Wrap Around Care and after school provision.

17. How do we respond to this consultation?

We would like to hear what you think about the proposal to change the status of the School to a Primary School with effect from September 2014 and reducing the Admission number from 30 to 15.

We are holding a consultation meeting for **interested parties** at the school on:

- Thursday 14th February at 7.00 pm

Parents of children from individual classes are invited to attend sessions outlined below:

- Nursery : Monday February 11th at 2.00 pm
- Reception : Tuesday February 12th at 2.00 pm
- Year 1 : Wednesday February 13th at 2.00 pm
- Year 2 : Thursday February 14th at 2.00 pm

If parents are unable to attend their designated session, please feel free to attend any of the other sessions including the public consultation session.

You can also respond in one of the following ways by 15th March 2013:

- (i) Send in the attached response form or write to: Chair of Governors at St Oswald's CE VA Infant & Nursery School, Church Street, Durham, DH13DQ
- (ii) E-mail your views to: consultation@stoswaldsdurham.net
- (iii) You may submit a response to the consultation on paper, by email or online. To respond online please click this link : <http://www.surveymonkey.com/s/YM6GJK6>. Respondents are also asked to consider completing the equality and diversity monitoring survey after responding to the consultation - <http://www.surveymonkey.com/s/YMNQXRH>. The separate surveys ensure that the monitoring survey is confidential.

18. What happens at the end of the consultation period?

All the responses to the consultation will be considered carefully and if the Governors decide to proceed with the proposal, a Statutory Notice will be published for 6 weeks when objections could be made. At the end of the Statutory Notice period Durham County Council's Cabinet members would aim to make a decision on the proposal before the school summer holidays 2013.

**RESPONSE FORM - CONSULTATION ON THE PROPOSAL TO CHANGE ST
OSWALD'S CHURCH OF ENGLAND VOLUNTARY AIDED INFANT & NURSERY
SCHOOL TO A PRIMARY SCHOOL FROM SEPTEMBER 2014 and REDUCE THE
ADMISSION LIMIT FROM 30 TO 15**

1. Please tick **one** box from the list below to let us know if you are responding to this consultation **mainly** as a:

Parent/Carer of a pupil(s) at

- Nursery - which school _____
- Infant - which school _____
- Junior - which school _____
- Primary - which school _____
- Secondary - which school _____
- Special - which school _____

OR a Pupil at

- Nursery - which school _____
- Infant - which school _____
- Junior - which school _____
- Primary - which school _____
- Secondary - which school _____
- Special - which school _____

OR a

- Governor - which school(s) _____
- Member of staff - which school _____
- Resident _____
- Local Member _____
- Trade Union Representative _____
- Community Group _____
- Diocese _____
- Parish/Town Council Representative _____
- Neighbouring Authority – Which Authority? _____
- MP _____
- Other _____

EQUALITY AND DIVERSITY AT THE HEART OF EVERYTHING WE DO

Equality and Diversity Monitoring Form for Consultation

Our aim is to be fair and we want to make it easy for everyone to tell us what they think. Your answers to the following questions will help us to find out if we have heard from a wide range of people or if there are any groups we still need to hear from. Your answers will be anonymous so we cannot tell who filled in each form and we will only use the information to check how well we involved people from different backgrounds.

You only need to answer if you feel happy to do so.

Are you: Male Female How old are you?

Do you consider yourself to be a disabled person? Yes No

(This may include any long-standing illness, disability or infirmity which has a substantial effect on your day to day life. Long-standing means that it has lasted, or is likely to last, for over a year.)

What is your religion or belief?

Christian Hindu Jewish Muslim Sikh Buddhist

None Other (✓and write below)

How do you describe your sexuality?

Heterosexual/Straight Gay Woman/Lesbian Gay Man Bisexual

Other (✓and write below)

To which of these groups do you belong?

White

English Welsh

Scottish Northern Irish

British Irish

Any Other White background
(✓and write below)

Travelling Community

Gypsy/Roma

Traveller of Irish Descent

Other member of the travelling community
(✓ and write below)

Black or Black British

Caribbean African

Any Other Black background
(✓and write below)

Mixed

White & Black Caribbean

White & Black African

Any other Mixed background)
(✓and write below)

Asian or Asian British

Indian Pakistani

Bangladeshi Chinese

Any Other Asian background
(✓and write below)

Other ethnic Groups

Other ethnic group

Any Other Asian background
(✓and write below)

Appendix 3: Distribution List

**CHANGE OF AGE RANGE AT ST. OSWALD'S CE (AIDED) INFANT & NURSERY
CONSULTATION DOCUMENT DISTRIBUTION LIST
1st February 2013**

School	Govs	Staff	Pupils	Total	How Delivered	Date Del/Posted
St. Oswald's CE Infant & Nursery & Sunshine Club	18	29	292	339	Emailed and some hard copies	Delivered 1.2.13

St. Margaret's Primary	CoG*					Posted 1.2.13
Shincliffe Primary	CoG*					
Neville's Cross Primary	CoG*					
Gilesgate Primary	CoG*					
Laurel Avenue Primary	CoG*					
St Hild's CE College	CoG*					
Langley Moor Primary	CoG*					

Langley Moor Nursery	CoG*					Posted 1.2.13
----------------------	------	--	--	--	--	----------------------

Durham Johnston Comprehensive	CoG*					Posted 1.2.13
St. Leonard's Catholic Comprehensive	CoG*					
Gilesgate Sports College & SFC	CoG*					
Choristers School	CoG*					
Durham High School for Girls	CoG*					

*Governors letters posted (1.2.13)

**TOTAL number of hard copies of consultation documents distributed = 125
and also the consultation document was placed on the school's website**

Elected DCC Members	
Claire Vasey, Simon Henig, Jan Blakey, Mac Williams, Nigel Martin, Grenville Holland, David Freeman, David Stoker, Dennis Southwell, Les Thompson	Emailed (1.2.13)
MPs	
Roberta Blackman-Woods MP mail@roberta.org.uk	Emailed (1.2.13)
Phil Wilson MP wilsonphil@parliament.uk	
INTERNAL – Email (date)	
CAS SLT, Hugh Stephenson, Julian Wilson, Barry Piercy, Liam Cairns, Gerard Darby, John Wilkinson, Joanne Barker, SOCP Team, Jane Jack, Julie Arnett, Sue Smith, Nora Waugh, Janet Bennett, Joanne Walt, Paul Rockett, Lynn Elliott, Julie Rimmer, Jane-le-Sage, Margaret Hanratty, Shirley Fall, Philip Hodgson, Linda Bailey, Caroline O’Neil	
RC and CE Diocese and DfE	
RC Diocese Director education@diocesehn.org.uk	Emailed (1.2.13)
CE Diocese Director Jeremy.fitt@drmnewcanglican.org	
DfE school.organisationproposals@education.gsi.gov.uk	
Trade Unions	
c.d.thompson@hotmail.co.uk john.kesterton@ascl.org.uk jgreig@atl.org.uk terry.scarr@gmb.org.uk mwilliams.nasuwt@live.co.uk northern@nut.org.uk trevorblacklock@hotmail.com h.pink@unison.co.uk	Emailed (1.2.13)
Directors of CYPS of Neighbouring LAs	
Murray Rose DARLINGTON murray.rose@darlington.gov.uk	Emailed (1.2.13)
Margaret Whellans GATESHEAD Margaretwhellans@gateshead.gov.uk	
Jane Humphreys STOCKTON jane.humphreys@stockton.gov.uk	
Keith Moore SUNDERLAND keith.moore@sunderland.gov.uk	
Colleges, Universities and DASH (1 each)	
Mrs S Duncan, Principal, East Durham & Houghall Community College, Burnhope Way Centre, Burnhope Way, Peterlee, SR8 1NU	Posted (1.2.13)
Ms A Isherwood, Principal, Bishop Auckland College, Woodhouse Lane, Bishop Auckland, Co Durham, DL14 6JZ	
Mr A Croney, Principal, Derwentside College, Front Street, Consett, DH8 5EE	
Mr J Widdowson, Principal, New College Durham, Framwellgate Moor Campus, Durham, DH1 5ES	
Professor Christopher Higgins PhD FRSE FRSA F MedSci, Vice Chancellor and Warden, Durham University, The University Office, Old Elvet, Durham, DH1 3HP	
Mr G Moran, Associate Head Teacher – DASH/LA Durham Leadership Centre, County Durham Education Development Centre, Enterprise Way, Spennymoor, DL16 6YP	
Children’s Centres (5 each)	
Durham University Pre-School , 128, Elvet Waterside, Durham, County Durham, DH1 3BW	Posted (1.2.13)
Belmont Pre-School , Belmont Community Centre, Sunderland Road, Belmont, Durham, DH1 2LL	
Durham University Nursery , Haworth Building, Pelaw Leazes Lane, Durham, DH1 1TA	
Scardale Way Nursery , Cheveley Park Primary School, Scardale Way, Durham, DH1 2TX	
Laurel Avenue Children’s Centre , Laurel Avenue Primary School	
Libraries (10 each)	
Clayport Library, Walkergate, Durham City	delivered (1.2.13)

Community Centres, Community Associations (5 each)	
Belmont Community Centre, Sunderland Road, Gilesgate Moor, Durham, DH1 2LL	Posted (1.2.13)
Audrey Barnes, Belmont Community Association, Belmont Comp School, Belmont, Durham, DH1 2QP	
Kim Rowling, Durham City Centre Youth Project, Mill House, Gilesgate, Durham	
Steve Johnson, Gilesgate Community Association, Vane Tempest House, Maynard Row, Durham, DH1 1QF	
Jackie Graham, Laurel Avenue Community Association, Laurel Avenue Primary School, DH1 2EY	

Parish Councils (JM passing on to Parish Councils and AAP in Durham area)	
John Murphy john.murphy3@durham.gov.uk	E-Mail (1.2.13)

PUBLIC NOTICE

Proposal to change St Oswald's Church of England Voluntary Aided Infant & Nursery School to a Primary School from September 2014 by extending the age range from 3-7 to 3-11 and reducing the admission number from 30 to 15.

Notice is given in accordance with section 19(3) of the Education and Inspections Act 2006 that the Governing Body of St Oswald's CE Aided Infant and Nursery School intends to make a prescribed alteration to St Oswald's Church of England Voluntary Aided Infant & Nursery School, Church Street, Durham, DH1 3DQ from 1st September 2014.

The Governing Body of St Oswald's CE Aided Infant & Nursery School is intending to extend the age range from 3-7 to 3-11 years of age, therefore changing the status from Infant and Nursery to Primary and Nursery. The Governing Body intends to reduce the admission number from 30 to 15. The Governing Body intends to make these changes due to the increasing difficulties parents are experiencing in securing a Key Stage 2 school place for their children after their period of education at St Oswald's. This is due to there being no specific Junior School provision for children who have attended St Oswald's Infant & Nursery School and the over-subscription of other Primary Schools in the area.

The change from an Infant and Nursery School to a Primary School will be implemented in stages. From September 2014 the Governing Body intends to admit 15 children to the Reception year group. From this date the Governing Body intends to provide education for children in Key Stage 2. This means that the pupils who will be in Year 2 in July 2014 will be able to continue their education in Year 3 in September 2014. This cohort and future cohorts will continue their Key Stage 2 education at this school meaning that all primary year groups will have been established by September 2017. During the phased transition period it is proposed that there will be no facility to admit children to any year groups not already established in the school.

The current capacity of the school is 90 and the proposed capacity will be 105. The current admission number for the school is 30 and the proposed admission number will be 15.

From September 2014 the Governing Body intends to reduce the number of children admitted to the Reception year group from 30 to 15. The overall school capacity will be increased from 90 to 105 (excluding Nursery) and some adaptations and additions to the school building and grounds will be required. The reduction in admission number is necessary due to the limitations and capacity of the school's buildings and grounds.

This Notice is an extract from the complete proposal. Copies of the complete proposal can be obtained from: Mrs C. Cowie, School Secretary, St Oswald's CE Aided Infant & Nursery School, Church Street, Durham, DH1 3DQ. Telephone: 0191-386-8029. Email: stoswalds.ce@durhamlearning.net Website: <http://www.stoswaldsdurham.net/our-school/consultation/>

Within six weeks from the date of publication of this proposal, any person may object to or make comments on the proposal by sending them to Adam Williams, School Organisation and Capital Projects Team, Children and Adults Services, Business Reply Service, Licence No. DU63 (Freepost), Durham County Council, County Hall, Durham, DH1 5BR. Website: www.durham.gov.uk Email: schoolorganisation@durham.gov.uk.

Signed:



Sue Pitts
Chair of Governing Body
St Oswald's CE Aided Infant and Nursery School

Publication Date: 18 April 2013

Notes of the Governors meeting on Monday 25th March 2013 held at St Oswald's CE Aided Infant and Nursery School

Present: S. Pitts (Chair of Governors), G. Harrison, D. Wilson, J. Frame, T. Lang, P. Nicholson, C. Constance

Apologies: J. McKim, M. Armellini, C. Roxborough, A. Robley, K. Barrie

This meeting was held following a meeting of the Full Governing Body which was held on 7th March 2013. At the Full Governing Body meeting it was decided that a meeting would be held on 25th March after the close of the consultation on 15th March 2013. This allowed time for the responses to be collated and analysed in preparation for discussion by Governors.

SP began the meeting by updating the Governing Body on the consultation process. GH explained that copies of the consultation document had been distributed and responses had been received as follows (by email, online survey and paper copy):

33 parents of pupils currently attending St Oswald's CE Aided Infant and Nursery School and Sunshine Club daytime provision responded to the consultation using the form, online response or by email and are in favour of the proposal to change the age range and reduce the admission number. 1 response was unclear.

Themes that emerged from these parents were:

- That the changes are welcomed as it will eliminate the disruption and uncertainty caused by the current situation regarding having to apply for Key Stage 2 places at other schools.
- That parents overwhelmingly support the proposal.
- That the parents think highly of the school, staff and Governors and have confidence that they can make the transition to being a primary school successful.
- That parents remain concerned about the overall number of primary school places in the local area.
- That parents strongly desire St Oswald's to continue to be an outstanding school during and after the transition.
- That parents are concerned that any building work that is required may be disruptive to children's education.
- That parents are concerned that the school does not currently have adequate facilities (including sporting) for older pupils.
- That some parents are concerned about how mixed-age classes will operate, particularly during the transition period.
- That some parents are concerned about mobility of pupils, particularly during the transition period as some pupils may leave at the end of Year 2 as they do currently.
- That parents would be keen to see a range of after-school activities established for older pupils.
- That parents would like reassurance that adequate funding and support will be available to the Governors and school management team to ensure the changes are successfully implemented.

62 parents of pupils current attending St Oswald's attended parent meetings and/or the public meeting and the themes emerging from these were consistent with the replies to the consultation survey.

2 parents of pupils at St Margaret's CE Controlled Primary School were in favour of the proposal. It should also be noted that some parents of children at St Oswald's also have children attending St Margaret's but have identified as the former when replying to the consultation survey. One parent stated a concern that the admission policy be carefully defined so as not to put children of another or no faith at a disadvantage and so that priority is given to children living in Durham City. One parent expressed their concern over the current situation whereby some parents struggle to secure a Year 3 place for their child. This parent fully supports the changes being proposed despite them coming too late for their own child.

1 parent of a child attending Busy Bees nursery is in favour of the proposed changes.

2 local residents are in favour of the proposed changes. One resident also supported the suggested use of the local park for school use.

6 members of staff from St Oswald's CE Aided Infant and Nursery School are in favour of the proposed changes.

1 member of staff from Shincliffe CE Controlled Primary School is in favour of the proposed changes and does not feel that there will be any impact on numbers at this school. This individual also stated that more places are needed in central Durham.

1 member of staff from Durham Johnston Comprehensive School is in favour of the proposed changes.

4 members of staff from St Oswald's Sunshine Club are in favour of the proposed changes. One more member of staff is in favour of the proposed change in the age range but against reducing the admission number from 30 to 15. This person commented that if this was impossible then they support the proposed changes. One other member of staff commented that it would be better if a way could be found to retain the admission number of 30.

SP explained that four meetings had taken place for parents of the pupils currently attending St Oswald's School. The following common themes/issues were raised and discussed:

- How the school would organise the classes and teaching staff.
- What building work would be needed and when this would be undertaken.
- How the school would involve the older pupils in competitive sports.
- What possibilities for games fields and similar the school is exploring.
- What criteria would be used in the admissions policy.
- How the school would ensure the children make a successful transition to secondary school.
- How the school would organise the school day with regards to playtimes and lunchtimes.
- The possibility of changing the length of the school day or staggering start and end times.
- How the school would ensure good personal, social and emotional development of those children who would always be the oldest age group in the school (current Year 1 class).
- How the school would manage the larger classes already in the school in 2013-2014 who would continue their education until Year 6.
- What steps the school would take to ensure that the Infant pupils still play an important role in the school (e.g. responsibilities, productions, church services).

SP explained that a Public Meeting had been held on 14th February 2013 and the following issues were discussed:

- Sporting facilities and opportunities for children to engage in competitive sports.
- Parking and traffic outside the school, including possible park and stride options.
- Parents would have liked their older children to have been able to return to the school and the reasons why this is not possible were discussed.
- Extra-curricular activities for Key Stage 2 children.
- Modern foreign language teaching.
- Possible use of the local park for activities (e.g. playtimes).
- Issues relating to a small primary school with mixed-age classes.
- St Oswald's reducing the PAN from 30 to 15 alongside St Margaret's proposing to increase their PAN from 44 to 60.

Following the discussion of the proposal, parents raised the issues of school places in Durham City with the DCC representative. They expressed concerns regarding the already over-subscribed primary schools and the planned housing developments

within the City. The parents urged the County Council to carefully consider their concerns.

The Governors discussed the issues and concerns raised in the meetings and from the surveys returned. After full and considered reflection of the circumstances impacting upon the school and in the best interests of the students and families that the school serves, the Governors decided to publish a statutory notice to change the age range (from 3-7 to 3-11) and admission number (from 30 to 15) of the school with effect from 1st September 2013.

Notes of the Meetings Held for Parents of Children Currently Attending St Oswald's School, Nursery and Sunshine Club

Present: S. Pitts (Chair of Governors), G. Harrison (Head Teacher)

Four meetings took place for parents of current pupils:

- 11/2/13 – Nursery and Sunshine Club (also attended by D. Wilson, Deputy Head Teacher, and E. Donbavand, Sunshine Club Manager and 18 parents)
- 12/2/13 – Reception (also attended by 10 parents)
- 13/2/13 – Year 1 (also attended by 27 parents)
- 14/2/13 – Year 2 (also attended by R. Handy, Class Teacher, and 3 parents)
-

Some parents have children in more than one year group within the school and some parents attended meetings not specifically for their child's year group.

Each meeting was held at 2pm at St Oswald's CE Aided Infant and Nursery School.

SP introduced herself as the Chair of Governors and began each meeting by presenting the proposal and drawing on the main points within the consultation document. Parents were encouraged to ask questions and give comments. The main issues discussed were:

- How the school would organise the classes and teaching staff.
- What building work would be needed and when this would be undertaken.
- How the school would involve the older pupils in competitive sports.
- What possibilities for games fields and similar the school is exploring.
- What criteria would be used in the admissions policy.
- How the school would ensure the children make a successful transition to secondary school.
- How the school would organise the school day with regards to playtimes and lunchtimes.
- The possibility of changing the length of the school day or staggering start and end times.
- How the school would ensure good personal, social and emotional development of those children who would always be the oldest age group in the school (current Year 1 class).
- How the school would manage the larger classes already in the school in 2013-2014 who would continue their education until Year 6.
- What steps the school would take to ensure that the Infant pupils still play an important role in the school (e.g. responsibilities, productions, church services).

Notes of the Public Meeting Held on Thursday 14th February 2013 at 7pm in St Oswald's CE Aided Infant and Nursery School

Present:

Chair of Governors – S. Pitts

School Staff – G. Harrison, D. Wilson, N. Kirkup, J. Frame, H. Stanley

Diocese of Durham representative – J. Fitt

Durham County Council representative – S. Palmerley

Four parents

Seven local residents (of which 3 are governors)

Two representatives from Neville's Cross Primary

SP introduced herself as the Chair of Governors and began the meeting by introducing the proposal before inviting GH to draw out the main points. Attendees were encouraged to ask questions and give comments. The main issues discussed were:

- Sporting facilities and opportunities for children to engage in competitive sports.
- Parking and traffic outside the school, including possible park and stride options.
- Parents would have liked their older children to have been able to return to the school and the reasons why this is not possible were discussed.
- Extra-curricular activities for Key Stage 2 children.
- Modern foreign language teaching.
- Possible use of the local park for activities (e.g. playtimes).
- Issues relating to a small primary school with mixed-age classes.
- St Oswald's reducing the PAN from 30 to 15 alongside St Margaret's proposing to increase their PAN from 44 to 60.
-

Following the discussion of the proposal, parents raised the issues of school places in Durham City with the DCC representative. They expressed concerns regarding the already over-subscribed primary schools and the planned housing developments within the City. The parents urged the County Council to carefully consider their concerns.

Notes of the Staff Meeting on Wednesday 27th February 2013 held at St Oswald's CE Aided Infant and Nursery School

Present: S. Pitts (Chair of Governors), G. Harrison, D. Wilson, N. Kirkup, H. Stanley, G. Preece, R. Handy, J. Frame

SP began the meeting by explaining that the Governors were very keen to seek staff views regarding the proposal to extend the age range of the school from 3-7 to 3-11. The main points of the meeting were:

- Governors are committed to ensuring that the views of staff are taken into consideration.
- Governors are committed to supporting the staff (e.g. by making budget allowances for CPD relating to KS2).
- Staff have some concerns regarding the move to be a primary school and these are largely in relation to the physical spaces, both building and grounds, and the practical problems this might bring. Staff stressed the need for these issues to be well-thought through.
- There is some apprehension regarding the uncertainty of how the transition will happen (e.g. which teachers and other staff will be in each year group/class).
- On the whole the staff are supportive of the Governors proposal to extend the age range and reduce the planned admission number from 30 to 15.
- The staff thanked SP for taking the time to meet with the staff.
- SP thanked the staff for taking the time to discuss the proposal.

Cabinet

17 July 2013



Community Buildings: Progress Report

Key Decision: CORP/A/05/11/3

**Report of Corporate Management Team
Lorraine O'Donnell, Assistant Chief Executive
Councillor Brian Stephens, Cabinet Portfolio Holder for
Neighbourhoods and Local Partnerships**

Purpose of the Report

1. To provide an update on the implementation of the Community Buildings Strategy and seek further delegations required to address emerging issues.

Background

2. In February 2012 Cabinet agreed a Community Buildings Strategy, which sets out the Council's ambition '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'. This strategy builds on four clear objectives:
 - a. Developing strong and vibrant communities.
 - b. Maximising the impact of available resources to invest in community buildings where they are most needed.
 - c. Handing control to local communities.
 - d. Supporting the dedicated volunteers who run community buildings.
3. To achieve this strategy the Council agreed to target investment of £2.15M on prioritised Council owned community buildings based on a principle of asset transfer and a maximum investment of 70%. 120 community buildings were identified to be included within this strategy and a timescale of two years was agreed to achieve it. A temporary support team was put in place in May/June 2012 to facilitate this.
4. By April 2014 the aim is to have asset transferred as many of the 120 community buildings as possible and for the temporary community buildings team to step down. At this point, Cabinet has agreed, that a decision will be made to close or facilitate an alternative asset transfer for any viable community building that has not completed the asset transfer process.
5. The 120 council owned community buildings identified for inclusion within this scheme included 55 communal rooms and in July 2012 Cabinet agreed to transfer 40 of these to housing providers.

Summary

6. The 120 community buildings included within the strategy fall into four key groups:
 - a. 55 to work towards asset transfer where possible;
 - b. 40 to be transferred to housing providers, as agreed by Cabinet in July 2012;
 - c. 14 with existing Full Repair & Insurance leases (FR&I). These council owned buildings have effectively already been asset transferred to local communities, although work is on-going to support these groups to transfer onto the new standard lease;
 - d. 11 Coal Industry Social Welfare Organisation (CISWO) buildings for which the Council is the trustee of ten and therefore does not have responsibility for on-going repairs from its own funds. The Council is the tenant of one CISWO building.
7. Progress over the first year has been good. Work to facilitate asset transfer or closure, where there is no community interest, has been successfully concluded on 61¹ of the 120 community buildings and there is clarification in relation to the council's responsibilities for the 10 CISWO buildings. These groups together account for 59% of the programme. This has involved transfers of 34 buildings to housing providers, confirmation of responsibility in relation to 14 FR&I buildings and 10 CISWO buildings and the sale, lease or closure of a further 13 buildings, four² of which are still being used for the benefit of local communities.
8. The remaining 49 community buildings include one for which the Council is the tenant of a CISWO building, six to be transferred to Cestria Housing Association and 42 which the Community Buildings Team are working with local communities to facilitate asset transfer where possible.
9. The current programme of work with management groups will see work completed to asset transfer or close 100 community buildings (83%), including having completed all capital works, by June 2014. It is hoped that a further 15³ community buildings will have signed a new lease and taken responsibility for the building although the capital works will not have been completed. There are concerns regarding the future viability of three⁴ buildings and two Management Groups have not yet started working towards asset transfer – the Brockwell Centre and Burnside Community Centre, both of which have existing long leases.

¹ 34 to housing providers, 14 FR&I, 13 others (23 Holme Dene, Fell Rose Court, Elite Hall, Crookgate Communal Room, Dipton Communal Room, Woodland House, Sheakespear Centre, Bedburn Close, Toronto Community Centre, Shotley Bridge Village Hall, Murton Community Centre, Heselden Community Centre, Collier House).

² Woodland House, Shakespear Centre, Bedburn Close and Heselden Community Centre.

³ Blackhill Community Centre, Pelton Community Centre, Annfield Plain Community Centre, Trimdon Grange Community Centre, Shotton Community Centre, Coundon and Leeholme Community Centre, Howden-le-Wear Community Centre, Framwellgate Community Centre, Burnopfield Community Centre, Witton-le-Wear Community Centre, Pitlington Village Hall, Stanhope Town Hall, Langley Park Community Centre, Stanley Community Centre, Earl House Community Centre.

⁴ Hunwick Community Centre, Middleton-in-Teesdale Village Hall, Great Lumley Community Centre.

10. To provide on-going support to community building management groups the council's Community Building Grant Funding programme has recently been reviewed which has been jointly developed with local groups and AAPs. The number of eligible groups has increased and 45 groups that were not previously eligible have been successful in their application for support. 143 Management Groups will each receive £1843.72.

Progress and Emerging Issues

11. Good progress is being made on the Community Buildings Strategy, with 100 of the 120 community buildings (83%) on track to be asset transferred or closed by June 2014.
12. The total cost of all works is estimated to be in the region of £4.17M with the Council contributing £2.15M and local communities raising the remaining £2M. This will be a significant contribution from external resources raised by local communities and demonstrates considerable commitment by local people.
13. Specific funders have been targeted depending on the amount of funding needed for each centre. Management Groups have also been encouraged to access Area Based funding and Neighbourhood funding and over the last year 15 different community buildings have received funding from councillors. The total value of these awards is £307,357 (£297,193 from Neighbourhood Budgets, £7,000 through participatory budgeting and £3,164 from Area Budget Small Grants).
14. Community buildings are managed primarily by volunteers. It has been estimated that more than 700 dedicated volunteers are members of management groups of council owned community buildings. The council's proposals for change have presented a major challenge for many groups, with requirements to consider their governance, use, compliance issues, regulations, costs and plans for future sustainability before they can seek external funding to meet the cost of capital works and to meet on-going revenue costs. It has been a huge shift in culture but local groups have risen to the challenge, expanded their capacity and shown that they are best placed to control facilities for people within their neighbourhood.
15. To facilitate progress the Community Buildings Team has worked with all management groups on a one to one basis to find the appropriate way forward. Over the first year more than 50 training courses have been provided by the Council, alongside numerous one to one support and advice sessions, guidance documents and templates. Training and individual support has also been provided via Buddies, Durham University, Skillsbridge and DRCC. This support has significantly raised awareness, capacity and expertise within the community and good feedback has been received so far from all who attended the training workshops and events.
16. Centres have also reported that one of the benefits they found from the training sessions has been the networking and the links they have made with other centres and they have described how they have been able to pool their

resources and knowledge to deal with issues such as compliance and health and safety. They have also reported that training on hazards and risks have helped them to confidently take actions that are needed.

17. In some cases the existing management group have decided that they do not want to continue and new groups have been sought to ensure that local communities have had every chance of maintaining the facility in their locality if this is important to them. New groups or changes within management groups are being supported in nine⁵ community buildings, illustrating that the emphasis within this programme has been on maintaining community buildings for local people, with closure only considered as a last resort.
18. 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 Council's strategy proposed investing significant resources into the sector. This has not been the case in many other parts of the country where community assets such as these have been closed or transferred to communities without support or investment.
19. It is anticipated that by June 2014 twenty buildings will not have fully completed the asset transfer process (including all capital works completed). Two of these buildings have existing long leases.
20. Three⁶ buildings, in which the Council was planning to invest, require significant works which will be directly affected by the presence of asbestos. Indeed, Hunwick Community Centre has been forced to close due to its poor condition and problems associated with asbestos. It is estimated that these three buildings will all require works costing in excess of £250,000 which raises the question of whether investment in the existing property is good value for money despite the fact that these have all been well used and managed centres, with good local support. It is, therefore, proposed that the Assistant Chief Executive in discussion with the Cabinet Portfolio Holder is given delegated authority to reconsider how the capital investment set aside for each of these buildings is used, within the next two years, to ensure that the local community receive the best outcome and the Council ensures value for money.
21. If an agreement is reached with a centre to go down this route, due to the cost of works exceeding £250,000, it is proposed that the Council would set aside the capital identified for investment in new or alternative local facility and cease to provide any further on-going investment in the existing building. Any works required to the existing building would need to be covered within the limits of the existing moratorium or by the management group or the building would be closed pending works or an alternative development.
22. Fifteen Management Groups are unlikely to fully complete the asset transfer process by June 2014, that is signing a new FR&I lease and completing all

⁵ Ludworth Village Hall, Dorset Place, Pride House, Annfield Plain Community Centre, Trimdon Grange Community Centre, Coundon and Leeholme Community Centre, Stanhope Town Hall, Langley Park Community Centre, Earl House Community Centre.

⁶ Middleton-in-Teesdale Village Hall, Great Lumley Community Centre, Hunwick Community Centre.

capital works required. The Council set out plans to invest in ten of these. The main reasons for not being able to complete the process by June 2014 are:

- a. A new group⁷ is being established or the management group is changing. It is unlikely that they will have had sufficient time to confirm their constitution and raise the funds required to complete asset transfer (seven centres).
 - b. The building is listed⁸ and requires significant specialist works (Burnopfield Community Centre).
 - c. The Management Group⁹ is seeking to carry out additional structural changes to enhance the facilities available (three centres).
 - d. The works required are considerable and the Management Group¹⁰ need to raise in excess of £80,000 (four centres). The main source of funding for larger projects is Lottery Funding (Reaching Communities) and the Big Lottery has stated that this programme is being restricted to no more than 5 large scale projects in Durham and projects from outside of our asset transfer programme are also applying for this programme.
23. The Management Group of each of these community buildings require bespoke support and assistance in order to complete the asset transfer process. It is therefore proposed that an individual solution is sought for each to facilitate asset transfer as quickly as possible. In each case the management group will be asked to sign the new FR&I lease within the next few months as this will enable them to access a wider variety of external funding. Once the lease is signed it is proposed that the Assistant Chief Executive, in consultation with the Cabinet Portfolio Holder is able to consider how and when the Council's investment is provided, for example if it should be used on one specific aspect of the building e.g. roof replacement, if it can be used to carry out specific works before the Management Group have raised their funding or if it should be provided in phases as the management group raises funding to match (on a 70/30 basis) the council's investment. The solution found for each will seek to meet the Council's aims for asset transfer and the Management Group's aims and ambitions for their centre and local community.
24. Some Management Groups have stated that they would prefer freehold however in line with the agreement made by Cabinet in February 2012 these requests have been declined and in most cases, following discussions, the management groups have concluded that this would offer no significant

⁷ Annfield Plain Community Centre, Trimdon Grange Community Centre, Coundon and Leeholme Community Centre, Stanhope Town Hall, Langley Park Community Centre, Earl House Community Centre, Blackhill Community Centre.

⁸ Burnopfield Community Centre

⁹ Pelton Community Centre, Stanley Community Centre, Shotton Community Centre.

¹⁰ Howden-le-Wear Community Centre, Framwellgate Community Centre, Witton-le-Wear Community Centre, Pitlington Village Hall.

advantage to the local community in the longer term. At this time it is not proposed that there should be an amendment to this policy.

25. As the work to implement the community buildings strategy has progressed some Management Groups have raised concerns about the need to carry out major repairs or maintenance issues immediately after asset transfer and before an emergency repairs fund has been fully established. This includes issues such as a heating system which is presently in good working order but due to its age has been identified by the council as potentially needing replacement within the next 5 years. Management groups are therefore concerned that a fault may occur much sooner and they may face a significant cost before they have been able to set aside sufficient funds to be able to deal with this.
26. It is therefore recommended that the council maintains £200,000 from the contingency element of the £2.15m capital investment fund, so that groups can call upon this if a crisis occurs and emergency health and safety related works are needed in order to keep the building open. Each building taking on asset transfer will have a clear business plan in place that sets out how they will fund potential works in the future. This business plan will cover how a sinking fund for repairs will be built up and it is proposed that any emergency payment made by the council takes account of the funds already accrued by the centre. It is therefore proposed that each request for funding is dealt with on a case by case basis.
27. Once a community building Management Group has signed the FR&I lease they will be able to select their preferred organisation to carry out any works required provided they meet building requirements. However, in line with existing Council policy if Council funds are being used to invest in the building works will be carried out by Direct Services and managed by the Council.

Equality Impact Assessments

28. It is important to ensure that the community buildings project does not have an unfair impact on those most vulnerable people within our communities, particularly within the present economic climate.
29. An equality impact assessment is being carried in relation to all aspects of the community buildings work and a separate equality impact assessment is being carried out for each individual building before asset transfer or closure.

