



Cabinet

Date **Wednesday 16 September 2015**
Time **10.00 am**
Venue **Committee Room 2, County Hall, Durham**

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. Public Questions
2. Minutes of the meeting held on 15 July 2015 (Pages 1 - 6)
3. Declarations of interest

Ordinary Decisions:

4. Health and Wellbeing Board Annual Report 2014-2015 - Report of Corporate Director, Children and Adults Services (Pages 7 - 40)
5. Care Act and Adult Social Care Transformation Update - Report of Corporate Director, Children and Adults Services (Pages 41 - 54)
6. Review of Home to School Transport Policy - Report of Corporate Director, Children and Adults Services (Pages 55 - 100)
7. Update on the delivery of the Medium Term Financial Plan 5 - Report of Assistant Chief Executive (Pages 101 - 104)
8. Quarter One 2015/16 Performance Management Report - Report of Assistant Chief Executive (Pages 105 - 174)
9. Environment and Sustainable Communities Overview and Scrutiny Review Group - Management of the Woodland Estate owned by Durham County Council - Report of Assistant Chief Executive (Pages 175 - 206)
10. Safer and Stronger Communities Overview and Scrutiny Committee Review report on Organised Crime - Report of Assistant Chief Executive (Pages 207 - 236)
11. Forecast of Revenue and Capital Outturn 2015/16 for General Fund and Housing Revenue Account - Period to 30 June 2015 - Report of Corporate Director, Resources (Pages 237 - 260)
12. School Loans Scheme - Joint Report of Corporate Director, Children and Adults Services and Corporate Director, Resources (Pages 261 - 272)
13. Review of Care Connect - Report of Corporate Director, Regeneration and Economic Development (Pages 273 - 286)

14. Securing Developer Contributions Towards Education Provision in County Durham - Joint Report of Corporate Director, Regeneration and Economic Development and Corporate Director, Children and Adults Services (Pages 287 - 308)
15. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration.
16. 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)

17. Durham Tees Valley Airport Pension Proposals - Joint Report of Corporate Director, Resources and Corporate Director, Regeneration and Economic Development (Pages 309 - 318)
18. 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
8 September 2015

To: **The Members of the Cabinet**

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

Contact: Ros Layfield

Tel: 03000 269708

DURHAM COUNTY COUNCIL

At a Meeting of **Cabinet** held in the **Council Chamber, Crook Council Office** on **Wednesday 15 July 2015 at 10.00 am**

Present:

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

Members of Cabinet:

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

Also Present:

Councillors J Clare, P Conway, M Dixon, I Geldard, J Shuttleworth, F Tinsley and M Wilkes

Prior to the commencement of the meeting the Leader advised of an additional report that was to be considered by Cabinet relating to Medium Term Financial Plan (6), Council Plan, Service Plans 2016/17 – 2018/19 and Review of the Local Council Tax Reduction Scheme 2016/17 plus an Update to the Discretionary Rate Relief Policy 2015/16, and that this would be considered in the meeting as the first ordinary decision.

1 Public Questions

There were no questions received from members of the public.

2 Minutes

The minutes of the meeting held on 10 June 2015 were confirmed as a correct record and signed by the Chairman.

3 Declarations of interest

Councillors Foster and Plews declared interests in item 14 due to their positions on the Charter Trust, and Councillor Henig in relation to item 4 due to his position on Pelton Fell Community Partnership. They took no part in the discussion of the relevant items.

**4 Implementation of the Community Buildings Strategy
[Key Decision: CORP/A/05/11/3]**

The Cabinet considered a report of the Assistant Chief Executive which sought agreement on the steps required to conclude the community buildings asset transfer programme, and, to revise the Council's approach to the provision of Community Buildings Grants (for copy see file of minutes).

Cabinet members thanked all those who had been involved in the development of the strategy.

Resolved:

That the recommendations contained in the report be approved.

5 Consideration of an Article 4 Direction covering change of Use Class C3 to Use Class C4 for Durham City and the Introduction of an Interim Policy on Student Accommodation
[Key Decision: R&ED/06/15]

The Cabinet considered a report of the Corporate Director, Regeneration and Economic Development which sought authorisation to make an Article 4 direction to remove permitted development rights under planning legislation for changes of use from dwelling houses (Class C3) to small Houses in Multiple Occupation (HMOs) (Class 4) in parts of Durham City and to introduce an Interim Policy on Student Accommodation to consider applications for both Houses in Multiple Occupation (HMOs) and Purpose Built Student Accommodation (PBSA) (for copy see file of minutes).

The Corporate Director, Regeneration and Economic Development advised of an amendment to recommendation 20A in the report, in that the reference to Appendix 7 be changed to Appendix 6.

Resolved:

That the recommendations contained in the report, amended as above, be approved.

6 Review of Fixed Play Provision
[Key Decision: NS/14/11]

The Cabinet considered a report of the Corporate Director, Neighbourhood Services which sought approval for a development framework for future play provision within the County (for copy see file of minutes).

The Corporate Director, Neighbourhood Services advised that since the report was dispatched there was no longer the interest for the site at David Street, Quarrington Hill to be transferred as indicated in the report at paragraph 34, so the recommendations would be amended accordingly.

Resolved:

That the recommendations contained in the report, amended as above, be approved.

The Chairman declared that in accordance with agenda item 16, the following item of business should be considered by Cabinet as a matter of urgency, and that it would be considered as the first ordinary decision of Cabinet, hence the order of business to be transacted as set out on the agenda was amended accordingly.

**7 Medium Term Financial Plan (6), Council Plan, Service Plans 2016/17 – 2018/19 and Review of the Local Council Tax Reduction Scheme 2016/17 plus an Update to the Discretionary Rate Relief Policy 2015/16
[Key Decision: CORP/R/15/02]**

The Cabinet considered a joint report of the Corporate Director, Resources and the Assistant Chief Executive which provided details on the development of the 2016/17 budget, Medium Term Financial Plan (MTFP 6) and Council Plan / Service Plans 2016/17 to 2018/19. The report also provided details of a review of the Local Council Tax Reduction Scheme and an update on the Discretionary Rate Relief Policy (for copy see file of minutes).

In response to a question from Councillor Wilkes about the impact of the budget on local services and the effect on residents, Councillor Napier advised of the process for the development of the MTFP including the consultation that would be undertaken in the autumn.

Cabinet members thanked all those involved in producing the comprehensive report in such short time, following an analysis of the Chancellor's Summer Budget of 8 July on the impact for local government finance.

Resolved:

That the recommendations contained in the report be approved.

8 Children, Young People and Families Plan 2015-2018

The Cabinet considered a report of the Corporate Director, Children and Adults Services which presented the refreshed Children Young People and Families Plan 2015-18 (for copy see file of minutes).

Resolved:

That the recommendation contained in the report be approved.

9 Health Protection Assurance Annual Report 2013-14

The Cabinet considered a report of the Corporate Director, Children and Adults Services which provided an overview of the health protection assurance arrangements in County Durham and updated on relevant activity from April 2013 to March 2014 (for copy see file of minutes).

Resolved:

That the report be noted.

10 County Durham Youth Offending Service Youth Justice Plan 2015/2017

The Cabinet considered a report of the Corporate Director, Children and Adults Services which presented the Youth Justice Plan 2015/17, and sought approval by Cabinet to recommend its approval to Council (for copy see file of minutes).

Resolved:

That the recommendations contained in the report be approved.

11 Early Help Strategy

The Cabinet considered a report of the Corporate Director, Children and Adults Services which updated Cabinet on work that has taken place since June 2014 to embed the Strategy across the Children and Families Partnership (for copy see file of minutes).

Resolved:

That the report be noted.

12 Treasury Management Outturn 2014/15

The Cabinet considered a report of the Corporate Director, Resources which updated Cabinet on the annual Treasury Management for the year ended 31 March 2015 (for copy see file of minutes).

Resolved:

That the report be noted.

13 2014/15 Final Outturn for General Fund, Housing Revenue Account and Collection Fund

The Cabinet considered a report of the Corporate Director, Resources which provided details of the revenue and capital outturn for both the General Fund and the Housing Revenue Account (HRA) for 2014/15 plus the 2014/15 outturn for the Collection Fund in respect of Council Tax Collection and Business rates collection (for copy see file of minutes).

Councillor Napier advised of the position relating to earmarked reserves in response to a question from Councillor Wilkes.

Resolved:

That the recommendations contained in the report be approved.

14 Historic and Ceremonial Regalia and Property of the Charter Trustees

The Cabinet considered a report of the Corporate Director, Resources which presented progress with negotiating an agreement with the Charter Trustees in relation to the contents of the Town Hall in Durham and sought approval to enter into an agreement to conclude the negotiations (for copy see file of minutes).

Resolved:

That the recommendations contained in the report be approved.

15 Update on Office Accommodation Programme and release of Aykley Heads Strategic Employment Site for Economic Regeneration

The Cabinet considered a joint report of the Corporate Director, Regeneration and Economic Development and Corporate Director, Resources which updated Cabinet on proposals to release the Aykley Heads strategic employment site to deliver a regionally important regeneration opportunity that will provide new jobs and investment in County Durham (for copy see file of minutes).

In response to a question from Councillor Shuttleworth, Councillor Foster advised that all costs would be come forward as part of a business case and reported to Cabinet in due course.

Resolved:

That the recommendations contained in the report be approved.

16 County Durham Climate Change Strategy and Delivery Plan - Durham's Vision for a Low Carbon County

The Cabinet considered a report of the Corporate Director, Regeneration and Economic Development which informed on the progress of the Climate Change Strategy and Delivery Plan and sought formal adoption of the documents. The report also included information on key projects which are developing and progress against the main carbon reduction target (for copy see file of minutes).

Resolved:

That the recommendations contained in the report be approved.

17 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 items of business on the grounds that they involved the likely disclosure of exempt information as defined in paragraph 3 of part 1 of Schedule 12A to the said Act.

18 New Company Business Plan for the Development and Management of Market Housing
[Key Decision: R&ED/03/15]

The Cabinet considered a joint report of the Corporate Director, Regeneration and Economic Development and the Corporate Director, Resources regarding a new company business plan for the development and management of housing (for copy see file of minutes).

Councillor Foster responded to a question from Councillor Wilkes about housing in his division.

Resolved:

That the recommendations contained in the report be approved.

Cabinet

16 September 2015

**Health and Wellbeing Board Annual
Report 2014-2015**



Report of Corporate Management Team

**Rachael Shimmin, Corporate Director of Children and Adults
Services**

Anna Lynch, Director of Public Health County Durham

**Councillor Lucy Hovvels, Cabinet Portfolio Holder for Adult and
Health Services**

**Councillor Joy Allen, Cabinet Portfolio Holder for Safer
Communities**

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

Purpose of Report

1. The purpose of this report is to present the Health and Wellbeing Board Annual Report 2014/15 (attached as Appendix 2) for information.

Background

2. The Health and Social Care Act 2012 required all upper tier local authorities to establish Health and Wellbeing Boards. The County Durham Health and Wellbeing Board was formally established as a committee of Durham County Council in April 2013.
3. The first Health and Wellbeing Board Annual Report was agreed by the Health and Wellbeing Board in July 2014 and was received by Durham County Council's Cabinet for information in October 2014.
4. This is the second Health and Wellbeing Board Annual Report, which outlines the achievements of the Board during its second year of operation. It also includes details of locality health and wellbeing projects which are supported by the Health and Wellbeing Board, commitments and engagement activity of the Board and information on the Local Government Association Health and Wellbeing Peer Challenge which took place in February 2015.
5. The functions of the Health and Wellbeing Board remain as:
 - Develop a Joint Strategic Needs Assessment
 - Develop a Joint Health and Wellbeing Strategy
 - Duty to encourage integrated working between commissioners of health services, public health and social care services.

Achievements during 2014/15

6. Central to achieving the vision of the Health and Wellbeing Board to “Improve the health and wellbeing of the people of County Durham and reduce health inequalities” is the belief that decisions about the services provided, should be made as locally as possible and involve the people who use them.
7. A number of achievements have been made during 2014/15 which include:
 - The Health and Wellbeing Board agreed the first Joint Health and Wellbeing Strategy and Delivery Plan in 2013/14, and have undertaken subsequent reviews, which have been informed by the Joint Strategic Needs Assessment, the Annual Report of the Director of Public Health County Durham, and feedback from engagement and consultation.
 - The Health and Wellbeing Board hosted a ‘Big Tent’ engagement event in October 2014 as part of the consultation process for the refresh of the Joint Health and Wellbeing Strategy. The event was attended by over 240 people and included a number of themed workshops relating to health, social care and the wider wellbeing approach.
 - The Health and Wellbeing Board agreed the County Durham Better Care Fund plan which supports the following seven work programmes to integrate health and social care initiatives locally:
 - **Intermediate Care+ Short term intervention services** which includes intermediate care community services, reablement, falls and occupational therapy services
 - **Equipment and adaptations for independence** which includes Telecare, Disability adaptations and the Home Equipment Loans Service
 - **Supporting independent living** which includes mental health prevention services, floating support, supported living and community alarms and wardens
 - **Supporting Carers** which includes carers breaks, carer’s emergency support and support for young carers
 - **Social inclusion** which includes local coordination of an asset based approach to increase community capacity and resilience to provide low level services
 - **Care home support** which includes care home and acute and dementia liaison services
 - **Transforming care** which includes maintaining the current level of eligibility criteria, the development of IT systems to support joint working and Implementing the Care Act

The Better Care Fund is aligned to the strategic objectives in the Joint Health and Wellbeing Strategy and supports the aim to provide people with the right care, in the right place at the right time.

- The County Durham Mental Health Implementation Plan was developed by the Mental Health Partnership Board, and agreed by the Health and Wellbeing Board, and is the overarching mental health strategy for children and adults in County Durham. It is the local implementation plan of the national 'No Health without Mental Health' strategy and aims to improve mental health and wellbeing across all ages within County Durham. The Plan is supported by a range of supporting strategies, with work taking place in a number of areas and local priorities, which are aligned to the Joint Health and Wellbeing Strategy, identified as follows:
 - Improving outcomes for people experiencing mental health crisis
 - Supporting people who are socially isolated
 - Reducing the number of people developing mental health problems through promotion of mental health, prevention of mental ill-health and improving the quality of life for those with poor mental health through early identification and recovery
 - Developing a specific Mental Health, Emotional Wellbeing and Resilience Plan to take forward work relating to children and young people, incorporate Children and Adolescent Mental Health Services (CAMHS)
 - Reducing the rate of people who self-harm or attempt suicide in County Durham

 - The Health and Wellbeing Board agreed the Dementia Strategy for County Durham and Darlington 2014-17, which has been developed to identify areas of need and priority actions over the next three years, to meet challenges of the national dementia policy and to enable people to live well with dementia. The strategy emphasises the role of appropriate, high quality services in the community, which will help to avoid inappropriate hospital admissions and facilitate timely discharge. It identifies housing initiatives for people with dementia, and specific services such as dementia advisors, and highlights the need to establish 'Dementia Friendly Communities' in Durham, which has been highlighted as an area of good practice.

 - The Health and Wellbeing Board has supported the Wellbeing for Life Service to help people to live well, and build on their capacity to be independent, resilient and maintain good health for themselves and those around them.
8. Details of the local projects across County Durham, which aim to improve the health and wellbeing of people in their local communities, including those delivered by the Area Action Partnerships, are included in the Annual Report. Examples include:
- Health Express in Shildon, which aims to increase knowledge and awareness of health issues in the local community and help people access health services and get support in better managing long term health conditions.
 - The roll out of dementia friendly communities, focusing on improving inclusion and quality of life for people living with dementia.

Commitments of the Health and Wellbeing Board

9. The Health and Wellbeing Board has made a number of commitments since it was established in April 2013, which include:

- Signing up to the Disabled Children's Charter to ensure the needs of disabled children are fully understood and services are commissioned appropriately
- The Chair of the Health and Wellbeing Board and the Director of Public Health County Durham are mental health champions, whose role includes promoting wellbeing, and initiating and supporting action on public mental health
- Signing up to the National Dementia Declaration and Dementia Care and Support Compact to support the delivery of the National Dementia Strategy and improving care and support for people with dementia, their carers and families.
In addition the Health and Wellbeing Board have signed up to the Carers' Call to Action to ensure that the vision for carers of people with dementia is achieved
- Signing the NHS Statement of Support for Tobacco Control to actively support local work to reduce smoking prevalence and health inequalities

Local Government Association Peer Challenge

10. The Annual Report includes a section on the Local Government Association Peer Challenge, which took place between 24th and 27th February 2015, and provides an overview of areas which are strong, as well as the following four areas of best practice which they would like to share with other Health and Wellbeing Boards. These are in relation to:

- Community engagement
- Area Action Partnerships
- 'Voice of the child'
- Relationship with Scrutiny

Future work of the Health and Wellbeing Board

11. There are a number of initiatives that the Health and Wellbeing Board will continue to take forward during the coming year, which include:

- Agreeing the Children and Young People's Mental Health, Emotional Wellbeing and Resilience Plan
- Agreeing the County Durham Physical Activity delivery plan
- Signing up to the 'Charter for Homeless Health'

Details of further initiatives are included in the Annual Report.

Recommendations

12. It is recommended that Cabinet:
- Note the work that has taken place in 2014/15 by the Health and Wellbeing Board
 - Receive the Health and Wellbeing Board Annual Report 2014/15 for information.

Contact: Peter Appleton, Head of Planning and Service Strategy, Children and Adults Service Tel: 03000 267 381

Appendix 1: Implications

Finance – Ongoing pressure on the public services will challenge all agencies to consider how best to respond to the health, social care and wellbeing agenda.

The Better Care Fund will be used to deliver integrated services between health and social care in County Durham.

Staffing – Not Applicable

Risk – A risk sharing agreement is in place for the Better Care Fund, which has been developed between the Clinical Commissioning Groups and the Local Authority.

Equality and Diversity / Public Sector Equality Duty – Consultation on the priorities for the Health and Wellbeing Board is undertaken on an annual basis through the Big Tent Engagement Event and other engagement activities.

The key equality and diversity protected characteristic groups are considered as part of the process to identify the groups/organisations to be invited to the Big Tent Engagement Event.

Equality Impact Assessments have been completed for the Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS).

Accommodation - No direct implications.

Crime and Disorder – The JSNA provides information relating to crime and disorder.

Human Rights - No direct implications.

Consultation – Consultation has taken place as part of the development of the JSNA and JHWS. This includes consultation through the Big Tent engagement event to gather the views of a wide range of stakeholders including service users, patients GPs, carers, members of the voluntary and community sector as well as partner agencies and elected members.

Consultation has also taken place through service user and carers forums, Investing in Children agenda days, The Bridge (Family Action) young carers group, and Making Changes Together (parents of disabled children).