Recommendations

30. Cabinet are asked to note the report and agree the following recommendations:
 - a. That the Assistant Chief Executive in discussion with the Cabinet Portfolio Holder is given delegated authority to reconsider use of the Capital investment set aside for community buildings where investment does not offer the best value for money. (This presently relates to

community centres in Hunwick, Middleton-in-Teesdale and Great Lumley.)

- b. That where buildings require significant works and the community group are unable to raise the required funding before March 2014 they are considered for phased or alternative council investment by the Assistant Chief Executive in discussion with the Cabinet Portfolio Holder, on a case by case basis.
- c. That a £200,000 emergency repair and maintenance fund is established, from the contingency element of the £2.15M capital investment to address concerns regarding the need for expensive works to be carried out immediately after asset transfer.

Contact: Donna Jefferson, County Durham Partnership Manager. Tel.:
03000 263598

Appendix 1: Implications

Finance

The proposals set out in this report will have an impact on the use of funds from the Council's £2.15M community buildings investment programme. £332,781 was set aside for investment in Middleton (£143,910), Great Lumley (£127,274) and Hunwick (£61,597) Community Centres. As it has now been established that each of these properties will require investment in excess of £250,000 it is proposed that this is not value for money and the original investment amount should be set aside for alternative capital investment in facilities for communities in each of these areas for two years.

The proposals also include plans to allow investment in well used community centres after a Full Repair and Insurance Lease has been signed but prior to matched investment being made by the community centre. This will allow the community centre longer to raise 30% of the total investment.

Also included within the proposals is a £200,000 emergency fund to allow community buildings that have taken on an FR&I lease but have not had time to established a full capital works fund to apply for funding to carry out health and safety related works to prevent the closure of their centre. It is proposed that this fund is top sliced from the £2.15M community buildings investment fund. This will also reduce the risk of unplanned pressures on the Council's Capital Works budget.

Proposals to phase some works over a longer period will mean that capital investment in community buildings from the £2.15M investment fund will be on-going into 2014/15 and 2015/16.

Staffing

The proposals in this report have no additional implications for staff. Staffing implications were considered when the Community Buildings Strategy was agreed in February 2012.

Risk

A risk assessment for the Community Buildings Strategy is in place and is monitored on a regular basis. An additional risk emerging from the proposals in this report is that the 30% of works to be carried out by the management group will be delayed or not carried out to the council's specification. This will be mitigated through clear requirements to be agreed when the lease is signed and close working arrangements between community building management groups and the Council's Partnerships and Community Engagement Service.

Equality and Diversity / Public Sector Equality Duty

An Equality Impact Assessment for each community building is carried out prior to any decision being made by the Assistant Chief Executive.

Accommodation

The proposals within this report will result in improvements to centres and improve their sustainability. As part of the business planning process for community centres,

management groups are being encouraged to actively increase use of the centres by partner agencies (including council service grouping) and the public.

Crime and Disorder

None

Human Rights

None

Consultation

Extensive consultation was carried out prior to the initial decision by Cabinet in February 2012. Engagement with community building management groups is integral to the implementation of the Community Buildings Strategy.

Procurement

None

Disability Issues

None

Legal Implications

The Legal Service will be involved in negotiations to ensure community building management groups understand their responsibilities prior to taking on a new lease.

This page is intentionally left blank

Cabinet

17 July 2013



Updated Street Lighting Policy

Key Decision NS/21/13

Report of Corporate Management Team

Terry Collins, Corporate Director , Neighbourhood Services

**Councillor Brian Stephens, Cabinet Portfolio Holder for
Neighbourhoods and Local Partnerships**

Purpose of the Report

- 1 To seek approval for consultation to commence on the revised Street Lighting Policy.
- 2 The change in the Street Lighting Policy supports the Street Lighting Energy Reduction Project which generates major savings that are being used to meet the Medium Term Financial Plan whilst retrofitting existing street lighting lanterns and reducing carbon emissions.

Background

- 3 The Council has faced unprecedented reductions in Government grants since the 2010 Comprehensive Spending Review to the extent that it is now forecasted that Government support for the Council will over the six-year period 2011-2017 reduce by £139m. This equates to a 36% reduction in Government support.
- 4 As a result, the MTFP forecast requires the Council to deliver total savings of £188m in the six-year period 2011/12 to 2016/17 and these are estimated to exceed £200m by 2017/18.
- 5 The Council is also required to reduce its carbon emissions by 40% by 2015 as part of the Council's wider Carbon Management Programme.
- 6 Cabinet, at its meeting on 12th December 2012, approved the business case for the Street Lighting Energy Reduction Project which sets out the scope of the project, which is to achieve energy reduction through a combination of:-
 - Retrofit with more energy efficient light sources
 - Removal of unnecessary lighting
 - de-illumination of signs
 - Use of Central Management System or fixed settings to facilitate dimming

- 7 The business case indicates that the Street Lighting Energy Reduction Project achieves net total savings of £24 million in today's prices and £55 million taking into account inflation over a 25 year period.
- 8 The business case also confirms that street lighting represents 18% of the Council's total carbon emissions of 105,816 tonnes (2008/09 baseline) and therefore reducing street lighting energy consumption is essential if the Council it to meet its target.
- 9 The Council's Street Lighting inventory on the adopted highway is summarised as follows:

Street Lighting	Units	2008/09 Baseline Carbon Emissions (Tonnes)	2012/13 Electricity Consumption – KwH	2012/13 Electricity Cost	2012/13 Maintenance Costs
Street lighting	81,931	18,512	35,090,651	£3,594,841	£2,319,968
Externally Illuminated Signs	6,345	309	585,764	£59,761	£111,658
Internally Illuminated Signs	111	3	6,049	£733	£1,968
Bollards	879	51	109,078	£10,999	£25,824
Total	89,266	18,875	35,791,542	£3,666,335	£2,459,417

- 10 The current and original Street Lighting Policy was approved on 26th May 2010.

Updated Policy

- 11 The updated Street Lighting Policy is detailed in Appendix 2.
- 12 The updated policy details where the Council will provide and maintain street lighting on the adopted highway and to what standard subject to available funding. This is consistent with British Standards.
- 13 The need for street lighting varies by location. Therefore the level and standard of lighting provided will be dependent on a number of factors. In accordance with national standards each locality is placed into one of four Environmental Zones:
 - Zone E1 : National Parks, Areas of Outstanding Natural Beauty, Sites of Special Scientific Importance and other Dark Areas
 - Zone E2 - Areas of Low District Brightness (Rural Locations outside Zone E1)
 - Zone E3 - Areas of Medium District Brightness (Urban Locations)
 - Zone E4 - Areas of High District Brightness (urban Centres with high night-time usage)

These zones will be used to determine the suitable level and type of street lighting that is required in an area.

14 The main changes to the updated policy are detailed below:

Retrofit Existing Street Lights

- 15 A lot of the existing apparatus across the County is aged and would benefit from replacement. Over recent years there has been technological improvement in the energy efficiency and quality of light sources such as Light Emitting Diodes (LEDs). This provides us with the opportunity to retrofit aged apparatus across the County with up to date energy efficient apparatus that will produce savings in both energy and maintenance costs.
- 16 For illustration purposes an existing street light consumes 90 Watts compared to an LED street light that consumes 30 Watts for the same light output. This is a saving of 66%. This significant reduction in energy consumption will greatly reduce the Council's exposure to increases in energy costs.
- 17 The replacement of aged apparatus will also avoid or deter significant lifecycle replacement costs that are not currently budgeted for.
- 18 Officers have appraised all the 95,252 units in terms of technical and financial feasibility and it is considered that 45,407 units will be retrofitted in residential areas across the County.
- 19 LEDs have been in development for several years and manufacturers are now prepared to offer long term warranties on performance and energy consumption. This mitigates performance and energy consumption risks and enables the Council to proceed with confidence.

Additional Information

- 20 Some existing street lights on traffic routes in rural areas between towns and villages are unnecessary and can be removed. The updated policy permits the removal of street lighting where it is not specifically required by the Policy. The removal of any street light is subject to a risk assessment. This assessment is based on road safety and fear of crime. Street lights will only be removed if it is safe to do so.
- 21 The street lights that are not required by the Policy are mainly those on link roads with a de-restricted speed limit between settlements in rural areas. We estimate that there are 7,000 street lights that are not required by this Policy in County Durham. These lights are not required by statute or under British Standards and similar roads are not usually lit in other areas of the North East and the rest of the United Kingdom.
- 22 Local Members will be consulted on the proposed removal of any street light and will be provided with details and locations of any street lights identified for possible removal.
- 23 No street lights will be removed in residential areas.

- 24 The updated Policy introduces two-stage dimming as follows:
- 10.00 p.m. to 12.00 a.m. : 25% dimming downwards
 - 12.00 a.m. to 5.00 a.m. : 50% dimming downwards
- 25 The above reflects the reduction in road traffic flows and pedestrian activity late in the evening and early in the morning. However, it will still provide an acceptable level of lighting. Trials have shown that dimming at these levels is usually not perceptible to the human eye. Indeed the Council has dimmed traffic routes by 25% for several years and no complaints have been received.
- 26 Although there is the potential to switch off street lighting during the above mentioned hours rather than dimming, the savings over and above dimming are relatively low. Therefore after taking into consideration road safety and fear of crime a decision was made not to switch off street lighting completely during these hours.
- 27 There is also some potential to de-illuminate signs based on recent changes to Department for Transport regulations.
- 28 The above changes will help facilitate the Street Lighting Energy Reduction Project which was approved by Cabinet on 12th December 2012. The net total savings from the Project over 25 years are £24 million in today's prices and £55 million taking account of inflation.

Consultation

- 29 The updated policy will be subject to public consultation.
- 30 An engagement plan has therefore been drafted that was agreed by the Consultation Officer Group. Subject to approval of the recommendations in this report, the planned mechanisms include a county-wide survey which will explain the rationale behind the policy intentions and outline the approach to implementing them. There will also be a series of focus groups arranged with the Area Action Partnerships and a session with the Disability Partnership.
- 31 The activities carried out, and the results of the consultation, will be included in a consultation summary document and used to inform a future report on the policy implementation.
- 32 Work is also being undertaken to ensure that future communications to both Elected Members and residents on the changes taking place as a result of the dimming and removals processes are effective. This will include briefings with Local Members and updates in Member newsletters and information to local residents where removal of installations will be taking place.

Conclusion

- 33 Although this project will require capital investment it will produce a very strong financial return in the form of revenue budget savings that significantly exceeds the prudential borrowing costs by a ratio of 2.07:1. The net total savings over 25 years are £24 million in today's prices which equates to £55 million when taking account of inflation.
- 34 In addition the proposed investment also produces significant non quantified benefits in terms of lifecycle cost avoidance whilst reducing the Council's energy consumption and carbon emissions.
- 35 The project will also reduce annual energy consumption thereby reducing the Council's exposure to increases in energy costs.
- 36 Approximately 45,407 of the 95,252 units will benefit from improved LED technology with the potential to retrofit the remainder of the inventory over time as the cost of LEDs reduces further.
- 37 The dimming of street lighting by up to 50% will generally not be perceivable to the human eye. In addition no street light will be removed in a residential area. This will minimise any potential impact on residents.

Recommendations and Reasons

- 38 Cabinet is asked to consider the proposed changes to the Street Lighting Policy which will be subject to a public consultation exercise prior to a final decision being made on the revised policy.

Background Papers

- Street Lighting Energy Reduction Project : Cabinet Report dated 12 December 2012
- Street Lighting Policy : Current and original Policy approved on 26 May 2010

Contact: John Reed, Head of Technical Services

Tel: 03000 267454

Appendix 1: Implications

Finance

The updated Policy will help facilitate the Street Lighting Energy Reduction Project which was approved by Cabinet on 12th December 2012. This project will deliver significant financial savings that will help meet the MTFP.

Staffing

Not applicable

Risk

A corporate risk assessment has been carried out and no reportable risks were identified. Street lighting will continue to be provided in accordance with British Standards by the updated Policy. Where street lighting is not required by the updated Policy it will be removed subject to a risk assessment based on road safety and fear of crime confirming that it is safe to do so.

Equality and Diversity / Public Sector Equality Duty

An EqIA has been completed and is attached as Appendix 3

Accommodation

Not applicable

Crime and Disorder

Street lighting helps reduce the fear of crime.

Human Rights

Not applicable

Consultation

There will be a public consultation of 12 weeks if approved by Cabinet.

Procurement

Not applicable

Disability Issues

Not applicable

Legal Implications

The Council has the power but not a duty to provide street lighting under the Highways Act 1980.

Appendix 2



Street Lighting Policy

Date	3 June 2013
Version	13
Status	Draft
Prepared by	Brian Buckley
Approved by	O/S

CONTENTS

Introduction.....	3
Benefits and Costs of Street Lighting.....	3
Lighting Provision.....	3
Environmental Zones.....	4
Removal of Street Lighting.....	5
Dimming.....	5
Use of New and Emerging Technologies.....	6
New Developments and Adoptions.....	6
Appendix 1: County Durham Environment Zones	7

1. **Introduction**

- 1.1 The purpose of this policy is to detail where the Council will provide and maintain street lighting and to what standard on the adopted highway subject to available funding.
- 1.2 The term “street lighting” encompasses all illuminated assets on the adopted highway including street lights, signs, bollards and other street furniture.
- 1.3 Under the Highway Act 1980 the Council has the power but not the duty to light.
- 1.4 The Council currently manages and maintains over 80,000 street lights and 5,000 illuminated signs on the adopted highway. The inventory grows each year as new developments are adopted.
- 1.5 Where the existing adopted highway is below the standards set in this policy it will only be upgraded to the standards set in this policy where there is existing lighting which is life expired and due to be replaced.
- 1.6 This is the Council's Second Edition of its “Street Lighting Policy” document. It supersedes the original policy published in 2010.

2. **Benefits and Costs of Street Lighting**

- 2.1 The benefits of street lighting are:
 - Reduce road traffic accidents
 - Reduce the severity of road traffic accidents
 - Reduce the fear of crime
 - Promote the night time economy
- 2.2 The costs of street lighting are:
 - Financial : Capital, maintenance and energy costs
 - Environmental : Carbon emissions and light pollution
 - Amenity : Visual and aesthetic impact
- 2.3 The policy strikes a balance between the benefits and costs of street lighting by applying British Standards.

3. **Lighting Provision**

- 3.1 The need for street lighting varies by location. It is generally accepted that urban and residential areas should be provided with street lighting.

However, the level and standard of lighting provided will be dependent upon a number of factors.

- 3.2 For example, city and large urban areas may have relatively higher crime rates and may benefit from the provision of a high level of street public lighting whereas environmental factors in rural areas may constrain the level and type of lighting considered necessary.
- 3.3 Therefore, in accordance with national standards each locality in the County is placed into one of four Environmental Zones as shown in appendix 1.

4. **Environmental Zones**

The four Environmental Zones are as follows:

Zone E1 : National Parks, Areas of Outstanding Natural Beauty, Sites of Special Scientific Importance and other Dark Areas

- 4.1 Roads in Zone E1 are defined as all roads within designated boundaries excluding roads in urban areas.
- 4.2 The general presumption is that street lighting should not be provided in Zone E1 areas due to light pollution and loss of amenity unless there is an overriding road safety issue which cannot be overcome by other means such as improvements to the carriageway delineation by reflective road studs, carriageway markings and improved signing.

Zone E2 - Areas of Low District Brightness (Rural Locations outside Zone E1)

- 4.3 Residential areas of villages and settlements within a Zone E2 area are generally provided with lighting in accordance with the relevant minimum British Standard applicable to the type and use of the adopted highway.
- 4.4 Adopted footpaths and cycle tracks will only be lit where there is high night-time use, fear of crime issues and no alternative route.
- 4.5 On roads between villages and settlements in Zone E2 areas, lighting will only be provided where there is a known night-time road safety problem that cannot be controlled by other methods such as improvements to the carriageway delineation by reflective road studs, carriageway markings and improved signing.

Zone E3 - Areas of Medium District Brightness (Urban Locations)

- 4.6 Urban roads within a Zone E3 area are generally provided with lighting in accordance with the relevant minimum British Standard applicable to the type and use of the adopted highway.
- 4.7 Adopted footpaths and cycle tracks will only be lit where there is high night-time use, fear of crime issues and no alternative route.

Zone E4 - Areas of High District Brightness (urban Centres with high night-time usage)

- 4.8 Urban centres within a Zone E4 area are generally provided with lighting in accordance with the relevant minimum British Standard applicable to the type and use of the adopted highway.
- 4.9 Roads in such areas that carry high traffic volumes will be treated as traffic routes and lit accordingly.

Removal of Street Lighting

- 5.1 This policy sets out where street lighting will be provided and to what standard on the adopted highway subject to available funding.
- 5.2 Where there is existing street lighting that is not specifically required by this policy then this will be removed, where it is safe to do so, based on a risk assessment of road safety and the fear of crime.
- 5.3 The street lights that are not required by the Policy are mainly those on link roads with a de-restricted speed limit between settlements in rural areas. We estimate that there are 7,000 street lights that are not required by this Policy in County Durham. These lights are not required by statute or under British Standards and similar roads are not usually lit in other areas of the North East and the rest of the United Kingdom.
- 5.4 Local Members will be consulted on the proposed removal of any street light and will be provided with details and locations of any street lights identified for possible removal.
- 5.5 Illuminated signs will be removed or de-illuminated where permitted by the Department for Transport's traffic sign regulations.

Dimming

- 6.1 Where the street lighting equipment installed allows, lighting levels will be dimmed as follows:
- 10.00 p.m. to 12.00 a.m. - 25% downwards
 - 12.00 a.m. to 5.00 a.m. - 50% downwards
- 6.2 The above reflects the reduction in road traffic and pedestrians late in the evening and early in the morning. However, it will still provide a reasonable level of lighting.

Use of New and Emerging Technologies

- 7.1 This policy is output based on where street lighting will be provided and to what standard on the adopted highway subject to available funding.
- 7.2 The Council will constantly review new and emerging technologies to ensure that the most technically and economically advantageous street lighting technology is utilised.
- 7.3 The Council already utilises LED (Light Emitting Diodes) light sources and a Central Management System (CMS) to facilitate dimming and remote monitoring.

New Developments and Adoptions

- 8.1 The Council requires developers to follow this policy should they wish the Council to adopt street lighting. Further guidance for developers is provided in the Council's Highway Design and Commuted Sums Policy.

Appendix 1: County Durham Environmental Zones

The following table shows the numbers of existing street lighting columns situated by Environmental Zones:

Area	Parish	Zone			Total
		E1	E2	E3/E4	
Derwentside	Cornsay		87	131	218
	Esh		249	533	782
	Healeyfield	3	204		207
	Hedleyhope		43		43
	Lanchester		588		588
	Langley		288		288
	Satley		21		21
	Consett		1633	4413	6046
	Stanley		1217	5950	7167
Chester le Street	Chester le Street		288	3320	3608
	Bournmoor		361		361
	Emondsley		137		137
	Great Lumley		592		592
	Little Lumley		286		286
	North Lodge			469	469
	Ouston		66	680	746
	Pelton		447	936	1383
	Plawsworth		221		221
	Sacrison		36	722	758
	Urpeth		341		341
	Waldridge		59		59
	A167		224	211	435
Wear Valley	Stanhope	457	418		875
	Emundbyers	36			36
	Bishop Auckland		430	4958	5388
	Tow Law		280		280
	Crook & Willington		1417	2615	4032
	Hunstanworth	4			4
	Wolsingham		338		338

Area	Parish	Zone			
		E1	E2	E3/E4	Total
Durham	Durham City		150	1929	2079
	Bearpark		318		318
	Belmont		50	1225	1275
	Brancepeth		79		79
	Brandon & Byshottles		1423	1804	3227
	Cassop Cum Quarrington		986		986
	Coxhoe		633		633
	Framwellgate Moor		35	1783	1818
	Kelloe		201		201
	Gilesgate			643	643
	Pittington		217		217
	Shadforth		307		307
	Sherburn		420		420
	Shincliffe		373		373
	Sunderland Bridge & Hett		113		113
	West Rainton		456		456
	A167		155	236	391
Easington	Castle Eden		177		177
	Easington Village		1053		1053
	Dalton le Dale		68	206	274
	East Murton		990		990
	Haswell		320		320
	Hawthorn		119		119
	Horden			1094	1094
	Hutton Henry		293		293
	Monk Hesledon		840		840
	Peterlee			3371	3371
	Seaton with Slingley		48	93	141
	Sheraton with Hulam		20		20
	Shotton		258	849	1107
	Thornley		448		448
	Wingate		458		458
	Seaham		73	2751	2824
	Trimdon Foundry		165		165
Wheatley Hill		466		466	
South Hetton		399		399	

Area	Parish	Zone			Total
		E1	E2	E3/E4	
Teesdale	Barnard Castle			686	686
	Barningham		13		13
	Bolam		9		9
	Boldron		10		10
	Bowes		65		65
	Cleatlam		1		1
	Cockfield		231		231
	Cotherstone		76		76
	Eggleston	3	65		68
	Etherley		316		316
	Evenwood & Barony		425		425
	Forest & Frith	7			7
	Gainford		165		165
	Gilmonby	1	3		4
	Hamsterley		58		58
	Headlam		1		1
	Hilton	21			21
	Hunderthwaite		4		4
	Hutton Magna		5		5
	Ingleton		62		62
	Langton		5		5
	Lartington		20		20
	Lynsack & Softley		245		245
	Marwood		46		46
	Mickleton		52		52
	Middleton In Teesdale	50	133		183
	Raby with Keверstone		5		5
	Newbiggen	19			19
	Ovington		17		17
	Rokeyby		8		8
	Romaldkirk		40		40
	Staindrop		194		194
	Startforth		26	134	160
Stainton		99		99	
Wackerfield		25		25	
Westwick		2		2	
Whorlton		10		10	
Winston		50		50	
Woodland		36		36	

Area	Parish	Zone			Total
		E1	E2	E3/E4	
Sedgefield	Bishop Middleham		175		175
	Bradbury & The Isle		9		9
	Chilton		667		667
	Cornforth		465		465
	Ferryhill		142	1224	1366
	Fishburn		313		313
	Great Aycliffe		204	3918	4122
	Middridge Village		79		79
	Mordon		10		10
	Sedgefield		87	931	1018
	Shildon			1648	1648
	Spennymoor		247	2699	2946
	TRA167		149	297	446
	Trimdon		731		731
	Windleston		30		30
Woodham			659	659	
Total		601	28,212	53,118	81,931

Appendix 3

Equalities and Diversity Impact Assessment

Street Lighting Policy



NB: Equality impact assessment is a legal requirement for all strategies plans, functions, policies, procedures and services. We are also legally required to publish our assessments. You can find help and prompts on completing the assessment in the guidance from page 7 onwards.

**Section one: Description and initial screening
Section overview: this section provides an audit trail.**

Service/team or section: Street Lighting Team , Technical Services	
Lead Officer: Street Lighting Manager	Start date: 1 January 2013
Service Improvement Officer (Equalities)	
Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)	
<p>The Council is reviewing its Street Lighting Policy which sets out the Council’s commitment to the provision of street lighting across the county.</p> <p>The term “street lighting” encompasses all illuminated assets on the adopted highway including street lights, signs, bollards and other street furniture.</p> <p>The main changes associated from the policy review are the inclusion of arrangements for removal of street lighting in areas where it is not deemed to be needed and also the implementation of “dimming” in some areas at certain times.</p> <p>Who are the main stakeholders: Public / Employees / Elected Members / Partners/ Specific audiences/Other (please specify) –. Residents; Elected Members; Visitors and Businesses; all highway users passing through the County.</p> <p>Is a copy of the subject attached? No</p> <p>Please contact – Strategic Highways, Technical Services, Neighbourhood Services , Durham County Council</p>	
Initial screening	
<p>The policy review confirms the approach to the provision of street lighting across the county which was adopted by the new Unitary Council; the main changes in relation to the refresh relate to the potential for the removal of street lighting installations in areas which fall outside of that agreed policy and also to the implementation of dimming in some areas. The policy outlines the approach which will be taken in relation to these changes; in relation to potential removals, this will involve a risk assessment process to ensure that the potential impact is fully assessed prior to the decision being taken.</p> <p>The screening has considered the potential impact against the protected characteristics; however it will be further developed once a public consultation has been undertaken to consider the impact of the policy proposals.</p>	

Prompts to help you:

Who is intended to benefit and how? Who is intended to benefit or outcome for some groups? Is it likely to affect relations between different communities or groups, for example if it is thought to favour one particular group or deny opportunities for others? Is there any specific targeted action to promote equality?

Is there an actual potential negative or positive impact on specific groups within these headings Indicate : Y = Yes, N = No, ?=Unsure

Gender	Y	Disability	Y	Age	Y	Race/ethnicity	?	Religion or belief	N	Sexual orientation	N
--------	---	------------	---	-----	---	----------------	---	--------------------	---	--------------------	---

What evidence do you have to support your findings?

Street lighting is primarily provided to improve safety standards for all highway users. Street lighting standards vary according to geographical location, population and road safety factors.

Removals: Changing the existing Street Lighting arrangements may result in some communities feeling more vulnerable to crime, but much depends on the specific circumstances as well as other factors such as crime rates, policing and quality of public spaces. The provision or lack of street lighting is a factor that for some people may affect their social exclusion during night time hours. Social exclusion may occur because of fears about community safety or road safety or because poorly lit areas are simply less attractive to visit. In particular, this may have a detrimental impact on women; the disabled and the elderly.

A lack of or reduction in street lighting may deter older people who are worried about falls.

Where there is existing street lighting not specifically required by this policy then this will be removed, where it is safe to do so, based on a risk assessment of road safety and the fear of crime. Traffic, accident and crime information will be used to support any decisions made in determining lighting changes

Dimming: it is considered that the 50% illumination is of a standard to allow safe use of both pavements and highways. Trials have shown that dimming at these levels is usually not perceptible to the human eye

The policy will be subject to public consultation

As part of this consultation we will engage with Area Action Partnerships by presenting the proposed updated policy to them and inviting comment as well as consulting with the County Durham Disability Partnership.

Decision: The assessment will be updated following consultation **Date:** 10 May 2013
If you have answered 'No' you need to pass the completed form for approval & sign off.

Section two: Identifying impacts and evidence- Equality and Diversity

Section overview: this section identifies whether there are any impacts on equality/diversity/cohesion, what evidence is available to support the conclusion and what further action is needed.			
	Identify the impact : does this increase differences or does it aim to reduce gaps for particular groups?	Explain your conclusion, including relevant evidence and consultation you have considered.	What further action is required? (Include in Sect. 3 action plan)
Gender	Removal of street lighting installations may have an impact on women in terms of community safety.		The views of this group will be captured as part of the consultation and will inform decisions relating to current levels of provision.
Age	Removal of street lighting installations may have an impact on the elderly in terms of community safety.		The views of this group will be captured as part of the consultation and will inform decisions relating to current levels of provision.
Disability	Removal of street lighting installations may have an impact on disabled residents in terms of community safety.		The views of this group will be captured as part of the consultation and will inform decisions relating to current levels of provision.
Race/Ethnicity	Potential impacts will be given further consideration following the outcome of consultation.		The views of this group will be captured as part of the consultation and will inform decisions relating to current levels of provision.
Religion or belief	There is no supporting evidence that there will be a disproportionate impact on religion/belief at this time.		The views of this group will be captured as part of the consultation and will inform decisions relating to current levels of provision.
Sexual Orientation	There is no supporting evidence that there will be a disproportionate impact on sexual orientation at this time.		The views of this group will be captured as part of the consultation and will inform decisions relating to current levels of provision.

How will this promote positive relationships between different communities?

Section three: Review and Conclusion

Summary: please provide a brief overview, including impact, changes, improvements and any gaps in evidence.

Action to be taken	Officer responsible	Target Date	In which plan will this action appear
To ensure a robust consultation and engagement process with the public to enable capture of potential impacts of removing installations and implementing dimming	Street Lighting Manager and Communications and Marketing Team Leader	September 2013	Consultation Plan
Review of the risk assessment process in relation to potential removal of installations to ensure impacts and mitigation are fully considered	Street Lighting Manager and Policy and Performance Team Leader	September 2013	
EqIA to be reviewed in line with any changes generated through consultation	Street Lighting Manager and Service Improvement Officer (Equalities)	September 2013	EqIA Plan
Monitoring of complaints and comments relating to the implementation of this policy	Service Improvement Officer (Equalities)	September 2014	
When will this assessment be reviewed?	Date: Following Consultation		
Are there any additional assessments that need to be undertaken in relation to this assessment?			
Head of Service - sign off: , Strategic Highways Manager			Date: 28/05/2013
Service equality representative - sign off: Customer Relations, Policy and Performance Manager			Date: 28/05/2013

This page is intentionally left blank

Cabinet

17 July 2013



Corporate Asset Management Plan and Property Strategy

Report of Corporate Management Team

Ian Thompson, Corporate Director Regeneration and Economic Development
Councillor Neil Foster, Cabinet Portfolio Holder for Regeneration and Economic Development

Purpose of the Report

- 1 The purpose of the report is to seek approval to the Council's Corporate Asset Management Plan and Property Strategy.

Background

- 2 The County Council currently owns and operates a portfolio of assets with a total value, excluding housing property for Capital accounting purposes of £1.9 billion.
- 3 Asset Management is the activity that ensures that the asset base of the Council is optimally structured in the best corporate interest of the organisation and utilisation of the Council's assets will therefore be key to the delivery of its goals and objectives.
- 4 The Corporate Asset Management Plan (CAMP), (a copy of which has been placed in the Members Resource Centre), sets out the Council's approach to ensuring that it optimises the use of its assets in terms of service benefit, financial return and value for money.
- 5 It sets out the planning context and strategic direction for the management of our property and considers the environment in which the Council is operating and the property priorities response to this. In broad terms it includes information on the size and nature of the property portfolio and the emerging issues. It describes the Council's current asset management policy and practice and gives details of how we are challenging our property portfolio as well as how we will close current property portfolio 'gaps' to ensure we deliver our Council's vision of an 'Altogether Better Durham'.
- 6 The Property Strategy (which has also been placed in Members Resource Centre) sets out the overarching principles to ensure we manage our assets as a corporate resource by:

- Providing a portfolio that is fit for purpose and capable of supporting service delivery objectives
 - Managing our portfolio in a cost effective manner focusing on reducing direct property costs and increasing capital receipts and revenue income.
 - Identifying opportunities for shared use of property.
 - Using our property, balancing opportunity with financial expediency to support regeneration and economic development.
- 7 The Property Strategy also incorporates a revised and updated Disposal and Acquisition Strategy. This was originally adopted by Cabinet in December 2010. And has been updated to reflect changes made necessary from experience of its usage over time.
- 8 Inevitably issues will change and progress as the needs of the Authority emerge, Property Reviews are completed and Service Asset Management Plans are reviewed and developed. It is vital therefore that these key documents are reviewed by the Assets Team on a regular basis to reflect service asset requirements and the drive for continuous improvement within the organisation.

Recommendations and reasons

- 9 It is recommended that Members approve the Corporate Asset Management Plan and Property Strategy.

Contact: Gerard Darby Tel: 03000 267024

Appendix 1: Implications

Finance

The report concerns the Councils Asset Management Plan and Corporate Property Strategy which refers and relate to a range of capital and revenue budgets.

Staffing

None

Equality and Diversity

The Councils Asset Management Plan includes targets in relation to carrying out Access Audits and Plans on the Councils buildings which will inform programmes of improvements to enhance access to buildings and services

Accommodation

Corporate Asset Management Plan highlights the property programmes and projects

Crime and disorder

None

Sustainability

Corporate Asset Management plan sets out the Councils approach to sustainability

Human rights

None

Localities and Rurality

None

Young people

None

Consultation

Report for information/approval

Health

The Councils Asset Management Plan includes targets and actions in relation to carrying out Access Audits on the Councils buildings which will inform programmes of improvements to enhance access to buildings for people with disabilities.



Corporate Asset Management Plan

2013-2016



Contents		
		Page
1.	Foreword	1
2.	Executive Summary	2
2.1	Look Backwards - Key Achievements	2
2.2	Asset Value	4
3. Introduction		
3.1	Purpose and Scope	5
3.2	Format and Content	5
4. Planning Context and Strategic Direction		
4.1	Influences for Change	8
	4.1.1 National Context	9
	4.1.2 Local Context	
4.2	The Resource Context	10
4.3	The Strategic Direction for Asset Management	
	4.3.1 Reviewing operational assets	11
	4.3.2 Reviewing non operational assets	11
	4.3.3 Reviewing Office Accommodation	12
	4.3.4 Promoting Community Use and asset Transfer	12
	4.3.5 Continuous Improvement of asset management	12
4.4	Key Asset Management Issues	
	4.4.1 Corporate Asset Management	13
	4.4.2 Improving Portfolio Knowledge	13
4.5	Action Plan	14
5. The Property Portfolio		
5.1	The Size and Nature of the Portfolio	15
5.2	Property Use	18
	5.2.1 Income	18
5.3	Condition of the Portfolio	18
	5.3.1 Current backlog of maintenance	19
	5.3.2 Strategy to reduce backlog maintenance	19
5.4	Portfolios Fitness for Purpose	20

5.5	Sustainability	20
5.6	Energy	30
5.7	Carbon Management	21
5.8	Statutory Compliance	22
5.9	Access Audits	22
5.10	Asbestos Plans	23
5.11	Fire Safety Audits	23
6. Asset Management Policy and Practice		
6.1	Overall Approach to Asset Management	24
6.2	Organisational Arrangements for Asset Management	24
6.3	Decision Making and Consultation	25
6.4	Identifying Property Needs	25
6.5	Capital Programme Management	25
6.6	Property Review Programme	27
6.7	Data Management	29
6.8	Performance Management	30
7. Service Priorities		
	7.1 Regeneration and Economic Development	31
	7.2 Assistant Chief Executive	37
	7.3 Childrens and Adult Services	38
	7.4 Neighbourhood Services	44
8.	Key Actions for next twelve months	46
Appendices		
	Appendix 1 - Service Projects and Property Gaps Appendix 2 - Asset Management Risks Appendix 3 - Action Plan	



*Ian Thompson
Director of
Regeneration and
Economic Development*



*Councillor Neil Foster
Portfolio Holder
Regeneration and
Economic Development*

1. Foreword

Public service delivery is undergoing a period of radical transformation in response to the UK's fiscal gap, constraints in public expenditure and people's rising expectations of public services. Central to the transformation is the need to promote communities as vibrant, self-sustaining places in which to live and work. Physical infrastructure is an important part of sustainable communities and the assets which the Council owns and uses must make a contribution to making the County of Durham a better place, to live and work. This presents the Council with the challenge of critically examining our asset base to ensure that it is optimised in terms of the Council's aspirations, resource efficiency and its contribution to supporting local communities.