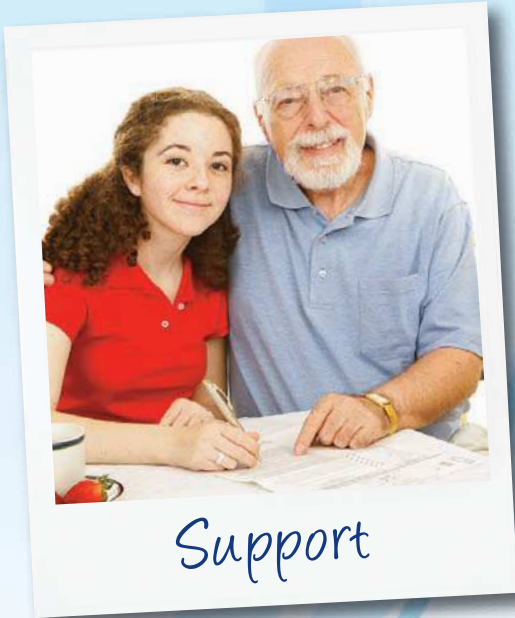
Carers are involved in consultation, to ensure their needs and the needs of the people they care for are considered.

Procurement – The Health and Social Care Act 2012 outlines that commissioners should take regard of the JSNA and JHWS when exercising their functions in relation to the commissioning of health and social care services.

Disability Issues – The needs of disabled people are reflected within the JSNA and the JHWS.

Legal Implications – The Health and Social Care Act 2012 established the requirement for all upper tier local authorities to establish Health and Wellbeing Boards.

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Our vision:-

Improve the health and wellbeing of the people of County Durham and reduce health inequalities

County Durham Health and Wellbeing Board Annual Report 2014-2015

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1. Foreword

Welcome to the Health and Wellbeing Board Annual Report 2014/15. As Chair and Vice Chair of County Durham's Health and Wellbeing Board we are privileged to have been supported by a group of partners who have continued to work together with the shared vision of improving the health and wellbeing of the people of County Durham and reducing health inequalities.

Over the last year we have made significant progress together, and through the Joint Health and Wellbeing Strategy and the Better Care Fund, the Health and Wellbeing Board will continue to work together to develop more joined up and integrated services, making the best use of resources.

Our Big Tent Engagement event was attended by over 240 people and feedback was incorporated into our Joint Health and Wellbeing Strategy. The event also saw the launch of the Crisis Care Concordat to demonstrate our commitment to supporting people in mental health crisis.

A Health and Wellbeing Peer Challenge has taken place and we are very proud that national research on the state of play with Health and Wellbeing Boards by the Local Government Association has indicated that Durham is clearly at the forefront of Health and Wellbeing Board progress and impact nationally.

The Board's success can be attributed to its clear vision, direction and shared strategy which is owned and valued by partners and influences the work of the Board as well as the commitment and drive of the partnership and the willingness to work together. This partnership approach has been central to the many achievements described in this report.

We achieved a lot in our first year, and have continued to do so throughout our second year. Together we will continue to drive forward the ambitious work of the Health and Wellbeing Board to improve health and wellbeing outcomes for the residents of County Durham.



Councillor Lucy Hovvels

Chair of the Health and Wellbeing Board

Cabinet Portfolio Holder for Adult and Health Services

(Cabinet Portfolio Holder for Safer and Healthier Communities, May 2014 - May 2015)



Dr Stewart Findlay

Vice Chair of the Health and Wellbeing Board

Chief Clinical Officer, Durham Dales, Easington and Sedgfield Clinical Commissioning Group

2. The Health and Wellbeing Board

The Health and Social Care Act 2012 required all upper tier local authorities to establish Health and Wellbeing Boards.

The County Durham Health and Wellbeing Board was established as a Committee of Durham County Council in April 2013. It provides a forum for organisations to develop joint strategies and challenge each other on better ways of working.

Functions of the Health and Wellbeing Board

The Health and Social Care Act 2012 gives the Health and Wellbeing Board specific functions as follows:

- To develop a Joint Strategic Needs Assessment, which provides an overview of the current and future health and wellbeing needs of the people of County Durham;
- To develop a Joint Health and Wellbeing Strategy, which is based on evidence in the Joint Strategic Needs Assessment;
- A responsibility and duty to encourage integrated working between commissioners of health services, public health and social care services, for the purposes of advancing the health and wellbeing of the people in its area.

The vision for the Health and Wellbeing Board, as laid out in the [Joint Health and Wellbeing Strategy](#) is to:

‘Improve the health and wellbeing of the people of County Durham and reduce health inequalities’



Central to this vision is the belief that decisions about the services provided for service users, carers and patients should be made as locally as possible and involve the people who use them.

The vision is supported by the following strategic objectives:

- Children and young people make healthy choices and have the best start in life
- Reduce health inequalities and early deaths
- Improve the quality of life, independence and care and support for people with long term conditions
- Improve the mental and physical 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.

The work of the Health and Wellbeing Board is based on the Joint Health and Wellbeing Strategy which identifies priorities for joint action that will make a real difference to people's lives.

The Health and Wellbeing Board does not work alone to improve health and wellbeing, and acts as the 'Altogether Healthier' thematic partnership of the County Durham Partnership, which is the overarching strategic partnership in County Durham.

Each thematic partnership delivers the work of the County Durham Partnership and maintains close working relationships with the other thematic partnerships:



The County Durham Economic Partnership 'Altogether Wealthier' aims to make County Durham a place where people want to live, work, invest and visit whilst enabling our residents and businesses to achieve their potential.

- Thriving Durham City
- Vibrant and successful towns
- Sustainable neighbourhoods and rural communities
- Competitive and successful people
- A top location for business

The Children and Families Partnership 'Altogether better for children and young people'

works to ensure effective services are delivered in the most efficient way to improve the lives of children, young people and families in County Durham.

- Children and young people realise and maximise their potential
- Children and young people make healthy choices and have the best start in life
- A think family approach is embedded in our support for families

The Health and Wellbeing Board 'Altogether Healthier'

promotes integrated working between commissioners of health services, public health and social care services, for the purposes of improving the health and wellbeing of the people in the area.

- Children and young people make healthy choices and have the best start in life
- Reduce health inequalities and early deaths
- Improve the quality of life, independence and care and support for people with long term conditions
- Improve the mental and physical wellbeing of the population
- Protect vulnerable people from harm
- Support people to die in the place of their choice with the care and support they need

The Safe Durham Partnership

'Altogether Safer' tackles crime, disorder, substance misuse, anti-social behaviour and other behaviour adversely affecting the environment and seeks to reduce re-offending.

- Reduce anti-social behaviour
- Protect vulnerable people from harm
- Reduce re-offending
- Alcohol and substance misuse harm reduction
- Embed the Think Family approach

- Counter terrorism and prevention of violent extremism
- Reduce road casualties

The Environment Partnership

‘Altogether Greener’ aims to transform and sustain the environment within County Durham, maximising partnership arrangements to support the economy and the wellbeing of local communities.

- Deliver a cleaner, more attractive and sustainable environment
- Maximise the value and benefits of Durham’s natural environment
- Reduce carbon emissions and adapt to the impact of climate change
- Promote sustainable design and protect Durham’s heritage

Poverty

A partnership approach is being taken to address poverty across County Durham. Partners will seek to support the most vulnerable members of our community and address inequalities. Growing up in poverty has a significant impact on children and young people both during their childhood and beyond. Almost a quarter of children in County Durham are living in poverty compared to an England average of one fifth.

A Poverty Action Steering Group is in place, led by the Assistant Chief Executive of Durham County Council, to look at the wider impact of poverty. County Durham has the scope to provide a wide range of support and innovative and targeted interventions. To facilitate this and to ensure that the actions are as effective as they can be, partners are concentrating on developing joined-up intelligence and joined-up services with a focus on prevention.

This approach helps to ensure that people in need are signposted to and receive the correct support and that the assistance and schemes developed are based on a clear and detailed appreciation of the issues involved, for example, housing services are signposting people to debt and benefits advice and employability support, where this is deemed appropriate.

Membership of the Health and Wellbeing Board

Membership of the Health and Wellbeing Board reflects the requirements of the Health and Social Care Act 2012, and a range of additional organisations are included to ensure that the Health and Wellbeing Board is most effective in having the biggest impact on improving the health and wellbeing of local people and reducing health inequalities (Figure 1, page 22).

Although non-statutory, Health and Wellbeing Board membership in County Durham includes the local NHS Provider Foundation Trusts as voting members.

Governance and accountability

The Health and Wellbeing Board has a clear structure in place, enabling it to fulfil its statutory obligations to improve the health and wellbeing of the people of County Durham and reduce health inequalities.

The comprehensive supporting sub group arrangements carry out work on behalf of the Health and Wellbeing Board and show clear linkages to the work of the Health and Wellbeing Board. These governance arrangements are subject to an annual review to ensure they remain fit for purpose.

The Health and Wellbeing Board has wider interface arrangements with a number of multi-agency partnership groups, including other County Durham thematic partnerships, for example the Children and Families Partnership and the Safe Durham Partnership as well as the two statutory safeguarding boards (Local Safeguarding Children's Board and Safeguarding Adults Board).

Key information, including the annual report, is shared with Durham County Council Cabinet and Adults, Wellbeing and Health and Children and Young People's Overview and Scrutiny Committees to ensure there are mechanisms in place to provide information on the work of the Board.

Regular consultation on key strategies and service developments also takes place with Adults, Wellbeing and Health and Children and Young People's Scrutiny Committees. Regular updates on key issues are also provided to Scrutiny Committees.



University Hospital North Durham A&E department

3. Achievements of the Health and Wellbeing Board 2014/15 and local projects undertaken in 2014/15

This section details key achievements and developments that have taken place in 2014/15 to achieve the strategic objectives in the Joint Health and Wellbeing Strategy. It includes examples of local projects relating to health and wellbeing, many of which have been developed with Area Action Partnerships (AAPs). The Health and Wellbeing Board works closely with AAP co-ordinators to reflect the priorities of the Health and Wellbeing Board locally and recognises the impact of AAPs on health and wellbeing.

The Health and Wellbeing Board:

- Agreed the County Durham Joint Strategic Needs Assessment for 2014.
- Agreed the Joint Health and Wellbeing Strategy and supporting Delivery Plan.
- Hosted a 'Big Tent' engagement event as part of the consultation process for the refresh of the Joint Health and Wellbeing Strategy, which was attended by over 240 people.
- Endorsed the Director of Public Health County Durham's Annual Report 2014, which focuses on tackling social isolation and loneliness and has been used to inform various plans and strategies.

Examples of local projects that address social isolation and loneliness include:

- Aspire Learning Support and Wellbeing, which in partnership with Durham Alcohol Support Service is working in the Chester-le-Street area to support people in recovery from alcohol, many of whom are socially isolated.
- Derwent Valley Diners is a pilot project with Age UK to benefit older people, particularly those experiencing social isolation. The pilot seeks to improve older people's health and quality of life, and provides a nutritious meal being brought to their homes weekly by volunteers, who will provide regular social contact.
- Wheels to Meals scheme addresses the issue of nutrition and social isolation in older people in Weardale. The scheme uses community transport to collect people and take them to local restaurants then drops them home after taking a scenic drive back.
- Upper Teesdale Agricultural Support Services deliver a project to provide socially isolated men who are over 60 and living in Teesdale with hot meals and the opportunity to socialise and seek information, advice and guidance on a range of topics
- The Pioneering Care Partnership's Health Buddy Service provides trained volunteers who offer over 50s regular home visits for a chat, or help to attend local groups or appointments.

- Agreed the County Durham Better Care Fund plan which will support seven work programmes to integrate health and social care:
 - **Intermediate Care + short term intervention services** which includes intermediate care community services, reablement, falls and occupational therapy services
 - **Equipment and adaptations for independence** which includes telecare, disability adaptations and the Home Equipment Loans Service
 - **Supporting independent living** which includes mental health prevention services, floating support and supported living and community alarms and wardens
 - **Supporting carers** which includes carers breaks, carer's emergency support and support for young carers
 - **Social isolation** which includes local coordination of an asset based approach to increase community capacity and resilience to provide low level services
 - **Care home support** which includes care home and acute and dementia liaison services
 - **Transforming care** which includes maintaining the current level of eligibility criteria, the development of IT systems to support joint working and implementing the Care Act.
- Agreed the County Durham Implementation Plan of the 'No Health Without Mental Health' national strategy to bring together all the strands of mental health and wellbeing to better support people who need it. In order to ensure the work is coordinated and the priorities are progressed an Implementation Group has been formed.

Examples of local projects supporting people with Mental Health needs include:

- Open Art Surgery project which targets vulnerable people across the Durham AAP area, who are experiencing mental health problems, to engage in creative activity and social interaction. This includes people with dementia, adults with learning disabilities, people with multiple sclerosis, and men at risk of suicide, their families and carers.
- Teesdale YMCA's Enriching Rural Lives project which focuses on mental and physical health, delivering a range of workshops and support sessions to engage community members who are aged 10-85.
- Countywide CREE initiatives are in place to support mental health and emotional wellbeing. Many of these projects are based around allotments, community gardens and pigeon crees (hence the name) and provide support or signpost users to other services.

The Better Care Fund is aligned to the strategic objectives in the Joint Health and Wellbeing Strategy and supports the aim to provide people with the right care, in the right place at the right time. Implementation of the Better care Fund commenced on 1st April 2015. An Integration Programme Manager has been appointed to develop and implement the Better Care Fund across County Durham.

- Supported the Wellbeing for Life Service to help people to live well, and build on their capacity to be independent, resilient and maintain good health for themselves and those around them.

The Wellbeing for Life Service is a consortium of providers, comprising of the following organisations:

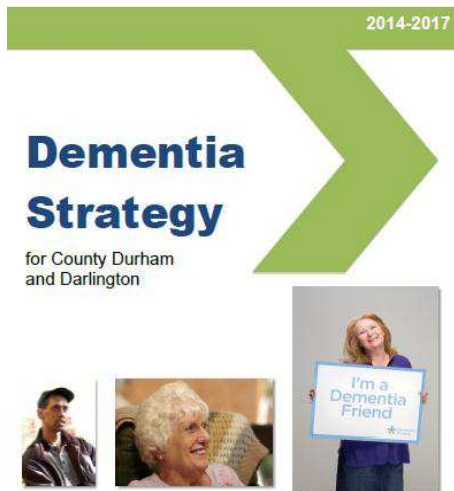
- County Durham and Darlington Foundation Trust, Health Improvement Service
- Durham Community Action
- Pioneering Care Partnership
- Durham County Council, Culture and Leisure
- Leisureworks.

The Wellbeing for Life service went live on 1st April 2015.

Examples of local projects supporting the Wellbeing for Life approach include:

- Health Express in Shildon, that aims to increase knowledge and awareness of health issues in the local community and help people access health services and get support in better managing long-term health conditions.
- As part of Health Express, students have teamed up with social housing provider Livin, to help residents stay fit and healthy through a series of activities. The initiative provides people with access to a range of health based initiatives and provides valuable work experience for local college students.
- Health Trainers will work closely with older residents in Brandon, Burnhope and Langley Park to help them set their own personal health plans. This will include support and advice on diet, nutrition, exercise, quitting smoking, reducing alcohol intake and improving how good you feel about yourself.

- Agreed the Dementia Strategy for County Durham and Darlington 2014-17, to enable people to live well with dementia.



Examples of local projects supporting Dementia include:

- The Centre of Excellence project, that employs a Dementia Support Worker through the Alzheimer's Society to work in the East Durham area providing emotional, financial and medical support for families and sufferers of dementia
- A key area of the Dementia Strategy is the roll out of 'Dementia Friendly Communities', with Barnard Castle and Chester-Le-Street selected as the first two sites in County Durham focusing on improving inclusion and quality of life for people living with dementia. This has also been rolled out in the Mid Durham AAP area.

- Demonstrated commitment to supporting people in mental health crisis by signing up to a local declaration and agreeing a joint action plan. Gaps in the service and areas of good practice informed the action plan, which was developed across County Durham and Darlington in conjunction with both Health and Wellbeing Boards.

- Agreed the County Durham Interim Child and Adolescent Mental Health Services (CAMHS) Joint Strategy 2014/16, which was developed whilst more detailed work is undertaken to develop a three-year Children and Young People's Mental Health, Emotional Wellbeing and Resilience Plan.

- Agreed the Improving Palliative and End of Life Care: Strategic Commissioning Plan 2013-2018, to ensure the populations of County Durham and Darlington receive the best possible care, in the place where they want to receive it, when they are progressing towards the end of life.

- Agreed the first County Durham Drug Strategy, which aims to prevent harm, restrict supply and sustain a future for individuals to live a drug free and healthy life, whilst minimising the impact on communities and families.

From April 2015 Lifeline began to deliver community based alcohol and drug misuse services jointly from recovery centres across the county, offering individuals and their families integrated drug and alcohol treatment journeys, and allowing people who are attending for treatment to benefit from the positive influences of people attending who are in recovery.

- Agreed the Strategy for the Prevention of Unintentional Injuries in Children and Young People in County Durham to reduce unintentional injuries in children and young people aged 0-19.
- Agreed the Healthy Weight Strategic Framework for County Durham, which has been developed by the County Durham Healthy Weight Alliance as a local response to 'Healthy Lives, Healthy People: A Call to Action on Obesity in England'. The strategy aims to achieve a sustained upward trend in healthy weight for children, young people and adults in County Durham by 2020.
- Agreed the Safeguarding Framework which was developed jointly with the Health and Wellbeing Board, Children and Families Partnership and Safe Durham Partnership along with the Local Safeguarding Children Board and Safeguarding Adults Board.

As a result, applications for take aways to be opened within a 400m zone of schools have been refused, to support children's healthy eating.



SAFEGUARDING FRAMEWORK

June 2014



- Agreed the first Pharmaceutical Needs Assessment, produced by the Health and Wellbeing Board, which was published in March 2015. The key conclusion from the assessment is that there are sufficient numbers of pharmacies in County Durham. The assessment will be used when considering future pharmacy applications.
- The Health and Wellbeing Board receive timely winter plans and system resilience updates to ensure that local health and care systems operate effectively in delivering year round services for patients.

Commitments of the Health and Wellbeing Board

Examples of commitments undertaken by the Health and Wellbeing Board include:

- Signed up to the Disabled Children's Charter to ensure the needs of disabled children are fully understood and services are commissioned appropriately. Evidence has been provided to Every Disabled Child Matters on the actions undertaken in County Durham.

The commitments are being met in County Durham by ensuring that the needs of disabled children and young people are reflected in the Joint Strategic Needs Assessment, and by ensuring appropriate actions are identified in the Joint Health and Wellbeing Strategy. As part of the consultation on the review of these documents, a number of events took place including consultation with 'Making Changes Together' which is a group of parents of disabled children.

- Chair of the Health and Wellbeing Board and the Director of Public Health County Durham are mental health champions, whose role includes promoting wellbeing, and initiating and supporting action on public mental health.
- As part of the Winterbourne View Concordat and Action Plan, the Portfolio Holder for Adult Services was identified as a Learning Disability Champion to promote the needs of people with learning disabilities.
- Signed up to the National Dementia Declaration and Dementia Care and Support Compact to support the delivery of the National Dementia Strategy and improving care and support for people with dementia, their carers and families.

In County Durham, one of the Better Care Fund work programmes is 'Care Home Support' which includes care home and acute and dementia liaison services. Intermediate Care + teams also have Community Psychiatric Nurses support to enable dementia clients to be included in the reablement pathway.

- Signed up to the Carers' Call to Action to ensure that the vision for carers of people with dementia is achieved. Another Better Care Fund work programme is 'Supporting Carers' which includes carers breaks.
- Signed up to the National Pensioners Convention's Dignity Code, which has been developed to uphold the rights and maintain personal dignity of older people. The Dignity Code was discussed at events with Residential Care Home Providers in 2014, who agreed to abide by the code.
- Signed the NHS Statement of Support for Tobacco Control to actively support local work to reduce smoking prevalence and health inequalities. A voluntary ban has been implemented across County Durham, encouraging play areas to become smoke free. The outdoor play area at Riverside Park in Chester-le-Street became the first park to become a smoke free zone.



Key Performance Achievements 2014/15

This section provides a summary of the key performance achievements of the Health and Wellbeing Board to describe the progress made against the strategic objectives in the Joint Health and Wellbeing Strategy.

Strategic Objective 1: Children and young people make healthy choices and have the best start in life

- Latest data shows that both under 16 and 18 conception rates are falling.
- The percentage of exits from young person's drug and alcohol treatment that are planned has achieved target and is above the national average.

Strategic Objective 2: Reduce health inequalities and early deaths

- The long term trend for under 75 mortality from cancers, circulatory diseases and respiratory disease is reducing.
- Patients receiving definitive treatment for cancer within 31 days of diagnosis has exceeded target and is better than national rates.

Strategic Objective 3: Improve the quality of life, independence and care and support for people with long term conditions

- Carers report a higher quality of life in Durham than North East and national averages and report higher satisfaction levels.
- A higher percentage of people remain in their own homes following rehabilitation services than North East and national averages.

Strategic Objective 4: Improve mental health and wellbeing of the population

- The proportion of adults in mental health services in paid employment and settled accommodation is better than national averages.

Strategic Objective 5: Protect vulnerable people from harm

- The number of children subject to a Child Protection plan has decreased and is below North East and national averages.
- The percentage of Children in Need referrals occurring within 12 months of a previous referral has reduced and is below North East and national averages.

Strategic Objective 6: Support people to die in the place of their choice with the care and support that they need

- The number of patients recorded on practice registers as in need of palliative care/support has increased, achieved target and is above national rates.
- The number of deaths occurring in the usual place of residence has increased and is above national rates.

4. Engagement

Central to achieving the vision of the Health and Wellbeing Board to **'Improve the health and wellbeing of the people of County Durham and reduce health inequalities'** is that decisions about the services provided for service users, carers and patients, should be made as locally as possible and involve the people who use them.

Engagement within County Durham includes individual involvement, collective involvement and patient experience activities. A range of mechanisms are used by all partners to support their work in engaging with people about their health and social care needs.

The Health and Wellbeing Board's **Big Tent Engagement Event** is held every year to gather the views of a wide range of stakeholders, including service users, patients, GPs, carers, members of the voluntary and community sector as well as professionals from partner agencies, and elected members.

In October 2014, the event, which was attended by over 240 people, included a number of themed workshops relating to health, social care and the wider wellbeing approach such as long term conditions, physical activity and drugs and alcohol.

The event saw the launch of the Mental Health Crisis Care Concordat for County Durham and provided an update on the work taking place to address health and social care issues. It also gave attendees an opportunity to provide their views on how services should be developed through a series of presentations and themed workshops.

The Local Government Association supported the event and Dr William Bird, a national speaker, led the physical activity workshop.

Feedback from the event has been used to influence future priorities through the Joint Health and Wellbeing Strategy, as well as service reviews for specific plans and strategies.

Service User and Carer Forums support engagement, consultation and involvement with service users and carers from specific client groups, such as those with learning disabilities, mental health needs and older adults.

A specific event for people with learning disabilities, carers and organisations was held in November 2014, which focused on a number of themes, including social activities and health. The engagement tools used on the day were designed by the people with learning disabilities. The engagement approaches took into account the different needs of individuals with learning disabilities to enable people to have their say.



County Durham Adults Learning Disability engagement forum

There are fourteen **Area Action Partnerships** in place to give people in County Durham a greater choice and voice in local affairs. They allow people to have a say on services and give organisations the chance to speak directly with local communities. By working in partnership we help ensure that the services of a range of organisations are directed to meet the needs of local communities and focus their actions and spending on issues important to these local communities.

A designated Area Action Partnership representative has been identified as a link to the Health and Wellbeing Board. Updates on the work of the Area Action Partnerships are provided to the Health and Wellbeing Board on a six monthly basis.

Work has taken place to enhance the interface between Area Action Partnerships and the Health and Wellbeing Board to improve the alignment of Area Action Partnership developments and investments with the priorities of the Health and Wellbeing Board.

Further work will take place at a local level through Area Action Partnerships and will be progressed through the Community Wellbeing Partnership, which is a sub-group of the Health and Wellbeing Board.



AAP consultation event

Voluntary and Community Sector (VCS) organisations are represented on the Community Wellbeing Partnership which focuses on developing an asset based approach in communities and supporting people to help themselves through the Wellbeing for Life Service. VCS organisations are also consulted on the Joint Health and Wellbeing Strategy through the Big Tent engagement event.

Healthwatch County Durham voices people's concerns and provides feedback to service providers and commissioners. Through local engagement they collect vital data on how and why people use services in their area. Its place on the Health and Wellbeing Board means Healthwatch can represent the voice of people in decision making.

Regular reports are presented to the Health and Wellbeing Board on the engagement that has been held in relation to the three strands of Healthwatch work:

- *Listening* – to patients of health services and users of social care services to find out what they think of the services they receive.
- *Advising* – people how to get the best health and social care for themselves and their family.
- *Speaking up* – on consumers' behalf with those who provide health and social care services.

Healthwatch are also instrumental in being involved in projects and reviews and were involved in a patient journey consultation which focused on a dementia project and included people who care for those with dementia.

Patient Reference Groups are the mechanism to engage with patients on specific services provided by GPs and for engagement with people who have specific health conditions.

Investing in Children Reference Groups are utilised for gathering the views of children and young people in relation to health and social care.

There are a number of Investing in Children reference groups, including:

- Emotional Health and Wellbeing
- Diabetes Group
- Disabled Children
- Local Community Groups



Investing in Children Agenda Day

Agenda Days are held that are led by young people and focus on the key issues affecting them.



The Bridge Young Carers group art day

The Health and Wellbeing Board have engaged directly with **young people** who requested to provide their feedback to Health and Wellbeing Board members on health issues which are important to them. An action plan was developed detailing how the issues are being taken forward.

The **Making Changes Together** group is the mechanism for engaging with parents of disabled children to ensure that the needs of disabled children are considered.

5. Local Government Association Peer Challenge

Peer Challenge is part of the Local Government Association's Health and Wellbeing System Improvement Programme's wider offer, where peers work as 'critical friends' and is designed to support the Local Authority and Health and Wellbeing Board in reflecting on, and improving practice.

County Durham's Health and Wellbeing Peer Challenge took place in February 2015. In four days the Peer Challenge team met Councillors, staff, partners, service users and carers through interviews and focus groups. A member of the Peer Challenge team also attended a Health and Wellbeing Board meeting.

The Peer Challenge team were looking for evidence in the following areas:

- A clear, appropriate and achievable approach to improving the health and wellbeing of local residents
- An effective governance system, with leadership that works well across the local system
- Local resources, commitment and skills across the system are maximised to achieve local health and wellbeing priorities
- Effective arrangements for evaluating the impact of the Joint Health and Wellbeing Strategy
- Effective arrangements for ensuring accountability to the public



Big Tent Engagement Event

Feedback from the Peer Challenge stated that County Durham's Health and Wellbeing Board is in a very strong place.

The Local Government Association have recently commissioned national research on the state of play with Health and Wellbeing Boards, and in terms of this research, feel that County Durham is clearly at the forefront of Health and Wellbeing Board progress and impact nationally.

The Peer Challenge team stated that the strength of partnership relationships was striking and they are clearly mature. They commented that distributed leadership had developed from well established relationships, trust and well managed organisations.

They also stated that a whole systems approach is clearly well-embedded and that the Joint Health and Wellbeing Strategy is clearly owned and valued by partners, has influence and is underpinned by the Joint Strategic Needs Assessment.

The Big Tent Engagement Event and Learning Disabilities Forum were commended as inclusive approaches for community engagement, along with engagement events by Investing in Children that ensure the 'voice of the child' influences the Health and Wellbeing agenda.

This is particularly notable as the Peer Challenge team's feedback report states that the 'voice of the child' is not well developed across the country.



IIC Agenda Day

Area Action Partnerships were described by the lead peer as "one of the best forms of localism I have seen in a long time" and that they clearly link to the Health and Wellbeing Board and allow for service models to be locally determined.

The clear governance arrangement between the Health and Wellbeing Board and Scrutiny was identified as among the best in the country.

The Peer Challenge team identified the following four areas of best practice that they would like to follow up and share with the sector:

- Community Engagement
- Area Action Partnerships
- 'Voice of the child'
- Relationship with Scrutiny

The Peer Challenge team identified the following areas that the Health and Wellbeing Board may wish to consider for the future:

- Stronger links to housing to ensure housing's contribution to health inequality and the wider determinants of health is maximised
- Reviewing the membership of the Health and Wellbeing Board in relation to the voluntary & community sector and housing.
- Ensuring the needs of carers are reflected in the Joint Health and Wellbeing Strategy
- Consider working across Health and Wellbeing Board boundaries e.g. to consider patient flows and service re-design.

An action plan will be developed by the Health and Wellbeing Board to take forward any key areas.

6. Future work of the Health and Wellbeing Board

There is a strong commitment from the Health and Wellbeing Board to continue to improve the health and wellbeing of the people in County Durham and reduce health inequalities.

Agreeing the refresh of the Joint Health and Wellbeing Strategy 2015-18 will enable us to progress key areas of work to help achieve that vision.

The Health and Wellbeing Board's work programme for 2015-16 will build on the progress made to date, and will include the following actions:

- Agree the refresh of the Joint Health and Wellbeing Strategy 2015-18 Delivery Plan to ensure that the Joint Health and Wellbeing Strategy is implemented and performance managed.
- Implement the actions in the Mental Health Crisis Care Concordat local action plan, which was agreed by both the County Durham and Darlington Health and Wellbeing Boards.
- Receive updates on the performance against targets set within the County Durham Better Care Fund plan, and the financial position relating to the plan.
- Agree the approach to further develop health and social care integration.
- Agree the Cardiovascular Disease (CVD) Prevention Strategic Framework to prevent the disease, which is the second largest cause of death in County Durham.

- Agree the Dual Needs Strategy, which aims to identify people with dual diagnosis (drugs and/or alcohol misuse along with learning disabilities and/or mental illness, including dementia) and ensure they have access to coordinated and responsive services to meet their complex and changing needs.
- Agree the County Durham Physical Activity Delivery Plan, which will provide a greater range of opportunities to increase participation and activity levels in County Durham



- Agree the comprehensive three year Children and Young People's Mental Health, Emotional Wellbeing and Resilience Plan, which will also consider self-harm amongst young people.
- Receive an update on the work being undertaken across County Durham to address diabetes, as well as Public Health's role as a demonstrator site for the National Diabetes Prevention programme. The aim of the pilot is to be the first country to implement at scale, a national evidence based diabetes prevention programme.

- Support the implementation of the Oral Health Strategy to improve the oral health of children and young people across the county and reduce inequalities in oral health statistics.
- Consider updates on the progress in regard to the Joint Health and Social Care Learning Disability Self-Assessment Framework and the Learning Disability Self-Assessment.
- Agree the Urgent Care Strategy, which has strong ambitions to take a whole system approach, ensuring urgent care services are easier to navigate and are streamlined to avoid duplication.
- Consider safeguarding arrangements for children and adults through the Annual Reports of the Local Safeguarding Children Board and Safeguarding Adults Board.
- Achieve the Tobacco Control Alliance CLeaR creditation, which provides recognition that Durham is providing the leadership required to receive this improvement model.
- Consider updates on the Transfer of 0-5 Healthy Child Programme, which marks the final part of the overall public health transfer to local authorities from the NHS, and aims to encourage integrated working.
- Sign up to St.Mungo's Broadway 'Charter for Homeless Health' to ensure that local services are accessible for people who are homeless.
- Consider the County Durham and Darlington NHS Foundation Trust Right First Time 24/7 Clinical and Quality Strategy.

**Figure 1: County Durham Health & Wellbeing Board Membership
(Correct at 31st March 2015)**

COUNCILLOR LUCY HOVELS

Chair of the Health and Wellbeing Board

Member Portfolio Holder (Safer and Healthier Communities) – Durham County Council

DR. STEWART FINDLAY

Vice Chair of the Health and Wellbeing Board

Chief Clinical Officer - Durham Dales, Easington and Sedgefield Clinical Commissioning Group

RACHAEL SHIMMIN

Corporate Director – Children and Adults Services – Durham County Council

ANNA LYNCH

Director of Public Health County Durham – Children and Adults Services – Durham County Council

ALAN FOSTER

Chief Executive – North Tees and Hartlepool NHS Foundation Trust

COUNCILLOR OSSIE JOHNSON

Member Portfolio Holder (Children and Young People's Services) – Durham County Council

COUNCILLOR MORRIS NICHOLLS

Member Portfolio Holder (Adult Services) – Durham County Council

JOSEPH CHANDY

Director of Primary Care Development and Engagement – Durham Dales, Easington and Sedgefield Clinical Commissioning Group

DR. DAVID SMART

Clinical Chair – North Durham Clinical Commissioning Group

NICOLA BAILEY

Chief Operating Officer – North Durham and Durham Dales, Easington and Sedgefield Clinical Commissioning Groups

CAROL HARRIES

Director of Corporate Affairs – City Hospitals Sunderland

SUE JACQUES

Chief Executive – County Durham and Darlington NHS Foundation Trust

MARTIN BARKLEY

Chief Executive – Tees Esk and Wear Valleys NHS Foundation Trust (TEWV)

JUDITH MASHITER

Chair - Healthwatch County Durham

Also invited to attend – Non Voting

Ben Clark, NHS England Sub-Regional Team; Peter Appleton, Head of Planning and Service Strategy, Durham County Council; and Andrea Petty, Strategic Manager, Policy, Planning and Partnerships, Durham County Council.

7. Abbreviations and glossary

Area Action Partnerships (AAPs)	Groups set up to give people in County Durham a greater choice and voice in local affairs. The partnerships allow people to have a say on services, and give organisations the chance to speak directly with local communities
CAMHS	Child and Adolescent Mental Health Services
Clinical Commissioning Groups (CCGs)	Groups of GP practices, including other health professionals who will commission the great majority of NHS services for their patients
CREE	CREE projects are aimed at improving the mental health and wellbeing of residents by providing a social area and in a friendly and supportive environment. A lot of the projects are based around allotments, community gardens and pigeon crees (hence the name) and can offer support or signpost users to other support services.
Dementia	Dementia is used to describe a syndrome which may be caused by a number of illnesses in which there is progressive decline in multiple areas of function, including decline in memory, reasoning, communication skills and the ability to carry out daily activities. Individuals may develop behavioural and psychological symptoms such as depression, psychosis, aggression and wandering
Disabled Children's Charter	A formal document which the HWB signs to demonstrate its commitment to improving the quality of life and outcomes experienced by disabled children, young people and their families, including children and young people with special educational needs and health conditions
Dual Diagnosis	Having both a diagnosis of learning disabilities/mental behavioral diagnosis and substance misuse problems
GP	General practitioner - also known as family doctors who provide primary care
Health and Wellbeing Board (HWB)	Statutory forum of key leaders from health and social care working together to improve the health and wellbeing of the local population and reduce health inequalities
Intermediate Care+	Provides one route into all intermediate care services, which prevent unnecessary admission to hospitals or premature admission to care homes, and promote independence and faster recovery from illness
Interventions	Services provided to help and/or improve the health of people in the county

Joint Health and Wellbeing Strategy (JHWS)	The Health and Social Care Act 2012 places a duty on local authorities and CCGs to develop a Joint Health & Wellbeing Strategy to meet the needs identified in the local Joint Strategic Needs Assessment (JSNA)
Joint Strategic Needs Assessment (JSNA)	The Health and Social Care Act 2012 states the purpose of the JSNA is to improve the health and wellbeing of the local community and reduce inequalities for all ages
Local Government Association (LGA)	The LGA is a politically-led, cross-party organisation that works on behalf of councils to ensure local government has a strong, credible voice with national government. The LGA aims to influence and set the political agenda on the issues that matter to councils so they are able to deliver local solutions to national problems
Long term condition	The Department of Health has defined a Long Term Condition as being “a condition that cannot, at present be cured; but can be controlled by medication and other therapies.” This covers a lot of different conditions e.g. diabetes, chronic obstructive pulmonary disease (COPD), dementia, high blood pressure
National dementia declaration	Explains the challenges presented to society by dementia and some of the outcomes that are being sought for people with dementia and their carers
NHS	National Health Service
Reablement	Reablement is about giving people over the age of 18 years the opportunity, motivation and confidence to relearn/regain some of the skills they may have lost as a consequence of poor health, disability/impairment or accident and to gain new skills that will help them to develop and maintain their independence
Special Educational Needs and Disability (SEND)	Children who have needs or disabilities that affect their ability to learn. For example: <ul style="list-style-type: none"> • Behavioural/social (e.g. difficulty making friends). • Reading and writing (e.g. dyslexia). • Understanding things. • Concentrating (e.g. Attention Deficit Hyperactivity Disorder). • Physical needs or impairments
Social Isolation	A lack of contact with people
Stakeholders	Interested parties or those who must be involved in a service/project or activity
UTASS	Upper Teesdale Agricultural Support Services, supporting local residents with mental health needs



North Durham Clinical Commissioning Group



Durham Dales, Easington and Sedgefield
Clinical Commissioning Group

City Hospitals Sunderland 
NHS Foundation Trust

County Durham and Darlington 
NHS Foundation Trust

Tees, Esk and Wear Valleys 
NHS Foundation Trust

North Tees and Hartlepool 
NHS Foundation Trust



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County Durham Health and Wellbeing Board Annual Report 2014-2015

Contact Details

Any comments or queries about this document can be directed to:

Policy, Planning and Partnerships

Children and Adults Services
County Hall
Durham
DH1 5UG

Tel: 03000 267 318

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Cabinet

16th September 2015



Care Act and Adult Social Care Transformation Update

Report of Corporate Management Team

**Rachael Shimmin, Corporate Director of Children and Adults Services
Councillor Lucy Hovvels, Cabinet Portfolio Holder for Adult and Health Services**

Purpose

1. The purpose of this report is to provide an update to Cabinet on the local and national developments in relation to the implementation of the Care Act 2014 and the transformation of Adult Care services, focussing on changes to deliver Phase 1; the new care and support duties from 1st April 2015.
2. The report also provides an update on the recent announcement by Government to postpone the Phase 2 reforms until 2020 which were due to come into effect from 1st April 2016, which includes the cap on care costs and appeals system.