Property is a key resource of the Council. It has value; costs money to use and maintain, and is a critical component in supporting service delivery. The Council has a vision of an **Altogether Better Durham** and to realise this vision we must continuously challenge our approach to the management of our property portfolio in order to ensure it is supporting this vision.

Property must be planned over the long term against clear corporate and service strategies. In this way its contribution to service delivery can be defined, opportunities for capital funding pursued, and property management effectively undertaken. Our property management role must therefore, not only focus on providing and maintaining buildings, but should also be more strategic and entrepreneurial and be one which challenges how the portfolio as a whole can be more effectively used to support the communities we serve.

This document describes the Council's asset management policy and practice. It is intended to be a strategic document looking forward to how the Council may need to adjust its portfolio. It is also a live document subject to continuous review and is intended to raise awareness of property matters.

2. Executive Summary

This Corporate Asset Management Plan (CAMP) is a high level document that sets the strategic direction for asset management over the medium term to ensure the Council's property portfolio is optimised to meet corporate priorities identified through the Council Plan.

There are many influences for change to our property portfolio; at a national level these relate to the current financial climate and public spending constraints, and the recognition of a need for public service transformation in response. At a local level, the council has faced unprecedented reductions in Government grants since the 2010 Comprehensive Spending Review (CSR) when the expectation for local government was a 28% cut in Government grant for the period 2011/12 to 2014/15. Since then, the position has deteriorated for local government and in total, we are now forecasting that Government support for our council over the six year period 2011-2017 will reduce by £139m. This equates to a 36% reduction in Government support over this period and presents a significant challenge to the Council.

To help meet the unprecedented cuts we need to make, the Council's land and property portfolio in the future will need to be leaner, used more effectively i.e. shared occupation across services or with partners, or have the potential to generate an income. In other words, we need to manage our land and property strategically.

Described further in this CAMP are the strategic property actions we have taken, or will undertake to ensure that we only hold those assets that are required for operational purposes, or where we can generate an income to support the Council's priorities. Set out below is a summary of our key achievements to date, and key actions we will undertake to ensure that our property portfolio remains fit for purpose and appropriate for our service delivery purposes.

2.1 Achievements

- Service Asset Management Plans are in place for our Service Groupings which assist the Council to:
 - Formulate a planned maintenance and repairs programme;
 - Consider adaptations, refurbishment works and new build projects as part of the Council's capital financial resource planning
 - Consider cross-service delivery and partnership opportunities for property, which lead to rationalisation and;
 - Formulate a planned disposals programme for any surplus land and property

- Delivered the Office Accommodation Strategy (Phase 1) which has provided:
 - Nine Customer Access Points
 - 360 office accommodation moves involving 2862 staff
 - Generated capital receipts of £3.9 million
- Developed a Community Buildings Strategy which sets out the future plans for our community buildings including handing over control to local communities.
- Reviewed our Day Services provision, considering how we can improve the offer of facilities currently available
- Reviewed our Leisure Centres which has identified under-utilised facilities and has resulted in the community transfer or closure of five facilities.
- Reviewed our industrial portfolio and in doing so have developed a five year forward investment plan.
- Reviewed our Homes for Older People alongside the current emphasis of supported living accommodation over residential care.
- Reviewed our Grazing portfolio, identifying sites that are not effective in terms of rental income or management costs
- Generated Capital receipts of approximately £5.2 million from the sale surplus assets identified through property reviews
- Reduced our property running costs through the sale of surplus assets and our Carbon Reduction Programme.
- Reduced our backlog maintenance figure by £36.5 million through rationalisation and an effective property maintenance strategy.
- Generated an income of just over £3.68 million from assets held to collect an income for example industrial units, shops, garage site rents and ground leases.

2.2 Asset value

The Council's assets have a capital accounting valuation (2011-12) of over £1.9 billion.

The net book value of our land and buildings used to deliver our services is £961.2 million as at 31 March 2012. The net book value is an accounting value required for capital accounting purposes and reported on the Council's balance sheet through the annual statement of accounts. It does not necessarily represent the achievable market value of our assets.

A breakdown of the Council's Assets is illustrated below at **Figure 1**.

Figure 1 – Asset Value break down

Category	Valuation from as of 31 March 2011-2012 £'000
Council dwellings	£478,546
Land and buildings	£961,232
Vehicles, plant, furniture and equipment	£44,591
Infrastructure assets	£323,383
Community assets	£2,357
Surplus assets	£70,671
Assets under construction	£25,218
TOTAL	£1,905,998

Capital accounting Valuations for 2012/13 will be published in September 2013 and will feature in the 2014 CAMP update).

3. Introduction

3.1 Purpose and Scope of the Plan

This CAMP identifies the key strategic policy and resource influences affecting Durham County Council and in response to these sets a broad direction for asset management over the medium term enabling its property portfolio to be optimised to meet identified needs. It facilitates rational property decision-making based on identified corporate and service priorities. It is intended as a practical tool which helps to define, implement and measure how the Council:-

- Maintains and improves its assets
- Increases the cost effectiveness of its portfolio
- Makes its investment decisions
- Rationalises its property portfolio where appropriate

The plan has a 3-year time horizon but will be updated annually to provide a rolling plan. It is restricted to consideration of property assets, excluding council housing and infrastructure that the Council owns or uses. The plan sets the context and a programme of action for the Council's property portfolio over the short to medium term. It is intended for a wide audience including:

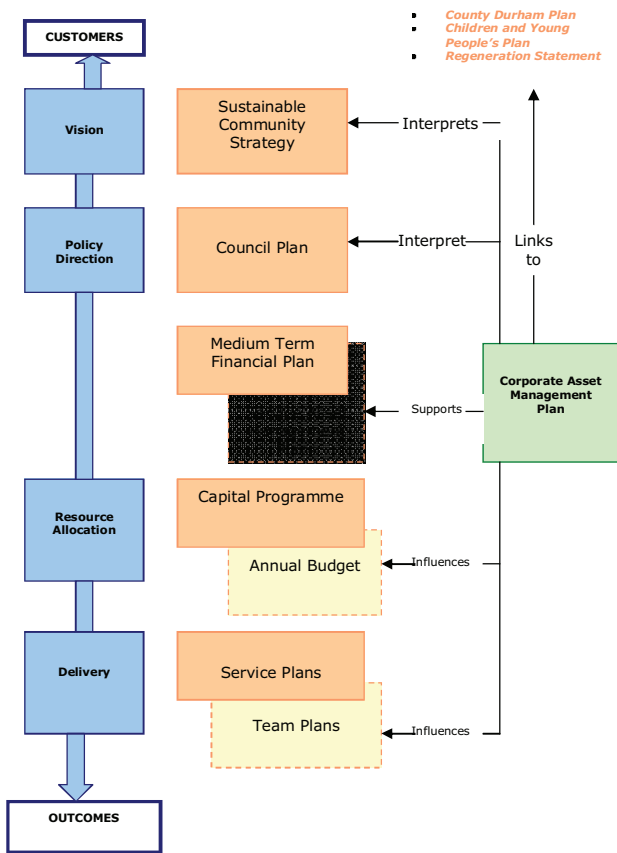
- Members - to support decisions on investment priorities in the portfolio
- Senior managers - to identify portfolio changes to meet their needs
- Public – a statement of the Council's asset management practices and priorities

3.2 Format and Content of the Plan

The CAMP is arranged in four sections with appendices containing supporting material.

- **Section One** sets out the planning context and strategic direction for property asset management, through an analysis of the environment in which the council is operating and its own property priorities in response to this.
- **Section Two** provides information on the size and nature of the property portfolio under thematic headings, and is designed to improve understanding of the portfolio and to raise awareness of emerging issues in the estate.
- **Section Three** describes Durham Council's current policy and practice with respect to asset management, and is designed to provide a commentary against current 'Best Practice' in asset management.
- **Section Four** gives examples of how we are challenging our property portfolio and examples of service property priorities that will close portfolio gaps and support the delivery of our Council vision of an '**Altogether Better Durham**'

Figure 2 – The CAMP in the wider planning context



4. Planning Context and Strategic Direction

The CAMP does not exist in isolation but is set within the context provided by other corporate and service plans (See **Figure 2**).

The Council's policy direction is defined by the Sustainable Community Strategy (SCS) which is the overarching plan for County Durham. It takes into account all other local and sub-regional Plans for County Durham and informs and is informed by the Council Plan.

The SCS aims to deliver our vision of an **Altogether Better Durham** by 2030. The council is working to deliver this vision by focusing on five key priority themes which are set out in the Council Plan and are:

- Altogether Wealthier
- Altogether Better for Children and Young People
- Altogether Healthier
- Altogether Greener
- Altogether Better Council

The priorities under each theme are amplified by delivery strategies and resource allocations defined through the Council's Medium Term Financial Plan, Capital Programme and Service Plans for individual Directorates. The CAMP is designed to support these by reflecting how the Council's portfolio and its management need to change to ensure these priorities are delivered.

These priorities have a direct link with our vision for our property holdings which is:

'Our property should contribute positively to the delivery of the Councils priorities and provide the highest quality property, in the right place, and the right environment that represents value for money'

This link is illustrated at **Figure 3** with the examples given described in more detail at Section 7.

Figure 3 Vision for its property holdings

PRIORITY THEMES	PROPERTY VISION	EXAMPLES
<p>Altogether Wealthier – focused on creating a vibrant economy and putting regeneration and economic development at the heart of our plans</p> <p>Altogether Better for Children and Young People – ensure children and young people are kept safe from harm and that they can 'believe achieve and succeed'</p> <p>Altogether Healthier – improving health and wellbeing</p> <p>Altogether Greener – ensuring an attractive and 'liveable' local environment, and contributing to tackling global environmental challenges</p> <p>Altogether Safer – Creating a safer and more cohesive county</p> <p>Altogether Better Council – to have an altogether better place which is altogether better for people</p>	<p>Our vision is that '<i>Our property should contribute positively to the delivery of the Councils priorities and provide the highest quality property, in the right place, and the right environment that represents value for money</i>'</p> <p>We have developed six key property objectives to enable us to do so - '<i>to hold an appropriate property portfolio that is effective, efficient and economic with assets which</i>'</p> <ol style="list-style-type: none"> 1. Make a strategic impact and contribute to the achievement of the Council's priorities. 2. Support regeneration within the County. 3. Meet the needs of the Service and people who use them. 4. Are safe and comply with the law 5. Are economically sustainable 6. Are environmentally sustainable 	<ul style="list-style-type: none"> • Delivery of the office accommodation strategy maximises regenerative impact through the positioning of facilities to support local improvements, releasing the value of redundant property for investment and distributing jobs to support the economy across the County • In developing proposals for our Children and Adult Services estate we will provide healthy, safe and inspiring environments; raising standards and providing opportunities for both personal and social development. • Through our Community Building Strategy we are aiming to ensure that by 2014 the County has a network of sustainable, well placed, highly valued and well used community buildings across the County, which are owned or controlled by local people • Through our Carbon Management Plan we are achieving improved efficiency of our buildings and reduced CO₂ emissions through renewable energy efficiency measures including Building Energy Efficiency Retrofits, voltage optimisation and installation of solar panels • Through a rolling programme of property reviews we have a continual property challenge process which identifies portfolio investment need or alternatively identifies assets surplus to requirements

4.1 Influences for Change

4.1.1 National Context

Public services are evolving in the context of rising public expectation, increasing focus on improving efficiency and value for money.

The Localism Act reinforces the government's commitment to shift power from central government to individuals, communities and councils. The Act includes measures to reform the planning system, change social housing policies, improve community empowerment through rights to bid for to buy local assets and run local services.

Other key policies and new legislation follow a similar theme of community empowerment. The Public Bodies Bill provides powers for minister to abolish or reform public bodies and has led to the replacement of the Regional Development Agencies and the creation of Local Enterprise Agencies. The Education Bill and the Academies Act provide wider choice and decentralisation of powers through enabling schools to become academies, free from local and national government control and opportunities for groups to set up new free schools in areas where there is parental demand.

The underlying themes of these recent government policy changes have contributed to the principles and direction of our Corporate Asset Management Plan. They emphasise the importance of strategic and appropriate property asset management in shaping public services of the future, and the need to optimise the use of property assets and management resources to deliver service, community and financial benefit.

A second edition of the 2008 Royal Institute of Chartered Surveyors (RICS) Public Sector Asset Management Guidelines was produced in March 2012, against the backdrop of the changes in government policy and efficiency drivers. The guidance provides direction and assistance in public sector property asset management, explains what is involved, the benefits which will accrue and assists in formulating Council's strategic property plans.

4.1.2 Local Context

It is important that we are able to translate our high level Council priorities to satisfy local asset aims and objectives.

Council buildings have an important part to play in this – they are the places through which local services are delivered; they project an image of the Council; and can act as a catalyst in revitalising the area.

The priorities under each of the themes are amplified by delivery strategies and resource allocations defined through the Council's Medium Term Financial Plan, Capital Programme and Service Plans. The CAMP is designed to support these by reflecting how the Council's portfolio and its management should be developed to ensure these priorities are delivered.

The Sustainable Community Strategy (SCS) 'Altogether Better Durham' sets out the overall vision for the area to 2030 and informs and is informed by the Council's other key strategies – the Children's and Young People's Plan (CYPP), Local Development Framework, the Safe Durham Partnership Plan and the Regeneration Statement. Developed by the Council with partner agencies, they inform the Council Plan and its five priorities as set out at Section 4 and figure 3 above. The Council's use of its portfolio and its role as a land and property owner must therefore reflect the aspirations of our community through its asset management processes and policies.

The themes identified through the SCS are also reflected in the Regeneration Statement. The Statement provides the framework for the transformation of the County over the next ten years, building an integrated programme of activity across the County Durham Economic Partnership which takes advantage of our key assets and tackles constraints on growth. The statement identifies several physical developments as a catalyst for regeneration.

4.2 The Resource Context

The Council Medium Term Financial Plan (MTFP) 2013/14-2016/17, links to the Corporate Asset Management Plan through the capital and revenue budgets and service programmes of work. Resource allocation and the Council's capital programme, is considered, agreed and reviewed by Cabinet as part of the MTFP process.

The 2012/13 Capital Budget of £190.321m was approved by Cabinet on 14 November 2012. Since that date the Capital Member Officer Working Group (MOWG) (see Section 6.3 below) has recommended a number of revisions to the capital budget. **Figure 4** below sets out the latest revised capital budget, by Service Grouping, for the period 2012/13 – 2015/16, including revisions approved by MOWG.

Service Grouping Service Asset Management Plans (SAMPs) have been developed which set out, in detail, service property gaps, the specific capital resource allocation made available to close property gaps, the projects or programme of works that will close these gaps and the Councils priorities that will be met. **Appendix 1** provides this headline information.

Figure 4 – 2012/13 Capital Budget 2012/13 – 2015/16

Service Grouping	2012/13	2013/14	2014/15	2015/16	TOTAL
	£m	£m	£m	£m	£m
Assistant Chief Executive	1.867	3.959	-	-	5.826
Childrens and Adult Services	70.041	55.143	24.005	-	149.189
Neighbourhoods	26.403	23.228	1.054	-	50.685
Regeneration	40.244	41.493	11.710	725	94.172
Resources	3.463	15.598	-	-	19.061
Other	153	9.924	30.000	30.000	70.077
TOTAL	142.171	149.345	66.769	30.725	389.010
Financed by:					
Grants and Contributions	65.187	61.178	7.789	271	134.426
Revenue and Reserves	3.978	987	807	-	5.772
Capital Receipts	18.610	10.000	10.000	10.000	48.610
Capital Receipts- BSF/Schools	1.200	9.744	3.000	-	13.974
Borrowing	53.196	67.406	45.173	20.454	186.229
	142.171	149.345	66.789	30.725	

4.3 The Strategic Direction for Asset Management

The subject of property asset management in the public sector has not been far from the headlines in the last decade. Every local authority has been tasked to reduce their property asset and cost base and produce savings without adversely affecting the efficiency and quality of front-line services to customers. This is a tall order given the present financial constraints the Council is facing and means that as a result of the substantial year on year capital and revenue reductions, managers must do more than just cut staff, outsource delivery and review property spending plans.

To help meet the unprecedented cuts we need to make, especially those costs associated with our property, the Council's portfolio in the future will have to be leaner, used more effectively i.e. shared occupation across services or with partners, or have potential to generate an income. Our Asset Management focus in the short to medium term will therefore be on:

1. Challenging asset performance in terms of need, utilisation and cost
2. Maximising income generation where possible
3. Rationalising the portfolio where it is appropriate to do so

Outlined below and described further in this CAMP are the actions we will take to ensure that we only hold those assets that are required for operational purposes or where an income can be generated to be used to support other Council priorities. Set out at Section 5 is an outline of how our operational assets are performing

4.3.1 Reviewing the Operational Assets

The Council has initiated a systematic property review that challenges the need for, and performance of properties in the operational estate. The review process integrates service strategy and property performance of individual buildings and is underpinned by data on liabilities, suitability and performance. The review process will provide management action for those assets that can be released and those that are retained. (see Section 6)

4.3.2 Reviewing the effectiveness of non-operational assets

The Council has a number of assets which need to be examined in terms of income generation and its wider economic and social objectives for the area. A property review process has been established that examines the basis for holding individual properties and the relative trade-off between income yield and social objectives so that the basis for holding each individual asset can be explicitly defined or where appropriate disposal supported. (see Section 6)

Assets – the term 'assets' can be used to describe many different types of asset for example, road, infrastructure, plant and machinery, equipment and property. In this Corporate Asset Management Plan (CAMP) 'asset' is used to refer to land and buildings.
Asset Management – this is the strict descriptor of the subject of land and property management

Operational Assets – Land and buildings from which the Council delivers its services e.g. schools, libraries

Non Operational Assets – land and property such as industrial units, retail, ground rents, etc. Generally retained for the purposes of income generation, commercial, social and economic regeneration reasons or to support the delivery of the Council's objectives

4.3.3 Reviewing Office Accommodation

As part of the Office Accommodation Strategy the Council is reviewing its office space need. The introduction of Customer Access Points together with rationalisation of its existing office provision and more intensive use of existing space will enable reconfiguration of the portfolio so that it has less property and is less costly to operate. Phase 1 of the Strategy has now been delivered with phase 2 presently being developed. Phase 2 will determine the exact number of staff required to be based in Durham City Centre and will look at developing whether there is a business case for a new Headquarters as well as developing options for alternative office accommodation elsewhere in the County if required. (see Section 7)

4.3.4 Promoting Community use and transfer of Assets

The Council is supporting the transfer of property assets to community groups through its Community Buildings Strategy. The Strategy acts as a mechanism to both promote community sustainability and deliver services and targets investment to those community assets in the greatest need. (see Section 7)

4.3.5 Continuous improvement of asset management strategy

It is important that the Council keeps a pace and continues to improve its assets management practices consistent with wider asset management best practice. Practices have already been improved, and savings are already being realised through the Property Review Programme and introduction of Service Asset Management Plans which are now in place for most Service Groupings. The Plans identify explicit business drivers for our assets and record the short/medium and long term business drivers for the service to then identify the implications for assets and the vision and strategy for the asset base.

4.4 Key Asset Management Issues

A number of key challenges have been identified for consideration over the medium term including:

4.4.1 Corporate Asset Management

The need to manage our assets as a corporate resource is recognised and championed at the highest level to ensure that decisions to rationalise, invest and acquire property to further service aims are considered corporately. This will ensure that opportunities for rationalisation and shared use are not missed and property investment decisions are considered corporately.

To establish effective and consistent asset management across all of the estate the Council will continue to work towards removing control of any property decisions from individual Services. In doing so this will enable the Council to target inefficiency in its property use and strategically address it. Asset Management and the Office Accommodation Project Team (a stand-alone time limited project team) do act in many areas as 'Corporate Landlord' including, arranging accommodation requests, managing capitalised maintenance building improvements, and being responsible for negotiating all lease in and purchase arrangements. A Property Strategy has now been developed which clearly sets out the expectations of both Services and those service areas delivering our corporate landlord approach. This will help will help to ensure that all decisions effecting property are made strategically and appropriately.

4.4.2 Improving portfolio knowledge

Asset Manager.Net is the Corporate property database system being utilised and along with other key back office and corporate systems, jointly provide an effective and comprehensive solution to manage property data. Asset Management have been working alongside other service areas where 'stand-alone' property information data bases are in use the aim of which is to provide a single, centralised property database that can be accessed by users across the Council. A continuing focus will be placed on incorporating the essential stand-alone property information and improving our existing property information and performance data. This will help to ensure decisions around our property portfolio are fully informed and can be made in a more timely manner.

4.5 Action Plan

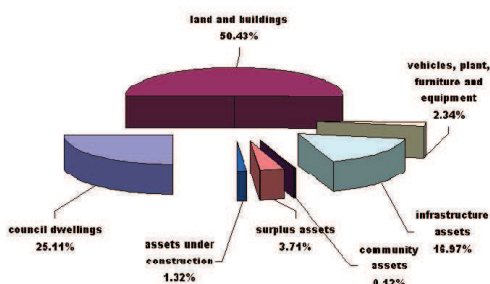
We have identified a number of actions required to respond to the challenges identified above and to improve the performance of our portfolio as set out below at Section 5.

The Council has adopted a Risk Management Policy and Strategy which sets out its approach to risk management. The risks associated with the strategic management of our assets, which reflect the Council's approach to risk management is attached at **Appendix 2**. The actions required to mitigate against the identified risks have informed our Action Plan, as presented at **Appendix 3**.

The Action Plan provides a strategic overview of the actions required and the timing of these actions. These actions are not identified in detail but will be developed to support delivery of the Corporate Asset Management Plan. These actions will be subject to regular reporting through the Asset Officer Working Group.

5. The Property Portfolio

Figure 5 breakdown of our assets



5.1 The Size and Nature of the Portfolio

The Council has a diverse property estate spread throughout County Durham. The broad dimensions of the portfolio and its service use is summarised at **Figure 6**. **Figure 6a** sets out the total size of our portfolio, headline running costs and our backlog maintenance. In summary:

- The portfolio comprises 1118 operational properties. (freehold or leased in)
- The current net book value of our land and buildings is £961.2 million
- It has a repair backlog requiring an investment of around £117.1 million
- Annual running costs (2012/13) were approximately £43.1 million

5.2 Property Use, costs value and income

The net book value of the portfolio is £961.2 million as at 31 March 2012. The net book value is an accounting value required for capital accounting purposes and reported on the Council's balance sheet through the annual statement of accounts. It does not necessarily represent the achievable market value of the portfolio. **Figure 5** opposite sets how the percentage breakdown of our assets.

Our land and buildings account for just over 50% of the total asset base. The rationale for continuing to hold these assets will be examined as part of the Corporate Property review process. (see 4.3 above and Section 6.6)

Our surplus assets have a capital accounting value of £70.6 million representing 3.7% of our portfolio. Surplus assets are those assets which are no longer being used to deliver our services however, may not necessarily be suitable for disposal. Our surplus assets are mapped on the Council's Geographical Information System (GIS) and have been assessed to determine whether there is any development potential. Those assets which are suitable for disposal will be either included in our Disposal Programme or where appropriate, will be held to support our regeneration or other council strategic priorities. In 2012/13 total capital receipts of £5.2 million were realised from the disposal of those surplus assets which were included our 2012-15 Disposal Programme. This has been achieved against a four year target of £35 million.

As property priorities emerge through Service Asset Management Plans (SAMPs), and opportunities to rationalise our portfolio arise through the Office Accommodation Programme, Community Facilities Review and the Corporate Property Review process; surplus assets will continue to be identified, contributing towards our overall capital receipt targets and reducing our property running costs

Figure 6 – Broad dimensions of the Portfolio (as set out in Service Asset Management Plans)

PROPERTY USE		PROPERTY USE		PROPERTY USE		PROPERTY USE	
Children and Adults Services		Regeneration and Economic Development		Neighbourhood Services		Neighbourhood Services cont...	
Schools*	283	Prestige Sites (economic growth sites)	3	Libraries	47	Public Conveniences	30
Sure Start Facilities	59	Offices (held for economic development)	11	Museums, Galleries and Theatres	6	Market sites	10
Children's Homes	12	Industrial Estates and Compound Areas (sites)***	17	Allotment Sites	175 sites 3630 plots	Open Space (maintained)	2894 (hect)
Secure Services Premises	1	Development Land (23 sites)	94 hect.	Customer Access Points	9	Assistant Chief Executive	
Youth and Community Properties	7	Design and Historic Development Sites	1	Waste Transfer Stations	4	Community Buildings	120
Homes for older people and respite care	13	Park and Ride Sites	3	Household Waste Recycling Centres	15		
Supported Living** Accommodation	1	Off Street Car Parking (pay and display) sites	136	Landfill (closed) crematoria	1 2		
Day Services	30	Bus Stations	4	cemeteries	47 open 83 closed		
Gypsy Roma Traveller Sites	6	County Farm estate	19	Country Parks and Gardens	3	Civic Buildings	3
Front of Service Accommodation and offices	62	Garage plots	274	Railway Path Network	120km 16 routes	Administrative Buildings	41
		Grazing sites	174	Areas of Nature Conservation importance	45		
		Ground leases	144	Depots (main)	12		
		Leased out property (excluding industrial portfolio)	18	Indoor Sports and Leisure Facilities	14****		
		Reclamation sites	108	Outdoor Sports Changing facilities	55		
		Leased out retail and commercial premises	30	Fixed play provision sites	174		
				Golf courses	2		

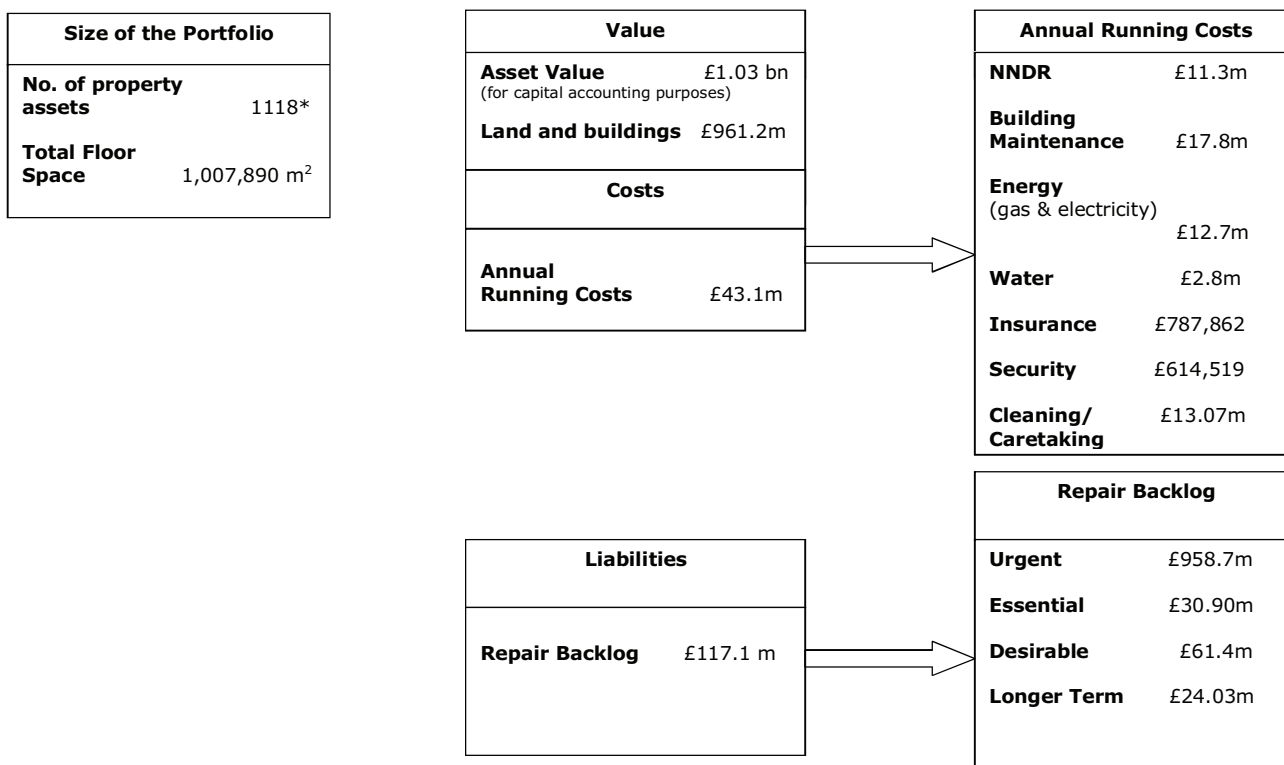
* including access to 9 school swimming pools

** with interests in a further 227

*** 201 units

**** 9 managed internally, 5 by external organisations

Figure 6a – Broad Dimensions of the Portfolio (property)



* Figure 6a relates to property running costs only and as such excludes land assets utilised by services at figure 6 above

Note: these figures are indicative figures only as they draw on a range of data sources from different time periods and are intended to indicate the broad dimensions of the portfolio.

5.2.1 Income

The Council received an income of just over £3.68 million in 2012/13 from its income generating assets. This comprises industrial premises, leased out property, ground rents, wayleaves, garage site tenancies and farm business tenancies. Although the income received is slightly below our target of £3.88 million through an investment in our industrial portfolio of £1.3 million, we anticipate that average occupancy levels for our industrial premises (presently 73%) will increase which will in turn increase the level of rental income.

To help increase of levels of income and identify opportunities to collect further income, we have undertaken a Managed Records project. Specifically through the delivery of this project, we will be able to extract information on rent review, lease expiry and break dates which will allow us to better anticipate and therefore exploit opportunities for maximising rental income through more proactive Estate Management.

5.3 Condition of the portfolio

It is important to survey and record the condition of the building stock to assess risks and liabilities to the Council and the investment needs associated with ensuring that buildings are in a reasonable state of repair. This is required by the Council to meet both its service obligations and statutory requirements. It is also an important element of best practice within current asset management guidance.

New condition surveys are carried out on the basis of a five year rolling programme where resources are available. Where recent surveys are not available, backlog maintenance is adjusted by inflation using Building Cost Information Service (BCIS) indices.

The Council recognises the risk of using historic data and that new condition surveys are required for some portfolio areas. We have therefore recently undertaken a high level appraisal to identify those surveys which are most out of date and have put a five year rolling programme in place. The risk of out of date surveys has been assessed and is identified within the Asset Management Risk Register (**Appendix 2**). The requirement for up to date Condition Surveys is identified in our Actions at **Appendix 3**.

Up to date condition surveys for our schools portfolio will be available through the Department of Education (DfE) 'Property Data Programme' (PSDP). The PSDP will enable the DfE to obtain up to date information on schools condition nationally through procurement of a centrally funded national programme of Condition Surveys. The programme will be used to develop Local Authority Schools maintenance allocations and we must use the PSDP as an opportunity to update condition data and maintenance costs held for our school estate, as our data was originally collected in 2005 and has only been updated to reflect latest price indices and known investment across premises. The programme is due to conclude in late 2013.

5.3.1 Current Backlog of Maintenance

Our current estimated backlog of maintenance for 2012/13 for our schools portfolio is £68.4 million and £48.7 million for the rest of our operational portfolio, totalling just over £117.1 million. The indicative costs of the work identified through the condition surveys as urgent, essential, desirable and longer term works are set out below at **figure 7**. SAMPs set out the specific maintenance need for each portfolio area. As stated above, up to date condition surveys are required for a number of portfolio areas and as a result, the categories of works as stated below are historical only. New condition surveys will provide a more accurate picture of the condition of the Council's portfolio, up to date indicative costs and when we should carry out these works to preserve the life of our buildings.

Figure 7 Backlog Maintenance

Portfolio	Urgent	Essential	Desirable	Longer Term Works
	£m	£m	£m	
Schools	391,179	14,413,176	40,015,262	13,616,577
Non Schools	567,581	16,491,180	21,463,132	10,415,944
TOTAL	958,760	30,904,356	61,478,394	24,032,521

5.3.2 Strategy to reduce backlog maintenance

The Capitalised Maintenance Budget (non schools) for 2012/13-2014/16 is £9.6 million. In 2012/13 the Council spent £4.6 million on Capitalised Maintenance budget planned works; £7.7 million on Revenue budget planned maintenance works, and £5.5 million on Revenue budget reactive maintenance works. The relationship between the relative levels of expenditure on planned and reactive maintenance provides an indication of the effectiveness of an organisation's overall maintenance strategy. Annual expenditure, predominantly on planned maintenance with a stable or reducing backlog trend is indicative of a well-managed portfolio, whereas a high proportion of spend on reactive maintenance suggests an inadequate budget and maintenance strategy. Currently the Council's maintenance spend is directed predominantly to planned maintenance with an approximate 69% planned/31% reactive ratio. A 70/30 split is considered best practice.

The Councils Property Review programmes (see Section 6) and subsequent rationalisation of a number of premises, conversion of a number of schools to Academy status; capitalised and revenue maintenance investment on a planned basis rather than reactively; and the steady reduction in our backlog maintenance; demonstrates that our property maintenance strategy is working effectively. **Figure 8** below sets out categories of spend and effect on the trend in our backlog maintenance.

Figure 8 backlog maintenance trend

2011/12			2012/13					
Reactive	Planned (Revenue)	Planned (capitalised maintenance budget)	Reactive	Trend	Planned (Revenue)	Trend	Planned (Capitalised Maintenance budget)	Trend
£7.1 m	£5.6 m	£1.5m	£5.5m	↓ <input checked="" type="checkbox"/>	£7.7m	↑ <input checked="" type="checkbox"/>	£4.6m	↑ <input checked="" type="checkbox"/>
2011/12 backlog maintenance			2012/13 backlog maintenance			Trend		
£153.6 million			£117.1 million			↓ <input checked="" type="checkbox"/>		

5.4 Portfolio's Fitness for Purpose (Suitability)

The collation of performance information provides a mechanism to assess the contribution individual properties make to Council objectives, to identify required action or to quantify potential investment needs. As well as ensuring buildings are in a reasonable state of repair, they also need to be fit for purpose in order to support service delivery. A building of the wrong type in the wrong location can be a major inhibitor to effective service provision. It is important therefore to review the suitability of buildings to see if they are having a beneficial or detrimental effect on services. Suitability Surveys were carried out on the schools portfolio in 2002 and as such now require a refresh, whilst the rest of the portfolio needs to have surveys undertaken. Some basic suitability assessments will be carried out as part of the property review process however, this will not cover the whole of the portfolio. The need for Suitability Surveys have been identified in our Action Plan at **Appendix 3**

5.5 Sustainability

All new capital projects strive to achieve the highest standards in terms of sustainability. The general approach is to insulate buildings to the highest standards to reduce heating requirements, use passive design principles to maximise natural lighting and ventilation. Renewable energy sources are used wherever possible, and resource consumption is managed by use of intelligent building controls sensitive to occupancy levels and external environmental conditions.

Materials are selected principally on the basis of sustainability and durability. This means that in addition to using materials with low embodied energy, maximising the recycled content and recyclability, maintenance requirements are reduced. In addition even where the requirement to achieve BREEAM 'Excellent' is not mandatory in extensions and refurbishments, the same design principle are applied throughout

5.6 Energy

The Council has an estimated buildings utility expenditure of £15.5 million per annum (based on latest available figures of 2012/13), with an associated carbon emission of 62,446 tonnes from its operational buildings.

As previously referenced in this CAMP, the Council is under pressure to minimise expenditure in order to release revenue to deliver service priorities. Property running costs including our energy costs, cleaning and caretaking, reactive and planned maintenance, Rates, insurance, water and security totalled £43.1 million in 2012/13 representing a high percentage of the Council's net annual spend. It is anticipated that through the disposal of surplus assets, on-going property reviews and as a result of the Councils projects being delivered under the Carbon Management Plan that notwithstanding that utility costs continue to rise, running costs will reduce. This will be reported in future SAMP and CAMP updates.

5.7 Carbon Management Plan

The Council has worked hard to reduce its energy costs and carbon emissions through the introduction of its Carbon Management Plan and programme of works. The cost of the works are funded from an 'invest-to-save' fund and the installation of various energy saving projects such as Building Energy Efficiency Retrofits, installation of biomass boilers, replacing of lighting and voltage optimisation. The Council has installed solar panels on a number of its buildings which will not only reduce property running costs and CO₂ emissions, but will generate an income (estimated at £8 million) over 25 years through a feed in tariff which requires energy suppliers to make regular payments.

Under the Carbon Management Plan the Council aims to reduce its CO₂ emissions 40% by 2015 and 80% by 2050 in line with government targets.

In 2011/12 emissions for Schools was 35,592 tonnes of CO₂ representing a 5% decrease from the previous year. For other Council buildings emissions were 26,854 tonnes of CO₂ representing a 14% decrease from the previous year. The Councils overall emissions for the same period, including schools, other buildings, fleet, business travel and street lighting fell from 102,698 tonnes of CO₂ for 2010/11 to 96,201 tonnes of CO₂ for 2011/12 a fall of 6.25%. This fall represents a financial saving of £2.75 million in energy use for the year.

The drop in our CO₂ emissions and the significant financial savings we have been able to make demonstrates that our Carbon Management Plan and the programme of works we have carried out are working effectively.

5.8 Statutory Compliance

Ensuring that the portfolio conforms with statutory obligations is a high priority for the Council. Failure to do so may expose Council staff and customers to health and safety risks or expose the Council to financial risks. Technical Services is responsible for statutory testing and is continuing to develop the Council's response to the ever-changing statutory duties that Health and Safety and other legislation requires

Statutory testing is financed corporately and the budget for the year 2012/13 for Statutory Compliance was £1.9 million.

Compliance testing includes for example gas safety appliances; Legionella control, ventilation and duct hygiene, fire detection and alarm systems, fixed electrical installations, emergency lighting etc. Frequency of testing is dependent on the relevant Legislation/regulation and requirement.

Specialist contractors carry out a number of inspections on behalf of the Council including Legionella Control and Risk Assessment; Fire detection, alarms and sprinkler systems; ventilation and duct hygiene and fixed electrical installations. Durham County Councils Direct Services carry out a number of functions associated with statutory testing including gas safety/appliance and oil fired heating appliance work.

5.9 Access Audits

Detailed Access Audits have been carried out on 298 properties which represents 76% of the portfolio. This figure excludes schools, new properties and buildings where the Council does not have Disability Discrimination Act (DDA) responsibility. Access Audits have been carried out on 245 the Schools portfolio, which represents 93% of the portfolio. There are however, only a small amount of Access Plans in place (21no) excluding Schools. The Plans are used to record the actions that are required as a result of issues identified by the Access Audits.

Our strategy to address access works has been to develop plans for those buildings which are considered a priority. Services have been asked to identify their top ten priority buildings where access issues need to be addressed. A provisional budget of £250k has been set aside to carry out these works and plans will only be developed for those buildings where works will be carried out. The need for Access Plans for our portfolio has been identified in our Action Plan at **Appendix 3**.

5.10 Asbestos Plans

Asbestos Plans are in place for an estimated 564 properties with an approximate 400 plans outstanding. Plans are updated annually on the basis of a rolling programme and are prioritised in accordance with financial resources and highest priority buildings in terms of operational use. A programme is in place to address outstanding plans and it is anticipated that our buildings will have up to date plans in place by 2014. The risk of not having up to date surveys has been identified at **Appendix 2**.

5.11 Fire Safety Audits

The Council's Corporate Health and Safety Team are responsible for carrying out premises Fire Safety Audits whilst the premises auditor/contact is responsible for arrangements under the scope of the audit. The aim of the audits is to baseline each premises compliance with the Regulatory Reform (fire Safety) Order 2005, as well as the Council's own fire safety precautions.

A rolling programme of Fire Safety Audits is in place for Council premises. The scope of the audits include:

- Development of a fire risk assessment.
- Development of emergency arrangements.
- Means of detecting a fire / raising the alarm.
- Provision of fire safety equipment i.e. Portable fire extinguishers.
- Effective means of escape from a premises.
- The provision of emergency lighting.

Providing appropriate information, instruction and training to employees

In 2011/12 a sample of 31 audits took place across all Service Groupings. It was generally felt that fire safety was managed within the majority of premises, evidenced by audit procedures and equipment being in place. The Corporate Health and Safety Unit have recently revised their approach to the programming of Fire Safety Audits. Going forward Fire Safety audits will be carried out on the basis of high, medium and low risk premises. High risk premises will be audited every twelve months; for example premises occupied overnight such as residential care homes, medium risk premises every three years and low risk premises every five years.

The risks associated with the Council's portfolio not being fit for purpose, statutorily compliant, energy efficient and sustainable has been assessed within the Asset Management risks at **Appendix 2**

6. Asset Management Policy and Practice

6.1 Overall approach to asset management

Asset Management has a growing profile within the Council, and supports the Council's aim of an Altogether Better Durham and its priorities. The Asset Service, like a number of other Council Services has had to change and innovate in response to the financial pressures it is facing. To enable it to do so, and to continue to provide an efficient and appropriate service, it was aligned to the Spatial Policy, Planning, Assets and Environment Service in 2011, part of the Regeneration and Economic Development Directorate.

In 2012 the Assets Service was restructured, the main purpose of which was to provide an Assets Service that could support the delivery of the Council's priorities, strategically manage the Council's property portfolio and generate capital receipts and generate revenue income.

The success of the restructure can clearly be measured through those key achievements set out in the Executive Summary for example Service Asset Management Plans which set out service property needs, income collection of £1.32 million for the non-industrial portfolio and capital receipts of £5.2 million

6.2 Organisational Arrangements for Asset Management

The strategic lead for asset management is the Corporate Director of Regeneration and Economic Development, thus ensuring representation at the Council's Corporate Management Team (CMT). The day to day focus on asset management is provided by the Head of Spatial Policy, Planning, Assets and Environment who leads on development of the Corporate Asset Management Plan, Service Asset Management Plans; property strategy and capitalised maintenance strategy. The Council has established a cross-service Corporate Group; the Asset Officer Working Group (AOWG) comprising senior officers from across the Council and chaired by the Corporate Director of Regeneration and Economic Development. The AOWG meets periodically to consider asset management issues and terms of reference and governance arrangements have been developed.

6.3 Decision making and consultation

Asset management strategic matters are considered through an Asset Officer Working Group, Directorate Management Team, Corporate Management Team and then Cabinet if endorsement is needed. The Member Officer Working Group, comprising the Leader, Directors, senior Finance Officers and senior Asset Officers consider and makes recommendations on investment proposals for capital projects against a backdrop of strategic asset priorities.

6.4 Identifying Property Needs

The asset needs of individual Council services are considered through the relevant Directorate SAMPs which are developed with the support of the Assets Service. SAMPs identify where a specific property gap exists and highlights how this will need to be closed to enable a service to continue to be delivered as effectively. Property gaps are identified at **Appendix 1**. Requests for Capital funding to close these property gaps are considered by the Member Officer Working Group and are prioritised in accordance with the Council's overall corporate priorities.

SAMPs are updated on an annual basis to align with the Council's budget setting process. Opportunity and emergency requests for capital funding, including those which relate to property and outside the scope of SAMPs, are also considered by the MOWG.

6.5 Capital Programme Management

A three year Capital Programme has been agreed by the Council. Budget holders within Service areas are responsible for maintaining spending within the overall total for the approved capital scheme plus any other approved or external funding. The Member Officer Working Group monitors closely, the funding of all approved schemes and approve any slippage of spend. The AOWG sits under the MOWG and plays an important role in monitoring the Capitalised Maintenance budget and project delivery. The Capitalised Maintenance Programme Board reports to the AOWG and MOWG on capitalised maintenance spend and play an integral role in ensuring that property spend is directed appropriately.

Figure 9 Property Review Programme

Programme for Property Review covering period up to 2014	
Office Accommodation	2009-14
Leisure Centres	Complete
Libraries	Complete
Community Buildings	2011-14
Depots	Complete
Industrial Property	Complete
Grazing Land	Complete
Day Services	Complete
Residential Care Homes	Complete
Retail/commercial	2013
County Farms	2013
Public Conveniences	2014

6.6 Review of Need, Utilisation and Cost (Property Review Programme)

A programme of Property Reviews is currently underway as a priority for the Council. This is used to inform asset actions based on an understanding of the need for and performance of individual assets linked to an analysis of service and council priorities. The focus of the reviews is to provide a robust challenge to the need for and performance of assets and to categorise them on the basis of required actions. The programme is shown at **Figure 9** opposite

The Council has developed an overall methodology for this review with the intention of categorising assets on the basis of required action. A summary of the review process is shown in **Figure 11** Information on suitability, condition, running costs and utilisation is collected and analysed to identify poorly performing property, rationalisation opportunities and priorities for action. A simple traffic light grading system is used avoiding a complex matrix methodology. The type of issues that support each categorisation of red, amber and green are shown below.

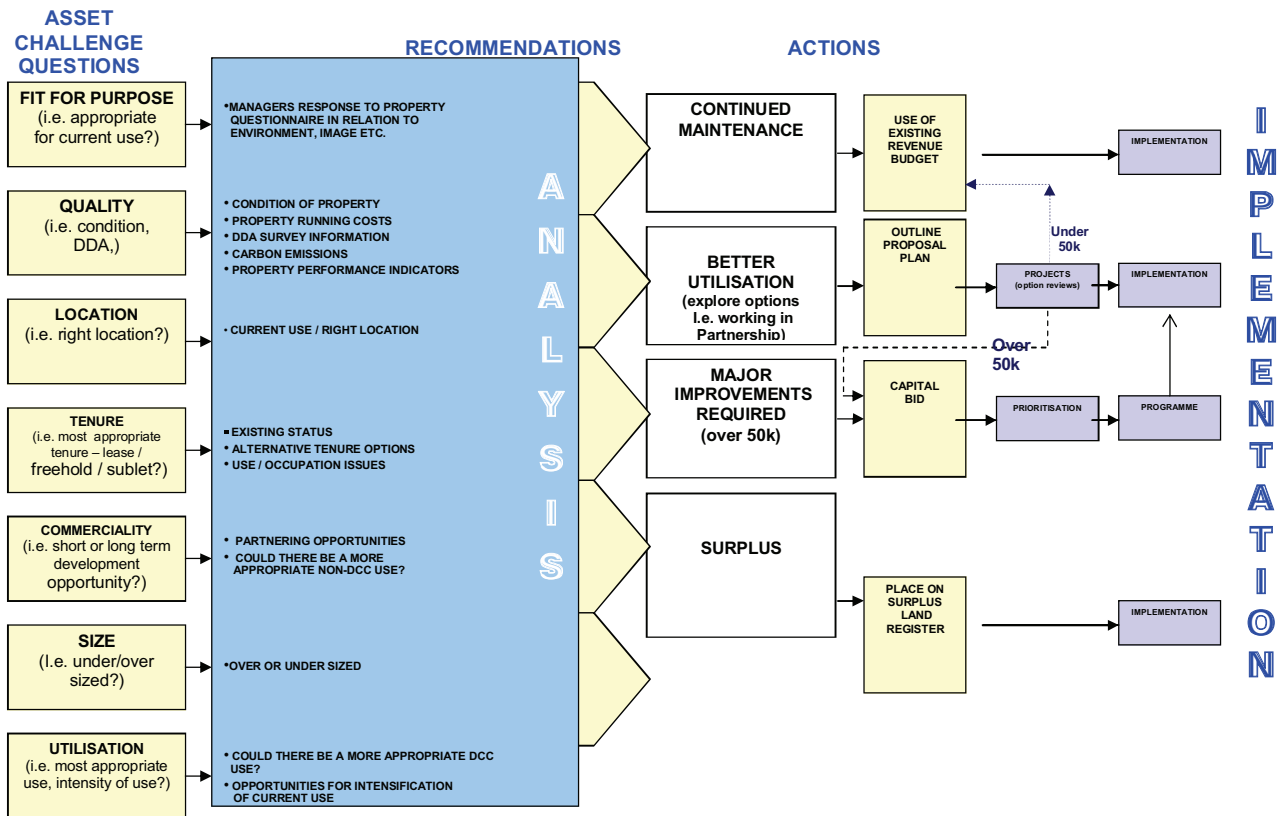
Red	<ul style="list-style-type: none"> • The property is not located appropriately for service use • The property is not suitable in terms of its service use and this is impacting on service delivery • Requires substantial investment to address condition issues and/or DDA works • The property is significantly under utilised • The property is no longer required due to changes in service strategy
Amber	<ul style="list-style-type: none"> • Some elements of the property do not support service use or service delivery • Requires a fairly high level of investment to address condition and/or DDA works • May require adaptation works to achieve better utilisation
Green	<ul style="list-style-type: none"> • Supports service use or service delivery • May require minor maintenance/DDA works as part of a planned maintenance programme. • May have scope for increased utilisation which could be achieved through minimum investment

Initial options appraisals will concentrate on those properties graded red. Individual property assets will then be placed into categories that define a specific management focus as set out below at **Figure 10**. The final categorisation of assets will therefore be the overall outcome from the review process and can be used to quantify investment needs of those assets to be **retained** and indicative capital receipt or cost savings from **released** assets.

Figure 10 – Property Review Categories

RETAIN	Continued maintenance	The building is required, in reasonable condition in a good location, suitable for its existing use and with limited alternative use value. Emphasis is on preventative maintenance.
	Better Utilisation	Building is needed, well located, in good condition and with limited alternative use value but is not performing well in terms of utilisation. Action should be on intensifying use.
	Major Investment	Building is required for the service and is well located but is not in a good condition or not fit for purpose. Costs of replacement are high and so the emphasis should be on refurbishment.
RELEASE	Short term development opportunity	The building is not suitable for its current use or is in a poor condition or not well located. It represents a development opportunity in the short term or a capital receipt from disposal
	Long term development opportunity	As above but the building's development potential is in the longer rather than short term. Focus may therefore be on continue use in the short term pending release
	Re-provision	The service has a need for the building but the current one is either not fit for purpose, poorly located or in a poor condition. This should be released and alternative property sourced

Figure 11 – Property Review Process



6.7 Data Management

The Council's corporate property database is IPF Asset Manager. The core data is populated from the Council's Asset Register and Terrier. Energy performance information is held on a dedicated data base held by the Council's Energy Management Unit with some Compliance Records held by Technical Services (Compliance). Components of the corporate property data base include:

- **Estate Management** – details of acquisitions, disposals, historic and current leases and assignments.
- **Asset Register Valuations** – Capital property valuations, updated on an annual basis.
- **Property Information** – General property detail which includes Directorate alignment and current use.
- **Condition, suitability, sufficiency and compliance** - condition survey, asbestos surveys, access audits and suitability/sufficiency surveys (Schools portfolio only)

The information held on our database informs our performance indicators, property review process and Capitalised Maintenance allocation of resources and specific property spend.

The Council's approach to data management is to ensure the currency and accuracy of critical data as priority. Specific data priorities include:

- Condition Surveys data upload for the non-schools portfolio and examine ways in which the Governments PSF data can be aligned to our Asset Manager database.
- Lease information which would help to inform maintenance responsibilities and increase revenue through the serving of rent reviews at the appropriate time.
- Intelligent CAD plans which would potentially allow us to gather room areas and room/service use and in doing so direct resources more effectively.

6.8 Performance Indicators Results (Benchmarking Comparison)

The Council subscribes to the IPF Asset Management Network which as well as providing regular updates on public sector asset management issues, seminars and updates on current topics, provide a property benchmarking scheme. The National Best Value Benchmarking Scheme (NBVBS) is a benchmarking scheme set up by property professional societies in conjunction with CIPFA to provide a benchmarking service especially for local authorities.

Since 2010 a significant number of authorities have withdrawn from the benchmarking service, making comparison of our performance less meaningful. As a consequence Durham County Council withdrew from this service in 2012. CIPFA are in contact with local authorities through seminars and e mail drops to establish how authorities can/should benchmark going forward.

We recognise that it remains important to monitor and compare our portfolio property performance and as such we have identified the need to develop a performance management framework. The need to develop a framework for performance management is a key priority identified in our Action Plan at **Appendix 3**.

The aim of the framework is to assess how well the Council is delivering its corporate priorities through working towards achieving its vision and property objectives.

The general approach to be developed will be based on a collection of local indicators to measure the portfolio performance and management indicators. Local indicators which are already collected include energy management, backlog maintenance and capital receipts. The indicators will be used to inform the Corporate Property Review programme with individual property scorecards being produced as part of the review process. The scoring results will seek to inform and measure how asset management contributes towards our asset vision and achievement of the Councils high level priorities.



County Hall, Durham



Office Accommodation, Spectrum Business Centre, Peterlee

7 Service Priorities

Service Asset Management Plans for our individual Directorates allow us to identify explicit business drivers for our assets, and enable us record the short/medium and long term business drivers for Services thereby providing a means by which we can highlight the implications for our asset base. Service Asset Management Plans specifically identify Services asset gaps and the actions or projects that will enable these gaps to be closed.

The gaps and projects are described in detail in the individual SAMPs. Attached at Appendix 1 is a summary of the service property gaps and projects we are aiming to deliver in order to close our service delivery property gaps.

The following are **examples** of projects we have carried out which demonstrate how we are challenging our property portfolio and in doing so, providing properties suitable for service delivery requirements going forward.

7.1 Regeneration and Economic Development

Office Accommodation Strategy

A full review of office accommodation is being carried out which looks at rationalising office accommodation, making maximum use of floor space and introducing modern methods of working to ensure that office accommodation is used flexibly.

Options for accommodating the requirements of all service groupings have been considered and a model providing the 'best fit' in terms of service requirements, customer requirements and size, location and suitability of property has been produced. The key principle behind the office accommodation project is to keep costs and staff moves to a minimum. Attention is also being given to all aspects of sustainability, including travel to work options and the energy efficiency of buildings.

The strategy identified the main office centres as Crook, Durham, Seaham and Spennymoor, together with supporting centres in Bishop Auckland, Barnard Castle, Consett, Chester-le-Street, Newton Aycliffe, Stanley, Stanhope and Peterlee. These projects enable the co-locating of council services and more efficient use of staff resources and are continually under review.



*Customer Access Point
Consett*



*Customer Access Point
Seaham*

Outcomes for our assets

Our progress to date is eighteen projects have been completed out of a programme of 30 including new Customer Access Points, co-location of services, building refurbishments, building vacations and demolitions.

Lease in - Spectrum 8 in Seaham is leased in office accommodation. It is operational and occupied by a number of Services.

New Build/Refurbishment

- Works at Annand House, Meadowfield is complete and is occupied by services
- Works to provide a new Customer Access Point in Millennium Square, Durham City is completed.
- Works to Northumbria House, Durham is complete and occupied by a number of services.
- Seaham Contact Centre is complete and occupied by services
- Consett Customer Access Point is complete
- Works to Crook Civic Centre is complete and Crook Customer Access Point and Library are in operation.
- Stanhope Customer Access Point – Durhamtalk is complete.
- Green Lane Spennymoor has been refurbished and is occupied by a number of services.

Closure/disposal

- Dragonville Depot (lease in) – ICT staff have been relocated and site de-commissioned and closed.
- East Durham Education Centre, Peterlee – Children and Adult Service staff and the Registrars Offices have been relocated. Site de-commissioned and closed, with disposal of the site underway
- Easington Council Offices – staff have been relocated, site de-commissioned and closed with disposal of the site underway
- Civic Centre Consett - staff have been relocated, site de-commissioned, closed and demolished. Site will be used for the delivery of Consett Academy



*Customer Access Point
Crook*



*Durham City Customer Access
Point*

Next Stages

- Review of staff accommodation at Hopper House, Durham – Delivery March 2014 however dependent upon the development of North Road, Durham
- Provision of Customer Access Point in Bishop Auckland – March 2014. An Options Appraisal is in development
- Provision of new Customer Access Point in Barnard Castle – Delivery July 2013.
- Teesdale House – staff relocation, de-commissioning and disposal – July 2014
- Stanley Customer Access Point and Library Provision – Delivery 2014
- Chester le Street Civic Centre – staff relocation, de-commissioning and disposal – April 2014
- Newton Aycliffe Customer Access Point/Library re-provision – 2014/15. Outcome and timescale is dependent upon Customer Service Strategy and town re-development
- Spennymoor Customer Access Point – Outcome and timescale dependent on Customer Service Strategy
- Peterlee Customer Access Point – 2013- Co-location pilot underway with East Durham Homes
- Chester le Street Customer Access Point – August 2013 – Evaluation co-location opportunities with partners.

The Office Accommodation Strategy and delivery of projects identified therein has so far, enabled us, through portfolio rationalisation, to realise capital receipts in excess of £3.9 million. Further rationalisation of our office accommodation portfolio through the disposal of 17 Claypath, Durham; Teesdale House; Chester le Street Civic Centre; Old Bank Chambers, Bishop Auckland and the Croft Street Offices in Crook is planned.

Office Accommodation Strategy – Phase 2

Phase 2 of the Strategy will concentrate on Accommodation in Durham City. The objectives of this second phase are:

- To determine the exact number of staff that will require a city centre base going forwards by establishing robust business needs for function and staff retention in the city
- To develop a business case for a new Durham County Council Headquarters
- To develop options for alternative accommodation in the County if required

There are a number of high level actions required to inform and deliver the phase 2 Strategy which will be developed over the Summer/Autumn of 2013. future updates of the Corporate Asset Management Plan will set out the outcome for our assets and impact made in terms of efficiencies, cost savings and capital receipts.

Next Phase

The delivery of phase 1, which concentrated on our main offices, highlighted the financial benefits and savings that could be achieved through rationalisation and shared use, as well as a capital receipt being generated through the sale of surplus accommodation.

The next phase of delivery will examine all office accommodation across the County focusing on property performance, suitability of the premises, whether it has the ability to meet service delivery obligations (sufficiency) and whether there are opportunities for shared use.

Geographical Area Audits are being carried out during the summer of 2013 which will provide the headline data and property information that will enable options for each premises to be considered.

Future CAMP updates will set out the outcomes for the Council's property portfolio.



NetPark
Sedgefield



Stainton Grove – New Units

Industrial Portfolio

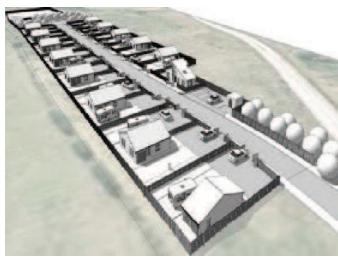
The County Durham Business Space Strategy 2011-16 sets out our overall vision for our business portfolio which is:

'to maximise income from our commercial property portfolio and support business growth, job creation and economic wellbeing'

We are working towards delivering this vision by providing business space that is fit for purpose, affordable to businesses and in the right locations. Examples of this are:

Outcomes for our assets

- A review of our industrial portfolio has been completed and we are developing a five year forward investment plan. The Council has targeted £1.2 million to carry out priority works across the portfolio the aim of which is to increase occupancy levels, attract inward investment and to increase our levels of income.
- (NetPark) in Sedgefield, is the North East England's Science and Technology Park and is one of our 'Prestige' sites (County Durham Regeneration Statement). We have made significant investment in the park during the last five years (£8 million) to provide incubator, research and grow on space. We have invested a further £6.2 million to provide additional grow on space to provide for small and medium size enterprises (SMEs) currently occupying incubator space on the park and to accommodate new SMEs.
- Consett Business Park is our largest managed workspace facility providing office accommodation. Due to high demand in the area the site experiences high levels of occupancy. To meet this demand the Council has targeted £3.8 million of investment to provide an additional 1,890m² of additional floor space (30-40 new offices).



East Howle Gypsy Roma Traveller Site

Gypsy Roma Traveller Sites

In 2011, we identified that four of our six existing sites did not meet Decent Homes Standards and that site specific Health and Safety issues existed because of poor layout and design. Site Refurbishment Grants were subsequently secured to address these issues and as a result:

Outcomes for our Assets

- Major refurbishment works at St Phillips, Coundon Grange have been completed at a cost of £825k
- Major refurbishment works have been completed at East Howle, Ferryhill at a cost of £2.4 million
- The four remaining sites were subject to a best study exercise and prioritisation of sites for refurbishment. As a result refurbishment works are planned to be undertaken in the short to medium term at Adventure Lane, West Rainton; Tower Road, Stanley; Drum Lane, Birtley and Green Lane, Bishop Auckland

Transport

Our existing three park and ride sites are considered to provide adequate coverage of Durham City in the short to medium term however, it has been identified that works to two of our sites are required to accommodate additional demand.

Outcomes for our Assets

- 150 additional car parking spaces have been provided at Belmont, Durham, to provide for an expected increase in both commuters and visitors in the coming years and to cater for future events
- Additional car parking spaces at Howlands Park, Park and Ride are planned for 2015/16



Belmont Park and Ride

7.2 Assistant Chief Executive

Community Buildings

The Council's Community Buildings Strategy sets out the Council's future plans for its 120 community buildings and changes how it works with, and supports the voluntary management groups that run these buildings

The Strategy sets out our vision for community buildings which is:

"to ensure that by 2014 the County has a network of sustainable. Well placed, highly valued and well used community buildings across the County, which are owned or controlled by local people"

To achieve this vision four objectives have been set.

- Developing strong and vibrant communities
- Maximising the impact of resources available to invest in Community Buildings where they are most needed
- Handing over control to local communities
- Supporting the dedicated volunteers who run community buildings



*The Brockwell Centre
Pelton Fell*



*The Fulforth Community Centre
Sacriston*

Outcome for our Assets

- Over 2012/13 and 2013/14 the council will target investment, of £2.15 million to improve the condition of 'priority community buildings' as set out in the Community Buildings Strategy. Investment in these buildings will only be made on the basis that management committees pursue asset transfer.
- £7.8 million worth of council assets will potentially be transferred to local communities.
- 16 buildings will be declared surplus to requirements and come forward for disposal. Potentially this number could increase depending on whether management committees conclude transfer arrangements

A number of actions required to respond to the challenges of the Strategy have been identified. The outcomes of these actions and the impact for our assets will be reported in future CAMP updates



Brandon Primary School – New Build



Esh Winning Primary School

7.3 Children and Adult Services

Schools

In developing proposals for our school estate we will ensure that we contribute to the provision of healthy, safe and inspiring learning environments for all children and young people, which provide the right facilities to raise educational attainment.

Outcomes for our Assets

Primary Capital Programme

One investment programme that will enable us to achieve this is the Governments previously agreed Primary Capital Programme (PCP).

In 2008 we set a 5 year £35.6 million investment programme in our Primary School Estate for the period 2008-2013. Of this, some £25.7 million has already been invested and delivered in our primary estate. Work included four major refurbishment schemes; the provision of additional teaching space at Murton Primary School; and new build primary schools at:

- Shotton Hall, Peterlee at a cost of £5.36 million
- Brandon Primary School at a cost of £7.2 million and
- Esh Winning Primary School at a cost of £6.4 million

The remaining PCP new build projects which will complete during 2013/14 are:

- Kirk Merrington Primary School at a cost of £3.4 million
- Greenland Primary School at a cost of £6.5 million

Building Schools for the Future (BSF)

In addition, we will also conclude projects over the next three years connected with our previously agreed Building Schools for the Future Programme (BSF).

In July 2010, Government announced its intention to undertake a comprehensive review (led by Sebastian James) of all capital investment associated with schools. BSF was subsequently cancelled at that time we had 25 BSF projects that we had started or were in the process of being developed and of these, five projects have now completed at a total capital cost of £83 million:



Sedgefield Community College



Glendene School and Community Arts College

➤ Durham Johnson School	(£29 million)	Opened	April 2009
➤ Sedgefield Community College	(£17.1 million)	Opened	Jan 2011
➤ The Academy at Shotton Hall	(£19.5 million)	Opened	Jan 2011
➤ Easington Community College	(£15.5 million)	Opened	Jan 2011
➤ Glendene School & Community Arts College	(£2.4 million)	Refurbishment project - opened	April 2012

Five further projects will also complete during 2013-14 at a total capital investment of £80.4 million

	Cost
➤ Peterlee St Bede's Catholic Comprehensive	(£15.7 million)
➤ Dene Community School of Technology	(£10.5 million)
➤ North Durham Academy, Stanley	(£25.8 million)
➤ Wellfield Community School, Wingate	(£7.7 million)
➤ Consett Academy	(£20.7 million)

Despite the cancellation of the BSF programme, strategic planning for additional school places and improvements to schools in the worst condition remained a priority for the Council. It was therefore, agreed to implement alternative capital investment solutions for two schools considered to be in the worst state of repair and requiring significant future investment. Those schools which have received investment with works due to complete 2013/14 are:

	Cost	Completion
➤ Whitworth Park School, Spennymoor	(£11 million)	Apr 2013
➤ Elemore Hall School,	(£2.8 million)	Apr 2013



Seaham School of Technology



West Cornforth Primary School

Priority Schools Building Programme

One of the outcomes of the Sebastian James Review (of Education Capital) is the Priority Schools Building Programme (PSBP) for all publicly funded schools. This is a fund is to be used to rebuild schools in the worst state of disrepair.

To access this funding the Council made application to the Secretary of State and was successful in respect of the following schools.

- Seaham School of Technology
- Durham Trinity Special School
- West Cornforth Primary School
- St Joseph's RCVA Primary School, Ouston

All Schools that access funding are required to enter into a long-term Private Finance arrangement (for approximately 27 years). Procurement of works will be dealt by central government and will be based upon standardised designs (developed by the Department of Education (DfE) and the Education Funding Agency; EFA). We will liaise fully with the DfE and EFA over the coming months to progress these school investment priorities.

Academies and Free Schools

Reflecting the Government's new policies for Free Schools and Academies, we have worked with schools in County Durham who have expressed an interest in conversion from local authority and central Government control. This has included the transfer of all land and buildings which have been occupied by them, by virtue of a 125 year lease arrangement.

There are presently 27 schools in County Durham which have expressed an interest in, or who have already converted to Academy status or Trusts. These are fully reported in the Children and Adult Service Asset Management Plan.

Alongside this we will ensure that we monitor any 'Free School' applications which may be successful in our area, and which may impact upon future pupil place numbers in our own school estate.



One Point Hub, Ferryhill



One Point Hub Seaham

Provision of additional school places

At January 2012 there were 71,574 young people in our 283 schools across the County, with latest Government statistics indicating a further increase of 18% in numbers in state funded primary and nursery schools between 2012 and 2020.

In light of these anticipated numbers, we have identified a need for us to provide additional school places within targeted areas of the County as part of both our short and medium-term planning structures.

Work has already been undertaken as part of our annual school pupil place planning work to understand where an immediate increase in pupil places is required within the County. Schools that are to be targeted to provide additional teaching accommodation over the short-term are:

- Shotley Bridge Infants School
- Seaham Trinity Primary
- Westlea Primary
- St. Mary Magdalen RCVA Primary
- Durham St Margaret's CE Primary

One Point Facilities

The new Children's Integrated Service in the County brought together key Health and Local Authority Children's Service staff with a focus on early intervention and prevention.

In late 2011 the first stages of our 'integrated service plan' was delivered through a £7.5 million construction programme and development of ten purpose built or refurbished One Point facilities across the County at:

- Shaw Bank, Barnard Castle (new build premises)
- 'You Can Centre', Walker Drive, Bishop Auckland (refurbishment)
- Durham Community Business College, Ushaw Moor (alterations and refurbishment)
- Louisa Centre, Stanley (alterations and refurbishment)
- Consett Junior School (adjacent) - (new build modular premises)
- Chester le Street Leisure Centre (adjacent to) - (new build)
- Seaham Youth Centre, Seaham (part new build/refurbishment)
- Peterlee Leisure Centre, Peterlee (new build modular premises)
- Newton Aycliffe Youth Centre (new build modular premises)
- Broom Cottages primary School, Ferryhill (adjacent to) - (new build modular premises)



Aycliffe Secure Centre



*Middleton Centre
Teesdale*

Children's Homes

In 2011 we completed a new state of the art, Secure Centre in Newton Aycliffe at a total capital investment of £15.85 million. Following the successful relocation of one of our homes from Catchgate, Stanley to Tanfield Lea in 2012, consideration will also be given to the replacement and (or) relocation of existing homes in Newton Aycliffe over the medium-term (2014-16). This is linked to our wider medium term, redevelopment plans for Aycliffe Secure Centre and follows the completion of our new Secure Services facility in Newton Aycliffe.