Background

3. On 18th March 2015, Cabinet received a report on the national and local developments in relation to the implementation of the Care Act and the transformation of Adult Care services.
4. Over the last six months Adult Care services in County Durham have continued to undergo a programme of transformational change to ensure we meet the requirements of the Care Act.
5. The Care Act seeks to help and promote people's independence and wellbeing. Local Authorities must provide or arrange services for those with eligible needs that intervene early to support people to retain or regain their skills and confidence. The aim being to delay deterioration and the need for ongoing care and support wherever possible.
6. The Act embeds people's rights to choice, personalised care and support, and personal budgets in legislation.
7. The Care Act established the Better Care Fund for the integration of care and support with health services. The £3.8bn Better Care Fund (BCF) was announced by the Government in the June 2013 spending round, to ensure a transformation in integrated health and social care. The BCF is a single pooled budget to support health and social care services to work more closely together

in local areas. It brings together NHS and Local Government resources that are already committed to existing core activity and also provides a real opportunity to improve services and value for money.

8. Following publication of the revised BCF planning and technical guidance in July 2014 there was a substantive change in policy which meant that of the £1.9bn NHS contribution to the BCF, £1bn would remain within the BCF but would be either commissioned by the NHS on out-of-hospital services or be linked to a reduction in total emergency admissions. The intention of this policy change was to ensure that the risk of failure for the NHS in reducing emergency admissions was mitigated.
9. Supplementary guidance published on 20 August 2014 with the expectation of a 3.5% reduction in emergency admissions, stated that every Health and Wellbeing Board Area should set a target for a reduction in emergency admissions that is ambitious and stretching but not unrealistic. A plan which sets an ambition lower than 3.5% in 2015/16 must explain how the planned level of improvement will contribute to a longer term trajectory or reduction linked to the transformation of local health and care services and must have the explicit support of the Council and all of the Clinical Commissioning Groups (CCGs) who are party to the plan. The lower the planned reduction, the less money will be available through the payment for performance element of the Better Care Fund.
10. The Act also introduces a new duty to provide preventative services, a national minimum eligibility threshold and a duty to offer information and advice to help people plan what support they need for the future.
11. In County Durham a significant amount of work has been undertaken in relation to the implementation of Phase 1 of the Care Act which is outlined within this report along with the announcement by Government to postpone until 2020 the Phase 2 reforms. This includes the cap on care costs and appeals system until 2020 which was due to come into effect on 1st April 2016.

Care Act Implementation in Durham

12. Care Act implementation and adult care transformation has sought to provide a flexible, innovative and outward facing service with the primary aim of helping people to help themselves. There is a focus on prevention and building resilience by working to ensure that there are universal local voluntary and community services available for the public to access.
13. Adult Care Staff will continue to support those people with long term needs but work proactively to ensure that service users remain as independent as possible.
14. The Health and Wellbeing Board is committed to promoting integrated working between commissioners of health services, public health and social care to enhance the health and wellbeing of people living in County Durham.
15. The implementation of the Better Care Fund (BCF), a pooled budget deployed locally on health and social care initiatives, commenced on the 1st of April 2015

following the agreement of the BCF plan by NHS England in December 2014. County Durham's allocation from the fund is £43.735m in 2015/16.

16. The seven key initiatives that the fund has been committed to are as follows:
 - **Short term intervention services** which includes intermediate care community services, reablement, falls and occupational therapy services (**£13,428,000**)
 - **Equipment and adaptations for independence** which includes telecare, disability adaptations and the Home Equipment Loans Service (**£8,562,000**)
 - **Supporting independent living** which includes mental health prevention services such as counselling (**£5,005,000**)
 - **Supporting Carers** which includes breaks for carers (**£1,361,000**)
 - **Social isolation** which includes working with the voluntary and community sector (**£1,121,000**)
 - **Care home support** which includes dementia services (**£1,774,000**)
 - **Transforming care** which includes maintaining the current level of eligibility criteria (critical and substantial) (**£12,484,000**)
17. The overall aim of the BCF is to transform local health and social care services to make them more responsive and personalised to individual need. This includes making services available seven days a week, improving information and advice and clarifying lines of responsibility for coordinating care.
18. Our tradition of effective integrated working with the NHS will continue as we explore further opportunities for integrated personalised systems across all service user groups.
19. As reported to Cabinet on 18th March 2015, the government announced in the June 2013 spending review, that they would make £355 million of national funding available to local authorities in 2015/16. This was to enable preparation for the reforms being implemented as part of the Care Act.
20. The Council received four separate revenue grants totalling £3,134,942 supporting the delivery of the following:
 - Additional assessments for the cap on care costs
 - Universal deferred payment agreements
 - Social care in prison.
 - Carers

Implementation of Phase 1 Reforms – Care and Support

21. The Council has embarked upon a number of service developments which support Care Act implementation.
22. There is a drive towards prevention and building resilience by working to ensure that there are local voluntary and community services available for the public to access. A new Wellbeing for Life (WBL) service has recently been commissioned across County Durham. The service works with the public on an

individual or group basis with staff and volunteers helping people to achieve their health goals. Service provision includes sign posting and advice, adult learning and participation in community opportunities to reduce social isolation.

23. To ensure a targeted approach, the service is being delivered in the most deprived geographical areas of the County. The service goes beyond addressing single issues and illness and instead aims to take a community approach to improving health and wellbeing. The focus is upon specific communities and is based around three areas; North, South-West and East Durham. Programmes are already working in communities within Shildon, mid-Durham and South Moor/Quaking Houses to improve the overall levels of wellbeing.
24. Delivery is through a consortium of partners who bring their skills and expertise to this unique programme including County Durham and Darlington NHS Foundation Trust, Durham Community Action, Pioneering Care Partnership, Durham County Council Culture and Sport and Leisureworks.
25. There are currently over 6,000 people with dementia in County Durham. As people are living longer, the number of people aged 60 and over with dementia is expected to double by 2030. A new Dementia Strategy has been developed for County Durham and Darlington. The Council is working with NHS organisations, Darlington Borough Council and a range of voluntary and community services to implement the strategy. Actions and initiatives are planned to improve early diagnosis and give the right support to people with dementia, their carers and families.
26. A Palliative and End of Life Care Social Work Awareness Project has commenced which aims to promote and develop awareness and to establish improved pathways for service users. The work, to be undertaken over two years, will lead to increased knowledge and awareness which will be cascaded through staff teams and will result in a change of culture across all partner agencies.
27. A new equipment demonstration centre has recently opened in Spennymoor for people who have difficulty carrying out day to day activities due to illness or disability. A range of products are on display to show some of the equipment and adaptations that are available to make everyday life easier, including walking frames, perching stools, stairlift, bathlift, telecare equipment and specialist sensory support products.
28. In line with Care Act requirements to assess the adult social care needs of prisoners, in November 2014 G4S were appointed as the new health care provider for Prisons in County Durham. Demand for prison social care assessments since 1st April, 2015 has not been as high as expected. As at 14th July 2015 there have been twelve assessments, resulting in seven people needing ongoing care and support and one person's need being met by the provision of equipment.
29. The Care Act places new duties on local authorities to provide information, advice and advocacy services. The County Durham Information Strategy 2014-

16 supports delivery of the Care Act as well as enhancing our existing information service. The key outcome of this strategy is that people, including those who are most vulnerable, who want information about adult care and support, will know what is available and where to find it easily, in formats that work and make sense to them and that the information requirements within the Act are met.

30. New ways for people to contact the Council, through a comprehensive E-marketplace system have been developed. The Council's new website [Locate - care and support in County Durham](#) went live in April, 2015 and a publicity campaign is scheduled to begin in autumn 2015. Locate provides a central point for all information about care and support and the services available to meet people's needs. The emphasis is upon prevention and enabling and empowering people with the information they need to make their own informed decisions about adult care.
31. The Care Act 2014 places adult safeguarding on a statutory footing and requires the local authority to make enquiries, or cause others to do so, if it believes an adult is experiencing or is at risk of abuse or neglect.
32. County Durham Local Safeguarding Adults Board (LSAB) recognises the need to provide a proportionate response to all safeguarding concerns and has agreed that in County Durham the multi-agency process previously known as "safeguarding" will now be called "adult protection".
33. In line with similar arrangements in Children's safeguarding an independent chair person has been appointed to the LSAB.
34. A "Risk Threshold Tool" has been revised to reflect Care Act changes and to inform professional decision making regarding safeguarding concerns. The draft revised threshold tool has been shared with LSAB partner agencies.
35. For the first time, carers are recognised in the law in the same way as those they care for. Carer's procedures and operating processes have been reviewed and revised along with links to carers' centres. Work has been undertaken on the implications for practitioners in relation to the Care Act including carers' assessments and support.
36. A Market Position Statement (MPS) 2015-17 has been published which aims to assist existing providers and those of the future to decide how they might respond to opportunities and develop new types of services whilst improving the quality of their offer.
37. In order to ensure that effective arrangements are in place for the transition between children's services and adult services at the age of 18 the service has reviewed its existing arrangements and by 1st April 2016 a transition service for 14-25 year olds will be in place. This will be a countywide provision serving disabled children and young people and their carers.
38. To ensure frontline practice meets the requirements of the Care Act and the Adult Care Transformation programme, workforce development is progressing.

Service-specific Task and Finish Groups are designing and delivering large scale workshops which are supported by targeted training and e-learning.

39. A policy for the deferred payments scheme (DPS) has been agreed. From April 2015 Council's no longer have the power to put a legal charge on a property for people entering residential care, unless the service user signs up to a deferred payment agreement (DPA). A deferred payment must be offered to people who meet the eligibility criteria and are able to supply adequate security for the debt.

Implications and Challenges

40. To date the transformation programme within Adult Care Services has led to a number of service improvements and efficiencies.
41. Partnership working with NHS colleagues has resulted in the service successfully improving performance in supporting people from requiring long-term care. The number of beds commissioned for residential/nursing care has reduced by 6.6% (between March 2013 and June 2015) and the number of service users requiring long term care packages has reduced by 5.8% since March 2013. The number of people accessing reablement (short term help to relearn/regain skills) has increased by 15.1% with 89% of people who received a reablement intervention requiring reduced or no further care. The number of people using Telecare has increased by 60.0% when comparing June 2015 with March 2013. However, the service is aware of those areas which require further work and is aiming to increase access and take up of Direct Payments.
42. Whilst activity and volume have been falling in terms of long term commissioned provision, some higher volumes are evident when compared to other local authorities across the region. The total number of commissioned services provided in 2013/14 in Durham per 100,000 of the population was 4,235 people compared to the North East average of 3,745.
43. The 2014 Office for National Statistics (ONS) mid-year population estimates that the number of County Durham residents aged 65+ increased by 24.1% between 2001 and 2014 increasing the number in this age group to 101,500 people representing nearly one fifth of the resident population in the County. This increase in the county was higher than that across the region (17.3%) and nationally (21.7%).
44. It is also important to note that the population aged 85 and over has increased by 36.5% over the same period to 11,200 (3,100 people more since 2001). This group has seen the largest percentage increase since 2001 (11,200, up from 8,500 in 2001). The North East has seen a slightly larger increase in this group of 39.6% while nationally this group increased 33.1% over this period.
45. There is a need to develop a more outcomes focussed approach both in terms of commissioning services and to achieve improved outcomes for people in need of care and support.
46. There is the possibility that the Government may seek to recover some of the revenue grant which was allocated for Phase 1 Implementation, particularly in

relation to additional assessments for self-funders. At this point in time there is no firm indication; however, suggestions from the Department of Health indicate that some funds may be re-badged to winter pressures or in response to Deprivation of Liberty Safeguards.

Phase 2 Reforms including Cap on Care Costs and Appeals System

47. In response to concerns expressed by the Local Government Association and many other stakeholders about the timetable for implementing the cap on care costs in April 2016, the Government announced on 17th July, 2015 that it had decided to delay its implementation until April 2020.
 48. The proposals to cap care costs and create the conditions for a supporting private insurance market were expected to add £6 billion to public sector spending over the next 5 years. The Government felt that at a time of consolidation was not the right moment to be implementing expensive new commitments such as these, particularly when there are no indications the private insurance market would develop as expected.
 49. The Government will continue with other efforts to support social care, in particular through the Better Care Fund, to drive the integration of social care and the NHS going forward.
 50. Alongside this the Government has also confirmed that they will delay the full introduction of the duty on local authorities under Section 18(3) of the Care Act to meet the eligible needs of self-funders in care homes until April 2020. The consultation earlier this year highlighted significant concerns about this provision and the extra time will enable the Government to better understand the potential impact on the care market and the interaction with the cap on care costs system. The introduction of the proposed appeals system for care and support is also being deferred to enable it to be considered as part of the wider Spending Review that will be announced in the autumn 2015.
 51. Meetings with representatives from the insurance industry along with HM Treasury and other Government Ministers to work through what this announcement means for them and how Government can help them to bring forward new products will continue over the summer.
45. The delay will allow time to be taken to ensure that everyone is ready to introduce the new system and to look at what more can be done to support people with the costs of care.

Regional Context

52. Regional links are well established and have helped support co-operation, collaboration and sharing of knowledge in relation to Care Act implementation.
53. Work is ongoing regionally on a work programme for 2015-16 exploring priorities including:
 - Assuring and embedding implementation of the 2015 reforms

- Information, advice and advocacy
 - Assessment and eligibility
 - Workforce development
 - Communications and demand management
 - Market shaping and commissioning
54. All twelve North East Councils have signed up to an e-learning package facilitated through ADASS. From end of February, 2015, the provider, ME Learning offers seven courses, based on Skills for Care material, to meet generic training needs.
55. An ambitious programme called [Transforming Care](#) of system wide change to improve care and support for people with learning disabilities and/or autism, and behaviour that challenges, was launched at the beginning of the year. A [progress report](#) on next steps was published on 3 July. A [six month progress report](#) by the Transforming Care and Commissioning Steering Group, chaired by Sir Stephen Bubb, was published on 14 July.
56. The Carers' Network together with various other organisations have recently published a range of practice guidance and advice, to supplement the statutory guidance on:
- The Care Act 2014: A guide to efficient and effective interventions for implementing the Care Act 2014 as it applies to carers
 - The Economic Case for Investment in Carers
 - The Care Act and whole family approaches
57. A new [forum](#) has been set up to discuss the challenges facing commissioners and providers of preventative services. It's a new feature on the [Prevention Library](#), run by SCIE. On the forum, examples of preventative work can be found and added and related issues discussed with colleagues.
- 58 [New guidance](#) has been produced following extensive input from councils and providers, which suggests a straightforward approach to market oversight. It aims to help directors of adult social services and commissioners assess the sustainability of their local care markets and the providers within them and enable them to be prepared to meet their new duties to promote and maintain the wellbeing of their local populations.
59. Regional resources have been used to produce a resource for independent financial information that can be used by LA's across the region.

National Policy Context

60. Since the last report a number of key national policies have been announced, relating to adult social care services.
61. The NHS Five Year Forward View was [published on 23 October 2014](#) and sets out a vision for the future of the NHS. The Five Year Forward View sets out how, with the additional funding confirmed in the Budget 2015, the NHS will deliver

£22 billion in efficiency savings by 2020-21. This will come through improvements to quality of care and staff productivity, and better procurement.

62. Some actions within the NHS Forward View require new partnerships with local communities, local authorities and employers. For local authorities the Government advocates:
 - *Back diverse solutions and local leadership.* Work with ambitious local areas to define and champion a limited number of models of joint commissioning between the NHS and local government. These will include Integrated Personal Commissioning (IPC), a new voluntary approach to blending health and social care funding for individuals with complex needs. As well as care plans and voluntary sector advocacy and support, IPC will provide an integrated, “year of care” budget that will be managed by people themselves or on their behalf by councils, the NHS or a voluntary organisation. Also Better Care Fund-style pooling budgets for specific services where appropriate, and under specific circumstances possible full joint management of social and health care commissioning, perhaps under the leadership of Health and Wellbeing Boards. A proper evaluation of the results of the 2015/16 BCF is needed before any national decision is made to expand the Fund further.
63. In January 2015, the NHS invited individual organisations and partnerships to apply to become ‘vanguard’ sites for the new care models programme, one of the first steps towards delivering the Five Year Forward View and supporting improvement and integration of services.
64. In March, the first wave of 29 vanguard sites was chosen. There were three vanguard types – integrated primary and acute care systems; enhance health in care homes; and, multispecialty community provider vanguards.
65. In July, a second wave of eight vanguards was announced, known as urgent and emergency care vanguards. The eight new vanguards will spearhead this work and, like other vanguards, will benefit from a programme of support and investment from the £200m transformation fund. Six vanguards will cover smaller local systems which may include hospitals and surrounding GP practices and social care, while two network vanguards will be working with much larger populations to integrate care on a greater scale. This will include innovative plans such as those in North-East England where services across the region will be aligned to a single joined-up system to ensure all patients including those living in remote rural locations will get the care they need, including a rapid specialist opinion should they need one.
66. The **Cities and Local Government Devolution Bill** paves the way for devolving powers and budgets to English cities to boost local and regional growth, dependent upon establishing an elected mayor to lead the new authority.
67. The North East Combined Authority (NECA) on 17th July, 2015 confirmed that they wish to begin detailed devolution negotiations with government ministers to secure a substantial devolution of power, funding and responsibilities, to meet the needs of their diverse communities, and deliver the strategic economic plan

for more and better jobs. The NECA have also confirmed that they will, alongside these discussions, consider appropriate models of governance, including an elected mayor.

68. A key focus of NECA's ambitions is to push export-led growth and enable business to take advantage of international opportunities. The agreement with government will also include development over time of an integrated approach to public service delivery, supported by the integrated management of all public assets in the region, and a framework to support health and social care integration at local level. The combined authority will consult with businesses, trade unions and other partners before publishing its detailed plans in the autumn.
69. Integration remains a key priority for the new government through the Better Care Fund.
70. The **NHS Bodies and Local Authorities Partnership Arrangements (Amendment) Regulations 2015 Consultation** proposed changes include widening the potential scope of pooled budgets to include funding for primary medical care and pave the way for greater integration across community health, social care and primary care.
71. The Chancellor announced on 4th June, 2015, as part of the in-year budget review process, a series of in-year budget cuts, including a £200 million reduction in public health funding. A consultation, which sets out possible options on how the £200 million savings might be spread across local authorities, is due to close of 28th August, 2015.
72. **Making it better together: A call to action on the future of health and wellbeing boards (30th June 2015)** launched by the LGA and NHS Clinical Commissioners is an ambitious call to action and a set of proposals to local system leaders and the Government to strengthen the impact and leadership of health and wellbeing boards across the country. Proposals include:
 - A national five-year funding settlement across health and care.
 - A national strategy for coordinated workforce planning and integrated workforce development across health, public health and social care
 - A single national outcomes framework for health, public health and social care enabling HWBs to determine their priorities locally.
 - An integrated, proportionate, place-based commissioning framework which supports accountability.
73. The **Summer Budget 2015** protects spending on the NHS in England and backs the NHS Five Year Forward View. The Government will fully fund the NHS Forward View which called for £8 billion more by 2020-21. This additional funding comes on top of the £2 billion announced in Autumn Statement 2014. The Budget, therefore, commits to increase NHS funding in England by £10 billion in real terms by 2020-21, above 2014-15 levels.