Outdoor Learning Centres

In 2011/12 a review of all of our Outdoor Learning Centres was carried out and identified that total backlog maintenance for all three centres was high (£860k). Following a period of public consultation, seeking the views around the continuance of the centres and need to make service savings of £200k all three centres have closed:

Outcomes for our assets

- Earls House Orchard, Richmond has been sold and a capital receipt of £415k has been realised;
- Westgate Centre, Bishop Auckland has been declared surplus to council requirements and has been identified for disposal
- Middleton Centre, Teesdale has been declared surplus to council requirements and has been identified for disposal



Newton Aycliffe Youth Centre



Stanley Day Centre

Youth Facilities

A review of provision and examination of backlog maintenance and repair issues which identified backlog maintenance in excess of £904,000 has resulted in the closure of three centres of our ten centres in Blackhall, Chester le Street and Castleside Consett.

Centres at Fishburn and Horden and future provision are being examined as part of our strategic review of Community Buildings.

The remaining five centres will be examined and reviewed over the medium term to ensure facilities are sustainable, provide value for money and continue to provide positive achievements of in young people's lives. In doing so, we will fully consider the needs of the portfolio and begin to evaluate any possible opportunities for re-location or co-location of youth work alongside other Council services or other strategic partners.

Day Services

In 2011 we completed a review of our Day Services provision having regard to the principles of the 'Person Centered Care' and 'Valuing People' national guidance. The review considered how we can improve the offer of facilities currently available to service users.

Outcomes for our assets

- The Day Centre at Barmfield Road Spennymoor has moved to the Leisure Centre. The former centre closed in March 2013 and the building has been declared surplus to the Council's requirements.
- Stanley Day Centre has closed and alterations to the Louisa Centre Stanley have been undertaken to accommodate a move.
- Alterations to Newton Aycliffe Leisure Centre have been undertaken to accommodate a move from the Oaks Centre, Newton Aycliffe.
- Peterlee Shinwell centre has closed and has been declared surplus to the Council's requirements.
- Durham Centre has closed and alterations have been made to the Abbey Centre to accommodate the move.



Abbey Leisure Centre



Ferryhill Leisure Centre

7.4 Neighbourhood Services

Indoor Sports and Leisure Centres

To get more people active in County Durham, our Sport and Leisure Strategy aims to:

- deliver modern well-equipped sports centres, offering wider activity options
- investment in and better support for grassroots sports clubs and associations and
- better value for money.

In 2011 a review of the 19 leisure centres owned and/or operated by ourselves has been carried out to identify under-utilised facilities and to meet the challenge of a 25% reduction in the sport and leisure budget, following major reductions in government grants.

In identifying the number and location of the facilities recommended for closure a number of factors were taken into account including location and fair access for residents, investment required for upkeep and travel time to a facility.

Following the review exercise six facilities were recommended for closure. The decision regarding the future of these six facilities and the impact on our assets is detailed below

Outcomes for our Assets

- Abbey Leisure Centre has been retained by the county council and operates revised opening hours.
- Coxhoe Leisure Centre has transferred to Future Leisure in Coxhoe, to be run as a community leisure centre.
- Deerness Leisure Centre has transferred to Deerness Valley Gymnastics Club to be run as a specialist gym centre.
- Ferryhill Leisure Centre is in the process of being transferred to Ferryhill Community Partnership
- Glenholme Leisure Centre closed.
- Sherburn Leisure Centre has transferred to Sherburn Parish Council to be run as a community club by a charitable group.



Brandon Library



Pelton Library

Libraries

Due to the rural nature of the County we have 39 libraries of which 11 are based in the Town Centres and the remainder in local villages/communities however, not all of current locations were considered suitable.

A review of our library portfolio has been carried out the Council's property review programme. The Library Strategy determined that all of the portfolio should be retained and the property review exercise has established our library portfolio repairs and maintenance backlog is £1.036 million. £750k has been made available from the Council's Capitalised Maintenance Budget to address urgent and essential works.

A budget of £550k has also been secured from the Council's own Capital Programme to support modernisation and refurbishment of the library estate, including internal redecoration works and furniture replacement.

Outcome for our Assets:

- Esh Winning Library has relocated and is now attached to the Esh Winning Primary School
- Seaham Library has relocated and is now in the Seaham Multi User Centre
- Pelton Library has relocated and is now part of the Primary Care Trust Centre at Pelton
- The Library at Stanley will relocate to the Louisa Centre, Stanley
- The Library at Spennymoor will relocate to the Spennymoor Leisure Centre
- The Library at Crook has relocated to the Civic Centre Crook
- The Library at Newton Aycliffe will potentially relocate to the Leisure Centre as part of works to be carried out to provide a Customer Access Point.

8 Key Actions for the next 12 months

A range of actions for asset management is identified at **Appendix 3** as a response to the strategic planning context and the portfolios fitness for purpose. The Council's short term priorities for asset management are:

- Update Directorate Service Asset Management Plans on an annual basis
- Update the Corporate Asset Management Plan, informed by Service Asset Management Plans on an annual basis aligning this with the Councils budget setting process
- Deliver the Corporate Property Review Programme.
- Progress the delivery of the Office Accommodation Strategy
- Progress delivery of the Community Buildings Strategy and disposal, where appropriate of community buildings to the third sector.
- Continue to provide an effective property maintenance strategy which focuses on reducing backlog maintenance and directing investment appropriately
- Continue to deliver programmes of work identified as part of the Councils Carbon Management Plan and its on-going commitment to reduce CO² emissions
- Ensure that the operational portfolio has up to date Condition Surveys through the commissioning of surveys on 20% of the portfolio annually, based on a five year rolling programme
- Continue to work towards having asbestos surveys and plans in place for the property portfolio where it is the Council's responsibility to do so.

- Work towards ensuring that the Council has Access Plans in place for its property portfolio
- To develop plans that will ensure Suitability Surveys are in place and are updated on the basis of a rolling programme
- Quantify and measure the current performance of the Council's portfolio and establish local property Key Performance Indicators
- Achieve the capital receipt target of £35 million over four years by the targeted disposal of underperforming assets identified through the
- Continue to reduce property running costs through the Corporate Property Review programme, Office Accommodation Strategy, Community Buildings Strategy and other property strategies.

SERVICE PROPERTY GAPS

PROJECT	TARGET COMPLETION	AVAILABLE BUDGET	TO ADDRESS SERVICE GAP (identified in Service Asset Management Plan)	SERVICE GAP
CHILDREN AND ADULTS SERVICES				
Schools				
Progress development proposals for Seaham School of Technology, Durham Trinity Special School, West Cornforth Primary, or St Joseph's RCVA Primary Coundon	<i>being reviewed from government</i>	<i>None Secured</i>	GAP 4	Continue to look for additional sources of capital investment to address the needs of our school estate including realisation of successful bids forming part of the Government's Priority School Building Programme (PSBP)
Liaise fully with the DfE and PIS in respect of the PSDP and provide any necessary assistance with the collation of nationally held condition data for our school estate.	Apr-14	<i>n/a</i>	GAP 6	Seek to update all condition data held on our school estate and liaise fully with the DfE and PIS around the Governments Property Survey Data Programme (PSDP) including the prioritisation and upkeep of nationally held data which will likely inform future funding.
Agree and implement a short-term capitalised maintenance programme for the school estate, until our existing condition information can be updated under the PSDP.	Sep-13	£ 3.59 million <i>School's Capital Grant Allocation</i>	GAP 7	Continue to address repairs and maintenance needs through the implementation of a robust capitalised maintenance programme for the school estate (including school swimming pools).
Continue to monitor and implement any necessary accessibility works in support of children and young people with special educational needs and (or) disabilities.	Apr-14	£ 500,000 <i>Capital Monies</i>	GAP 12	Continue to support the Fuller Inclusion Agenda and ensure (where needs arise) that appropriate accessibility works are undertaken at premises to enable children with special educational needs to remain in mainstream education.
Kirk Merrington Primary School – Complete PCP New Build Replacement School on existing school site.	Apr-2013	£ 3.4 million <i>PCP Funding</i>	GAP 1	Complete projects under the Council's previously agreed Primary Capital Programme (PCP)
Greenland Primary School, South Moor – Complete PCP New Build Replacement School on alternative school site.	Sep-13	£ 6.5 million <i>PCP Funding</i>	GAP 1	Complete projects under the Council's previously agreed Primary Capital Programme (PCP)
Whitworth Park School, Spennymoor – Complete Remodel Project on existing school site.	Mar-14	£ 11 million <i>School's Capital Grant Allocation</i>	GAP 3	Continue to seek appropriate capital investment solutions for those Schools that have been subject to previously agreed investment proposals that are no longer proceeding, as well as those premises which are considered to be in the worst condition.
Elmore Hall School – Complete Part New Build and Part Remodel Project on existing school site.	Dec-13	£ 2.8 million <i>School's Capital Grant Allocation</i>	GAP 3	Continue to seek appropriate capital investment solutions for those Schools that have been subject to previously agreed investment proposals that are no longer proceeding, as well as those premises which are considered to be in the worst condition.
North Durham Academy – Complete New Build Academy at Stanley Kings Head Playing Field.	Jun-13	£ 25.8 million <i>BSF Funding</i>	GAP 2	Complete projects under the Council's previously agreed Building Schools for the Future (BSF) Programme. This includes four projects in the East of the County and two new Academies in the localities of Stanley and Consett.
Monitor the impact of any successful 'Free School' applications in our area, but particularly any reduction in pupil numbers which may in turn influence our own property needs.	Sep-14	<i>None Secured</i>	GAP 9	Continue to support the Government's School Freedoms Agenda and ensure that those schools who express an interest in becoming an Academy are supported in the transition from Local Authority control. Also assess the impact on pupil numbers from any successful 'Free School' applications and assist with development where possible.
Ensure the provision of additional school places and associated teaching accommodation solutions for: - Ferryhill Pupil Referral Unit (PRU) - Standing CE Primary, Barnard Castle - Etherley Lane Primary, Bishop Auckland - Middlestone Moor Primary - Edmondshay Primary - South Helton Primary - Shottley Bridge Infants - Seaham Trinity Primary School, West Lea Primary St Mary Magdalene RC	Sep-14	£ 2.2 million <i>School's Basic Needs Allocation. Awaiting confirmation from Government of any targeted Basic Needs Allocation budget</i>	GAP 10 & 16	Continue to provide adequate school places across the County, and provide appropriate solutions for those schools who have an immediate shortfall and pressure upon pupil places.
Seaham School of Technology – Complete New Build Replacement School at Seaham Former Colliery Site.	01/04/2014 <i>Although dependent on Priority Schools Building Programme outcomes</i>	£17.5 million <i>School's Capital Grant Allocation</i>	GAP 3	Continue to seek appropriate capital investment solutions for those Schools that have been subject to previously agreed investment proposals that are no longer proceeding, as well as those premises which are considered to be in the worst condition.
Ensure a sound mechanism, for the upkeep of condition data collated under the Governments PSDP, is implemented.	Apr-14	<i>None Secured</i>	GAP 6	Seek to update all condition data held on our school estate and liaise fully with the DfE and PIS around the Governments Property Survey Data Programme (PSDP) including the prioritisation and upkeep of nationally held data which will likely inform future funding.
Use data collected under the PSDP to prepare and implement a future investment plan for the school estate, including a future repairs and maintenance strategy.	Apr-14	<i>None Secured</i>	GAP 6 & 7	Seek to update all condition data held on our school estate and liaise fully with the DfE and PIS around the Governments Property Survey Data Programme (PSDP) including the prioritisation and upkeep of nationally held data which will likely inform future funding. Continue to address repairs and maintenance needs through the implementation of a robust capitalised maintenance programme for the school estate (including school swimming pools).
Continue to consider and prioritise investment proposals for schools in a poor state of repair, but particularly for those which were subject to previously agreed investment programmes, for example Durham Trinity School.	Mar-15	<i>None Secured</i>	GAP 3	Continue to seek appropriate capital investment solutions for those Schools that have been subject to previously agreed investment proposals that are no longer proceeding, as well as those premises which are considered to be in the worst condition.

SERVICE PROPERTY GAPS

APPENDIX 1

PROJECT	TARGET COMPLETION	AVAILABLE BUDGET	TO ADDRESS SERVICE GAP (identified in Service Asset Management Plan)	SERVICE GAP
Implement a rolling programme for detailed condition surveys of our school estate, following priorities established under the PSDP.	Apr-14	None Secured	GAP 6 & 7	Seek to update all condition data held on our school estate and liaise fully with the DfE and PIS around the Governments Property Survey Data Programme (PSDP) including the prioritisation and upkeep of nationally held data which will likely inform future funding.
Wellfield Community School, Wingate - Complete BSF Refurbishment Project.	Sep-14	£ 7.7 million BSF Funding	GAP 2	Complete projects under the Council's previously agreed Building Schools for the Future (BSF) Programme. This includes four projects in the East of the County and two new Academies in the localities of Stanley and Consett.
Consett Academy - Complete New Build Academy at Consett Belle Vue Playing Fields.	Sep-14	£ 20.7 million BSF Funding	GAP 2	Complete projects under the Council's previously agreed Building Schools for the Future (BSF) Programme. This includes four projects in the East of the County and two new Academies in the localities of Stanley and Consett.
Consider the need for additional school places and associated teaching accommodation in the localities of: - Spennymoor - Seaham - Durham Central - Consett - Bishop Auckland - Easington - Murton - Framwellgate Moor	Sept-2014	£ 2.2 million School's Basic Need Allocation	GAP 9	Continue to provide adequate school places across the County over the medium and longer-term, and ensure that we continue to appraise the need for additional provision in those localities which have a recognised pressure upon pupil places.
Undertake a full analysis of under-utilised and (or) surplus accommodation in our schools, challenging future use of space and making recommendations for possible rationalisation, amalgamation or partnering opportunities.	Sep-14	None Secured	GAP 11 & 17	Undertake a full analysis of surplus accommodation with our schools and challenge the future use of such space, whether this be through rationalisation or possible partnering opportunities.
Sure Start Facilities				
Secure alternative funds for the repair and maintenance of existing Sure Start premises, now that Sure Start Grant funding has drawn to an end.	Apr-14	None Secured	GAP 18	Secure appropriate funds to undertake repairs and maintenance works to all premises (now grant funding has drawn to an end) and develop a repairs and maintenance investment plan for such premises which ensures, as far as possible, that such works are integrated in the Council's overarching repairs and maintenance strategies.
Prioritise a programme of condition surveys for the Sure Start portfolio, so as to inform future maintenance plans.	Apr-14	None Secured	GAP 18	Secure appropriate funds to undertake repairs and maintenance works to all premises (now grant funding has drawn to an end) and develop a repairs and maintenance investment plan for such premises which ensures, as far as possible, that such works are integrated in the Council's overarching repairs and maintenance strategies.
Review all existing Sure Start assets and consider any potential future links with the developing One Point Agenda	Sep-13	None Secured	GAP 19	Examine and review our existing Sure Start offer, in light of the creation of new One Point facilities, and consider whether there is any opportunity to rationalise existing provision.
Children's Homes				
Implement a minor improvement refurbishment programme for the Council's existing childrens homes	Apr-14	None Secured	GAP 20	Agree and implement a refurbishment programme for the Council's existing Children's Homes
Consider options for the re-provision of our existing Children's Homes in Newton Aycliffe (three premises in total) linked to the further redevelopment of the Aycliffe Secure Centre	Sep-14	None Secured	GAP 22 & 23	Consider options for the re-provision of Children's Homes in Newton Aycliffe, should the existing Homes be included in a wider disposal plan (linked to Aycliffe Secure Services).
Secure Services				
Consider options for the redevelopment of the remainder of our Secure Centre site in Newton Aycliffe, particularly whether there is any opportunity to dispose of land no longer required for service delivery requirements.	Sep-14	None Secured	GAP 23	Develop options for redevelopment of the remainder of the Secure Centre site, following completion of the new build facility, and consider whether there is any opportunity to dispose of land no longer required for service delivery requirements.
Monitor the impacts of our new build Secure Centre, and continue to consider its suitability for client needs.	Sep-14	None Secured	GAP 24	Monitor the impact of our new build Secure Centre, and the continuing suitability of premises in line with the needs of our clients.
Youth Centres				
Conclude a review of all existing Youth Centres and make recommendations on any re-location/ co-location opportunities which may provide better value for money.	Sep-13	None Secured	GAP 25	Examine and review each of our existing Centres, considering whether premises provide value for money and if there is potential to re-locate/ co-locate provision with other Council services or partners.
Agree and implement a suitable repairs and maintenance plan for the retained estate, and ensure priority works are integrated into the Council's overarching repairs and maintenance strategies.	Sep-13	None Secured	GAP 26	Continue to address repairs and maintenance needs for our retained estate and develop a robust investment plan for Youth Centres which will ensure that priority works for such premises are integrated into the Council's overarching repairs and maintenance strategies.
Homes for Older People and Respite Care Facilities				
Agree and implement a flood defence scheme at Stanhope Newtown House	Jul-13	£ 500,000	GAP 29	Continue to scope flood defence options at Stanhope Newtown House, and thereafter implement a suitable mitigation project.
Progress review of five remaining Residential Care Homes, including consideration around change of use to Intermediate Care Facilities.	Sep-15	None Secured	GAP 27 & 28	Continue to scope and review our remaining residential care facilities, ensuring that our provision supports client independence. Scope opportunities for improved Intermediate Care Facilities within the County, in conjunction with our NHS partners.

SERVICE PROPERTY GAPS

APPENDIX 1

PROJECT	TARGET COMPLETION	AVAILABLE BUDGET	TO ADDRESS SERVICE GAP (identified in Service Asset Management Plan)	SERVICE GAP
Scope and evaluate our existing provision to rural communities, and consider the need to expand our existing asset portfolio in such areas.	Sep-13	None Secured	GAP 30	Continue to scope and evaluate our existing provision to rural communities, and consider whether there is any need to expand our existing property portfolio within such areas.
Supported Living Accommodation				
Scope and evaluate our existing provision to rural communities, and consider the need to expand our existing asset portfolio in such areas.	Sep-13	None Secured	GAP 31	Continue to consider options for the provision of large-scale supported living accommodation across the County, and which provide between 15-20 individual units for clients. In the current economic climate, properties should be sourced from 'in-house' resources wherever possible.
Day Services				
Conclude the on-going review of existing day service provision and develop an action plan for property.	Jun-13	£ 653,000	GAP 27	Continue to scope and review our existing day service provision during 2011, with an ambition to provide a model of 'co-located' services in partnership with the independent sector, in addition to more inclusive in-house 'specialist' facilities for high-dependency clients.
Consider opportunities for the re-provision of existing high-dependency facilities within town centre locations, should the opportunity arise.	Dec-14	Initiated in Priority 1	GAP 28	Consider options for the re-provision of existing premises to town centre locations, should opportunities arise, and should the benefits for re-provision be supported by existing service users.
Front of Service Accommodation and Offices (CAS)				
Develop appropriate accommodation solutions for our Safeguarding and Specialist Teams in the East of the County. This may include a need for alternative suitable accommodation in Peterlee or the implementation of an agreed investment plan for existing accommodation at Essington House, Peterlee	May-15	None Secured	GAP 35	- support families & carers, particularly those that are vulnerable or have complex needs - safeguard & promote the welfare of all children & young people - raise aspirations & help everyone to achieve - improve places to go & things to do for all children & young people
Agree and implement a suitable repairs and maintenance plan for retained accommodation, and ensure priority works are integrated into the Council's overarching repairs and maintenance strategies.	Mar-15	None Secured	GAP 35	- safeguard & promote the welfare of all children & young people - raise aspirations & help everyone to achieve - improve places to go & things to do for all children & young people
Implement a future repairs and maintenance plan for our One Point portfolio.	To be confirmed	None Secured	GAP 35	- support families & carers, particularly those that are vulnerable or have complex needs - safeguard & promote the welfare of all children & young people - raise aspirations & help everyone to achieve - improve places to go & things to do for all children & young people
Gypsy, Roma and Traveller Sites				
Secure provision of temporary stopover sites in the East of the County.	Sep-13	None Secured	GAP 34	Provide temporary stopover areas in the East of the County for Gypsy Roma Traveller communities.
Continue to co-ordinate and implement any necessary repair and maintenance works at our six Gypsy Roma Traveller Sites	Apr-13	None Secured	GAP 34	Provide temporary stopover areas in the East of the County for Gypsy Roma Traveller communities.
REGENERATION AND ECONOMIC DEVELOPMENT				
Business Space				
Potential new build mixed use facilities for Small and Medium size enterprise subject to outcome of feasibility study which is currently underway	Post 2012	None Secured	GAP 1	Identify options for the future development and delivery of speculative new build SME accommodation at NETPark
Studies to consider the development of new build national institutes, including the potential for future joint venture developments at NETPark	Post 2014	None Secured	GAP 2	Identify opportunities to develop an additional five national institutes of the calibre of PETEC and the Research Institute
Completion of new build managed workspace SME office accommodation providing 1890m2 of floorspace at Consett Business Park	Dec-13		GAP 3	Provision of accommodation suitable for new start up and micro business market in North Durham
Studies to consider potential adaptations of existing properties or new build accommodation that meets the needs of expanding businesses	Mar-16		GAP 4	Consider options for grow-on managed workspace workspace with the private sector and opportunities for flexibility within our current portfolio
Completion of works to ensure all our business space properties have next generation broadband available to tenants	Mar-14	£2,000,000	GAP 5	Delivery of next generation broadband for all our business space properties
Studies to consider potential adaptations of existing properties or new build accommodation that meets the needs of expanding businesses	Mar-16	None Secured	GAP 6	Consider options for grow-on industrial space with the private sector and opportunities for development within our current portfolio
Gypsy, Roma and Traveller Sites				
Refurbishment of existing Gypsy Roma Traveller sites at Adventure Lane - West Rainton; Tower Road, Stanley; Durm Lane, Birtley; Green Lane, Bishop Auckland	Apr-15	£3,232,673	GAP 7	Respond to the priorities identified by the GRT Best Practice Study and Prioritisation Exercise and agree a 4 year delivery programme. Consider the findings of the updated GRT Accommodation Needs Assessment alongside the Best Practice Study and Prioritisation Exercise and consider as part of delivery programme
Design and Historic Environment				
Adaptation of existing visitor centre or acquisition of property, subject to the outcome of the Heritage Lottery Fund bid	Sep-14	None Secured	GAP 8	Consider the options for carrying out a feasibility study for the provision of a new visitor facility at Binchester Roman Fort.
Transport				
Extension to Howlands Park, Park and Ride to provide additional car parking provision	Mar-16		GAP 9	Respond to the expected increase in demand for our existing Park and Ride sites around Durham City

SERVICE PROPERTY GAPS

APPENDIX 1

PROJECT	TARGET COMPLETION	AVAILABLE BUDGET	TO ADDRESS SERVICE GAP (identified in Service Asset Management Plan)	SERVICE GAP
NEIGHBOURHOOD SERVICES				
Indoor Sports Facilities				
Conclude the on-going Management Options Appraisal for Leisure and Cultural assets, and implement any subsequent transfer to trust (if agreed).	Mar-14	£50,000	GAP 1	Assess the implications for our existing Culture and Sport portfolio on moving to a different type of service delivery vehicle.
Develop an investment plan for the future repair and maintenance of our indoor sport and leisure facilities	Mar-14	None Secured	GAP 3	Continue to address repairs and maintenance needs through the implementation of a robust capitalised maintenance programme for our indoor sports and Leisure Provision
Undertake a review of existing leisure provision to consider whether facilities continue to be fit for purpose and scope the likely impacts on the portfolio incorporate any changes within a built facilities plan	Mar-14	£30,000	GAP 4	Respond to the expectations of the 'Sub-Regional Facilities Strategy' which is reflected in our Sports and Leisure Strategy 2011-2014
Determine the feasibility of providing leisure facilities through the Priority Schools Building Programme and other partnership opportunities.	Mar-15	None Secured	GAP 4	Following the cancellation of the BSF programme and the opportunity lost to deliver leisure facilities through this process, we must continue to examine alternative and new methods of providing leisure facilities in partnership including, alongside new school provision
Outdoor Pitches and Facilities				
Determine the impact the Playing Pitch Strategy will have on the future provision of sports pitches across County Durham	Mar-14	None Secured	GAP 13	Assess the implications for our existing portfolio of sports pitches, following the findings of the Playing Pitch Strategy and develop on an Area Action Partnership basis, Action Plans that will shape future provision.
Develop an investment plan for the future repair and maintenance of our outdoor changing facilities	Mar-15	None Secured	GAP 14	Continue to address repairs and maintenance needs through the implementation of a robust capitalised maintenance programme for outdoor changing facilities
Play sites				
Make gradual changes to the distribution and type of play sites (play grounds) so that they are shared more fairly, and better meet community needs throughout County Durham	Mar-14	None Secured	GAP 15	Assess the implications for our existing play sites (play grounds) following completion of the Fixed Play Provision consultation.
Allotments				
Develop an Allotments Strategy which will, within a strategic framework, provide a vision, objectives and a detailed action plan to guide our allotment portfolio aspirations. The Strategy will consider the transfer of allotments to community ownership and will also look to find ways to reduce growing waiting lists.	Mar-15	None Secured	GAP 16	Assess the implications for our existing allotment portfolio following completion of the Allotments Strategy
Countryside Estate				
Carry out a condition assessment of our Countryside Estate and develop an annual investment plan, for the maintenance and upkeep of the portfolio	Jul-13	None Secured	GAP 18	The Council has a number of statutory and contractual obligations and where it does not meet these obligations, work can be carried out by the adjacent landowner in default. To mitigate against such potential recharge costs and to limit the requirements for major capital spends in the future, we need to secure a suitable budget for the assessment of condition, with identified repair and maintenance of our Countryside Estate infrastructure and other responsibilities and implement an annual investment plan for its upkeep
Develop an investment plan to cover preventative works to ensure all drainage systems remain clear, unobstructed and capable of working to full capacity.	Dec-13	None Secured	GAP 19	The Council has a number of statutory and contractual obligations and where it does not meet these obligations, work can be carried out by the adjacent landowner in default
Develop an investment plan for the ongoing management and maintenance of land developed as part of the 'Turning the Tide' project.	Jul-13	None Secured	GAP 20	Contractual liabilities, where not fulfilled, represents a risk to the Authority in terms of grant funding claw-back.
Update the findings of the 2006 Structures Group and develop an investment plan for inspection, management and maintenance of our railway path structures to cover Health and Safety and statutory liabilities	Jul-13	None Secured	GAP 21	Structures on the railway path network and on other parts of the Countryside estate were last fully inspected by the Structures Group in 2006. This needs to be updated and funding secured to undertake any recommended work
Develop an investment plan for the repair and maintenance of the historic structures within Hardwick Park.	Sep-13	None Secured	GAP 22	Develop firm plans and secure a suitable budget for the ongoing maintenance of historic structures
Customer Access Points				
Determine the impact the Customer First Strategy will have on where our Access Points should be located to best meet our customer needs	Oct-13	None Secured	GAP 23	Assess the implications of the Customer First Strategy for our existing Customer Access Point portfolio and call centres.
Waste Disposal				
Undertake remediation works following closure of Broomdsene and Cragwood HWRCs and review options for future use, going forward.	Jan-14	£100,000	GAP 24	Broomdsene and Cragwood Household Waste Recycling Centres (HWRCs) will close with effect from 1 June 2013. A restoration plan is required which will be undertaken by the Council's Highway Operations Team, in consultation with the Council's planning section and the Environment Agency
Undertake remediation works following closure of Joint Stocks landfill site and review options for future use, going forward	Jan-14	£543,00	GAP 25	The Joint Stocks landfill site at Coxhoe is being mothballed with effect from 1 June 2013 as legislative drivers are promoting diversion away from landfill and use of alternative technologies

SERVICE PROPERTY GAPS

PROJECT	TARGET COMPLETION	AVAILABLE BUDGET	TO ADDRESS SERVICE GAP (identified in Service Asset Management Plan)	SERVICE GAP
Develop firm plans for an alternative Household Waste Recycling Centre provision following the potential closure of the Todhills Waste Recycling Centre	Jan-14	£827,000	GAP 26	Todhills HWRC is owned by Premier Waste Management Ltd and under review. As part of this process, a replacement site search is ongoing within the Tow Law/Willington/Crook 'triangle'.
Crematoria and Cemeteries				
Update the Mountsett Crematorium stand alone Service Asset Management Plan to set out property gaps and priorities	Oct-13	None Secured	GAP 27	The Mountsett Crematorium SAMP runs up until April 2013 and as such will need to be revisited to set out any new and emerging priorities and to reflect on those gaps delivered.
Develop a Durham Crematorium stand alone Service Asset Management Plan to set out property gaps and priorities	Oct-13	None Secured	GAP 28	A 'stand alone' Service Asset Management Plan is required to reflect recommendations made as part of the audit of accounts
Identify and acquire site in the Witton Park area for burial expansion purposes	Feb-14	Budget available not included for commercial reasons	GAP 29	Witton Park cemetery will reach full capacity within one year and an alternative site will therefore need to be identified and acquired.
Develop an investment plan for the future repair and maintenance of cemetery ancillary buildings.	Jan-14	None Secured	GAP 30	The Cemeteries contain a number of ancillary buildings including toilets, chapels of rest, mess facilities, greenhouses, parish rooms, waiting rooms and storage areas. A repairs and maintenance plan is to guide future investment and the works required over the next three financial years.
Public Conveniences				
Review portfolio to determine whether there is a strategic need and determine investment requirements	Feb-14	£40,000	GAP 31	A review of public conveniences will determine whether the facilities have an overall strategic requirement. The review will highlight portfolio investment requirements
Depots				
Provide storage for 5,000 tons of salt at Wolsingham Depot.	Dec-13	500,000	GAP 32	42,000 tons of salt are required to be stored for the Winter Season. A need to store 5,000 tons at Wolsingham Depot has been identified with the most suitable method of storage being a salt barn.
Develop firm plans, where resources are able to be made available, to relocation from Wellfield Depot to Hackworth Road Depot	Dec-13	None Secured	GAP 33	A condition survey of Wellfield Depot has identified structural issues and major repairs required to the salt barn. It has therefore been identified that Hackworth Depot could provide a suitable alternative. Office accommodation and a new salt barn will be required to facilitate such a move
Identify suitable sites, on a sheeted, undercover basis, in order to achieve the salt storage capacity target of 42,000 tons	Oct-13	None Secured	GAP 34	Adequate storage arrangements need to be made in order to accommodate the above mentioned salt storage target figure of 42,000 tons
Markets				
Determine the impact 'expressions of interest' in operating our markets will make for the Chester le Street market kiosk.	Spe 2013	None Secured	GAP 35	Our Markets Strategy, determined that the strategic direction for markets would be retained by the Council and run by private operators
Libraries				
Develop firm plans for the re-provision of Newton Aycliffe library.	Sep-14	£1,500,000	GAP 7	Develop firm plans for the redevelopment of libraries in Newton Aycliffe, Stanley, Barnard Castle, Crook and Spennymoor, as part of our overall plans for the rationalisation of the Council's estate and in line with the Council's strategic plans for town centre regeneration.
Develop firm plans for the re-provision of Stanley library to the Louisa Centre.	Sep-14	None Secured	GAP 7	Develop firm plans for the redevelopment of libraries in Newton Aycliffe, Stanley, Barnard Castle, Crook and Spennymoor, as part of our overall plans for the rationalisation of the Council's estate and in line with the Council's strategic plans for town centre regeneration.
Continue discussions, and develop options, for the re-provision of facilities in Barnard Castle and Spennymoor.	Sep-14	None Secured	GAP 7	Develop firm plans for the redevelopment of libraries in Newton Aycliffe, Stanley, Barnard Castle, Crook and Spennymoor, as part of our overall plans for the rationalisation of the Council's estate and in line with the Council's strategic plans for town centre regeneration.
Following the implementation of the Library Strategy, the mobile library service has been reduced in accordance with the strategy outcomes we need to commission a number of library garages	Mar-14	None Secured	GAP 8	Assess the implications for our existing library garages following the reduction in the number of vehicles required to deliver our mobile service
Museums, Galleries and Theatres (Public Space)				
Develop a strategic investment plan for the future development and upgrade of Shildon Locomotion Railway Museum, in partnership with the National Railway Museum	Sep-13	None Secured	GAP 10	Secure a suitable budget, and develop an annual investment plan, for the future development and upgrade of the Shildon Locomotion Railway Museum
Provide an appropriate art gallery or public space within Durham City centre, as part of the Council's overarching town centre regeneration plans for Durham City	Sep-14	None Secured	GAP 11	Provide a new 365sqm art gallery or public space as part of the Council's overarching town centre regeneration plans for Durham City.
Agree and implement a suitable investment plan for the repair and maintenance of all existing works of art.	Sep-13	None Secured	GAP 18	Secure a suitable budget, and develop an annual investment plan, for the repair and maintenance of our existing public works of art.

HIGH LEVEL RISKS

APPENDIX 2

Priority Title	Risk Description	Risk Status	Controls/activities in place to reduce impact or likelihood of risk occurring	Assessment of Controls	Resid. Risk	Further action required to mitigate/reduce risk	Responsible Person
Update Corporate Asset Management Plan to set the strategic direction for the Councils management of its assets over the medium term	The Council's property portfolio is not aligned to Council's priorities	Medium	Corporate Asset Management Plan 2013 Prepared Asset Officer Working Group Established to implement the Plan	Good	Low	Plan to be agreed by Council in line with the budget setting process	Stuart Timmis
Prepare Directorate Service Asset Management Plans to inform the Corporate Asset Management Plan	Service property priorities are not aligned to Council's priorities	Medium	Service Asset Management Plans are in place for Directorates and an updating process has been established Directorates have or are establishing Service Asset Working Groups to drive forward and implement their Plan	Good	Low	Completion and updating of all Service Asset Management Plans Establishing in-Service Working Groups to take forward and implement the projects/actions arising from the Plans	Directors/Heads of Service
Review of the Council's property portfolio to ensure it is optimised and meet identified needs	The Council's property portfolio is poorly performing and does not meet the needs of the Council and its Services	Medium	Property Review Programme underway Reviews underway or complete include: <ul style="list-style-type: none"> • Office Accommodation • Community Buildings • Day Service Provision • Depots • Libraries • Leisure Centres • Industrial portfolio • Commercial portfolio • Grazing portfolio Asset Officer Working Group implement outcomes as part of the groups governance arrangements	Good	Low	Completion of reviews in accordance with agreed programme	Heads of Service (responsibility dependent on portfolio service alignment)
Reduce Carbon emissions from the Council's property portfolio	Increased financial liability in respect of energy costs and the Council's carbon reduction commitment	Medium	A Carbon Management Plan is in place which includes a programme of property works that will contribute toward a reduction in CO ² emissions. An invest to Save budget to implement energy saving schemes is in place	good	Medium	Further use of Invest to Save Funding to implement energy saving schemes	Stuart Timmis

HIGH LEVEL RISKS

APPENDIX 2

Ensure adequate capital receipts are achieved to support the Council's capital programme	The Council will not achieve sufficient capital receipts to support the councils priorities/capital programme	Medium	Acquisitions and Disposals Strategy in place. Property Review programme will support the disposal of some properties	Reasonable	Medium	Completion of reviews in accordance with agreed programme	Stuart Timmis
Ensure Asbestos Surveys and Plans are in place	The Councils has a duty of care to ensure that adequate processes are in place for complying with the control of Asbestos Regulations, Failure to manage exposure identifies a risk to visitors, occupants and contractors	Medium	A programme and resources are in place to ensure that Asbestos Plans are in place for the whole portfolio where the Council has this responsibility	Good	Medium	Completion of access audits in accordance with previously agreed timescales	Oliver Sherratt
Ensure Access Audits and Plans are in place that will help us to identify barriers to access and develop solutions	Our buildings do not meet statutory requirements as laid out in the Disability Discrimination Act	High	21 plans only are in place and a limited budget has been made available to address some access issues in relation to premises with high public usage	Poor	High		Stuart Timmis
Condition Surveys which identify maintenance works for our property and when these works should be ideally carried out i.e. over the short/medium/longer term	Financial resources required to address maintenance priorities will not be adequately informed. Property portfolio will not be maintained adequately which could result in a disruption in service delivery	Medium	A rolling programme of condition surveys is in place and resources are in place to carry out surveys	Good	Medium	Commissioning of Condition Surveys	Stuart Timmis/Oliver Sherratt
Capitalised Maintenance Plan for schools and non schools	Works and associated costs requiring work to be carried out on a reactive rather than planned basis will be high. Property portfolio will not be maintained adequately which may result in a disruption in service delivery	Low	A programme and resources are in place to ensure that works are carried out on a planned basis. Although not all works in urgent and essential categories will be addressed ,these will be prioritised in accordance with the overarching needs of the Customer	Good	Medium	Commissioning and feasibility in a timely manner to ensure that a programme of works is in place	Stuart Timmis/Oliver Sherratt

Appendix 3 - High Level Action Plan

Actions	How/Who	Timescale
Corporate Asset Management		
Develop and update a three year Corporate Asset Management Plan that sets out clear forward looking goals for our land and property assets	<ul style="list-style-type: none"> • Assets Management to develop and update the Plan on annual basis • Asset Officer Working Group to oversee and approve the Plan driving through our corporate asset management framework for approval by Cabinet 	July 2014 and ongoing
Develop and update annual Service Asset Management Plans to show how property assets should be developed to meet continuing service obligations and corporate priorities, and to direct resources appropriately	<ul style="list-style-type: none"> • Asset Management will work alongside all Directorates to identify property gap, and priority projects. Assets Service will produce SAMPs in association with Services. • Services will work alongside Asset Management to produce SAMPs and will take forward any priorities or Actions identified therein. • Asset Officer Working Group to oversee the delivery of SAMPs ensuring this aligns with the Council Plan and Service Plan programme 	September 2012 and ongoing
Implement the Corporate Property Strategy that establishes our key property objectives and sets out a framework for managing our property portfolio.	<ul style="list-style-type: none"> • Assets Management to develop a Corporate Property Strategy. • Assets Officer Working Group to oversee and approve the Plan driving through the framework for the management of our property portfolio for approval by CMT 	
Deliver the Property Review Programme in order to identify poorly performing properties and target disposal/capital receipt opportunities	<ul style="list-style-type: none"> • A number of Reviews e.g. Community Buildings, Office Accommodation, Depots etc led by the service. Asset Management will provide the strategic property and advice to support decision making. • Asset Management will lead on other reviews working alongside the relevant Service • Asset Officer Working Group to oversee proactive use of Property Review outputs to identify, report and activate property improvements. 	ongoing

Capital Programme		
Develop a Capitalised Maintenance Plan for schools and non schools	<ul style="list-style-type: none"> Assets Service will develop a plan that will allocate capitalised maintenance resources to those properties that are identified as a priority through condition surveys. Assets Officer Working Group will approve the plan, ensuring that the work required aligns to the strategic direction of the council Capitalised Maintenance Group will ensure that spend is directed appropriately and that there work is commissioned and programmed in a timely manner 	ongoing
Property Performance		
Develop a rolling programme of Condition Surveys to identify priority works and target resources appropriately	<ul style="list-style-type: none"> Assets Service will commission (resources permitting) 20% of the portfolio to be commissioned yearly on the basis of a five year rolling programme 	September 2013
To Develop and Implement a programme of Access Audits and Plans that will help us to identify barriers to access and to develop solutions and identify a suitable budget and human resource to do so	<ul style="list-style-type: none"> Equality and Diversity Team will develop a strategy that will identify DDA priorities across Services The Assets Officer Working Group will oversee the delivery of the Access Strategy and will implement and monitor plans emerging 	September 2013
Develop and implement a programme of Asbestos Surveys and Plans	<ul style="list-style-type: none"> Technical Services will develop programme that will identify asbestos across the property estate and will put a plan in place for its management Asset Officer Working Group will oversee the delivery of the programme 	March 2014
To delivery the targets and objectives set out in the Carbon Management Plan and Programme and to reduce our CO ₂ emissions by a minimum of 40% by April 2015.	<ul style="list-style-type: none"> Carbon Project Team are responsible for developing and carrying out carbon reduction projects. The Carbon Programme Board is responsible for setting and achieving the CO₂ ; investment in energy efficiency schemes and Carbon Budgets 	2010 ongoing

This page is intentionally left blank

Durham County Council Property Strategy

Altogether better



CONTENTS

		Page
	Introduction	3
1	Corporate Landlord	3
1.2	Corporate Landlord Approach	3
2.	Service Asset Management Plans	4
3.	Property Review	5
3.1	Property Review Methodology (Operational Property)	5
	3.1.1 Appraisal Process	6
3.2	Property Review Methodology (Non Operational Property)	7
	3.2.1 Appraisals Process	7
3.4	Outputs and Implementation	8
4	Approach to Capital Receipts	9
5	Disposal Strategy	9
5.1	Purpose	9
	5.1.1 Definition of a Disposal	9
	5.1.2 Statutory Powers for Disposal	9
5.2	The Process for identifying and declaring assets surplus	10
	5.2.1 Definition of surplus property	10
	5.2.2 Definition of under performing property	11
	5.2.3 Identification process	11
	5.2.4 Disposal of non surplus or underperforming property for Community regeneration	11
	5.2.5 External consents and formal notification of a disposal	12
	5.2.6 Notice Procedure	12
	5.2.7 Decision making process	12
	5.2.8 Community asset transfer	12
5.3	Managing the asset prior to disposal	13
	5.3.1 Management responsibilities	13
	5.3.2 Budget responsibilities	13
	5.3.3 Data collection	13
5.4	Disposal of the surplus asset	13
	5.4.1 Timescale	13
	5.4.2 Process	14
	5.4.3 Valuations	14
	5.4.4 Disposal at less than best consideration	14
	5.4.5 Method of disposal	15
	5.4.6 Dealing with late bids	16
	5.4.7 Tenure	16
	5.4.8 Disposal costs	16
	5.4.9 Marketing Strategy	17
	5.4.10 Performance Management	17
6	Acquisition Strategy	17
6.1	Purpose	17
	6.1.1 Definition of an acquisition	17
	6.1.2 Statutory powers for acquisition	17
6.2	The Process for acquiring assets	17
	6.2.1 Procedure	17
	6.2.2 Budget Responsibilities	18
	6.2.3 Acquisition process	18
	6.2.4 Management responsibility	18
	6.2.5 Data collection	18
	6.2.6 Performance management	18
	Appendix A - Corporate Landlord Approach roles and responsibilities	
	Appendix B – Guidance for disposal methods	

Introduction

The Council's vision for its property is

“Our property should contribute positively to the delivery of the Council's vision, be fit for purpose in the right place, with the right environment at a cost that represents value for money”

This vision aligns to the Council's Corporate priority, set out in the Council Plan, which is **‘to optimise the use of the property portfolio’** and also to our key property objectives of:

- Providing a portfolio that is fit for purpose and capable of supporting service delivery objectives
- Managing our portfolio, in a cost effective manner focusing on reducing direct property costs, and increasing revenue through the sale/letting of property and better use/management of our property portfolio.
- Identifying opportunities, in partnership, for shared use.
- Using our property, balancing opportunity with financial expediency, to support regeneration and economic development and;

In order to achieve our vision and key objectives the principle we will work to is:

“All land and property asset are a corporate resource and are not ‘owned’ by individual Services”

This ensures that co-ordination of asset management is carried out effectively, opportunities for shared use are recognised and property decisions around rationalisation and investment is being made corporately and strategically.

This Property Strategy sets out how we aim to achieve our objectives. In delivering our objectives will be:

- consistent with the County Durham Plan
- in line with the strategic objectives of the Regeneration Statement
- focussed on delivering savings and financial returns from its asset base
- addressing the requirements of the Community Building Strategy and the Office Accommodation Strategy.

1. Corporate Landlord

The Corporate Asset Management Plan sets out that we must manage our assets as a corporate resource to enable us to target inefficiencies in property use. This is recognised and championed at the highest level to ensure that decisions to rationalise, invest and acquire property to further service aims are considered corporately. This will ensure that opportunities for rationalisation and shared use are not missed and property investment decisions are considered corporately.

A corporate landlord approach to managing our assets is now in place and is designed to enable Councils to utilise its assets to deliver better, more efficient services:

- To unlock the value of assets and seek efficiencies
- To support the delivery of the Council Plan and
- To integrate thinking about property with financial, regeneration and other considerations

1.1 Our Approach

Under our Corporate Landlord approach strategic property decisions including capitalised maintenance works, rationalisation, shared use and whether to 'hold' a property for existing or anticipated strategic purposes, is made by the Assets Service, by way of recommended to either the Asset Officer Working Group, Member Officer Working Group, CMT and/or Cabinet – depending on the nature of the recommendation. This responsibility includes decisions associated with the:

- acquisition or disposal of land and property assets (the approach is set out in detail in the Acquisitions and Disposal Strategy);
- acquisition of property by way of lease or licence;
- shared property service or use in association with partners and
- Retention and release of land and property assets (the approach is set out below at Property Review)

Funding requests for Capital works are made by Services directly to the Member Officer Working Group.

Decisions around Revenue Maintenance works (day to day works) are made by Service Direct with funding now having being transferred from the Service Department. The Assets Service/Service Direct will work alongside Services to ensure that maintenance works is planned and carried out alongside service delivery need.

Service Departments are therefore 'corporate tenants' and make use of the property or land in delivering a service. The service department's priority is to plan and deliver the service. The Corporate landlord's role will be to ensure that the service is adequately accommodated and to maintain and manage that asset.

Set out below are the strategic tools we will use to identify Corporate property need, service delivery property requirements and what will undertake to ensure that we only hold and maintain in property that we need to delivery the Councils Priorities. Attached at **Appendix A** is a summary of the Service areas 'tenant' and the 'Corporate landlord' responsibilities.

2. Service Asset Management Plans

Directorate Service Asset Management Plans (SAMPs) are in place for all Service Groups and provide an essential component in our approach for efficient and cost effective service delivery. Through the SAMPs we have developed a forward looking approach to property, which goes beyond the current examination of service property needs and property availability. This helps us to determine where we would like to be with our service provision in the medium to long term, enabling us to strategically drive our property portfolio in that direction. SAMPs have required us to match service delivery vision with asset requirements, ensuring that any changes in service property requirements are informed by long term service requirements and not the other way around.

Service Asset Management Plans will be updated annually through from September to February. This will require close co-operation between Service Groupings and Assets together with 'ownership' at the highest possible Service level for delivery of projects that will help to close service property gaps. SAMPs will be used to assist in the service and budget planning processes and will also be used by the Council to:

- formulate a planned maintenance and repair programme
- consider adaptations, refurbishment works and new build projects as part of the Capital Programme
- consider cross-service delivery and partnership opportunities for property which lead to rationalisation and
- formulate a planned disposal programme for any surplus land and property

[Service Land and Property requirements not identified through the SAMP process will not be considered for investment except in circumstances where emergencies or opportunities arise which could not be reasonably foreseen.](#)

3. Property Review

The Council owns approximately 1118 properties used to deliver service with a backlog maintenance need estimated at £117.1 million.

We need to appraise all of our property assets to determine whether they are fit for purpose, and capable of supporting service delivery. A programme of property reviews has therefore been developed and is underway.

Service Groupings are required to fully co-operate with the Asset Strategy Team and or Office Accommodation Team, regarding delivery timescales and provision of data/information that will inform the review and ultimately, service property requirements. Services are required to be pragmatic in looking for solutions and consider the wider corporate agenda as well as their own in discussing requirements.

Asset Strategy will deliver the portfolio property reviews (in the case of non office accommodation) in accordance with the timescales identified in the programme unless, through the SAMPs a property gap has been identified and/or corporate requirement determines timescale. The Asset Officer Working Group will agree timescales for delivery, monitor progress and make recommendations to CMT.

3.1 Property Review Methodology (Operational Property)*

Information on property, suitability, condition, running costs and utilisation will be used to identify poorly performing property, rationalisation opportunities and priorities for action. A simple traffic light grading system will be used to grade properties and a 'property score card' will be used to categorise property within a portfolio service area. The type of issues that support each categorisation of red, amber and green are shown below:

Red	<ul style="list-style-type: none"> • The property is not located appropriately for service use • The property is not suitable in terms of its service use and this is impacting on service delivery • Requires substantial investment to address condition issues and/or DDA works • The property is significantly under utilised • The property is no longer required due to changes in service strategy
Amber	<ul style="list-style-type: none"> • Some elements of the property do not support service use or service delivery • Requires a fairly high level of investment to address condition and/or DDA works • May require adaptation works to achieve better utilisation
Green	<ul style="list-style-type: none"> • Supports service use or service delivery • May require minor maintenance/DDA works as part of a planned maintenance programme • May have scope for increased utilisation which could be achieved through minimum investment

From this each of these categories can then be developed in more detail into individual appraisal and implementation strategies

**Operational Property – Land and buildings from which the Council delivers its Services e.g. Libraries, Leisure Centres, Schools etc.*

The property review, financial review and market review undertaken will determine a specific management focus set out below. The final categorisation will be used to determine investment needs of those assets to be retained and indicative capital release and cost savings from released assets.

RETAIN	Continued maintenance	<p>The building is required, in reasonable condition in a good location, suitable for its existing use and with limited alternative use value. Retention of the asset is in line with the Councils service/regeneration/Office Accommodation Strategy objectives and no better alternatives exist</p> <p>Management Focus - preventative maintenance</p>
	Better Utilisation	<p>Building is needed in accordance with the Councils service/regeneration/Office Accommodation Strategy objectives, is well located, in good condition and with limited alternative use value but is not performing well in terms of utilisation.</p> <p>Management Focus - intensifying use.</p>
	Major Investment	<p>Building is required for the service in accordance with the Councils service/regeneration/Office Accommodation Strategy objectives and is well located but is not in a good condition or not fit for purpose. Costs of replacement are high and there are no alternative so:</p> <p>Management Focus - refurbishment.</p>
	Short term development opportunity	<p>The building is not suitable for its current use, or is in a poor condition or not well located It represents a development opportunity in the short term or a capital receipt from disposal and is not required for the Councils service/regeneration or Office Accommodation Strategy objectives.</p> <p>Management Focus - short term disposal</p>
RELEASE	Long term development opportunity	<p>As above but the building's development potential is in the longer rather than short term. Focus may therefore be on continue use in the short term pending release or demolition with retention of land</p> <p>Management Focus - retention, maintenance and longer term disposal</p>
	Re-provision	<p>The service has a need for the building but the current one is either not fit for purpose, poorly located or in a poor condition. This should be released and alternative property sourced. Re-provision should be in accordance with the Councils regeneration/Office Accommodation Strategy objectives.</p> <p>Management Focus - alternative provision</p>

3.2 Property Review Methodology (Non Operational Property)*

The Council owns and manages approximately 270 commercially leased properties including industrial units, shops and many other miscellaneous minor Leases and Licences. The total rent receipt of this estate is approximately £3.68 million

Appraising the Councils non operational (commercial and investment estate) will be based on an assessment of the relevant market data for these assets, as well as whether the asset meets the Council's strategic and operational goals. Non Operational property reviews are included in the Councils Property Review Programme.

Information on delivery of Service objectives, financial return and value for money will be used to evaluate performance. Again a simple traffic light system will be used to grade properties. The types of issues used to support each categorisation of red, amber and green are shown below:

Red	<ul style="list-style-type: none"> • The property does not contribute towards securing the Councils Regeneration and Economic Development objectives • The property is significantly under performing in terms of financial return • The property represents significant investment requirements in terms of the Councils repairing obligations
Amber	<ul style="list-style-type: none"> • Some elements of the property demonstrate that objectives and priorities are being met e.g. creating or helping to safeguarding job creation • The property is moderately underperforming in terms of financial return • Moderate investment is required in terms of the Councils repairing obligations
Green	<ul style="list-style-type: none"> • Supports the delivery of Regeneration and Economic Development objectives • The property is performing in terms of financial return • There is minimum investment required in terms of repairing obligations

From this each of these categories can then be developed in more detail into individual appraisal and implementation strategies

3.2.1 Appraisal process

The property review undertaken will determine a specific management focus set out below. The final categorisation will be used to determine whether we will retain or sell non operational property.

RETAIN	Active management	<p>The building is required to delivery corporate objectives, maintenance repairing obligations, and management costs are low; annual income rises in accordance with inflation and the premises is not void for greater than six years.</p> <p>Management Focus - Active management</p>
	Investment	<p>The building is required to deliver corporate objectives, maintenance obligations are moderate and it can be demonstrated that investment would improve performance and income stream; annual income rises in accordance with inflation and the premises is not void for greater than six years.</p> <p>Management Focus - planned and preventative maintenance</p>

**Non Operational Property – Land and buildings such as industrial units, retail premises, ground leases – generally retained for the purposes of generating an income or for social or economic regeneration purposes*

RELEASE	Short term development opportunity	The building does not meet corporate objectives, maintenance obligations and management costs are high, annual income does not rise in accordance with inflation, the premises has been void for long periods. Management Focus - short term disposal
	Long term development opportunity	As above but the building's development potential is in the longer rather than short term. Focus may therefore be on continue use in the short term pending release or demolition with retention of land Management Focus - retention, maintenance and longer term disposal

3.4 Outputs and Implementation

Review of the Councils property assets both operational and non operational will:

- Define assets to dispose/retain/invest
- Define property options for service delivery
- Define accommodation requirement

Implementation plans resulting from the property review, will be developed as follows:

Disposals / Development. This is broken down into two main sections:

- **Disposal Programme** – Assets deemed surplus to requirements, the value of which can best be derived through disposal to the market will be included in the Councils Disposal Programme and will be disposed of in accordance with the Council's Acquisitions and Disposal Strategy (see Section 5 below)
- **Joint Venture approaches** – Asset that could potentially best be used as part of a partnership approach with the public and private sector to deliver development / return. These assets will be held/disposed of the basis of a joint venture.

Retained Assets. This is again broken down into 4 main sections:

- **Accommodation solutions** – The asset base that is to be retained/ developed as operational premises for the Council
- **Regeneration Strategy** – Assets that are to be retained to further specific regeneration schemes;
- **Community benefits** - Assets that are to be retained to further specific community benefits
- **Commercial Estate** – This builds on the commercial estate review to develop an implementation plan to retain, dispose of or further investigate the Council's asset base.

4. Approach to Capital Receipts

The Council's capital programme whilst reducing is only made up of a small proportion of capital receipts from the sale of surplus land and property. It is therefore a consideration that whilst land and property is surplus, we are not pressured to sell at the wrong time and therefore not achieve the highest price in the longer term.

Disposal of surplus land and property, whilst we are not dependent on this to fund the capital programme entirely, will therefore take into consideration:

- the development potential of neighbouring land;
- new land becoming available which therefore impact on the value of our land;
- regeneration opportunities that may exist through the use of this land.

Capital receipts from the sale of surplus land and property will be used to support the delivery of the Councils corporate aims and objectives.

Capital receipts from the disposal of land and assets will not be 'ring fenced' notwithstanding that a service area may have, or have had, use of this land/property for service delivery purposes.

Service areas will have the opportunity to request capital funding through the Councils Capital 'bidding' process which will be considered by the Member Officer Working Group.

5. DISPOSAL STRATEGY

To assist the Council in making best use of its assets and to support the delivery of our Property Strategy, we need to establish and set out our processes and procedures for how we will:

- Identify and declare assets as surplus,
- Manage the asset prior to disposal and;
- Formally dispose of the assets

In establishing this, it should be acknowledged however, that each land disposal is treated on its own merits and nothing in this strategy will bind the Council to a particular course of action in respect of an asset disposal. Alternative methods of disposal, not specifically mentioned, may be used where appropriate, subject to obtaining proper authority.

5.1.1 Definition of a Disposal

The transfer of a freehold or a leasehold interest to a third party, surrenders of leases to landlords or assignments of leases to third parties for the payment of a premium or a reverse premium.

5.1.2 Statutory Powers for Disposal

The disposal of assets are subject to statutory provisions, in particular the overriding duty on the Council under section 123 of the Local Government Act 1972 to obtain the best consideration that can be reasonably obtained for the disposal of land which includes the granting of leases in excess of 7 years.

This applies to assets held for most Local Authority functions, except for the notable exceptions of disposals of assets held for housing purposes within the Housing Revenue Account or otherwise let on secure tenancies (governed by the Housing Acts) and for planning purposes (governed by planning legislation).

The General Disposal Consent (England) 2003 gives a Local Authority the ability to dispose of assets, or grant a lease in excess of 7 years for less than the best consideration reasonably obtainable, where:-

- The Authority considers that the purpose for which the land and property is to be disposed is likely to contribute to the promotion or improvement of the economic, social or environmental well-being of the whole or any part of its area or any persons resident or present in its area; and
- The difference between the full market value and the actual consideration payable does not exceed £2m

If the Council wish to dispose of assets for less than best consideration, and it is not covered by the General Disposal Consent, the Council can resolve to do so, but will require the formal consent of the Secretary of State for Communities and Local Government (CLG).

Such disposals can be subject to a challenge that the Council is needlessly foregoing receipts and it is therefore essential that such disposals only take place in clear furtherance of Council priorities.

If it is considered that an asset is used for social, community and public purposes and the benefits of that service are deemed to outweigh the value of continuing ownership by the County Council on behalf of all Council Tax payers, then the Council may consider the transfer of the asset to a community group. This may or may not be at less than market value and determined by considerations such as:

- The furtherance of core Council policies.
- That it is a more effective method of delivering that service.

Any such transfer must be conducted in accordance with a consistent policy of transferring these assets to ensure that the Council retains the ability to intervene and seek possession of its asset if it is identified that the transferee is no longer able to provide the community service that led to the transfer at less than market value. To retain such control it is therefore recommended that transfer be through the grant of a leasehold transfer with highly restrictive user clauses to strictly specify use as a community asset linked to its stated objectives of the group.

5.2 The process for identifying and declaring assets surplus to requirements

5.2.1 Definition of Surplus Property

Property should be regarded as being surplus if:

- It makes no contribution to delivery of the authority's services, corporate aims or objectives, either directly or indirectly, nor generates income and has no potential for future service delivery or community regeneration purposes.
- An alternative site has been identified which would achieve a more cost effective delivery of service and the existing site has no potential for future alternative service delivery or regeneration purposes.
- Its disposal is important for the delivery of the Council's aims and objectives

5.2.2 Definition of Under-Performing Property

Property should be deemed to be under-performing and with potential for being declared surplus to requirements if:

- Part of the property is vacant and likely to remain vacant for some time.
- The beneficial use or financial return (in terms of both revenue and capital growth) generated from the property is below that which could be achieved from an alternative use, or from a disposal and an alternative investment opportunity.

5.2.3 Identification Process

The process for identifying surplus or underperforming property will arise in a number of ways as follows:-

- Service Asset Management Plan processes
- Service reviews declaring property no longer meeting operational needs.
- Property review processes (see section 3 above)
- Accommodation/Service Strategies
- Condition Surveys
- Local Plan designation and development of a Local Development Framework.
- Master-Planning exercises
- Regeneration schemes
- Property has potential for development or redevelopment and service can be relocated.
- Capital Accounting valuation processes which considers development/alternative uses.
- Approaches from third parties e.g. developers, adjoining owners.
- Entering into development partnerships such as asset backed vehicles or local housing companies.
- Requests from community groups or public bodies to transfer assets.
- Where a statutory duty to transfer arises.

5.2.4 Disposal of non surplus or under-performing assets for community regeneration

It is acknowledged that there are occasions where the Authority may wish to dispose of property that is not formally classified as surplus or considered to be under-performing. Examples include disposals to developers for community regeneration schemes by way of asset backed vehicles or nominated registered housing associations for the development of affordable housing and extra care schemes.

The Council has approved a Policy for the “Disposals of Land at an Undervalue” which was approved by Cabinet on 11th November 2009.

5.2.5 External consents and formal notification of a disposal

External consents are required to declare certain types of properties surplus i.e. schools where DfE and Sports Council consent is required and public open space that has to be advertised. This process should be commenced at the earliest opportunity as it can take some considerable time to obtain these consents.

Once a property has been identified as being potentially surplus, The Asset Service will establish whether there are any constraints on the site such as legal, planning, statutory authorities and government policy. It will also establish whether there are any financial constraints such as the property having been the subject of funding in the past that necessitates the repayment of grant monies.

5.2.6 Notice Procedure

Service Departments must give the Assets Team within the Regeneration and Economic Development Directorate at least three months written notice of their intention to vacate County Council property. In instances where properties are leased in by the Authority, Assets will send a trigger notice to the occupying service and a joint decision will be taken as to whether to renew the lease and preferably heads of terms for a new agreement.

At the expiry of the three months period of notice, the Service Department must leave the property in a clean and tidy condition to the satisfaction of the of the Assets Service . The following actions will need to be undertaken and responsibility for carrying these actions will need to be agreed in advance of notice between the Assets Service and the Service Grouping. These actions will include:

- servicing contracts
- Meter readings
- intruder and fire alarms
- draining down of pipes
- handover of keys
- removal of furniture and equipment
- security
- risk assessment
- responsibility for ensuring payments for outgoings such as NNDR are stopped

5.2.7 Decision Making Process

Once a property falls within the category of surplus, The Assets Service will then instigate a process of consultation before seeking a formal approval, as set out in the Councils constitution, to declare a property as being surplus to requirements. Properties should only be sold after rigorous option appraisal testing for retained future authority needs and those of related bodies. Consultees will include other Council Services including the Community Development Team to notify of any potential Third Sector interest, Ward Members, Public Sector partners, local Parish and Town Councils and tenants of the property if appropriate.

5.2.8 Community Asset Transfer

The Authority has developed a separate approach for the transfer of assets to the community, with transfers being considered where they are:

- supported by a robust business case,
- the transferee has sound long term management and governance arrangements

- the proposed use for the property meets the authority's aims and objectives and community strategy,
- there is an agreed time scale within which a disposal is expected to be completed, and,
- certainty of funding.

5.3 Managing the Asset Prior to disposal

5.3.1 Management Responsibilities

The Assets Service is responsible for the management of the surplus property from an agreed date at the end of the three month formal notice period. If any temporary use is to be made of a surplus property for storage, temporary occupation, etc, this must be first agreed with the Assets. No demolition work is to be carried out to any surplus property without the prior inspection of the property by the Asset Management and their approval in writing. Assets, in consultation with the Service department, will be responsible for formally advising all interested parties that with effect from a specified date, Assets are responsible for a property with details of the and the lead contact officer during the disposal stage.

5.3.2 Budget Responsibilities

The Service Grouping will retain responsibility for all outgoings required to manage the property prior to its disposal and will benefit from those property running costs savings made as a consequence of disposal.

Where a requirement to demolish a property prior to disposal is identified, the costs for doing so will be met by the Council's Capitalised Maintenance Budget, where budget availability allows and where the Assets Service determine that it is in the best interests of the Council to do so, in terms of maximising the return to the Council.

Expenditure in relation to school buildings such as heating, lighting, rates, water, caretaking and cleaning are part of a delegated school budgets and the resources, on closure, stay within the Dedicated Schools Grant. There is no scope to direct these funds to Assets unless in relation to Aided schools, Foundation schools or Academies. In these circumstances, any costs associated with empty properties will be addressed by Assets through its Surplus Property Budget, with any exceptional costs to be treated as outside the Planning and Assets cash limit.

5.3.3 Data collection

A schedule of all surplus and potentially surplus property will be held by the Assets Service. This will be managed and updated by the Assets Strategy Team. To protect the integrity of the data and to ensure that the schedule remains accurate and up to date, access to the surplus property schedule will be only be made available to key service representatives.

5.4 Disposal of surplus assets

5.4.1 Timescale

Surplus assets will be disposed of as expeditiously as possible. It is recognised however that in the interests of proper budgetary planning, the timing of a disposal needs to be considered against the background of the authority's budget and capital programme requirements, current state of the market, local and regional planning framework and potential for property value to increase in the future. Once these factors have been assessed the disposal will be included in the Council's formal Disposal Programme.

In determining the optimum time to dispose of surplus assets:

- Consideration will be given to obtaining planning consent or investment in the property prior to disposal to enhance its value and make it more attractive to the market.
- Consideration will be given to find a temporary use when the market is not conducive to a disposal. This will circumvent the requirement for payment of Empty Property rates and security costs. In circumstances where the use is an external letting, a contracted out lease under the Landlord and Tenant Act 1954 will be favoured. This will enable vacant possession of the property, to be obtained more easily.

5.4.2 Disposal Process

All disposals will be arranged and managed by the Assets Service. The Council will obtain the best consideration by the most appropriate method of disposal although consideration does not necessarily need to be financial.

Where appropriate, a planning brief will be prepared and included in sales particulars. It is acknowledged that purchasers will have their own development preferences and it is important not to be too prescriptive in stifling innovation to ensure best consideration is achieved and potential bidders are not deterred. On sensitive or large sites it is accepted that a brief will be required but given the resources and potential delays that this would cause, the Assets Service will have the discretion as to whether a brief is required.

Consideration needs to be given at all times to the confidentiality of all property transactions particularly until legal formalities are completed.

5.4.3 Valuations

A valuation of the property for disposal will be undertaken at the earliest opportunity in the process by a suitably qualified member of the Royal Institution of Chartered Surveyors, and continually reviewed through the disposal process. All valuations should be counter-signed and approved by the Valuer's line manager.

Where it is decided to negotiate a disposal to a single party, rather than offer on the open market, all negotiations for disposals should be conducted or advised by a suitably qualified property professional, preferably a member of the Royal Institution of Chartered Surveyors.

Ombudsman guidance recommends that all negotiations should be conducted at the offices of the Council and with two people negotiating. Clearly both are unrealistic for every case but there may well be certain circumstances when one or both are appropriate to ensure and demonstrate that best practice is being adhered to.

5.4.4 Disposal at less than best consideration

The policy to be followed in disposals of land at an undervalue is referred to above. In addition where a disposal is undertaken at less than best price, then to protect the authority's interest in the event of subsequent sales, it should include, where appropriate an asset lock, claw back or uplift clause, restrictive covenants, ransom strip retention, user rights or right of preemption.

Also a valuation should be undertaken to identify the undervalue (unrestricted less restricted value) and an attempt should be made to financially value the economic, social or environmental benefits to the authority and community which justify a disposal at less than best price.

The overriding factor to be considered when disposing at below the best price is to ensure that it is within the authority's power to so, and the reasons are well documented, transparent and justifiable.

5.4.5 Method of disposal

The most appropriate method of disposal should be adopted from the following and **Appendix B** sets out an operational guidance note for each method of sale:-

METHOD:	WHEN USED:
<p>OPEN MARKET DISPOSALS</p> <ul style="list-style-type: none"> • Private Sale/Treaty • Auction • Tender –Informal • Tender –Formal 	<p>Limited interest with one or a small number of purchasers with a narrow valuation band. The land may or may not have been marketed as available for sale. A binding legal agreement is created on 'exchange of contracts' between the Council and the purchaser.</p> <p>Wide interest and easy to allocate a reserve. The sale will be advertised in advance and available to any interested party. A binding legal agreement is created upon the acceptance of a bid by the auctioneer</p> <p>Appropriate for sales where there are uncertainties such as planning, and, large or complex redevelopment sites. Involves a public advert that requests informal offers or bids that meet a given specification or set of objectives. The Council may then negotiate further or more detailed terms with one or more individuals submitting the most advantageous bid or bids. A binding legal agreement is not created until the exchange of contracts between the authority and the chosen bidder.</p> <p>Wide interest, land ownership not complex, no uncertainties regarding the grant of planning permission, wide valuation band. Marketed via a process of public advert and tenders submitted by a given date in accordance with a strict procedure. A binding legal agreement is created upon the acceptance of a tender by the Council</p>
<p>DIRECT NEGOTIATION WITH SPECIAL PURCHASER</p>	<ul style="list-style-type: none"> • Sale to adjoining owner or lessee where special circumstances appertain. • Conditional disposal where authority is selling for a particular purpose i.e. to a developer for regeneration, to a nominated housing association for social housing development • Sales to former owners under the Crichel Down rules

DISPOSAL BY EXCHANGE OF LAND	Appropriate when it will achieve best consideration for the Authority and is advantageous to the Council and other parties to exchange land in their ownerships.
EXCEPTIONS	<p>The exchange will usually be equal in value but an inequality in land value may be compensated for by an equality payment or by other means where appropriate.</p> <p>Other methods of disposal may be used where circumstances warrant.</p>

5.4.6 Dealing with Late Bids

The Guidance from the Local Government Ombudsman recognises the problem caused to local authorities by 'late bids'. The Guidance says that difficulties are less likely if Council's ensure that exchange of contracts take place as quickly as possible after the decision to sell (or lease) is made. It suggests that local authorities should be allowed to sell at an agreed price within a reasonable period of reaching a 'subject to contract' agreement. Guidance for dealing with late bids is set out in **Appendix B**

5.4.7 Tenure

In cases where the Council does not wish to exercise any control over the future use of the property, other than through the planning process, then the disposal of the freehold will obtain the best price. In certain instances however, the Council may want to exercise some control of the future use of the land. In such cases restrictive covenants and/or claw back clauses may be appropriate or a leasehold disposal for a term necessary to ensure the satisfactory completion of the scheme. For example, a leasehold transfer to the community will usually need to be for at least 25 years to obtain the necessary grant funding.