National Developments

74. The **County All Party Parliamentary Group Report: [The State of Care in Counties: The Integration Imperative](#)** (March 2015) produced in partnership with the **County Councils Network (CCN)** and **Local Government Information Unit (LGiU)**, is a major contribution to the policy debate on the future direction of health and social care integration in England. Alongside a new detailed analysis of the state of care in council areas covering 86% of England's landmass, the report outlines a radical new direction for devolved health and social care integration in county areas through the roll-out of **Health & Social Care Deals** (devolving health provision to give greater localisation).
75. The inquiry concludes that integration is the only sustainable answer to the long-term provision of health and social care services in county areas. However, while integration may be the answer, more radical change is needed in the long and short-term to drive forward the integration agenda in county areas. In the short-term the report suggests the Government should:
- Conduct a full review of the sustainability of adult social care as part of the 2015 Spending Review, including allocation formulae
 - Establish an independent cross-party commission to look into the disparities in entitlement between health and social care.
76. The Report states that in the long-term Government should:
- Invite local NHS/local authority partnerships in county areas to bid for greater devolution of health and social care through Health & Social Care Deals in the form of:
 - a) larger or entirely pooled budget;
 - b) new delivery structures; and
 - c) enhanced local powers to commission services.
 - Empower Health and Wellbeing Boards to hold the integration programme to account and to drive it locally. Health and Wellbeing Boards should be given additional powers to commission primary, secondary and social care services and empowered to hold budgets.
77. The National Audit Office (NAO) in June 2015 published two reports relating to the [implementation of the Care Act's](#) first stage reforms and a report on [new burdens](#) being placed on local government.
78. *The NAO report on Care Act first-phase reforms* found:
- Local authorities identified two big risks: cost and, secondly, uncertain additional demand from self-funders and carers. The Department estimates that there are some 455,000 people paying for care in their own homes.
 - The Department of Health may, however, have underestimated the demand for assessments and services for carers. The NAO concluded that it was as reasonable to assume that those carers who have applied for Carer's Allowance and are eligible, but do not receive it because they receive other allowances, are as likely to seek an assessment. This equates to a risk of

£27 million (26%) in extra assessments. This equates to a risk of £27 million (26%) in extra assessments and services if these people also come forward.

79. The NAO's report on *Local government new burdens* considered how well the government has applied the New Burdens Doctrine. The NAO underlines the importance of departments assessing new burdens on authorities not only rigorously but also transparently. In addition, Department for Communities and Local Government needs to use intelligence better, to improve its understanding of the pressures affecting local authorities' financial sustainability.
80. The Supreme Court Judgement of March 2014 in the case of '*P v Cheshire West and Chester Council and another*' changed the interpretation of the legal definition of 'Deprivation of Liberty' (DOLS) in a way that increases the burdens on both healthcare and, more substantially, local authorities under the Mental Capacity Act (MCA) 2005.
81. The change in the interpretation of the law has led to a very significant increase in the number of DOLS applications received by councils. Government figures show that there were a total of 13,000 DOLS applications in 2013/14. However, following the judgement, there have been 86,500 applications so far this year, with the number of applications increasing each quarter. (LGA and ADASS Briefing – 16th March 2015)
82. The financial impact on councils across the country is significant. The Local Government Association (LGA) and Association of Directors of Adult Social Services (ADASS) estimate that the judgement is likely to add, at a minimum, £96.8 million above existing local authority MCA and DOLS funding of £35.2 million in 2014/15.
83. The Law Commission on 7 July 2015 opened a consultation provisionally proposing that DOLs be replaced with a new system, to be called 'Protective Care'. This system is focused upon providing appropriate care and better outcomes for people who lack mental capacity and helping their family and carers. The consultation is open until 2 November 2015 and a final report with recommendations and a draft Bill is expected to be published in 2016.

Next Steps

84. Further redesign and improve the delivery of Adult Social Care Services.
85. Building on the use of new technology to allow more flexibility and responsiveness in the delivery of services to clients.
86. Ensuring the duties of prevention and wellbeing run through the whole service system from information and advice to Social Care Direct through to the specialist teams.
87. Future national policies and developments will be implemented as and when required.

Recommendations

89. Cabinet is recommended to:

- Note the content of this report.
- Agree to receive further updates in relation to Care Act implementation on a six monthly basis.

Contact: Lesley Jeavons, Head of Adult Care Tel. 03000 267354

Appendix 1 – Implications

Finance – Substantial efficiencies have already been delivered through this approach as part of the Medium Term Financial Plan. Further efficiencies are planned.

Staffing – Workforce development will benefit staff and will help to challenge thinking and introduce new ways of working into practice. Roles and responsibilities are being amended in line with revised requirements. Embedding culture change is dependent on staff working effectively and understanding service aims, supported by managers.

Risk – Changes need to be carefully managed to ensure social care services and the protection of adults remains robust and the system is not de-stabilised during transition.

Equality and Diversity / Public Sector Equality Duty – None

Accommodation – None at this stage, although modern ways of working may impact on accommodation requirements in due course.

Crime and Disorder – The local authority has responsibility for the care and support needs of people in prisons and approved premises, with effect from 1st April 2015.

Human Rights – None

Consultation – Any changes to workforce will be subject to consultation with affected staff through a number of engagement forums such as Big Tent Event.

Procurement – None at this stage.

Disability Issues – Specific reference is made to disability in the BCF.

Legal Implications – There are a number of key policy developments/initiatives that have led the way and contributed to the Adult Care Transformation agenda in County Durham. All changes must be compliant with the Care Act.

Cabinet

16 September 2015

Review of Home to School Transport Policy



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 To seek Cabinet approval to begin consultation on proposed changes to home to school transport which would be implemented from 1 September 2016 to remove discretionary elements of the existing policy. This would make savings of approximately £740,000 as part of the Council's Medium Term Financial Plan (MTFP) across the period 2016/17 to 2018/19.

Background

- 2 The financial outlook for the Council continues to be extremely challenging. The final Coalition Government Budget in March 2015 identified the need for significant reductions in the spending of "unprotected" government departments over the 2016/17 to 2018/19 period. At that point, the forecasted impact on the Council's medium term financial plan was an additional funding reduction of £75m over the three year period with a £33m reduction in 2016/17.
- 3 The scale of the challenge faced by the Council remains significant with total funding reductions across the four year period 2016/17 to 2019/20 forecast to be £78m and with the Council also facing increased budget pressures with the introduction of a National Living Wage.
- 4 The position will remain uncertain however until November 2015 when we will receive details of the Government's Spending Review, which will detail the funding reductions to be faced by the Department for Communities and Local Government (DCLG). The Council is then expected to receive its draft financial settlement in December, at which point the forecasts reported to Cabinet in July will be updated.
- 5 By 31 March 2016, savings of £153.2m will have been realised since the beginning of austerity in 2011/12. It is presently forecast that this figure will be £256m by 2018/19 and exceeding £260m by 2019/20.

- 6 The Council's Home to School Transport Policy was last reviewed in 2010/11. This resulted in phased changes being implemented in September 2011 and September 2012.
- 7 The changes made at that time were:
- a. removal of a contribution towards all Post 16 students travel other than in specific circumstances (implemented 2011)
 - b. introduction of a charge for concessionary travel (implemented 2011)
 - c. increase the distance limit from 2 to 3 miles for entitlement to free transport to the nearest suitable school (implemented 2012)
 - d. removal of associated transport (implemented 2012)
 - e. removal of transport to faith schools (implemented 2012)
- 8 The combined impact of these changes resulted in savings of £5.9m realised across the period 2011/12 to 2015/16. The changes implemented in 2011 and 2012 were phased in, with transitional protection provided to students already in receipt of free transport when the changes were introduced. These changes did not remove all discretionary element of home to school transport. Given the ongoing budget reductions faced by the Council this paper seeks Cabinet agreement to consult on removing the remaining discretionary elements of the policy.

Provision of Travel Arrangements: Eligible Children

- 9 The Education Act 1996 and Education and Inspections Act (EIA) 2006 sets out the duty on Local Authorities to make such travel arrangements as they consider necessary to facilitate attendance at school for eligible children.
- 10 The EIA 2006 defines eligible children – those categories of children of compulsory school age (5-16) for whom free travel arrangements will be required:

(i) Statutory walking distances eligibility

The Local Authority must provide free transport for all pupils of compulsory school age (5-16) if their nearest suitable school is:

- Beyond 2 miles (if below the age of 8); or
- Beyond 3 miles (if aged between 8 and 16)

(ii) Special educational needs, a disability or mobility problems eligibility

The Local Authority must make transport arrangements for all children who cannot reasonably be expected to walk to school because of their mobility problems or because of associated health and safety issues related to their special educational needs (SEN) or disability. Eligibility, for such children should be assessed on an individual basis to identify their particular transport requirements. Usual transport requirements (e.g. the statutory walking distances) should not be considered when assessing the transport needs of children eligible due to SEN and / or disability.

(iii) Unsafe route eligibility

The Local Authority must make transport arrangements for all children who cannot reasonably be expected to walk to nearest suitable school because the nature of the route is deemed unsafe to walk.

(iv) Extended rights eligibility

The Local Authority to provide free transport where pupils are entitled to free school meals or their parents are in receipt of maximum Working Tax Credit if:

- The nearest suitable school is beyond 2 miles (for children over the age of 8 and under 11);
- One of their three or more nearest suitable schools, if that school is between 2 and 6 miles (for children age 11 -16);
- The nearest school preferred on the grounds of religion or belief, for pupils whose parents adhere to that particular faith, where that school is between 2 and 15 miles (for children aged 11 – 16)

Accompaniment

- 11 In determining whether a child cannot reasonably be expected to walk for the purposes of 'special educational needs, a disability or mobility problems eligibility' or 'unsafe route eligibility', the local authority will need to consider whether the child could reasonably be expected to walk **if accompanied** and, if so, whether the child's parent can reasonably be expected to accompany the child. When considering whether a child's parent can reasonably be expected to accompany the child on the journey to school a range of factors may need to be taken into account, such as the age of the child and whether one would ordinarily expect a child of that age to be accompanied.

Discretionary Arrangements: Travel Arrangements for other children

- 12 The Education Act provides Local Authorities with discretionary powers to go beyond their statutory duties and provide transport for children who are not entitled to free transport. It is for individual Local Authorities to decide whether and how to apply this discretion as they are best placed to determine

local needs and circumstances. It is recognised that Local Authorities will need to balance the demands for a broad range of discretionary travel against their budget priorities

Post 16 Transport to Education and Training

- 13 Local Authorities have a duty to prepare and publish an annual transport policy statement specifying the arrangements for the provision of transport or otherwise that the Local Authority considers necessary to facilitate the attendance of all Post 16 (16-18 year olds) receiving education or training.
- 14 The overall intention of the 16-18 transport duty is to:
 - i. Ensure that learners of sixth form age are able to access the education and training of their choice.
 - ii. Ensure that, if support for access is required, this will be assessed and provided where necessary.
- 15 The planning of transport at a local level should take into account the following recent changes:
 - i. Under the Education and Skills Act 2008, young people have been required, since June 2013, to stay in education or training for a further year after the compulsory school leaving age. From June 2015, this requirement was extended until their 18th birthday. To support the raising of the participation age local authorities have responsibility for promoting the effective participation in education and training of young people who are subject to the duty to participate.
 - ii. Under the September Guarantee, every young person aged 16 or 17 must be offered a suitable place in education or training.
 - iii. Increasingly young people will be undertaking apprenticeships and traineeships. The government has made it easier and faster for employers to recruit an apprentice and we would expect young people to benefit from continued expansion of the apprenticeships programme.
- 16 Ensuring that young people have access to the education and training provision that is commissioned at a local level will be essential in order to support these reforms.
- 17 The duty applies to all local authorities in England in respect of arrangements for young people (over compulsory school age) aged 16-18 and those continuing learners who started their programme of learning before their 19th birthday.
- 18 The legislation recognises that a local response to transport arrangements is important as it allows local circumstances to be taken into account. The legislation therefore gives Local Authorities the discretion to determine what transport and financial support are necessary to facilitate young people's

attendance. The Local Authority must exercise its power to provide transport or financial support reasonably, taking into account all relevant matters.

Specific Consideration of Learners with Learning Difficulties and / or Disabilities

- 19 The 16-18 transport duty relates to young people of sixth form age with learning difficulties and / or disabilities up to age 19 (and beyond age 19 if they are continuing on a particular course that they started before age 19).
- 20 The transport needs of young people with learning difficulties and / or disabilities should be reassessed when a young person moves from compulsory schooling to Post 16 education.
- 21 In terms of good practice, Independent Travel Training should be considered as part of the Council's transport policy, for the all-round benefits that it can bring for the young people in their personal development, development of life skills and independence, at the same time as having the potential to realise financial savings and providing support to young people in a more cost-effective way.

Personal Budgets

- 22 The parent / carer of a child with an Education, Health and Care Plan, or the young person if he or she is between the ages of 16 and 25 years, has the right to request a personal budget for some or all of the provision. Transport would only be recorded in a Statement of Special Educational Needs or an Education, Health and Care Plan in exceptional circumstances. Transport costs could be considered as part of a personal budget if a child or young person is entitled to free home to school transport or post-16 transport assistance. In making a decision, the Council would have to be satisfied that:
 - Any different arrangements would meet the needs of the child or young person; and
 - No additional costs would be incurred by the County Council.

Current Position

- 23 Durham County Council has continued to provide free transport to some groups of students beyond the statutory requirements.
- 24 The Council has recently reviewed these non-statutory elements of the Home to School Transport Policy to consider a range of options which would lead to continued support with home to school transport costs for families in exceptional circumstances and those in low income groups, at the same time as bringing the Council's policy in line with other authorities and realising savings for the Council.

Proposals for Consultation

- 25 It is proposed that the council will consult on changes in three specific areas of discretionary financial support from the Council:
- (i) Free transport for students in Years 10 and 11 who move house during these important exam years;
 - (ii) Free transport for Post 16 students who have no access to a viable public transport system;
 - (iii) Free transport for Post 16 students who cannot travel independently due to a medical condition / disability;

26 **(i) – Year 10 and 11 Exam Movers**

It is proposed that the Council seeks the views of key stakeholders through consultation on a proposal to remove automatic entitlement to free transport if families move house when their children are in Year 10 or 11. Currently, there are 70 pupils benefit from this provision. This is similar to the numbers who received transport in this category in 2013/14 and 2012/13. It is accepted that there are likely to be exceptional circumstances where families have had to move house and may still need support with transport costs to enable a child/children to remain at the same school. In these important exam years, it is in the school's interest to retain pupils as well as being in the best interests of the pupils. In such circumstances, the council will liaise with schools to discuss what support can be provided. Criteria (attached as Appendix 2) will be used to consider exceptional circumstances which have led to a family having to move house. The council would continue to provide support to these families. A Hardship Fund would be established to enable financial support to be provided, where appropriate.

27 **(ii) – Post 16 Students with no access to a viable public transport system**

It is proposed that the Council seeks the views of key stakeholders through consultation, on a proposal to remove automatic entitlement to free transport where a student lives in an area with no access to a viable public transport system. Currently, there are 24 pupils benefit from this provision. In 2013/14 there were 22 students and in 2012/13 there were 19 students who received transport in this category. It is accepted that there may be exceptional circumstances where families will not be in a position to fund transport for their child and will still require support from the Council. In such circumstances criteria will be used to consider these exceptional circumstances (attached as Appendix 3). The proposed Hardship Fund will be used to provide funding, where appropriate in such circumstances.

28 **(iii) – Post 16 Students who cannot travel independently due to a medical condition / disability**

It is proposed that the Council should seek the views of key stakeholders through consultation, on a proposal to remove automatic entitlement to free transport through the Council's Home to School Transport Policy as it may be possible to support these students in other ways (attached as Appendix 4). Currently, there are 240 students benefit from this provision.

In 2013/14 there were 228 students and in 2012/13 there were 192 students who received transport. Numbers have been increasing as more students are staying in Post 16 education and there are more students with complex SEND needs who are attending Post 16 education provision.

The Special Educational Needs and Disability (SEND) Code of Practice makes clear the legislation which applies to children with SEND, in relation to transport costs. The requirements of the Children and Families Act 2014 and Section 508B of the Education Act 1996 will continue to be met irrespective of any proposed changes to transport arrangements.

The Council would make early contact with families when their child is in Year 11, through the established Special Educational Needs and Disability review process, prior to decisions being made about Post 16 education and training. Discussions about transport and how that could be provided will be a key aspect of the decision making process.

- 29 The proposals highlighted in this report for Post 16 transport are consistent with the Council's Adult Service Policy on transport eligibility. This policy refers to the duty on Local Authorities for the provision of transport under Section 508F of the Education Act 1996 to help young adults attend education institutions. Young adults are considered to be students up to the age of 25 years.

Hardship Fund

- 30 The council recognises the need to continue to support families so that Year 10/11 students and Post 16 students will be able to access education and training that is specific to their needs. There is no intention to remove financial support that would result in students missing out on educational opportunities due to lack of transport provision. On this basis, the council would retain a Hardship Fund to provide financial support, where necessary, dependent on individual family circumstances.
- 31 In addition, where the Council operates transport to a school for statutory school aged pupils, concessionary seats may be available for Post 16 students, at a cost of £1.50 per day. This represents a continued subsidy from the Council.

Current Financial Position

32 The proposed changes to the Home to School Transport Policy which would be subject to consultation have the potential to realise MTFP savings of approximately £740,000 across a three year period. The table below provides an overview of the forecast savings over this 3 year period 2016/17 to 2018/19. The potential savings have taken account of the following:

- Transitional Protection – it is recommended that students who will have been receiving free transport under the respective options from September 2015 should continue to do so until they complete their existing course of study. Where students are on a two year course, this delays the saving by one year.
- Academic Years – any policy change will only be introduced from 1 September 2016. As such, a full year saving would not be achieved until financial year 2018/19 having taken into account both the academic year start date and the impact of transitional protection.

Savings	Forecast Savings			
	2016/17	2017/18	2018/19	Total
	£	£	£	£
Option (i) - Year 10/11 Exam Mover	33,000	50,000	17,000	100,000
Option (ii) - Post 16 Unable to Travel Independently because no public transport	13,000	20,000	7,000	40,000
Option (iii) - Post 16 Unable to Travel Independently due to SEND	200,000	300,000	100,000	600,000
Improved Commissioning	151,000	0	0	151,000
Hardship Fund	(50,000)	(75,000)	(25,000)	(150,000)
TOTAL	347,000	295,000	99,000	741,000

Consultation / Timescales

33 It is proposed that consultation would begin across the Local Authority area and neighbouring authorities specifically targeted at those most likely to be affected by the proposals, in Autumn 2015.