A leasehold disposal to a developer for a major town centre mixed use regeneration scheme may need at least 150 years to secure institutional funding. Due to the complexity and time frames involved a Development Agreement will also usually be entered into before a formal disposal is concluded, plus in many instances a section 106 agreement setting out conditions and contributions to the community through the planning system. It is recommended that the property disposal and section 106 agreements be negotiated in parallel in order to maximise the benefits to the authority.

It is now becoming the norm for major regeneration disposals to be negotiated by dedicated teams of assets, finance, and legal professionals representing the authority, developer and funding bodies. Unless the Council has the necessary skills in-house it is recommended that the use of appropriate private sector specialists for these types of disposals is considered.

5.4.8 Disposal Costs

Surveyors Fees should be recovered from purchasers in accordance with the existing fees and Charges policy. At present these are:-

- Responsive Sales – 2% of disposal price with an initial £200 processing fee
- Open market disposals – 2.5% of disposal price with a minimum fee of £1,000

Purchasers would also be responsible for the payment of the Councils actual legal costs

5.4.9 Marketing Strategy

An appropriate marketing strategy should be developed, either in house or for external disposal, with all costs being charged to the appropriate property cost centre.

5.4.10 Performance Management

Capital Receipts targets will be assessed annually and progress will be monitored by the Asset Officer Working Group and reported bi- annually to the Capital Member /Officer Working Group.

6. ACQUISITION STRATEGY

6.1 Purpose of the Acquisition Strategy

The County Council undertakes a wide variety of acquisitions of interests in land and property, over a range of different services. To ensure that there is a consistency of approach involving appropriately qualified officers, it is appropriate that the Council develops and implements a formal Acquisition Strategy to form part of its overall Asset Management Planning processes.

One of the core principles of the Councils Asset Management vision, set out in the Corporate Asset, Management Plan is to provide:-

- Buildings that are fit for purpose, sustainable, providing access for all, meeting service needs and community expectations, and,
- Assets that support economic and environmental regeneration of the County

It is logical therefore that these principles underpin the acquisition of all land and property assets in addition to making a contribution to the Councils aims and objectives.

6.1.1 Definition of an Acquisition

This strategy will apply to all acquisitions of land and property and for the purpose of this strategy, an acquisition is defined as the taking of a freehold, leasehold or licence in land and property.

6.1.2 Statutory Powers for an Acquisition

Under the Local Government Act 1972 the Council has powers to acquire any property or rights which facilitates, or is conducive or incidental to, the discharge of any of its functions.

6.2 The Process for acquiring assets

6.2.1 Procedure

In all cases where the acquisition of an interest in land and property is being considered by the Council that will materially affect the Council's Asset base, then the acquisition must be carried out and negotiated by the Assets Service.

All valuations must be carried out or verified by a fully qualified member of the Royal Institution of Chartered Surveyors with sufficient current local knowledge of the particular market, and the skills and understanding necessary to undertake/verify the valuation competently. Services must therefore instruct Assets at the earliest possible opportunity.

6.2.2 Budget Responsibilities

It will be the responsibility of the service to ensure funding is in place to complete an acquisition and advise the Assets Service of the budget available.

The Assets Service will work closely with the service supporting the acquisition to consider service objectives. If appropriate, Assets will provide advice on possible amendments to the proposal which might facilitate service objectives by reducing the initial and long term costs of acquisition, the likelihood or otherwise of the use of Compulsory Purchase powers and options for reducing the likelihood of objections to the scheme.

Assets will report back to the service with details of findings and seek further instructions.

6.2.3 Acquisition Process

If instructed to proceed with an acquisition it will be carried out in accordance with rules laid down by the relevant professional bodies, Statute and Case Law. In addition, each element of the acquisition must be carried out in strict compliance with all relevant Public Sector and Local Government Legislation, Statutory Instruments, Government Circulars, and existing County Council procedures, policies and Standing Orders.

The Assets Service will negotiate terms and conditions for an acquisition and liaise with the service throughout the process. Once agreement has been reached Asset Management will prepare a report for Cabinet to obtain authority to proceed.

There may be circumstances where services will become involved in negotiations directly with the properties owners or agents to acquire an interest in property. In such circumstances services must receive valuation advice from Assets Management for utilisation in negotiations.

If Cabinet approval is obtained then the Assets Service will instruct Legal Services to proceed with formalising the acquisition. Instructions will include all necessary plans and details of any special arrangements necessary to ensure that vacant possession is obtained prior to completion. The Assets Service will assist Legal Services throughout the process until completion.

6.2.4 Management Responsibility

Where appropriate, Assets and the service representatives will carry out a pre-completion inspection of the property and if necessary seek instructions from the service regarding the interim management of the property acquired pending development or occupation.

6.2.5 Data Collection

In all cases where an acquisition occurs, arrangements will be made to ensure that details are recorded in the Council's Asset Management records and Terrier records. Where appropriate a review of the County Council's Rating / Council Tax and insurance liabilities is also to be instigated

6.2.6 Performance Management

The Acquisition process will be monitored in regular review meetings between the responsible officers to be held as agreed between the parties. Incidences of poor performance shall be discussed and referred to the Corporate Director Resources and the relevant Head of Client Service for further investigation and action as necessary.

REGNERATION AND ECONOMIC DEVELOPMENT	
We Assets are responsible for.....	You (Services) are responsible for
Production, review and annual updating of Corporate Asset Management Plan (CAMP)	Co-operating with and contributing to the updating of this Plan
Co-ordination and joint Chair of Asset Officer Working Group	Contributing to and supporting the development and implementation of the Groups agenda
Co-ordinating and producing the Service Asset Management Plan (SAMP) for your directorate	<ul style="list-style-type: none"> Co-operating with the updating of the plans including appointing responsible officers to support the SAMP process. Establishing a Service Asset Management Group who will oversee the delivery of projects that will close service property gaps and identify any new ones.
Working with you to determine how the Council's assets can best support your service requirements	Having a designated service project lead and co-ordinator
Helping you to develop option appraisals if required	Considering the medium and long term impacts of your projects
Regularly reviewing all council owned property	Let us know of any changes to your service which will impact what you want from property and what you require to deliver your service requirements
Arranging leases for occupation of new premises and making arrangements for tenants to occupy all or any parts of our premises	<ul style="list-style-type: none"> Informing us of all new accommodation requirements and occupying property only through formal and legal tenancy arrangements Informing us of opportunities to share the use of our property with third parties
Ensuring the terms of the lease are complied with (if appropriate)	Work with us to co-ordinate the work
Delivering the Office Accommodation Strategy – the focus of which will be on placing service around customer need and area based service delivery models based on demographics and not based on want	<ul style="list-style-type: none"> Co-operating with in terms of recommendations and subsequent office moves Staff to only re-locate where agreed in advance
Co-ordinating condition surveys on Council owned occupied premises (this will be carried out every five years subject to funding)	allowing Technical Services (who will carry out the Condition Surveys) access to the premises as required
Maintaining a list of capital maintenance requirements for Council occupied premises – and prioritising requirements	Contribute to the Service Asset Management Plan – and let us know of changing service needs so we develop any required changes to the property portfolio
Produce a capital programme to meet with the core aims of reducing backlog maintenance and ensuring property is maintained at a suitable condition level	Ensure that Assets are aware of any major improvements by use of your own funding or capital funding, and where practical provide sufficient information in the Service Asset Management Plan to assist with informing the programme development
Maintaining a corporate property information system (IPF Asset Manager) to hold property data. Provide system support and administration for all users,	Ensure that Assets are aware of any in-service property changes including room use, improvements, and demolitions and to also confirm whether data held in the corporate property information system is accurate and up to date. Any changes required should be directed to assetinfo@durham.gov.uk
Ensuring that each property has a CAD plan for input in the corporate property information system	Allow staff to have access as required to carry out building surveys

Maintaining a geographical representation of the Council's land and property holdings (Terrier)	Confirming whether the terrier data held is accurate and up to date. Any changes required should be directed to assetinfo@durham.gov.uk
Collating and maintaining property details on Council land and property holdings including lease information	
Letting you know jointly with Technical Services when improvements to property condition are taking place that will effect the operation of the building	Letting us Assets, Technical Services, Direct Service or appointed contractors) have access as required to carry out inspections or works
Arranging to liaise with other services where premises become surplus to service delivery requirements and declaring property surplus to the Councils requirements where appropriate	Informing us in accordance with the Disposals and Acquisitions policy three months before a property will be surplus to service use requirements. Arranging to decommission the building including removal of all fixtures and fittings and disconnection of services

NEIGHBOURHOOD SERVICES

We Technical Services are responsible for	You (Services) are responsible for
Managing the property repairs and maintenance budgets centrally	Ensuring all requests for repairs and maintenance are processed through the Property Help Desk
Regularly carrying out inspections and reviewing activities to ensure premises remain legislatively compliant	Co operating with Technical Services in ensuring legislative compliance with Corporate Health and safety requirements
Liasing with specialists to arrange for surveys and inspections to be carried out	Co operating with us in carrying our the required survey works i.e. Asbestos, Access Audits

GUIDANCE FOR DISPOSAL METHODS

Disposal by private sale/treaty

A disposal by private sale may take place after a period during which the land is put on the open market including advertising and generally marketing including signage that it is available for sale. In this case, the Council will be able to consider the highest bid as representing the best consideration that can be reasonably obtained. A disposal by private treaty can have a closing date and be by way of inviting sealed bids by that date if considerable interest is anticipated.

If land is to be sold by private sale without being marketed, then the reasons justifying a private sale must be recorded in writing. In some circumstances the Council may seek an independent valuation to verify that 'best consideration' is being obtained.

A private sale without the land being marketed may be justified where:

- the land to be disposed of is relatively small in size and an adjoining or closely located landowner(s) is (are) the only potential or likely purchaser(s);
- the nature of the Council's land ownership and that of the surrounding land ownership is such that the land must be sold to adjoining or surrounding landowners if best consideration is to be obtained;
- the Council's corporate objectives and best consideration can best be achieved by a sale to a particular purchaser;
- the sale is to a non-profit making organisation and the role of that organisation is conducive to the improvement of public services and facilities available within the County Council
- the purchaser has a particular interest in purchasing the premises or a particular association with the premises and where open marketing of the premises may lead that particular purchaser to reduce the value of their offer for the premises or withdraw their interest in the premises altogether;
- the purchaser has a particular interest in purchasing the site or a particular association with the site and where in the opinion of the Portfolio Members for Resources and Economic Regeneration and Development, open marketing of the site may cause undue hardship or unrest for that particular purchaser or where the sale of the premises to a party other than that particular individual would substantially and detrimentally affect the normal operation of the business associated with the premises;
- the disposal is as a result of the Right to Buy scheme.
- the Crichel Down Rules apply and the Council has decided to sell the land to the person from whom it acquired the land.

A legally binding agreement will not be reached until either contracts for the lease or sale of land are exchanged or a development agreement is signed.

Disposal by auction

Sale by auction may be appropriate where there is no obvious potential purchaser and where speed and best price can be publicly demonstrated.

The authority of the Corporate Directors of Regeneration and Economic Development and Resources will be required, providing the reasons for a sale by public auction. A Council officer shall attend the auction to act on behalf of the Council.

The contract for sale or lease must be ready for exchange at the auction.

The binding contract will be made on the acceptance of the highest bid providing it has reached the reserve price. Contracts for the sale or lease will immediately be signed and exchanged.

Disposal by informal tender

A disposal by informal/negotiated tender differs from a formal tender in that neither the Council nor the successful bidder is legally obliged to enter into a contract for the disposal of the land. The informal tender process allows the Council to identify one preferred bidder with whom it may then negotiate further detailed terms or proposals for the development of the land concerned.

The Council may, as a part of the disposal process, request best and final offers for a sale, or informal development proposals for land that either meet a given specification, or a request for proposals. This process is particularly useful for large or complex development or regeneration sites requiring development and where the proposals may need to be developed in co-operation with the preferred bidder to meet the Council's corporate objectives and to achieve the best consideration that can be reasonably obtained.

Although not a formal tender, after the closing date these are formally recorded by the Head of Legal Services as a record of the offers received.

A binding legal agreement is not created until the exchange of contracts for sale or lease or the signing of a development agreement.

This method is suited to sales where there are uncertainties, particularly planning, and allows for use of conditional contracts, including clauses which can allow for further sums to become payable upon grant of planning permission at different points in the future.

Disposal by formal tender

A sale of land by formal tender may be appropriate where:

- the land ownership is not complex;
- legal documentation for contracts/transfer are in place together with statutory searches and replies to standard enquiries;
- there are no uncertainties as to grant of a planning consent; and
- the Council is seeking obligations to be placed on the successful tenderer which are clear and capable of specification in advance.

Alternatively, this method can be considered where all matters to enable a tenderer to come to a firm price and raise funding for the purchase are in place and available as part of the tender package. For example, the disposal of land to a developer with an obligation to build industrial units for lease.

Other situations which may benefit from this type of sale are land or property sales which have attracted intense local interest from several local parties with a particular interest, or where late bids have, or are considered likely to be made.

This method can provide a well organised, transparent way of achieving completion when a timeframe is essential, but is often more costly and a longer lead in period is required.

Formal tenders will not be appropriate where the land ownership position is complex or the development proposals for the land are insufficiently identified or otherwise incapable of detailed specification at the pre-tender stage. This is particularly so where a detailed planning permission is required, such as a listed property or property in a Conservation Area.

Authority to use this method will be required from the Corporate Directors of Regeneration and Economic Development and Resources. The formal Tender Procedure to be adopted in such cases will be agreed with the Head of Legal Services.

With a formal tender process a legally binding relationship is formed when the Council accepts a tender in writing. It is essential therefore, that every aspect of the disposal is specified in the tender documents. The tender documents should include a contract for sale or lease which should be completed with the tenderer's details, the tender price, include a deposit cheque to preclude withdrawal of the tender prior to acceptance and be signed by the tenderer. It will be released unconditionally to the Council on submission of the tender.

Sale of land by formal tender will require a detailed specification to be drawn up. This needs to specify the land to be sold, any requirements to be met by the tenderer and any obligations that must be met.

The Council will place a public advertisement stipulating the property for sale. Those who have expressed their interest will then be invited to submit their tender bids, in accordance with the tender procedure outlined.

Disposal by exchange of land

Disposal by exchange of land will be appropriate when it will achieve best consideration for the Authority and is advantageous to the Council and other parties to exchange land in their ownerships.

Authority for a disposal of land by exchange with another land owner for alternative land will be obtained from the Cabinet Member for Regeneration and Economic Development with the reasons for justifying this manner of disposal being recorded in writing. A binding legal agreement will be created when a contract is exchanged for the exchange.

The exchange will usually be equal in value, however, an inequality in land value may be compensated for by an equality payment or by other means where appropriate.

Late bids and other considerations

In the context of the methods of land disposal dealt with in this document, a late bid may occur:-

- in the case of a private sale, after a sale or lease has been agreed, but before exchange of contracts.
- in the case of a public auction, after the auction has been closed, but the reserved price not having been met.
- in the case of a formal tender, after the closing date for tenders, but before acceptance by the Council of the successful tender.
- in the case of an informal or negotiated tender, after receipt of bids, but before exchange of contracts or signing of a development agreement
- in the case of disposal by exchange, after a sale or lease has been agreed, but before exchange of contracts.

Each 'late bid' must be considered in the context of the individual circumstances at the time. The Council's approach to 'late bids' will vary depending upon the method of land disposal used. In each case, its overriding duty will be to obtain the best consideration that it can reasonably obtain (subject to any exceptions in the General Disposal Consent). The Council's approach to late bids is as follows:

- The Council discourages the submission of late bids in all cases when it is disposing of land. It will attempt to minimise problems by aiming for early exchange of contracts.
- Where land is being disposed of by way of formal tender, bids received after the deadline for tenders, will be recorded as late, together with the time and date of receipt. The Cabinet Member for Resources should decide whether to consider late bids after taking advice from the Director of Corporate Resources.
- Except as provided i until the Council has entered a legally binding contract or agreement with another person it will consider late bids unless there are good commercial reasons for not doing so. This should be explained to any purchaser when a disposal of land by private sale or negotiated/informal tender is agreed.
- Consideration of a late bid does not mean that it will necessarily be accepted even if it is the 'highest' bid. The Council will take into account the likelihood of the late bid proceeding to completion in a timely manner and the possibility of late bids being used as a spoiling or delaying tactic.
- Subject to the above, the Council may, in appropriate circumstances, ask both the late bidder and other interested parties, to submit their best and final bids in a sealed envelope by a set deadline.
- A decision on whether to accept a late bid for a private sale, informal tender or by exchange are to be made either by the Cabinet Member for Regeneration and Economic Development or the Director of Regeneration and Economic Development.

A last minute bid may be rejected for sound commercial reasons. For example, if there is no real certainty of it leading speedily to a contract or is suspected as a spoiling bid.

The Council will at all times bear in mind that the overriding duty, unless a specific decision has been made to take advantage of certain exceptions as mentioned in the General Disposal Consent in order to further corporate objectives is to obtain best consideration.

In considering what amounts to 'monetary value' in terms of best consideration to be obtained, the creation of jobs or desirable social outcomes, although desirable, cannot be quantified by the Council.

Cabinet

17 July 2013



Residential Car Parking Standards

Report of Corporate Management Team

Ian Thompson, Corporate Director Regeneration and Economic Development

Cllr Neil Foster, Cabinet Portfolio Holder for Economic Regeneration

Purpose

- 1 This report sets out the background to residential parking standards used by the County Council and proposes a change to the current guidance to developers. The report recommends that the current guidance is withdrawn and new guidance is approved and adopted. The new standard will be incorporated into the emerging Durham Plan and adopted as Council Policy.

Discussion

- 2 The County Council published guidelines for maximum parking standards in the Accessibility & Parking Guidance document produced in 2001. Those guidelines are used by developers for the design of new residential developments and by officers to assess suitability of parking provision for new developments.
- 3 The 2001 guidelines were prepared in accordance with a policy approach set out in Planning Policy Document 13 (PPG13). This aimed to reduce reliance on car use by promoting more sustainable forms of transport. PPG13 advocated 'maximum' parking standards for new development in an attempt to restrict private car use.
- 4 Since the first publication of PPG 13 and the policy which aims to restrict parking, it has been acknowledged that little impact on car ownership and use has been achieved. It is widely recognised that restricting parking at the origin of a journey is less effective than restricting parking at the destination in achieving a change of use.
- 5 The effects of maximum residential parking standards can be witnessed throughout new development in the county where lack of off street parking availability can simply result in on street demand, and subsequent obstructive parking in residential areas.

- 6 The current guidance limits developers to a maximum provision of 1.5 spaces per residential unit. The 0.5 space is included to reflect that a garage space which may or may not provide for parking.
- 7 Special residential uses including elderly person's accommodation and nursing homes should remain as set in the current guidelines.
- 8 A revision of PPG 13 was published in 2011 the most significant effect was the removal of requirement for "maximum" parking standards for residential developments and the deletion of the reference to the influence of parking supply on mode choice. The revised guidance also deleted a statement claiming that reducing parking supply is essential to promote sustainable travel choices. The Highways Development team have researched provision of visitor parking and a note of this research is included at Appendix A.
- 9 Current guidance was adopted in 2001 before the PPG13 revision. It is considered that, due to the PPG13 revision and need for review of standards, any planning appeal to a refusal on the grounds of parking provision would be difficult to defend and justify to a Planning Inspector.
- 10 As Members may be aware the new National Planning Policy Framework (NPPF) was published in March 2012 and supersedes guidance offered in PPG 13. The framework guides authorities to take a more pragmatic view at the local level when considering setting parking standards. It is recommended authorities consider:-
 - the accessibility of the development;
 - the type, mix and use of development;
 - the availability of and opportunities for public transport;
 - local car ownership levels; and
 - an overall need to reduce the use of high-emission vehicles
- 11 The new parking standards have been prepared by Highways Development Management in conjunction with planning policy colleagues. A full consultation exercise has been undertaken with Durham Constabulary, Neighbourhood Services, and with the house builder's forum. Responses from the house builder's forum varied but it was widely recognised that new guidance is overdue. Support was expressed from The Police and Neighbourhood Services colleagues who address issues of residential parking conflicts.
- 12 The current parking standards for non residential uses are generic, apply a sound base position, and will continue to be applied for non residential use. Restricting parking provision to maximum provision at destination should assist in encouraging more sustainable travel.
- 13 The points listed above from the NPPF will be considered when applying these standards to future development applications. However, with this new guidance and the previous revision of PPG13 it is considered the

current guidance on residential parking standards provided by the County Council is outdated.

- 14 It is proposed to include a full set of revised parking standards within the Durham Plan including the proposed revised residential guidance.

Recommendation

- 15 It is recommended that the current car parking standard of 1.5 spaces per residential unit should be deleted from the Accessibility and Parking guidelines and should be replaced by the following:-

	Minimum allocated	Minimum non allocated off curtilage	Example
1-2 bed	1 per dwelling plus	1 non allocated space per 3 dwellings	10 units would require 13 spaces of which 3 would be non allocated.
3 bed Without garage	1 in curtilage per dwelling plus	2 non allocated space per 3 dwellings	10 units would require 16 spaces of which 6 would be non allocated.
3 bed With a garage	1 in curtilage per dwelling plus	1 non allocated space per 3 dwellings	10 units would require 13 spaces of which 3 would be non allocated.
4 bed With single garage	1 in curtilage per dwelling plus	2 non allocated space per 3 dwellings	10 units would require 16 spaces of which 6 would be non allocated
4 bed With double garage	2 side by side spaces in front of garage	1 non allocated space per 5 dwellings	10 units would require 22 spaces of which 2 would be non allocated
5 bed With double garage	2 side by side spaces in front of garage	1 non allocated space per 5 dwellings	10 units would require 22 spaces of which 2 would be non allocated

- 16 The guidance should not apply to accessible town centre locations where parking provision will remain at maximum standards in locations of good accessibility. At the following locations a maximum of 1 space per unit should apply.

Durham City – within 400m¹ of Market Place
Chester Le Street – within 400m of Market Place
Bishop Auckland – within 400m of Market Place
Consett – within 400m of High Street
Newton Aycliffe – within 400m of town centre
Peterlee – within 400m of town centre

- 17 Cabinet are requested to note the contents of this report and approve the change to the Council's Accessibility and Parking Guidelines as set out above.

Contact:

Adrian White, Head of Transport & Contract Services

Tel: 03000 267455

John McGargill, Highway Development Manager

Tel: 03000 263578

¹ 400m has been selected on the basis that at an average walking pace of 4mph, accessible public transport facilities would be available within a walk of 4 minutes.

Appendix 1: Implications

Finance

There are no implications associated with this report.

Staffing

There are no implications associated with this report.

Risk

There are no implications associated with this report.

Equality and Diversity / Public Sector Equality Duty

The revised standards do not apply to special residential uses (including elderly person's accommodation and nursing homes) which will remain as set in the current guidelines.

Accommodation

There are no implications associated with this report.

Crime and Disorder

There are no implications associated with this report.

Human Rights

There are no implications associated with this report.

Consultation

An internal consultation has been undertaken with Planning Policy, Neighbourhoods Services area traffic and community engagement section, Strategic Traffic Section and Highways Development Management. An external consultation has been held with the private sector house builders forum, including meetings with Bellway Homes, Persimmon Homes and MJ Gleasons. Durham Constabulary have also been consulted and approve the standard. .

Procurement

There are no implications associated with this report

Disability Issues

There are no implications associated with this report

Legal Implications

There are no implications associated with this report

Appendix A

Recent CABA research (Creating safe places to live through design) shows that parking and problems associated with parking are a major source of neighbour disputes, anti-social behaviour and in some cases criminal damage and assault. The report learned the following:

- Rear parking courts perform poorly for vehicle crime, assault and criminal damage.
- There is clear evidence of residents avoiding using particularly poorly designed courts and displaced parking causing problems elsewhere.
- Specific attention should be made to where visitors are likely to park – visitors seem particularly unwilling to park in areas away from the public carriageway and will tend to park up on kerbs nearest the dwelling they are visiting. A street design which incorporates clear on street parking is likely to reduce conflict with residents.
- Garages in unusual locations such as at the rear of properties accessed via side lanes or rear access appear to have a high burglary risk so should be considered very carefully.

Residential Car Parking Research (Department for Communities and Local Government: May 2007) provides Census based research on factors influencing car ownership and car parking demand. Much of this research is self-evident: car ownership is lower in city centres and higher in remote rural locations; it increases with the number of habitable rooms, and; is highest in owner occupied houses and lowest in non-owner occupied flats. The research also shows that less than one third of garages were used to park cars.

The residential car parking research suggests that a large provision of unallocated spaces could reduce the overall number of spaces required in a development. However the CABA research shows that visitors will park as close as possible to a property, even on footways. A balance must be reached between the desire to minimise the amount of hard paving and preventing parked vehicles from obstructing footways.

Residential Parking must incorporate a mix of allocated parking unallocated spaces. Allocated spaces must lie within the curtilage of dwellings. Unallocated spaces may be on street or in private parking courts (provided that the courts are well overlooked and therefore secure).

Notes:

1. An overprovision of allocated spaces will result in a commensurate reduction in non-allocated spaces. (Example: If a three bedroom dwelling is provided with two spaces then no non-allocated spaces will be required.)
2. Within the boundaries of major Commercial Centres the above standards may be relaxed.

Cabinet

17 July 2013

NHS and Public Health Reform



Report of Corporate Management Team

Rachael Shimmin, Corporate Director of Children & Adults Services

Anna Lynch, Director of Public Health County Durham

Councillor Lucy Hovvels, Cabinet Portfolio Holder for Safer and Healthier Communities

Councillor Morris Nicholls, Cabinet Portfolio Holder for Adult Services

Councillor Ossie Johnson, Cabinet Portfolio Holder for Children & Young People's Services

Purpose of Report

1. The purpose of this report is to provide an update on recent developments related to NHS and public health reform.

Background

2. From June 2011 to April 2013, Cabinet was presented with quarterly update reports on significant developments in relation to NHS reform in England and the transfer of public health staff and responsibilities to Durham County Council.
3. On 1st April 2013, Strategic Health Authorities and Primary Care Trusts were abolished, Clinical Commissioning Groups took on responsibility for healthcare budgets for their local communities and Local Healthwatch was established to give local people a say in how health and social care services are provided.
4. In addition, Health and Wellbeing Boards became responsible for:
 - Supporting integrated working between health and social care commissioners and providers, and encouraging the use of, for example, pooled budgets, lead commissioning and integrated provision
 - Involving local people in certain elements of their work, reflecting the government's plans for stronger democratic legitimacy and community involvement in health and social care
 - Tackling health inequalities and leading on the development of a local Joint Strategic Needs Assessment and Joint Health and Wellbeing Strategy.
5. Also on 1st April 2013, Durham County Council assumed its new role across the three domains of public health (health improvement, health protection and health services) and, in addition to improving the health of local people, the council is now required to ensure that NHS commissioners are provided with public health advice.

6. At its meeting on 10th April 2013, Cabinet agreed to receive further quarterly update reports for a period of twelve months on developments related to NHS and public health reform.

National Developments

7. On 13th May 2013, the government published 'Integrated Care and Support: Our Shared Commitment', which sets out how local areas can use existing structures such as health and wellbeing boards to bring together local authorities, the NHS, care and support providers, education, housing services, public health and others to make further steps towards integration.

The document outlines a shared vision for integrated care and support to become the norm in the next five years and is signed by the following organisations:

- Association of Directors of Adult Social Services
- Association of Directors of Children's Services
- Care Quality Commission
- Department of Health
- Local Government Association
- Monitor
- NHS England
- NHS Improving Quality
- Health Education England
- National Institute for Health and Care Excellence
- Public Health England
- Social Care Institute for Excellence
- Think Local Act Personal

There are ten shared commitments in the document, which each have a national and a local focus, with the main aim being to develop a culture, leadership and workforce which is capable of undertaking the changes required to commission and deliver integrated care and support.

A national 'pioneer' programme is to be launched in September 2013, with the expectation that 10 pioneer projects will lead the way for all local areas, improving outcomes and efficiency across the whole system. Health and Wellbeing Boards will have a key role in leading these initiatives locally.

8. The Labour Party has set up an independent commission to examine how to integrate health and social care spending. The 'Independent Commission on Whole-Person Care' is led by Sir John Oldham, the Department of Health's former clinical lead for quality and productivity. He has been asked to produce recommendations on how to deliver integrated care using existing resources. Seventy per cent of activity and cost in the care system is for people with multiple chronic diseases, which includes a rising number of older people.
9. In the Spending Round 2013 document presented to Parliament on 26th June 2013 by the Chancellor of the Exchequer, the government stated that, to improve

outcomes for the public, provide better value for money and be more sustainable, health and social care services must work together to meet individuals' needs. The government states in the document that it will introduce a £3.8 billion pooled budget for health and social care services, shared between the NHS and local authorities, to deliver better outcomes and greater efficiencies through more integrated services for older and disabled people. The NHS will make available a further £200 million in 2014-15 to accelerate this transformation. From 2015-16 the shared pool will include existing NHS funding for social care and the additional £2 billion set out above, alongside further funds for carers and people leaving hospital who need support to regain their independence. It also includes £350 million of capital funding which will be available for projects to improve integration locally, including IT funding to facilitate secure sharing of patient data between the NHS and local authorities, and to improve facilities for disabled people.

Precise implications and further detail on funding in terms of both new and existing arrangements have to be clarified.

10. NHS England has published 'Safeguarding vulnerable people in the reformed NHS – Accountability and Assurance Framework', which updates and replaces a document issued by the NHS Commissioning Board Authority in September 2012. The NHS England document describes how the NHS system works from April 2013 and aims to:

- Promote partnership working to safeguard children, young people and adults at risk of abuse, at both strategic and operational levels
- Clarify NHS roles and responsibilities for safeguarding, including in relation to education and training
- Provide a shared understanding of how the new system will operate and, in particular, how it will be held to account both locally and nationally
- Ensure that professional leadership and expertise are retained in the NHS, including the continuing key role of designated and named professionals for safeguarding children
- Outline a series of principles and ways of working which are equally applicable to the safeguarding of children and young people and of adults in vulnerable situations, recognising that safeguarding is everybody's business.

This safeguarding framework is being taken into account by the County Durham local safeguarding boards for children and adults and assurance has been provided to the Health and Wellbeing Board that appropriate arrangements are in place.

11. Quality Surveillance Groups (QSGs) will act as a virtual team across a health economy, bringing together organisations and their respective information and intelligence gathered through performance monitoring, commissioning, and regulatory activities. By collectively considering and triangulating information and intelligence, QSGs will work to safeguard the quality of care that people receive.

QSGs at local and regional levels will perform distinct roles as part of a nation-wide network:

- Local QSGs are the backbone of the network. They engage in surveillance of quality at a local level by those closest to the detail and most aware of concerns.

They will not only consider information and intelligence but also be able to work together to take coordinated action to mitigate quality failure.

- Regional QSGs provide an escalation mechanism for Local QSGs. They assimilate risks and concerns from local QSGs, identifying common or recurring issues that would merit a regional or national response. They will also have a key role, particularly in 2013/14, in assuring the effective operation of local QSGs.

Quality Surveillance Groups are primarily concerned with NHS commissioned services: those services that are funded by the NHS, including relevant public health services:

- from public, private, not for profit and third sector providers;
- of primary, secondary, and tertiary services;
- operating in the community and in acute settings; and
- of mental health, dentistry, general practice, offender and military health services.

How QSGs will interface with arrangements for quality improvement and safeguarding in the local government setting are still under consideration, and will be tested through the pilots, in advance of further guidance being issued.

12. The Department of Health has published 'NHS (Clinical Commissioning Groups – Payments in respect of quality) Regulations 2013'. As part of these Regulations, the quality premium is intended to reward Clinical Commissioning Groups (CCGs) for:

- Improving the quality of services commissioned for local populations
- Improving outcomes for patients
- Reducing inequalities in access to healthcare and outcomes from healthcare.

Clinical Commissioning Groups will be given the payments - likely to be around £5 per patient – for meeting certain targets but will not receive the payments if they do not achieve financial balance and payments will be reduced if they fail to meet targets set out in the NHS Constitution, including those related to waiting times.

The “NHS England, Everyone Counts: Planning for Patients 2013/14” guidance, asks each Clinical Commissioning Group to identify three local priorities against which it needs to make progress during the year.

Agreement had previously been made with the Shadow Health and Wellbeing Board at its meeting on 6th March 2013 regarding the three local priorities for North Durham Clinical Commissioning Group (CCG) and Durham Dales, Easington and Sedgfield CCG (DDES CCG).

However, subsequently, further discussion has taken place between DDES CCG and the Durham, Darlington and Tees Area Team which has resulted in a change to one of the priorities, from “Health related quality of life for people with long term conditions” to “Reducing unplanned hospitalisation for asthma, diabetes and epilepsy in under 19s”.

The Health and Wellbeing Board at its meeting on 21st June 2013 supported DDES CCG in the selection of its local quality premium priorities, which are:

- Reducing under 75 mortality rate from cancer
 - Reducing unplanned hospitalisation for asthma, diabetes and epilepsy in under 19s
 - Reducing emergency admissions for children with a lower respiratory tract infection.
13. Public Health England has published its priorities for 2013 to 2014. The five priorities are:
- Helping people to live longer and more healthy lives by reducing preventable deaths and the burden of ill health associated with smoking, high blood pressure, obesity, poor diet, poor mental health, insufficient exercise, and alcohol
 - Reducing the burden of disease and disability in life by focusing on preventing and recovering from the conditions with the greatest impact, including dementia, anxiety, depression and drug dependency
 - Protecting the country from infectious diseases and environmental hazards, including the growing problem of infections which resist treatment with antibiotics
 - Supporting families to give children and young people the best start in life, through working with health visiting and school nursing, family nurse partnerships and the Troubled Families programme
 - Improving health in the workplace by encouraging employers to support their staff and those moving into and out of the workforce to lead healthier lives.

Regional Developments

14. The NHS England North of England Regional Office provides strategic leadership and works with Clinical Commissioning Groups and partners across the region to ensure a strong and innovative commissioning system.
15. The Durham, Darlington and Tees Area Team is to develop a minimum of three local professional networks (LPNs) for pharmacy, optometry and eye health. The networks will be extended arms of Area Teams, bringing together primary and secondary care clinicians, commissioners, patients and other key stakeholders to support the implementation of national strategy and policy at a local level.
16. North of England Commissioning Support (NECS) has assumed responsibility for many of the NHS commissioning support services to enable Clinical Commissioning Groups in the region to fulfil their new roles. NECS operates from a number of bases in the North East and Cumbria - one is at John Snow House in Durham.
17. The County Durham, Darlington and Tees Local Health Resilience Partnership (LHRP) is now well established and has regular meetings, with an action plan being progressed by a multi-agency sub-group. The Director of Public Health for County Durham is a member of the LHRP, to provide assurance on behalf of both Durham County Council and Darlington Borough Council that the health of the local population is adequately protected in the event of a health emergency and that effective and tested plans are in place.

Over the past six months, two multi-agency emergency planning exercises have taken place and others are planned over the course of 2013/14. All emergency plans have been updated to take account of the different organisations' responsibilities in relation to emergency planning and the NHS.

Developments in County Durham

County Durham Health and Wellbeing Board

18. The last meeting of the Shadow Health and Wellbeing Board took place on 6th March 2013 and the statutory Health and Wellbeing Board for County Durham held its inaugural meeting on 21st June 2013.
19. The Chair of the Health and Wellbeing Board was agreed as Councillor Lucy Hovvels, Cabinet Portfolio Holder for Safer and Healthier Communities, and the Vice Chair was agreed as Stewart Findlay, Chief Clinical Officer of Durham Dales, Easington and Sedgefield Clinical Commissioning Group.
20. The following matters were discussed at the inaugural meeting:

Joint Health and Wellbeing Delivery Strategy 2013/17

The Joint Health and Wellbeing Strategy was agreed by the Shadow Health and Wellbeing Board in November 2012, following extensive consultation and engagement, for example with Area Action Partnerships and local people.

The Health and Wellbeing Board agreed the JHWS Delivery Plan which has been developed to support the implementation of the Joint Health and Wellbeing Strategy (JHWS). This JHWS Delivery Plan outlines the actions to be undertaken in partnership over the next four years in order to meet the six Strategic Objectives in the Strategy:

- Children and young people make healthy choices and have the best start in life
- Reduce health inequalities and early deaths
- Improve quality of life, independence and care and support for people with long term conditions
- Improve mental health and wellbeing of the population
- Protect vulnerable people from harm
- Support people to die in the place of their choice with the care and support that they need.

Work programmes have been developed which will be taken forward by specified groups, boards and individuals. Monitoring the Delivery Plan will take place on a bi-annual basis, with the first performance monitoring report being presented to the Health and Wellbeing Board in November 2013.

Integrated care and support 'Pioneer' project

As set out in paragraph 7, as part of the integrated care and support agenda, the government has requested expressions of interest from local areas to be involved in a pioneer project, which cuts across care being provided to service users and patients by local health and social care organisations and the voluntary sector where appropriate.

There are six criteria for pioneer projects to meet, as outlined below:

- Articulate a clear vision of its own innovative approaches to integrated care and support
- Plan for whole system integration
- Demonstrate commitment to integrate care and support across the breadth of relevant stakeholders and interested parties within the local area
- Demonstrate the capability and expertise to deliver successfully a public sector transformation project at scale and pace
- Commit to sharing lessons on integrated care and support across the system
- Demonstrate that its vision and approach are, and will continue to be, based on a robust understanding of the evidence.

County Durham Health and Wellbeing Board supported an expression of interest for a pioneer project relating to intermediate care provision in County Durham. Intermediate care includes a range of short term treatment of rehabilitative services designed to promote independence, reduce the length of stay and to help avoid unnecessary hospital admissions.

The Health and Wellbeing Board will be kept up to date in relation to County Durham's expression of interest.

Monitoring provider quality in the NHS

The Health and Wellbeing Board received a report relating to the Francis Inquiry into the care provided by Mid Staffordshire NHS Foundation Trust, which was published on 6th February 2013. The report provided an overview of how the new NHS architecture supports the monitoring of provider quality, including an update that:

- NHS organisations in County Durham have considered the recommendations, where appropriate, following the Francis Inquiry and will set out how they intend to respond to the Inquiry.
- Locally, the oversight of quality will be coordinated by Quality Surveillance Groups hosted and coordinated by NHS England Area Teams and in which the Care Quality Commission will have an increasingly prominent role.
- CCG quality teams are also fundamental in the local determination and assessment of quality.

Implications of the Winterbourne Review

The Health and Wellbeing board received an update report on progress relating to the Winterbourne View Concordat which relates to an inquiry held at Winterbourne View Hospital into the treatment of people with learning disabilities in 2011. The update report included:

- Norman Lamb MP, Minister of Care and Support, has recently written to all Health and Wellbeing Boards in relation to commitments and progress of the Winterbourne View Concordat which aims to reform the care provided to people with learning disabilities, autism and those with challenging behaviour.
- Progress is being made in County Durham and the council is working closely with NHS colleagues to ensure that the government deadlines are met.

- The required register of relevant service users in County Durham has been compiled and was submitted to the Department of Health (DH) within the set timescales.
- A 'Stocktake' exercise has been completed jointly by the council and Clinical Commissioning Groups in County Durham to be returned to the Department of Health by 5th July 2013.

The 'Stocktake' focused on the following areas:

- Models of Partnership
- Budget
- Case Management
- Current Review Programme
- Safeguarding
- Commissioning
- Developing Local Teams and Services
- Prevention and crisis response capacity
- Understanding the population who need / receive services
- Children and Adults – Transition Planning
- Current and Future Market Requirements and capacity.

The Health and Wellbeing Board agreed that the signatures required for the stocktake return would be from Durham County Council, Clinical Commissioning Groups and the Chair of the Health and Wellbeing Board.

A local implementation group has been established to address the specific, individual case issues of ten service users. Plans will be developed for each individual to enable their return to suitable local services by June 2014.

The Health and Wellbeing board agreed to receive a further update report, including a detailed implementation plan.

Securing Quality in Health Services

The Health and Wellbeing Board received a report from Darlington Clinical Commissioning Group on the Acute Services Quality Legacy Project (ASQL). This project was established in 2012, as part of the process for Primary Care Trusts in County Durham and Darlington and Tees Valley to transfer commissioning responsibility to local Clinical Commissioning Groups by April 2013.

The report provided a summary of the key messages from the project, which included:

- There will be a significant increase in prevalence across the major long term conditions over the next ten years and a greater proportion of the population will be over the age of 65. This will have an impact on the use of acute services to a varying degree in the different service areas.
- Forecasts show that providers can maintain a financially stable position over the next five years as long as cost improvement plans deliver to target. Failure to deliver these targets will have implications for NHS Foundation Trusts' operating surplus / deficit position and ultimately the length of time they can rely on cash savings to keep them solvent.

- This means that new funding is unlikely to be available to expand the access to services of the very highest quality as providers look to maintain the current levels of quality within the resources they have access to.
- These national and regional workforce considerations are further compounded by supply and demand of particular grades and skills of the current and future workforce within the acute sector in County Durham, Darlington and Tees.

The recommendations in the report were identified in the context of the wider financial and workforce contexts, the underlying health data, views of the clinical advisory groups and the specific workforce risks and opportunities. They cover the following areas: Acute paediatrics, maternity and neonatal services; acute care; end of life care; long term conditions; and planned care.

21. The future work programme for the Health and Wellbeing Board includes the following:
- Agreeing the Joint Strategic Needs Assessment 2013
 - Agreeing a forward plan of engagement activities with stakeholders of the Health and Wellbeing Board including service users, patients, carers and the voluntary and community sector
 - Agreeing winter planning arrangements for 2013/14
 - Development of an integrated care and support pioneer project for County Durham
 - Development of a Public Mental Health Strategy for County Durham
 - Development of a Cardiovascular Disease Prevention Strategy for County Durham

Local Healthwatch

22. Local Healthwatch is a statutory member of the County Durham Health and Wellbeing Board. It gives citizens and communities a stronger voice to influence and challenge how health and social care services are provided within the county.
23. The contract for Local Healthwatch in County Durham was awarded to the Carers Federation and became effective on 1st April 2013. John Bedlington has been appointed as the Chair and is a member of the Health and Wellbeing Board. Joanne Scott has been appointed as the Local Healthwatch manager and an experienced support team is in place, including: Community Participation and Engagement Officer, Development Officer, Information and Signposting Officer and a Healthwatch Administrator.
24. The role of Local Healthwatch is key to ensuring that the views of service users and patients are fed into the development of the revised Joint Strategic Needs Assessment 2013 and the Joint Health and Wellbeing Strategy.

Public health

25. On 24th May 2013, Durham County Council's Chief Executive received the final transfer scheme documents relating to public health in County Durham, which came into effect on 1st April 2013 and have been signed by a member of the Senior Civil Service by authority of the Secretary of State for Health.

- The Staff Transfer Scheme relates to rights and liabilities in connection with public health staff contracts of employment
 - The Property Transfer Scheme relates to the property, rights and liabilities which transferred from the NHS to Durham County Council.
26. Following the transfer of public health staff, functions and responsibilities from the NHS to Durham County Council on 1st April 2013, some outstanding issues remain with regard to estates and some public health responsibilities ensuing from the transfer to the council. Discussions are taking place with the relevant stakeholders to resolve these issues.
27. In January 2013, Durham County Council received its ring-fenced budget allocations for a two-year period from April 2013. It is not known at this stage how the government will calculate the allocations from 2015/16 and work is ongoing nationally through the Advisory Committee on Resource Allocation (ACRA) to develop the new formula for future allocations.
28. The membership of ACRA and its subgroups is currently being reviewed by NHS England to ensure that it continues to have the right expertise for its important work, including the right mix of academics, clinicians, NHS managers, local authority managers and representatives of patients and service users. The membership will be agreed between NHS England and the Department of Health.

Recommendations

29. Cabinet is recommended to:
- Accept this report and further quarterly reports on developments related to NHS and public health reform.

**Contact: Peter Appleton, Head of Planning and Service Strategy
Children and Adults Services
Tel: 03000 267 381**

Background Documents

[Integrated Care and Support: Our Shared Commitment](#)

Appendix 1 - Implications

Finance – There are no direct implications.

Staffing – There are no direct implications.

Risk – There are no direct implications.

Equality and Diversity / Public Sector Equality Duty – Under provisions in the Health and Social Care Act, the Secretary of State, NHS England, Local Authorities and Clinical Commissioning Groups have a duty to reduce health inequalities.

Equality Impact Assessments are carried out as part of the development of the Joint Strategic Needs Assessment and the Joint Health and Wellbeing Strategy.

Accommodation – There are no direct implications.

Crime and Disorder – The Joint Strategic Needs Assessment considers the wider determinants of health and wellbeing within a local authority's area, including crime and disorder issues and signposts to the Safe Durham Partnership Strategic Assessment.

The Director of Public Health County Durham has a role to work with the Police and Crime Commissioner to promote safer communities.

Human Rights – There are no direct implications.

Consultation – The government continues to consult with patients and professionals on NHS reform and key policy in relation to public health.

Procurement – There are no direct implications.

Disability Discrimination Act – There are no direct implications.

Legal Implications – There are no direct implications.

This page is intentionally left blank

Cabinet

17 July 2013

Restoration of Wharton Park Project**Report of Corporate Management Team****Terry Collins, Corporate Director, Neighbourhood Services****Councillor Maria Plews, Cabinet Portfolio for Leisure, Libraries and Lifelong Learning****Purpose of the Report**

- 1 The purpose of the report is to inform Cabinet of the Wharton Park restoration project. The report provides an overview of the project, highlighting the on-going increased revenue and capital implications of the project and seeks approval to proceed with a Stage 2 Heritage Lottery Fund (HLF) Parks for People bid.

Background

- 2 Wharton Park occupies 4.3 hectares of high ground approximately 1km to the north west of Durham City Centre and 2km from the World Heritage Site. WL Wharton gave use of the park to the public in July 1858. As such it is one of the oldest parks in the region and was the site of the first Miners' Gala in 1871. The park became known as the "People's Park" in its early days. The park is situated within the Durham City Conservation Area and contains one Grade 2 listed structure "The Battery" which affords magnificent views of the world heritage site.
- 3 The park is an existing designated urban green space which includes a play area, gardens, walks, structures and other recreational activities. Its main purpose is for informal recreation and enjoyment. The facilities within the park currently provide a poor visitor experience. The park is located on a hill and is terraced with many retaining walls, steep inclines and steps. The park is in a poor condition and requires significant investment.
- 4 The park has lacked investment for a number of years. The former Durham City Council had aspirations to develop the park via HLF funding, however these aspirations were not fulfilled, despite initial plans being drafted. Following LGR and the setting up of Area Action Partnerships (AAP), the Durham AAP agreed to develop the restoration project and resurrect a bid to HLF. Following a successful stage 1 bid to HLF the project management was transferred from the AAP to Neighbourhoods, Culture and Sport.
- 5 A Member Steering Group has been set up with cross party, portfolio-holder and Friends Group representation. A Project Board chaired by the Corporate Director of Neighbourhood Services including representatives from all relevant service groupings is in place to oversee the development of the project.
- 6 A Friends of Wharton Park Group has been set up to ensure that the local community are actively involved in the development of this project and the running

of the park. There are currently over 230 Friends of Wharton Park and this continues to grow on a weekly basis.

- 7 The stage 1 HLF grant has enabled the secondment of a member of staff to act as Interim Project Manager to further develop the project and prepare a Stage 2 bid. This resource has been used to prepare detailed project designs and costings, a ten year conservation management plan, a business plan and to carry out site investigation works, visitor and bat surveys and community consultations. The resource has also been used to get the community actively involved in the project and to develop and secure the match funding package needed to deliver the project.
- 8 HLF will only accept one bid per organisation into the two annual Parks for People bidding rounds. The DCC Corporate Funding Group liaises with all Service Groupings to ensure bidding is controlled and prioritised across all services. Initially the Stage 2 HLF bid was targeted for the August 2012 bidding round although the Project Board decided to delay this until the August 2013 bidding round to enable the designs/plans to be further developed to ensure the full cost implications are fully identified. This is the last possible date for a stage 2 bid and the HLF will rule the project 'out of time' if this bidding round is missed. The opportunity to apply for HLF funding provides the council with an opportunity to restore the park whilst attracting significant external funding to repair its infrastructure therefore reducing costs to the council.

Project Overview

- 9 The overall aims of the project are to :-
 - Make Wharton Park a destination in its own right that is a heritage asset to the region
 - Create a local community resource and a leisure facility for those visiting the City.
 - Increase visitor numbers to the park.
- 10 Key aspects of the project include :-
 - Create a Park Heritage Centre and Café in the park to include an educational resource room and toilet facilities (HLF insist upon this aspect for all Parks for People funding)
 - Demolish Wharton Park House which is becoming an eyesore and create an attractive community garden in this area
 - Demolish the Road Sweeper building
 - Update and Improve the Park's Play Equipment
 - Refurbish the Amphitheatre to function as an Events / Performance Area.
 - Create an Events / Activities Programme for the park to increase visitor numbers and actively involve local people in the park
 - Refurbish and update the existing Miniature Car Track
 - Create a new Outdoor Exercise Trim Track with Fitness equipment and an area with Climbing Boulders
 - Develop a Young Apprentice Scheme

- Improve Shrub, Tree Planting and the management and maintenance of the park
- Improve Footways, Walls, Steps, Access, Signage and Interpretation
- Create a new Woodland Trail and cycleway within the park to improve access to Durham Train Station and improve links between Wharton Park and the Aykley Heads site.
- Actively involve the Friends of Wharton Park and other Community Volunteers
- Research the history and heritage of the park to include displays in the heritage centre
- Appoint a Wharton Park Manager (HLF requirement)
- Improve the Framwellgate Peth / North Road Entrances
- Create Disabled Parking
- Carry out essential repairs to the Grade 2 listed Battery
- Restoration of Albert the Good Statue and The Way Sculpture

Project Options Analysis

- 11 The project has now reached a stage in which a key decision is required with regards to the submission of the HLF bid. Although DCC would not be required to fully commit to any project until an offer of funding is received it would not be beneficial in the longer term to submit a bid that was subsequently withdrawn or aborted. Therefore a decision needs to be reached which considers the benefits of this project in consideration with the costs of achieving them. The following options should therefore be considered in reaching this decision :-
- 12 **Option 1 – Stop the project with no bid to HLF** and deal with the significant repairs and maintenance problems facing the park on an ad hoc basis. Given the very poor condition of the park including the North Road wall, footpaths and steps in the park, the deteriorating condition of the Grade 2 listed Battery, and the rapidly deteriorating condition of Wharton Park House this is not a feasible option if the park is to be kept open to the public over the longer term.
- If the park were closed to the public the Council would still be liable for emergency tree work, on-going repair of the North Road wall for health and safety reasons and will need to maintain and repair the Grade 2 listed Battery. These costs would exceed £500,000. Furthermore, the Council would miss out on the opportunity to secure £3.12m of HLF and other external funding.
- 13 **Option 2 - Deliver Smaller Project with no bid to HLF.** This would include doing a basic makeover of the park with all of the capital / on-going revenue costs being met by the Council. Capital works which would require funding in the short term (5 years) would include :-
- Replace existing Play Area £100,000
 - Demolishing Wharton Park House / Garage £37,000
 - Essential improvements to walls, footways, steps, access £260,000
 - Basic safety improvements to Amphitheatre £120,000
 - Battlements Improvements £220,000

- **Total Capital Costs £737,000**

This option gives little overall benefit other than to retain the park at its current offer i.e. keep the park open to public use. In addition to the above, it is likely that an enhanced maintenance regime would be required which would result in an additional revenue MTFP pressure of around £20,000 per annum.

The above are best estimates at this stage, based on discussions with relevant DCC staff, but do give a reasonable estimation of the likely capital / revenue costs involved. As this option excludes a heritage centre and is a significant departure from the original Stage 1 HLF bid, it is highly unlikely that this option would qualify for any HLF funding.

Again this option would miss the opportunity of external investment and much of the design work in developing a stage 2 bid will also be lost. It would however, allow the park to remain open to the public.

- 14 **Option 3 proceed with the project and Submit a Stage 2 Bid to HLF.** This option results in a total investment amounting to £3.44m over the period of the project, and a total investment by the HLF (if the Stage 2 bid is successful) and other external funding, amounting to £3.12m. It provides a one off opportunity to greatly restore / improve Wharton Park after many years of under investment.

Although bidding is a highly competitive process, HLF are impressed by the project to date and if it is agreed to submit the project to the HLF, it is considered that it will have a strong chance of success. This option will involve closing the park during the construction period which is likely to take 12 months.

From the 2018/19 financial year this option requires an on-going increased revenue contribution, currently estimated to be £67,000 per annum, which is linked to the requirement for a heritage centre and the enhanced maintenance regimes. The HLF bid will include a revenue contribution for the maintenance of the park for the first five years; therefore there will be no revenue impact for the Council until 2018/19.

There is also a requirement to commit £255,000 capital expenditure to provide match funding into the project. £129,600 of this amount can be met from the capital programme contingency budget. A summary breakdown of funding is provided below.

If it is agreed to submit the stage 2 bid and the bid is not successful DCC would need to undertake essential repairs only to keep the park open as outlined in option 2.

Project Costs / Funding

- 15 The costs presented in this report are Stage C project costs. They are still subject to approval from HLF and may change in the coming weeks as further information is received from the Design Team and Stage D designs are finalised following discussions with HLF and the Design Team. A breakdown of the project costs and funding for the Stage 2 HLF is as follows:-

Total Project Cost (£)	3,443,750
Total Capital Cost (£)	2,934,000
Total Revenue Cost (£)	509,750

Capital Funding (£)

External Funding	£
Heritage Lottery Fund	2,569,690
S106 Funding (ring-fenced)	45,910
Memorial Benches / Tree	47,800
Sponsorship	
Private Sector / Other Funding	16,000
Total External Funding (91%)	2,679,400

Durham County Council Funding	£
Durham AAP Area Budget (confirmed and in place)	24,000
Environmental Funding (discussed to be agreed)	16,000
North Road Wall (Confirmed and in place)	50,000
Local Transport Plan (discussed to be agreed)	35,000
Request for DCC Funding (spread over 9 years)	129,600
Total DCC Funding (9%)	254,600

Total Capital Funding (£)	2,934,000
----------------------------------	------------------

Revenue Funding	£
Heritage Lottery Fund	393,250
Haggrid Project	10,000
Young Apprentice Grant	10,500
Per Cent For Art	26,000
Enhanced Maintenance by DCC (£14,000 p.a.) 2018 - 2023	70,000

Total Revenue Funding (£)	509,750
----------------------------------	----------------

- 16 Within this option, the Project Board are eager to explore all opportunities that reduce on-going revenue costs. The high risk element is the operation of the Park Heritage Centre. Operating costs could be reduced if the centre was leased to a charitable trust and DCC passed on management responsibility. This could be achieved via the Wharton Park Friends Group, or any potential Culture and Sport Trust. If this approach is adopted, it is estimated that an additional £17k revenue savings will be achieved.
- 17 Considerable progress has already been made on the balance of the match funding for this project with significant contributions from Durham AAP (£24,000) and ring fenced S106 monies (£45,900). £50,000 has already been committed from current

DCC capital allocations for repairs to the North Road wall. A total of £129,600 would need to be funded from the Councils Capital Programme to help fund the project which can be spread over the later years of the project.

- 18 This includes a capital structural maintenance provision totalling £6,000 pa to cover the 5 year period from 2018/19 – 2022/23 which can be included as match funding. These are key elements of the match funding for the project which will help to draw in over £3.12m of other funding to greatly improve Wharton Park. In total, 91% of this project's funding is from sources other than Durham County Council which represents an excellent rate of return on investment even excluding the economic and social benefits generated by the project.
- 19 Overall, this report recommends that Option 3 is approved however, it will create a budget pressure of £67,000 from 2018/19. It should be noted that the overall increased expenditure is £94,000 which is offset by £22,000 of new income and a saving against the closure of North road Public Toilets of £5,000.
- 20 It is recognised that during times of significant austerity and considerable government grant cutbacks, an on-going increased revenue contribution totalling £67,000 per annum from 2018/19 onwards is a significant contribution to request. This on-going revenue cost needs to be considered in relation to the value of external investment secured which totals £3.12m.

Project Timetable

- 21 A detailed project plan has been developed which sets out the key areas of work that need to be completed, the timing of this work and who is responsible for carrying it out. The key milestones are as follows:-

- Request to Cabinet to submit stage 2 bid – 17th July 2013
- Stage 2 bid submitted to HLF Parks for People Programme - August 2013
- Decision from HLF on stage 2 bid - December 2013
- Permission to start received from HLF – January / February 2014
- Park closed and physical start on site - September 2014
- Capital works completed July 2015
- Grand opening August 2015
- Project completion autumn 2019

Project Consultation

- 22 Considerable project consultation has already been carried out with the local community and the Friends of Wharton Park. This has demonstrated strong support for all aspects of the project. Visitor surveys have been carried out in the park, a Community Engagement Plan has been drawn up and a Community Consultation Event was held in Durham Town Hall, online consultation has also been undertaken. The results of the consultation exercises have been published on the DCC website to show how the public's views have been taken into account and helped to influence the design of this project.

- 23 If the bid progresses further consultation is planned in July 2013 with the Friends of Wharton Park, local schools and the local community which will focus upon the plans for the heritage centre and play provision.

Project Risks

- 24 In accordance with good project management practice, a risk register has been set up which is actively managed and updated by the Project Board.

Conclusion

- 25 In summary the report sets out the potential for external investment of £3.12m, this does however come with the requirement to take on £67,000 additional revenue costs from 2018/19.
- 26 Any project of this nature also carries risks of running over budget and/or not meeting the required income targets set out at the business planning stage. These risks would lie with the Council however the Corporate Director for Neighbourhoods has put in place a strong project board to manage and mitigate such risks.
- 27 Clearly the council is focused on reducing revenue costs rather than absorbing new costs at a time of severely reduced Government grant. However investment of £737,000 in Wharton Park would be required over the period to 2018/19 on safety grounds as set out on option 2. The cost of borrowing to fund the capital that would be required for this option is actually equivalent to the increased revenue costs required for option 3
- 28 A successful bid as set out in Option 3 would bring £3.12 million external funding to the park, enhance the tourist offer and address the essential maintenance issues described in the report. For this reason option 3 offers the best outcomes on a value for money analysis. If the HLF bid is unsuccessful, then given the financial pressures facing the authority, only the essential maintenance and works described in option 2 can be funded by the authority.

Recommendations

- 29 It is recommended that:
- 30 A stage 2 HLF bid is submitted
- 31 That if successful, the council provides the match funding described in paras 15 to 20
- 32 That if unsuccessful, the Council undertakes the essential work outlined in option 2.

Contact: Nigel Dodds Tel: 03000 264599

Appendix 1: Implications

Finance – a capital contribution of £129,600 over the period 2014/15 to 2022/23 towards the overall costs of the project as set out in paragraph 19. This will help to draw in over £3.12m of funding from Heritage Lottery Fund and other sources to restore and greatly improve Wharton Park. On-going revenue implications amounting to £67,000 pa from 2018/19.

Staffing - Appointment of a Project Manager from 1 May 2013 to 31st January 2014 (funding secured from Durham AAP Councillor's Neighbourhood Budget) and from 1st February 2014 to 31st March 2016. Appointment of a Park Manager from 1 April 2015 for a period of 4 years. Both appointments subject to project funding being secured. Further staff will be required for the Park Heritage Centre / Café including a Café Manager, Assistant Manager and Café assistants (12 Casual staff amounting to 3 fte). Furthermore it is planned to recruit 2 young apprentices pa for a period of 12 months.

Risk - A Risk Register has been developed and sets out the main risks associated with the project, the risk likelihood and impact, the risk owner and the proposed actions to mitigate risks.

Equality and Diversity/ Public sector Equality Duty - An Equality and Diversity Impact Assessment screening has been carried out which identifies that the project will create a positive impact across specific equality groups by greatly improving the facilities in Wharton Park and ensuring access to such facilities is accessible to all where possible.

Accommodation - Provide the Project Manager and Park Manager with desks / computers within Neighbourhood Services until the Heritage centre is completed.

Crime and Disorder - None

Human Rights - None

Consultation - Considerable project consultation has already been carried out with the local community and the Friends of Wharton Park which has demonstrated strong support for all aspects of the project. Visitor surveys have been carried out, a Community Engagement Plan has been drawn up, a Community Consultation Event was held in Durham Town Hall on Saturday 21st April 2012 and an online consultation event was held. The results of the consultation have been published on the DCC website in December 2012 to show how the public's views have been taken into account and helped to influence the project. Further consultation is planned in July 2013 which will focus upon plans for the play provision.

Procurement - Durham County Council's procurement rules and regulations will be followed at all times. Due to the scale of the project the project will also be subject to the OJEU advertisement, rules and regulations.

Disability Discrimination Act - Every effort will be made to make Wharton Park and its facilities as accessible as possible for all. Disabled parking will be provided, the Heritage centre will be designed to facilitate disabled access and disabled toilet facilities will be provided. Disabled viewing areas will be created for the amphitheatre and to enable views of the Castle and Cathedral. The play provision will also take into account the needs of disabled visitors.

Legal Implications – Advice has been sought from Legal Services. There are no legal issues or implications linked to this report.

Equalities and Diversity Impact Assessment

Restoration of Wharton Park



Durham County Council – Altogether Better Equality Impact Assessment Form

NB: Equality impact assessment is a legal requirement for all strategies plans, functions, policies, procedures and services. We are also legally required to publish our assessments.

Section one: Description and initial screening

Section overview: this section provides an audit trail.

Service/team or section: Culture and Sport, Neighbourhood Services	
Lead Officer:	Start date: 15 th May, 2012 <u>Reviewed</u> 12th March 2013
Project Manager, Culture & Sport Services, Neighbourhood Services	
Service Improvement Officer (Equality and Diversity)	
<p>Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)</p> <p>Wharton Park occupies 4.3 hectares of high ground approximately 1 km to the north west of Durham City Centre and 2km from the World Heritage site of Durham Castle and Cathedral.</p> <p>Situated within the Durham City Conservation Area and containing one Grade 2 listed structure "The Battery" which affords magnificent views of Durham City, Castle and Cathedral, Wharton Park is an existing designed urban green space, which includes parks, gardens, walks, structures and other recreational activities. Its main purpose is for informal recreation and enjoyment and this project includes an element to research and display the history and heritage of the park.</p> <p>Stage 1 application to the Heritage Lottery Fund Parks for People Programme was approved in July 2011 and this combined with additional project development monies from approved Neighbourhood Budget applications has been used to develop a project which includes detailed designs / costings, Visitor and Bat Surveys, Site Investigation Works, Project Management, a ten year Conservation Management Plan and a business plan</p> <p>A key aim of the project is to greatly improve the park's facilities, to greatly improve access for all and to make a positive impact in bringing all sections of our community closer together.</p>	

Who are the main stakeholders: General public / Employees / Elected Members / Partners/ Specific audiences/Other (please specify) –

The main stakeholders include members of the public who visit Wharton Park, visitors to the area, local councillors who are supporting the project through their neighbourhood budgets, the Friends of Wharton Park (over 230 in number), Durham Area Action Partnership, Durham Police and local schools.

Is a copy of the subject attached? No
If not, where could it be viewed? Please contact Project Manager, Neighbourhood Services

Initial screening

This project will have a positive impact across the following protected equality characteristics:

Age

This project, including the Friends of Wharton Park, includes the Haggrid Project (a partnership project with Durham Police and Framwellgate school) which will give local young people practical horticultural experience in the park working with the Friends of Wharton Park. It will bring old / young people together on volunteering activities and local people with staff / students from Durham University. The young apprentices aspect of the project will provide valuable work experience / qualifications in horticulture and customer care / hospitality – providing a useful pathway to work for local youngsters. The focus on active play, sport and leisure activities and the outdoor fitness equipment / climbing boulders will help build the health and fitness of young people.

Disability

One of the aims of the project is to make the park “accessible for all”. A strong element of the project is to greatly improve access for the disabled to the main facilities of the park. This will be done in the following ways :-

- The Heritage centre will be designed and located to be accessible for the disabled including wheelchair users. The centre will allow access to all parts of the centre and a disabled toilet will be provided. Currently there are no toilets or disabled toilets within Wharton Park.
- Disabled parking will be provided in the park for the first time – helping to make access easier for those with disabilities
- Viewing areas will be created for the amphitheatre and for views of the Castle and Cathedral with easy access from the car park
- The play area will be designed to include equipment that is accessible for all including those with disabilities.
- A wide range of events and activities are planned for the park with some aimed at those with disabilities.
- A community garden will be created which will include sensory planting elements.

Prompts to help you:

Who is intended to benefit and how? Could there be a different impact or outcome for some groups? Is it likely to affect relations between different communities or groups, for example if it is thought to favour one particular group or deny opportunities for others? Is there any specific targeted action to promote equality?

Is there an actual positive impact on specific groups within these headings?

There are no negative impacts – all the impacts below are positive.

Indicate : Y = Yes, N = No, ?=Unsure

Gender	Y	Disability	Y	Age	Y	Race/ethnicity	Y	Religion ? or belief	Sexual orientation	?
--------	---	------------	---	-----	---	----------------	---	-------------------------	-----------------------	---

What evidence do you have to support your findings?

This project, including the Friends of Wharton, Park, Haggird Project and the volunteering opportunities within the park have a positive impact on young and old people.

Decision: Proceed to full impact assessment – No **Date: 15th May 2012**

If you have answered 'No' you need to pass the completed form for approval & sign off.

Section two: Identifying impacts and evidence- Equality and Diversity

Section overview: this section identifies whether there are any impacts on equality/diversity/cohesion, what evidence is available to support the conclusion and what further action is needed.			
	Identify the impact : does this increase differences or does it aim to reduce gaps for particular groups?	Explain your conclusion, including relevant evidence and consultation you have considered.	What further action is required? (Include in Sect. 3 action plan)
Gender			
Age			
Disability			
Race/Ethnicity			
Religion or belief			
Sexual Orientation			

How will this promote positive relationships between different communities ?

The Friends of Wharton Park and the Haggrid aspects of the project together with the opportunities to volunteer hold events and to hold meetings in the new Heritage centre will all have a positive impact in building positive relationships with all sections of our communities.

Section three: Review and Conclusion

<p>Summary: please provide a brief overview, including impact, changes, improvements and any gaps in evidence.</p>			
<p>Disabled access will be greatly improved to the key facilities in Wharton Park and disabled parking will be provided for the first time. The Heritage centre will be designed and located to enable disabled access and will also include toilets, including a disabled toilet and baby changing facilities which again will greatly improve the facilities available in the park.</p>			
Action to be taken	Officer responsible	Target Date	In which plan will this action appear
Review prior to bid being submitted	Project Manager, Culture & Sport	August 2013	EIQA
When will this assessment be reviewed?	Date: January 2014 when the funding decision from Heritage Lottery Fund is known.		
Are there any additional assessments that need to be undertaken in relation to this assessment?	No		
Lead officer	Head of Culture & Sport Services - sign off:		
Reviewed	Project Manager, Culture & Sport Services		
Service equality representative:	Customer Relations and Policy and Performance Manager		
Date:	Reviewed Date		
	24.05.13		
Date:	Reviewed Date:		
	6.6.2013		