- 34 A further report would be presented to Cabinet in Spring 2016 to enable Cabinet members to make a final decision on the proposals, to take account of consultation.
- 35 As it is a statutory requirement to publish Post 16 transport arrangements by the end of May each year, the statement for May 2016 will need to take account of any decisions that are to be made following a consultation.
- 36 The Council's Home to School Transport Policy for all students will be reviewed and a revised policy would be published for implementation from 1 September 2016, by 31st May 2016.

Equality Impact Assessment

- 37 An Equality Impact Assessment (EQIA) has been undertaken to assess the impact on the groups most likely to be affected by the proposals. The EQIA is attached as Appendix 5.

There are potential impacts in terms of disability, gender, age and race/ethnicity. Removal of free travel for some home mover pupils will impact on young people in Year 10/11. Removal of taxi arrangements for some pupils/students will impact on young people with a medical condition over the age of 16 with a disproportionately higher impact on males. Removal of the link taxi arrangements for some pupils/students will impact on young people over the age of 16. Any potential impact on pupils will have a financial impact for their parents and/or carers.

The Equality Impact Assessment will be reviewed following the consultation.

Recommendations

- 38 Cabinet is recommended to:
- (i) Agree to begin consultation on proposed changes to three elements of non-statutory provision:
 - (a) Year 10 and 11 pupils whose families move house during these exam years
 - (b) Post 16 students with no access to a viable public transport system
 - (c) Post 16 students who cannot travel independently due to a medical condition / disability.
 - (ii) Receive a further report in Spring 2016 following consultation.

Background papers

None

Contact: Sheila Palmerley Tel: 03000 265 731

Appendix 1: Implications

Finance – The proposed changes to the Home to School Transport Policy set out in this report would realise MTFP savings of approximately £740,000, across a three year period (2016/17 to 2018/19). The potential savings take into account transitional protection – students who will have been receiving free transport under the respective options outlined in the report from September 2015 would continue to do so until they complete their course of study. Where students are on a two year course, this delays the saving by one year. The profiling of savings also takes account of the impact of the academic years – any policy change agreed would only be introduced with effect from 1 September 2016. As such, a full year saving would not be achieved until financial year 2018/19.

Staffing – If the recommendations are approved, staff in the Council will be required to support families to maximise all opportunities for benefits assessment. Existing staff will continue to review unsafe walking routes and implement schemes to improve these, where appropriate.

Risk – If changes are not made to elements of Home to School Transport there is a risk that the Council's School Transport budget will continue to be significantly higher than other Local Authorities and savings that the Council is seeking to make may need to be taken from other areas of the Council's services which could have a greater impact on children and adults in local communities. Further risks are that young people will withdraw from Education and Training, attendance at school will decline and the number of students not in Education, Training or Employment will increase.

Equality and Diversity / Public Sector Equality Duty - 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 for each proposed change.

S.149 of the 2010 Act also lays down the Public Sector Equality Duty whereby from the 5 April 2011, local authorities 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.

There are potential impacts in terms of disability, gender, age and race/ethnicity. Removal of free travel for some home mover pupils will impact on young people in Year 10/11. Removal of taxi arrangements for some pupils/students will impact on young people with a medical condition over the age of 16 with a disproportionately higher impact on males. Removal of the link taxi arrangements for some pupils/students will impact on young people over the age of 16. Any potential impact on pupils will have a financial impact for their parents and/or carers.

The Equality Impact Assessment will be reviewed following the consultation.

Accommodation - None

Crime and Disorder - None

Human Rights – will not be affected by the proposals.

Consultation – details of the consultation are included in the main body of the report.

Procurement - None

Disability Issues – these are covered in the main body of the report.

Legal Implications – these are covered in the main body of the report.

Option (i)

Year 10/11 Exam Movers

It is proposed in the future that no Year 10 or 11 student would automatically receive free transport if the family moved during these important exam years.

There may be some instances where it is necessary for the Council to provide free transport. In these cases, the Council would consider exceptional circumstances and would examine any request made against a range of criteria i.e. if the move has been the result of:

- a) A significant change in family circumstances i.e. death of a parent / family caring role;
- b) The family fleeing domestic violence;
- c) A family member being assessed as having specific and significant requirements for an adapted property;
- d) The previous home being uninhabitable as a result of flood / fire etc.;
- e) A home being re-possessed.

This list is not exhaustive and cases will be considered on an individual basis.

Option (ii)

Post 16 students with no access to a viable public transport system

It is proposed in the future that no Post 16 student would automatically receive free transport to take them to the nearest viable public transport system.

An exception to this would be for students who would be eligible for Free School Meals (FSM) or whose families are eligible for funding through the national Extended Rights Policy. This is where parents receive their maximum level of Working Tax Credit. Consideration would also be given to families who qualify for Local Council Tax Reduction.

Using these criteria would enable those who do need financial support to continue to receive funding for transport to school / college. Others, who could afford to pay, would be expected to do so.

Families would also be encouraged to apply for funding via 16-19 bursary schemes and where schools / colleges assist with transport, as a number already do, families should apply for this financial support.

The Local Authority will ensure that young people have reasonable opportunities to choose between different establishments at which education and training is provided.

Although it is expected that students will attend their nearest school / college that offers the course a student wishes to follow, the Local Authority will consider each request for transport on a case by case basis to support access to a school / college that is most appropriate for each student.

The Local Authority will have regard to any preference an individual student may have for a particular institution based on their religion or belief.

Option (iii)

Post 16 students who cannot travel independently due to a medical condition / disability

It is proposed that in the future there would be no automatic entitlement to free transport for Post 16 students who cannot travel independently due to a medical condition / disability.

Students with SEND would be considered on a case by case basis and the Council would support families in the first instance in the following ways:

- To maximise opportunities for benefits assessment to ensure that families are supported from a range of sources.
- Support families to access Education Funding Agency (EFA) bursary funding.
- Help equip students to travel independently, where appropriate.

The Council would make early contact with families when their child is in Year 11, through the SEND review process, prior to decisions being made about Post 16 education and training. Discussions about travel assistance and how that could be provided will be a key aspect of the decision making process.

The Local Authority will ensure that young people have reasonable opportunities to choose between different establishments at which education and training is provided.

Although it is expected that students will attend their nearest school / college that offers the course a student wishes to follow, the Local Authority will consider each request for transport on a case by case basis to support access to a school / college that is most appropriate for each student.

The Local Authority will have regard to any preference an individual student may have for a particular institution based on their religion or belief.

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. 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: CAS, School Admissions and Transport Team	
Lead Officer: Strategic Manager, School Places and Admissions	Start date: 15 April 2015
<p>Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)</p> <p>Changes to home to school/college transport policy for:</p> <ul style="list-style-type: none"> • Exam movers • Post 16 – Medical needs • Post 16 – Link Taxi Provision <p>Durham County Council’s home to school/college transport policy provides the framework under which free travel can be awarded. The Authority has a duty to provide free transport for ‘eligible children’ under Schedule 35B, Education Act 1996 (as amended).</p> <p>Exam Movers The Council’s policy provides free travel to allow, typically, Year 10/11 pupils to remain at the same school to complete their GCSE’s if the family moved house, where the pupil was attending the nearest suitable school prior to the house move.</p>	

The proposal is to remove the automatic entitlement under the Council's policy to free travel for these pupils, save for those where there are exceptional circumstances, for example, the move has been a result of:

- A significant change in family circumstances i.e. death of a parent/ family caring role;
- The family fleeing domestic violence;
- A family member being assessed as having specific and significant requirements for an adapted property;
- The previous home being uninhabitable as a result of flood/fire etc.
- A home being re-possessioned.

This list is not exhaustive.

The Council would retain discretion to consider each case on an individual basis and determine if a payment from a dedicated Hardship Fund made available by the Council for such support is warranted. Additionally an assessment of a family's ability to pay would be made.

Post 16 Medical Needs

Pupils and students aged 16-19 are not classified as 'eligible children' under the Act, however, the Authority provides, on a discretionary basis, automatic entitlement to travel assistance for full time students commencing a course before the age of 19 where they are unable to travel independently because of a medical condition. The travel assistance is in the form of taxi provision from the pupil/student's home to the place of study.

The proposal is to remove the automatic entitlement under the Council's policy to free taxi transport for those pupils/students with a medical condition, but to support families to maximise opportunities for benefits assessment. Examples of benefits that could possibly be used to help with home to school/college transport are:

- The Higher Rate Mobility Component of the Disability Living Allowance
- A Personal Independence Payment
- Other financial support because of a disability

An assessment of a family's ability to pay would be made to enable those who do need financial support to continue to receive a level of funding required from a dedicated Hardship Fund established by the Council.

Post 16 Link Taxi Provision

Pupils and students aged 16-19 are not classified as 'eligible children' under the Act, however, the Authority provides, on a discretionary basis, automatic entitlement to travel assistance for full time students commencing a course before the age of 19 where they are unable to travel independently because of the lack of a viable public transport system. The travel assistance is largely in the form of taxi provision which provides a link from the pupil/student's home to the nearest public transport service.

The proposal is to remove the automatic entitlement under the Council's policy to free link taxi transport for those pupils/students unable to access a viable public transport system, save for those from low income families. An assessment of a family's ability to pay would be made to enable those who do need financial support to continue to receive a level of funding required from a dedicated Hardship Fund established by the Council. In addition, where the Council operates transport to a school for statutory school aged pupils, concessionary seats may be available for Post 16 students, at a cost of £1.50 per day.

The Local Authority will ensure that young people have reasonable opportunities to choose between different establishments at which education and training is provided. Although it is expected that students will attend their nearest school/college that offers the course a student wishes to follow, the Local Authority will consider each request for transport on a case by case basis to support access to a school/college that is most appropriate for each student. The Local Authority will have regard to any preference an individual may have for a particular institution based on their religion or belief.

Who are the main stakeholders: General public / Employees / Elected Members / Partners/ Specific audiences/Other (please specify) –

The general public, young people and their parents who move home (typically those who move during Year 10/11 of the pupil's schooling), young people including those with medical conditions and their parents who apply for post 16 home to school/college transport.

Is a copy of the subject attached? Yes – a copy of the Council's current Home to School/College Transport Policy is attached at Appendix 1.

If not, where could it be viewed?

Initial screening

Prompts to help you:

Who is affected by it? 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/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	N	Religion or belief	?	Sexual orientation	?
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How will this support our commitment to promote equality and meet our legal responsibilities?

Reminder of our legal duties:

- Eliminating unlawful discrimination & harassment
- Promoting equality of opportunity
- Promoting good relations between people from different groups
- Promoting positive attitudes towards disabled people and taking account of someone's disability, even where that involves treating them more favourably than other people
- Involving people, particularly disabled people, in public life and decision making

Removal of the free travel for some home mover pupils will impact on young people in, typically, Year 10/11. Removal of taxi arrangements for some pupils/students will impact on young people with a medical condition over the age of 16. Removal of the link taxi arrangements for some pupils/students will impact on young people over the age of 16. Mitigation for potential negative effects is detailed in the evidence section below.

Formal consultation on proposals will take place in Autumn 2015 prior to a decision being made in Spring 2016 for implementation in September 2016. The consultation will be advertised, to include an outline of the proposals and an explanation of how to submit comments. In addition, a notice will appear in the local press. Responses will be able to be made on-line through the County Council's website or by completing a consultation response questionnaire. We intend to consult with those listed in Appendices 2 and 3.

What evidence do you have to support your findings?

Exam Movers

An initial assessment has been undertaken of all pupils currently receiving free transport because of a house move, see Appendix 2, although implementation of this change would be in respect of new applicants only.

There is no legal responsibility to provide free travel for pupils who move home in, typically, Year 10/11 to enable them to remain at the same school. The proposal will not affect those families where the move has been the result of exceptional circumstances and there is an inability of the family to fund the travel to the existing school, as an assessment of a family's ability to pay would be made to enable those who do need financial support to continue to receive a level of funding required from a dedicated Hardship Fund established by the Council. Others where there were no exceptional circumstances or where there were exceptional circumstances but the family could afford to pay would be expected to do so. There is also an expectation that the family approaches the school to ascertain if there would be any support which could be available. It is in the schools best interests to retain pupils within the exam years, as well as being in the best interest of the pupils.

Post 16 Medical Needs

An initial assessment has been undertaken of all pupils/students currently accessing taxi provision by reason of a medical condition, see Appendix 2, although implementation of this change would be in respect of new applicants only. Mitigation for any negative effects is detailed below.

There is no legal responsibility to provide free travel for post 16 pupils/students. The proposal is not likely to affect take up of post 16 educational opportunities as the Council would liaise with families to ensure that they access all opportunities for benefits assessment. Those who do need financial support would be awarded this from a dedicated Hardship Fund established by the Council.

The Council will work with schools and colleges to seek to promote a programme of Independent Travel Training that could become part of pupil/students' Year 9/10/11 curriculum, which may remove the need for taxi transport to be provided post 16. It is noted that for some pupils/students independent travel training would not be appropriate due to their complex needs.

Post 16 Link Taxi Provision

An initial assessment has been undertaken of all pupils/students currently accessing, largely, link taxi provision, see Appendix 2, although implementation of this change would be in respect of new applicants only. Mitigation for any negative effects is detailed below.

There is no legal responsibility to provide free travel for post 16 pupils/students. The proposal is not likely to affect take up of post 16 educational opportunities for those unable to fund the whole cost of the link taxi arrangements, as an assessment of a family's ability to pay would be made to enable those who do need financial support to continue to receive a level of funding required from a dedicated Hardship Fund established by the Council. Others who could afford to pay would be expected to do so.

Decision: Proceed to full impact assessment – Yes Date: 15.4.15

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	<p>1.Moved in Exam Years The gender split of young people entitled to transport because they moved in exam years varies from the school population. However, this is not a statistically significant variation.</p> <p>2.Post 16 - Medical The gender split of post 16 young people entitled to medical transport varies significantly from the school population, therefore its removal or a reduction in contribution would have a higher than expected negative impact on males (and a corresponding lower than expected negative impact on females).</p> <p>3.Post 16 – No viable public transport (Link Taxi/Guaranteed Concession) Although the gender split of current post 16 young people entitled to 'no</p>	<p>Baseline Overall School population Overall School Population;</p> <ul style="list-style-type: none"> • 50.85% are Male • 49.15% are Female. <p>1.Moved in Exam Years Current Cohort 66 pupils:</p> <ul style="list-style-type: none"> • 43.93% are Male. • 56.06% are Female. <p>2.Post 16 - Medical Current cohort 232 pupils:</p> <ul style="list-style-type: none"> • 60.34% are Male. • 39.66% are Female. <p>3.Post 16 – No viable public transport (Link Taxi/Guaranteed Concession) Current cohort 36 pupils:</p> <ul style="list-style-type: none"> • 36.11% are Male. • 63.89% are Female. 	<p>Formal consultation on proposals.</p> <p>An assessment of a family's ability to pay would be made to enable those who do need financial support to continue to receive a level of funding required from a dedicated Hardship Fund established by the Council.</p> <p>Council will liaise with families to ensure that they maximise all funding streams/benefits.</p> <p>The Council will work</p>

	<p>viable public transport' varies from the school population (presently a greater proportion of females), conclusions cannot be drawn from this due to the low numbers of pupils affected.</p>		<p>with schools and colleges to seek to promote a programme of Independent Travel Training that could become part of pupil/students' Year 9/10/11 curriculum, which may remove the need for taxi transport to be provided post 16. It is noted that for some pupils/students independent travel training would not be appropriate due to their complex needs.</p>
Age	<p>All Categories Overall school population figures are not a useful comparator as young people receiving any free travel within the 3 categories do not form a subset of the school population. Useful analysis therefore cannot be carried out, but it can be assumed that the removal or a reduction in contribution of the award would negatively impact.</p> <p>Any potential impact on pupils will have</p>	<p>1.Moved in Exam Years Current cohort;</p> <ul style="list-style-type: none"> • 30.30% are aged 14. • 69.70% are aged 15. <p>2.Post 16 - Medical Current cohort;</p> <ul style="list-style-type: none"> • 38.79% are aged 16. • 33.62% are aged 17. • 25.43% are aged 18. • 2.16% are aged 19. 	<p>As above</p>

	a financial impact for their parents and/or carers.	3.Post 16 – No viable public transport (Link Taxi/Guaranteed Concession) Current cohort; <ul style="list-style-type: none"> • 58.33% are aged 16. • 38.89% are aged 17. • 2.78% are aged 18. 	
Disability	1.Moved in Exam Years The current cohort does not vary significantly from the total school population in terms of disability. 2.Post 16 - Medical The proportion of young people receiving support through School Action, School Action Plus, SEN Support, EHCP or with statements of Special Educational Needs and also entitled to the Post-16 Medical Transport is significantly higher than the total school population. Removal or a reduction in contribution would have a significant negative impact on young people with disabilities, if mitigating actions are not put in place. 3.Post 16 – No viable public transport (Link Taxi/Guaranteed Concession) The current cohort does not vary	Baseline Disability Data Overall school population; <ul style="list-style-type: none"> • 81.05% of pupils in Durham are non SEN. • 18.95% are School Action/School Action Plus/SEN Support or have an EHCP or statement of special educational needs. 1.Moved in Exam Years Current cohort; <ul style="list-style-type: none"> • 83.33% of pupils are non SEN. • 16.67% are School Action/School Action Plus/SEN Support or have an EHCP or statement of special educational needs. 2.Post 16 - Medical Current cohort; <ul style="list-style-type: none"> • 6.90% of pupils are non SEN. • 93.10% are School Action/School Action Plus/SEN 	As above

	significantly from the total school population.	Support or have an EHCP or statement of special educational needs. 3.Post 16 – No viable public transport (Link Taxi/Guaranteed Concession) Current cohort; <ul style="list-style-type: none"> • 94.44% of pupils are non SEN. • 5.56% are School Action/School Action Plus/SEN Support or have an EHCP or statement of special educational needs. 	
Race/Ethnicity	<p>1.Moved in Exam Years Data of sufficient quality for analysis is not available in terms of race for this cohort.</p> <p>2.Post 16 - Medical White British young people would be negatively impacted more than would be expected.</p> <p>3.Post 16 – No viable public transport (Link Taxi/Guaranteed Concession) White British young people would be negatively impacted more than would be expected.</p>	<p>Baseline Race/Ethnicity Data Overall school population;</p> <ul style="list-style-type: none"> • The largest ethnic group in Durham is White British with 95.37% in this group. • All other ethnic groups have below 1.2%. <p>1.Moved in Exam Years Insufficient data</p> <p>2.Post 16 - Medical Current cohort;</p> <ul style="list-style-type: none"> • 100% White British <p>3.Post 16 – No viable public transport (Link Taxi/Guaranteed Concession) Current cohort;</p> <ul style="list-style-type: none"> • 100% White British 	As above

<p>Religion or belief</p>	<p>All Categories As religion or belief data is not collected in the school census comparison is not possible.</p> <p>The Local Authority will ensure that young people have reasonable opportunities to choose between different establishments at which education and training is provided. Although it is expected that students will attend their nearest school/college that offers the course a student wishes to follow, the Local Authority will consider each request for transport on a case by case basis to support access to a school/college that is most appropriate for each student.</p>	<p>1.Moved in Exam Years Current cohort;</p> <ul style="list-style-type: none"> • 43.93% are Christian • 24.24% have no religion • 19.69% the religion is unknown • 6.06% are Anglican • 6.06% are Roman Catholic <p>2.Post 16 - Medical Current cohort;</p> <ul style="list-style-type: none"> • 51.72% are Christian • 18.10% have no religion • 10.34% the religion is unknown • 8.62% are Anglican • 4.74% are of other religion • 4.31% are Roman Catholic • 1.29% are Methodist • 0.86% are Church of England <p>3.Post 16 – No viable public transport (Link Taxi/Guaranteed Concession) Current cohort;</p> <ul style="list-style-type: none"> • 47.22% are Christian • 25.00% the religion is unknown • 11.11% have no religion • 5.56% are of other religion • 5.56% are Anglican • 5.56% are Methodist 	<p>As above</p> <p>The Local Authority would have regard to any preference an individual may have for a particular institution based on their religion or belief.</p>
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Sexual orientation	Data not collected	Data not collected	As above
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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.

There are potential impacts in terms of disability, gender, age and race/ethnicity. Removal of the free travel for some home mover pupils will impact on young people in, typically, Year 10/11. Removal of taxi arrangements for some pupils/students will impact on young people with a medical condition over the age of 16 with a disproportionately higher impact on males. Removal of the link taxi arrangements for some pupils/students will impact on young people over the age of 16. Any potential impact on pupils will have a financial impact for their parents and/or carers.

Formal consultation on proposals will take place in Autumn 2015 prior to a decision being made in Spring 2016 for implementation in September 2016. This EIA will be re-visited post consultation.

Action to be taken if consultation is agreed	Officer responsible	Target Date	In which plan will this action appear
Formal consultation on proposals.	Within Children and Adults Services	Commencing September 2015	
An assessment of a family's ability to pay would enable those who do need financial support to continue to receive a level of funding required from a dedicated Hardship Fund established by the Council.	Within Children and Adults Services		
The Local Authority would have regard to any preference an individual may have for a particular institution based on their religion or belief.	Within Children and Adults Services		
Council would liaise with families to ensure that they access all opportunities for benefits assessments.	Within Children and Adults Services		

The Council would work with schools and colleges to seek to promote a programme of Independent Travel Training that could become part of pupil/students' Year 9/10/11 curriculum, which may remove the need for taxi transport to be provided post 16.	Within Children and Adults Services		
When will this assessment be reviewed?	Date: Post consultation and prior to Spring 2016 decision		
Are there any additional assessments that need to be undertaken in relation to this assessment?	No		
Lead officer - sign off: Strategic Manager, School Places and Admissions			Date: 11.6.15
Service equality representative - sign off: Strategic Manager, Quality and Development			Date:

Please email your completed Impact Assessment to the Equality team - equalities@durham.gov.uk.

DURHAM COUNTY COUNCIL CHILDREN AND ADULTS SERVICES

HOME TO SCHOOL/COLLEGE TRANSPORT POLICY EFFECTIVE FROM 1 SEPTEMBER 2012

(Please note that the home to school transport policy is under review and some elements of provision may not be available from September 2015)

Introduction

1. This publication is designed to provide information and guidance on the home to school/college travel policy of Durham County Council for pupils and students of different ages. Its purpose is to provide parents, pupils, and students with a clear indication of whether they or their child will qualify for free home to school/college travel. However, it is important to note that all applications for free transport will be assessed by the County Council and parents and students should not assume it will be made available until notification has been received in writing from the County Council.
2. This policy could be subject to change if new legislation is introduced by the Government. From time-to-time it could also be amended by the County Council, following consultation.
3. The County Council wishes to work in partnership with those for whom it provides services. If you wish to comment on the policy or this publication please write to the Corporate Director, Children and Adults Services (marked School Admissions and Transport Team), Children and Adults Services, County Hall, Durham, DH1 5UJ.

General Principles Applying to Free Travel

4. This policy applies to Durham County Council's duty to provide "home to school" travel arrangements at the start of the day, and "school to home" travel arrangements at the end of the day. A child's "home" is the place where he/she is habitually and normally resident. Where pupils reside at more than one address, the home address will be deemed as that where the parent receives child benefit unless the contrary is proved by the parent. The Authority will issue only one bus pass from one address during an academic year. Where there is joint custody for which both parents qualify, individual agreements will be reached between both parents and the Authority as to which address will be used.
5. To qualify for free travel pupils and students of compulsory school age are required to attend the nearest suitable school. Free travel will only be made available in exceptional circumstances to other than the nearest suitable school. You are advised to take this into consideration when applying for a school place. "Suitable school" throughout this policy is defined and in accordance with paragraphs 38 and 39.
6. The County Council will provide free travel for pupils of compulsory school age, who live beyond a reasonable walking distance from the nearest suitable school, provided that they attend that school. For pupils aged under 8 years the maximum walking distance has been determined by legislation to be two miles and for pupils aged 8 to 16 years as three miles.
7. The County Council does not have a similar duty to provide free travel for children attending nursery units/schools or for post compulsory school age students.
8. In assessing home to school distance the County Council measures by the shortest walking route. Routes are measured from the centre point* of the child's house, or in the case of a flat from the centre point* of the building, to the nearest school site entrance. A Geographic Information System (GIS) is used to identify and measure the shortest walking route. The GIS identifies routes on the Ordnance Survey Integrated Transport Network (ITN) and Urban Paths Network (UPN), which are national recognised datasets. The LA will not include any other routes. In all cases the GIS identifies the route to be measured by connecting in a straight line the centre point* of the child's house to the closest point on the nearest route on the ITN/UPN. *In accordance with the co-ordinates of the Basic Land and Property Unit on the National Land and Property Gazetteer.

With the exception of Greenfield Community College and Sunnydale Community College, where a school operates on two sites, the site the pupil will attend for the majority of the academic year for which transport is applied will be the one used for the purpose of measurement of home to school distance. The County Council may have a duty to provide free travel where the home to school distance is less than the maximum walking distance and where the home to school walking route has been assessed as unsafe. The courts have held that a route is available if a child, accompanied as necessary, can walk along it with reasonable safety. The County Council has an agreed policy on the criteria to be used when assessing whether a route is unsafe and will apply this policy in all circumstances. All walking routes are periodically reviewed to determine if they are suitable, if a route can be made suitable, or if an alternative suitable walking route can be identified.

9. The County Council is required to provide reasonably safe home to school travel. Occasionally some pupils exhibit poor behaviour on school buses and public service operations. This behaviour may put that pupil and other pupils travelling on the same vehicle at risk. Where this happens the County Council endeavours to take all reasonable measures to overcome this problem. Occasionally, however, it may be necessary to restrict home to school transport arrangements for pupils where this difficulty cannot easily be resolved and the behaviour of that pupil puts themselves and/or others at risk of harm.
10. The County Council endeavours to ensure reasonable pupil behaviour on vehicles used for home to school travel. Where pupils cause wilful damage to those vehicles, however, the County Council reserves the right to restrict home to school travel provision and, where appropriate, hold parents responsible for any damage their children cause to vehicles and other property.
11. The County Council provides free travel on the basis of information made available by parents and students. The County Council reserves the right to request reasonable written evidence to verify information supplied to it before an award of free travel is made.
12. Should any information made available to the County Council be deemed to be inaccurate the County Council reserves the right to remove the provision of free travel and to seek reasonable compensation for the cost of any travel that has been provided.
13. Parents have a right to express a preference for the school they wish their child to attend and the relevant admission authority is required to offer a place in accordance with that preference if a place is available. Local authorities are not required to provide free travel if the parent makes a choice to send their child to a school that is not the nearest suitable

school.

14. Free travel may be made available by the County Council outside the scope of the general policy in individual and exceptional circumstances (see paragraphs 5 and 28(b) for more information). If you feel that there are exceptional and individual reasons why you or your child should be provided with free travel, you should write to the Senior Officer, School Admissions and Transport, Children and Adults Services, County Hall, Durham, DH1 5UJ and explain what these circumstances are and provide as much written evidence to support your request as is possible.
15. In determining whether a child should receive free or supported school travel, and how this is provided, the County Council will consider the issues of cost and value for money for the County Council in coming to any decision. Such consideration can not, of course, remove any legal duty on the Council.

Free Travel for Pupils Attending Primary Schools

16. In law free travel is generally made available to enable pupils to attend the nearest suitable primary school where the home to school distance is over two miles for children up to the age of 8 years; and where the distance is over three miles for pupils of 8 years and over. Durham County Council has agreed that the 3 mile limit will not apply on the child's 8th birthday but will be from the start of the academic year after the child reaches the age of 8 years (i.e. usually from the commencement of Year 4).
17. For children aged 8 but under age 11, who are eligible for free school meals, or whose parents receive their maximum level of Working Tax Credit, free transport will be provided to their nearest suitable school, if that school is more than two miles from the child's home.

Free Travel for Pupils Attending Secondary Schools Aged 11 to 16 Years

18. Free travel is generally made available to enable pupils to attend the nearest suitable school where the home to school distance is over three miles.
19. For children transferring to secondary school who are eligible for free school meals, or whose parents receive their

maximum level of Working Tax Credit, free transport will be provided to:

- One of their three nearest qualifying secondary schools, if that school is more than two but less than six miles from the child's home; or
- The nearest secondary school preferred because of your *religion or belief for pupils whose parent(s) adhere to that particular faith, where that school is more than two but less than 15 miles from the child's home.

*For this purpose, parental adherence to the Roman Catholic faith has been defined as where at least one parent and the pupil are baptised Roman Catholic; and to the Anglican faith where at least one parent is a confirmed Anglican and the pupil is a baptised Anglican.

The six mile upper limit to a choice of schools and the 15 mile upper limit to a school preferred on the grounds of religion or belief are not walking routes therefore these routes will be measured along road routes.

20. In addition, free travel may be made available to allow, typically, Year 10 and 11 pupils to remain at the same school to complete their GCSE studies following a house move by their parents, where the pupil was attending the nearest suitable school prior to the move.

Free Travel for Pupils and Students with a Statement of Special Educational Needs or Education, Health and Care Plan

21. Free travel is generally made available to enable pupils with a Statement of Special Educational Needs or an Education, Health and Care Plan to attend the nearest suitable primary or secondary school and where the home to school distance is over two miles for pupils aged under 8 (but Durham County Council will provide this up until the start of the academic year after their 8th birthday), or more than three miles for pupils aged 8 to 16 years.
22. A number of mainstream schools have specialist provision for children and young people with particular types of special educational needs. Children and young people do not require a Statement of Special Educational Needs or an Education, Health and Care Plan to be considered for a place in an enhanced mainstream provision school. For pupils and students offered a place in an enhanced mainstream provision, free travel is generally made available to the nearest suitable primary or secondary school with that type of provision and where the home to school distance is over two miles for pupils aged under 8 (but Durham County Council will provide this up until the start of the academic year

after their 8th birthday), or more than three miles for pupils aged 8 to 16 years.

23. Where a decision is taken that a child or young person should attend a Special School, free travel will be made available to the nearest suitable Special School, identified by the Authority, and where the home to school distance is over two miles for pupils aged under 8 (but Durham County Council will provide this up until the start of the academic year after their 8th birthday), or more than three miles for pupils aged 8 to 16 years.

Personal Budgets

24. The parent/carer of a child with an Education, Health and Care Plan, or the young person if he or she is between the ages of 16 and 25 years, has the right to request a personal budget for some or all of the provision. Transport would only be recorded in a Statement of Special Educational Needs or an Education, Health and Care Plan in exceptional circumstances. Transport costs could be considered as part of a personal budget if a child or young person is entitled to free home to school transport or post-16 transport assistance. In making a decision, Durham County Council would have to be satisfied that:
- Any different arrangements would meet the needs of the child or young person; and
 - No additional costs would be incurred by the County Council.

Travel Assistance for Students Attending Post Compulsory Education Aged Over 16 Years

25. Post 16 students who, in the view of the Local Authority, are unable to travel independently, e.g. are unable to access a viable public transport system or by reason of a medical condition, will receive assistance with transport.
26. Travel assistance is not made available for part-time students (i.e. those studying less than 15 guided learning hours per week over a 30 week period) and students who commence a programme of learning after their nineteenth birthday. Students attending independent fee-paying establishments are not entitled to travel assistance.
27. Post 16 students have the option to apply for a concessionary seat on a school vehicle operating into a school with sixth form provision (see paragraph 32(a)).

Free Travel in Other Circumstances

28. Free travel may be made available for pupils of statutory school age who attend the nearest suitable school when they live under the maximum walking distance from that school in the following circumstances:

(a) ***Based on an Assessment of whether the Walking Route is Safe***

Free travel may be made available for pupils if the walking route from home to the nearest suitable school is assessed by the County Council to be unsafe. If a walking route is assessed as unsafe it is not deemed to be available for use by pupils. Such walking routes are, therefore, not taken into account in assessing the home to school travel distance. You should note that the Courts have held that a route is available if a child, accompanied as necessary, can walk it with reasonable safety to school. The County Council has an agreed policy on the criteria to be used when assessing whether a route is unsafe and will apply this policy in all circumstances. All walking routes are periodically reviewed to determine if they are suitable, if a route can be made suitable, or if an alternative suitable walking route can be identified.

(b) ***Exceptional and Individual Circumstances***

Free travel may be made available outside the scope of the normal home to school/college travel policy in exceptional and individual circumstances. If you feel that there are exceptional and individual reasons why you or your child should be provided with free travel you should write to the Senior Officer, School Admissions and Transport, Children and Adults Services, County Hall, Durham, DH1 5UJ and explain what these circumstances are and provide as much written evidence to support your request as is possible. The Senior Officer's decision will be confirmed in writing.

Types of Free Travel

29. Free travel may be made available through a seat on a school contract vehicle (bus or taxi) or by the provision of a bus pass for use on a public service bus, at the discretion of the County Council. Escorts on vehicles are only provided for those pupils who have a Statement of Special Educational Needs or an Education, Health and Care Plan and only where these identify the need for escort provision.
30. Other arrangements, including the payment of daily fares, may be made at the discretion of the County Council.

31. The type of free travel provided may, at the discretion of the County Council, change during the period of schooling of any child. Travel arrangements are reviewed periodically during the academic year to ensure best value and appropriate arrangements for entitled travellers. Where it is necessary to change travel arrangements during an academic year, a minimum of two weeks notice will be given prior to the implementation of new arrangements.

Assistance with Home to School Travel Costs

32. Where free travel is not normally made available by the County Council assistance with home to school/college travel may be available in the following circumstances:

(a) ***Concessionary Travel***

Where places surplus to the requirements of the County Council are available on school busses they may be made available for use by any pupil or student. This type of support with travel is referred to as “concessionary” travel within County Durham. The County Council is not under any obligation to make concessionary travel places available and may charge for such places. The charge for concessionary travel is £1.50 per day, which may be paid in instalments. The charge is subject to review and may be increased prior to the start of the academic year. For further information on concessionary travel please contact Sustainable Transport, telephone 03000 264444 or email sustainabletransport@durham.gov.uk

(b) ***Students attending Specialist Residential Colleges***

Transport will be provided at the beginning and end of each term in the academic year, i.e. a total of 12 single journeys will be funded.

(c) ***Other Situations***

The County Council will not normally provide assistance with travelling expenses in other situations. However, for those who are not entitled to free transport or assistance under this policy, further public transport options may be available to help a pupil or student attend school or college. For further information please contact Sustainable Transport, email sustainabletransport@durham.gov.uk, telephone 03000 264546.

Appeals Process

33. The County Council has a two stage appeal process for parents/carers who wish to challenge a decision about:

- the transport arrangements offered;
- their child's eligibility;
- the distance measurement in relation to statutory walking distances; and
- the safety of the route

Stage 1 – Review by a Senior Officer

34. Parents/carers have 20 working days to appeal against the decision about home to school transport made by the Local Authority. Parents should write to the Senior Officer, School Admissions and Transport, Children and Adults Services, County Hall, Durham, DH1 5UJ, detailing why the decision should be reviewed, giving details of any personal/family circumstances and including any supporting evidence to be considered. Within 20 working days of receipt of this letter parents will be advised in writing of the Senior Officer's decision.

Stage 2 – Review by an Independent Appeal Panel

35. Parents/carers have 20 working days from the receipt of the Local Authority's Stage 1 written decision notification to make a written request to escalate the matter to Stage 2. Within 40 working days of receipt of the parents request an independent appeal panel will consider written and verbal representations from both the parent and officers involved in the case and will give a detailed written notification of the outcome within 5 working days.

36. Parents/carers can complain to the Local Government Ombudsman only if they consider that:

- there was a failure to comply with the procedural rules or
- if there are any other irregularities in the in the way the appeal has been handled.

37. If a parent/carer considers the decision of the Independent Panel to be flawed on public law grounds, the parent may also apply for judicial review.

The Definition of Suitable School

38. A suitable school is the maintained school or academy which, in the view of the County Council, offers an efficient full-time education suited to the age, ability, aptitude and any special educational needs of the pupil and at which there is a place available for the pupil. Individual subject choices will not be considered in determining the nearest suitable school. For pupils whose nearest suitable school is in a neighbouring authority, the County Council will, if the parent would prefer a school place in County Durham for their child, also provide free transport to the nearest suitable school within County Durham, providing that other eligibility criteria (e.g. distance) are met.
39. If the nearest suitable school is a Voluntary Aided maintained school, transport will be provided over the distance limit (see paragraph 6) to this and to the nearest suitable non Voluntary Aided maintained school.

Appendix 2

29/05/15 Performance & Data Team

Please note: all overall population data is taken from the Spring 2015 school census, almost all cohort information is taken from EMS. This means that the cohort is mostly not included in the population figures, and the cohort information may be out of date. This is the most accurate data available, and will be sufficient to inform this assessment.

1.Moved in Exam Years

(cohort 66 pupils)

Gender

Overall School Population;

- 50.85% are Male
- 49.15% are Female.

This cohort;

- 43.93% are Male.
- 56.06% are Female.

The gender split of young people entitled to transport because they moved in exam years varies from the school population. However, this is not a statistically significant variation.

Disability

Overall school population;

- 81.05% of pupils in Durham are non SEN.
- 18.95% are School Action/School Action Plus/SEN Support or have an EHCP or statement of special educational needs.

This cohort;

- 83.33% of pupils are non SEN.

- 16.67% are School Action/School Action Plus/SEN Support or have an EHCP or statement of special educational needs.

The cohort does not vary significantly from the total school population.

Age

This cohort;

- 30.30% are aged 14.
- 69.70% are aged 15.

Overall population figures are not a useful comparator in this context as young people who moved in exam years do not form a subset of the school population. Analysis therefore cannot be carried out, but it can be assumed that the removal or a reduction in contribution of the award would negatively impact on this group as a whole.

Race/Ethnicity

Data of sufficient quality for analysis not available for this heading as ethnicity could not be reliably obtained for 15% of the cohort

Religion or belief

This cohort;

- 43.93% are Christian
- 24.24% have no religion
- 19.69% the religion is unknown
- 6.06% are Anglican
- 6.06% are Roman Catholic

Religion is not collected in the school census so comparison data is not available for analysis.

Sexual orientation

[Data not available for this heading]

2.Post 16 - Medical

(cohort 232 pupils)

Gender

Overall School Population;

- 50.85% are Male
- 49.15% are Female.

This cohort;

- 60.34% are Male.
- 39.66% are Female.

The gender split of post 16 young people entitled to medical transport varies significantly from the school population, therefore its removal or a reduction in contribution would have a higher than expected negative impact on young men (and a corresponding lower than expected negative impact on young women).

Disability

Overall school population;

- 81.05% of pupils in Durham are non SEN.
- 18.95% are School Action/School Action Plus/SEN Support or have an EHCP or statement of special educational needs.

This cohort;

- 6.90% of pupils are non SEN.
- 93.10% are School Action/School Action Plus/SEN Support or have an EHCP or statement of special educational needs.

The proportion of young people receiving support through School Action, School Action Plus, SEN Support, EHCP or with statements of Special Educational Needs and also entitled to the Post-16 Medical Transport is significantly higher than would be expected based on the total school population, and so therefore its removal or a reduction in contribution would have a higher than expected negative impact on young people with disabilities, if mitigating actions are not put in place.

Age

This cohort;

- 38.79% are aged 16.
- 33.62% are aged 17.
- 25.43% are aged 18.
- 2.16% are aged 19.

Overall population figures are not a useful comparator in this context as young people who are entitled to Post 16 Medical Transport do not form a subset of the school population. Analysis therefore cannot be carried out, but it can be assumed that the removal or a reduction in contribution of the award would negatively impact on this group as a whole.

Race/Ethnicity

Overall school population;

- The largest ethnic group in Durham is White British with 95.37% in this group.
- All other ethnic groups have below 1.2%.

This cohort;

- The largest ethnic group in this cohort is White British also with 100% in this group.
- There are no other ethnic groups in the cohort

The ethnicity split of young people entitled to the Post-16 Medical Transport varies significantly from the school population. This means that White British young people would be negatively impacted more than would be expected.

Religion or belief

This cohort;

- 51.72% are Christian
- 18.10% have no religion
- 10.34% the religion is unknown
- 8.62% are Anglican
- 4.74% are of other religion
- 4.31% are Roman Catholic
- 1.29% are Methodist
- 0.86% are Church of England

Religion is not collected in the school census so comparison data is not available for analysis.

Sexual orientation

[Data not available for this heading]

3.Post 16 – No viable public transport (Link Taxi/Guranteed Concession)

(cohort 36 pupils)

Gender

Overall School Population;

- 50.85% are Male
- 49.15% are Female.

This cohort;

- 36.11% are Male.
- 63.89% are Female.

This cohort does not vary significantly from the total school population.

Disability

Overall school population;

- 81.05% of pupils in Durham are non SEN.
- 18.95% are School Action/School Action Plus/SEN Support or have an EHCP or statement of special educational needs.

This cohort;

- 94.44% of pupils are non SEN.
- 5.56% are School Action/School Action Plus/SEN Support or have an EHCP or statement of special educational needs.

The cohort does not vary significantly from the total school population.

Age

This cohort;

- 58.33% are aged 16.
- 38.89% are aged 17.
- 2.78% are aged 18.

Overall population figures are not a useful comparator in this context as Post 16 young people who do not have a viable public transport option available to them do not form a subset of the school population. Analysis therefore cannot be carried out, but it can be assumed that the removal or a reduction in contribution of the award would negatively impact on this group as a whole.

Race/Ethnicity

Overall school population;

- The largest ethnic group in Durham is White British with 95.37% in this group.
- All other ethnic groups have below 1.2%.

This cohort;

- The largest ethnic group in this cohort is White British also with 100% in this group.
- There are no other ethnic groups in the cohort

The cohort does not vary significantly from the total school population.

Religion or belief

This cohort;

- 47.22% are Christian
- 25.00% the religion is unknown
- 11.11% have no religion
- 5.56% are of other religion
- 5.56% are Anglican
- 5.56% are Methodist

Religion is not collected in the school census so comparison data is not available for analysis.

Sexual orientation

[Data not available for this heading]

Appendix 3

Persons Consulted
Elected Members
Members of Parliament
Headteachers
College Principals
All schools, with additional emphasis on secondary schools
All colleges
Young People
Governing bodies of secondary schools / colleges
Neighbouring LAs
Parents
Diocese
Town and Parish Councils
Parent Support Groups for those with children with a disability
Disability Groups – Durham Disability Partnership, Visual Impairment Problem Solving in Co Durham, Durham Deafened Support, PHAB Durham
The Children and Young People's Network
Investing in Children Extreme Group
Private schools

Cabinet

16th September 2015



**Update on the delivery of the
Medium Term Financial Plan 5**

Report of Corporate Management Team

Lorraine O'Donnell, Assistant Chief Executive

**Councillor Simon Henig, Leader of the Council and all Cabinet
collectively**

Purpose of the Report

- 1 This report provides an update on the progress made at the end of June 2015 on the delivery of the 2015/16 Medium Term Financial Plan (MTFP 5).

Background

- 2 MTFP 5 was agreed by Council in February 2015 and for 2015/16 the savings target was just over £16m. This forms part of the overall savings target for the period from 2011/12 to 2019/20 of around £260m.

Progress to date

- 3 Members have been informed previously about the robust approach to delivery of the savings and that savings are delivered early where this is practical. This approach has meant that by the start of the MTFP5 period over £5m of savings had already been achieved. Some of these were as a result of savings proposals that were agreed for earlier MTFPs and delivered savings over a number of years. These included savings from our reablement service, extra care management and from the in-house residential care closure programme.
- 4 By the end of June 2015 over 65% of the savings target for MTFP5 has already been met with £10.6m of savings having been achieved. This brings our total savings delivered since April 2011 to over £147m.
- 5 Additional areas where savings have been made in this period include the review of garden waste, service rationalisation of Childrens Centres, and a fuel review which resulted in a reduction of car mileage incurred by around 20% with the exception of some key front line services such as social care.
- 6 Savings have also been realised through internal restructures including HR, ICT, Housing Solutions, Culture & Sport, Environmental, Health and Consumer Protection, Direct Services and Strategic Highways. Alongside

restructures supporting budgets are also reduced, adding to the overall savings delivered

- 7 Again members will be aware that in some instances where it is not possible to deliver specific proposals mitigating actions are put in place to ensure the overall savings target is achieved. The mitigation can include the overachievement of savings from other proposals and the occasional use of cash limits where it is appropriate to delay the delivery of the savings for a short period.
- 8 Through the monitoring of MTFP5 it has already been identified that a proposal to reduce the car mileage rate will not be achieved this year and is therefore going to be mitigated through the use of the corporate contingencies budget. Discussions with trade unions are continuing to agree changes in order that this savings proposal can deliver savings from next year.

Consultation

- 9 Consultation with the public and other stakeholders remains an important element in the MTFP programme. However during the first quarter of MTFP5 there were no external consultations undertaken in part due to the purdah period in line with the general election.
- 10 Since June a public consultation on proposed changes to our in-house adult day care services has begun and is due to end in September.

HR implications

- 11 In the first quarter of 2015/16 we accepted 37 ER/VR applications, deleted 56.51 vacant posts and made 11 employees redundant as a result of the MTFP proposals.
- 12 Since 2011 a total of 1,065 ER/VR applications have been accepted, 501 vacant posts deleted and 524 compulsory redundancies made as part of MTFP savings.
- 13 Data relating to staff leaving through voluntary redundancy, early retirement and ER/VR during this quarter showed that 71% were female and 29% were male, 89% of leavers were white British and 11% black, Asian and minority ethnic, 6% said they were disabled.
- 14 The profile of those leaving through compulsory redundancies showed 60% were female and 40% were male. Figures are too low to report on disability and ethnicity.
- 15 The Council continues to support employees affected by the MTFP savings plans and we have found 415 employees alternative employment through the Council's redeployment process.
- 16 Employees are also continuing to apply for ER/VR and to date we have 187 open expressions of interest. These are actively monitoring and supported wherever possible in order to reduce the need for future compulsory redundancies.

Equality Impact Assessments

- 17 Equality impact assessments (EIA) form a key part of the ongoing MTFP process. A number of initial screenings for new savings and updated EIAs for ongoing savings were provided to Cabinet ahead of the budget setting decision in February 2015. They are updated during the year to take account of consultation responses and additional evidence; the updates also include information on any mitigating actions.
- 18 The impact assessments and action plans are considered during decision making processes; for example, updated EIAs are provided where Cabinet receive a report ahead of consultation and where a further report is received with any final recommendations.

Conclusions

- 19 With the Government's austerity programme due to continue for several more years, the Council remains in a relatively strong position to meet the ongoing financial challenges and through the robust management process supporting the MTFP ensures we remain ahead of the savings target requirements.
- 20 For MTFP 5 the Council has already delivered £10.6m of the savings required (over 65%) and in total has now delivered over £147m in savings since 2011.

Recommendations

- 21 Members are recommended to note the contents of this report and the progress made in delivering MTFP5.

Contact: Roger Goodes, Head of Policy & Communications
Tel: 03000 268050

Appendix 1: Implications

Finance – The delivery of the MTFP involves cumulative saving of approximately £260m over the period from 2011 to 2020 of which over £147m has been delivered to date. For MTFP5 £10.6m of savings have been delivered over 65% of the target.

Staffing – Where the proposals affect staff, full consultation is undertaken and the trade unions consulted. Wherever possible, staff reductions are done through voluntary means. In addition, there has been a proactive management of vacancies to lessen the impact on staff and the Council has a redeployment process which continues to find alternative employment for a number of staff

Risk – The delivery of the MTFP is highlighted as one of the Council's strategic risks and is monitored through the corporate risk management process. In addition, risks for individual proposals are being monitored through the work undertaken to deliver the proposal.

Equality and Diversity / Public Sector Equality Duty – An Equality Impact Assessment (EIA) was undertaken for the original 4 year MTFP plan and additional screening was undertaken for proposals which have been identified for subsequent MTFPs, together with any other changes made to the original plan. In addition, for each proposal an EIA is undertaken as part of the decision-making before the proposal is implemented.

Accommodation - As proposals are planned the impact on accommodation is ascertained, with staff being consulted on any moves as part of the process. The loss of over 1,950 posts from the Authority will mean a requirement for less accommodation and the Office Accommodation Team has built this into the Office Accommodation Strategy.

Crime and Disorder – N/A

Human Rights – N/A

Consultation – A full consultation with a range of stakeholders was undertaken on the MTFP prior to its agreement and again in 2013. In addition, where appropriate for individual proposals, internal and external consultation plans are developed so that consultation informs the decision making process.

Procurement – A number of the proposals involve the changing of existing contracts and this work is being taken forward through the Council's agreed procurement processes.

Disability Issues – Any disability impacts are being picked up through the Equality Impact Assessments undertaken.

Legal Implications – The legal implications of any decisions required are being considered as part of the delivery of the proposals.

Cabinet**16 September 2015****Quarter One 2015/16
Performance Management Report**

**Report of Corporate Management Team
Lorraine O'Donnell, Assistant Chief Executive
Councillor Simon Henig, Leader**

Purpose of the Report

1. To present progress against the council's corporate basket of performance indicators (PIs), Council Plan and service plan actions and report other performance issues for the first quarter of the 2015/16 financial year, covering the period April to June 2015.

Background

2. The report sets out an overview of performance and progress by Altogether priority theme. Key performance indicator progress is reported against two indicator types which comprise of:
 - a. Key target indicators – targets are set for indicators where improvements can be measured regularly and where improvement can be actively influenced by the council and its partners (see Appendix 3, table 1); and
 - b. Key tracker indicators – performance will be tracked but no targets are set for indicators which are long-term and/or which the council and its partners only partially influence (see Appendix 3, table 2).
3. The report continues to incorporate a stronger focus on volume measures in our performance framework. This allows us to better quantify productivity and to monitor the effects of reductions in resources and changes in volume of activity. Charts detailing some of the key volume measures which form part of the council's corporate set of performance indicators are presented in Appendix 4.
4. The corporate performance indicator guide has been updated to provide full details of indicator definitions and data sources for the 2015/16 corporate indicator set. This is available to view either internally from the intranet (at Councillors useful links) or can be requested from the Corporate Planning and Performance Team at performance@durham.gov.uk.

Executive Summary

Overview

5. During the first quarter period 67% of our target indicators have shown either an improvement or have maintained current performance and 75% are approaching, meeting or exceeding target. For tracker indicators, 71% improved or maintained performance. 90% of Council Plan actions have been achieved or are on target to be achieved by the deadline.
6. Contrary to national and regional trends, the County Durham employment rate has fallen slightly this quarter and now stands at 68.5%, although the number of people in the county who are in employment has increased. Increases in the working age population and people over 65 working have resulted in the rate falling. The number of Job Seekers Allowance (JSA) claimants, as well as youth and long term JSA claimants continue to decrease, although the proportion claiming for more than 12 months remains higher than national levels. In future the rollout of Universal Credit will make it more difficult to track changes to JSA claimants. There has been an increase in the number of apprenticeships started through council schemes.
7. Housing development generally shows an improved picture when compared to last quarter. There has been an increase in the number of new homes, together with higher numbers completed in or near major settlements and in Durham City. The number of empty properties brought back into use through local authority intervention has also increased, although there has been a decrease in private sector properties improved through council intervention.
8. Homeless indicators show an improvement in statutory homelessness acceptances but lower numbers of preventions. Fewer numbers of applicants registered with Durham Key Options have been rehoused.
9. Overall planning applications determined within deadline have improved and are in line with target, although major planning applications determined within deadline continues to decrease but this is as expected due to the uncertainty of the County Durham Plan.
10. The Stronger Families Programme which aims to assist individuals in a family to achieve reductions in crime/anti-social behaviour, improve school attendance or move back into employment, has been effective as 100% of the 1,320 families in the programme had a successful intervention by May 2015, securing a total reward grant of £1,435,200.
11. Performance against key safeguarding targets has generally improved with further reductions in children in need referrals occurring within 12 months of the previous referral and the rate of children with a child protection plan. The rate of looked after children has increased from last quarter and last year.
12. Performance in adult social care in areas such as user satisfaction, delayed transfers of care and reablement remains high. Numbers of people aged 65 and over supported by Durham County Council and admitted on a permanent basis to residential and nursing care, are continuing to increase although the actual number of residential/nursing beds purchased has fallen.

13. The number of four-week smoking quitters and the proportion of eligible people receiving an NHS health check continue to decline and remain below target.
14. Crime and anti-social behaviour (ASB) levels, including victim-based crimes and all categories of theft offences, are decreasing following a slight increase last year.
15. Public perceptions that the local council and police deal with concerns of ASB and crime continue to increase. Successful completions for alcohol treatment have increased and are achieving target and drug treatment for opiates have also improved although successful completions remain below target.
16. Key environmental indicators have improved with better levels of street and environmental cleanliness. Municipal waste diverted from landfill and household waste re-used, recycled or composted exceeded target. The number of fly-tipping incidents has again reduced for the third consecutive quarter.
17. Performance continues to improve in a number of corporate areas. The housing benefit and council tax claims processing times remain within target. Collection rates for both council tax and business rates have improved and are on target. Customer service indicators show an increase in telephone calls received and improved telephone handling within three minutes compared to the same period last year.
18. The employee appraisal rate has improved but remains outside target. Sickness indicators show levels have deteriorated and remain worse than target. The number of Freedom of Information and Environmental Information Regulations requests processed within statutory timescales has deteriorated and remain below the national target.

Volume of Activity

19. Demand for a number of key frontline services has increased. The number of looked after children cases started to steadily rise throughout 2014/15 and this quarter has seen a further increase in cases, now bringing levels similar to those reported in 2012/13. Although this quarter has seen a reduction in the number of children in need referrals after a steady rise reported during 2014/15, numbers still remain high. The rate of those aged 65 and over admitted on a permanent basis to residential or nursing care continues to increase, although residential/nursing beds purchased has fallen. The number of people successfully rehoused has fallen, as well as the number of freedom of information requests received, although the long term trend continues to increase and demand remains high. The number of telephone calls has increased compared to last quarter and 12 months earlier.
20. Reductions in demand have been observed in child protection cases, new claims for Housing Benefit and Council Tax Reduction and planning applications. The number of fly-tipping incidents continues to reduce after a long period of increasing incidents. The number of customers seen at our customer access points continues to reduce.
21. Workload volume has affected performance in responding to Freedom of Information Act or Environmental Information Regulations requests. The long term trend of requests received continues to increase while performance

deteriorates (Appendix 4, Chart 12). This is partly due to the increased complexity of requests. Although workload volumes have increased in telephone calls received from 986,641 reported at quarter one 2014/15 to 1,000,168 reported this quarter, performance has improved with more calls answered in three minutes, from 88% at quarter one 2014/15 to 92% this quarter (Appendix 4, Chart 10).

Welfare Reform and Demand

22. A working group established to oversee the implementation of Universal Credit continues to regularly meet. The initial implementation involves single claimants making their first claim so numbers initially will be very low. The working group includes representation from Department for Work and Pensions (DWP) and housing providers. Two Universal Credit workshops, delivered by the DWP, took place in June for social housing providers and private landlords. A communications plan has been prepared to ensure all partners and organisations that need to understand the changes will be made aware, know what the change involves and know where to get additional information and help. Training will also be provided to frontline staff across the council.
23. The council took over the Welfare Assistance Scheme from April 2015. Staff have received training to take on this extra work and, whilst this has been embedded in the first quarter, it has created a backlog in Discretionary Housing Payment claims and a reduction in the number of payments made to customers. This is being addressed and work is expected to be up to date by the end of August.
24. Foodbanks continue to be a vital lifeline for many people. The County Durham foodbank alone fed 14,338 people (9,645 adults and 4,693 children) between April 2014 and March 2015. This was slightly more than last year (14,118). The Durham County foodbank opened 10 new distribution points and were granted £400,000 from the Big Lottery Fund to aid expansion. A project commenced called From Crisis to Confidence aiming to offer debt advice gradually across distribution points. The last few months have also seen a Fuel Bank pilot taking place at some distribution points offering fuel vouchers to help with gas and electricity costs to eligible foodbank clients who have a prepayment meter. To date 360 vouchers have been issued.
25. Turning to the performance indicators we use to monitor performance and track the effects of welfare reform, this quarter saw a rise in unemployment and although the number claiming Job Seekers Allowance (JSA) has fallen, those claiming for more than 12 months remain higher than national levels. This quarter saw fewer new claims for both housing benefit and council tax reduction. Child poverty shows 20,060 children were living in families claiming out-of-work benefits in County Durham, which is equivalent to 22.7% of all 0-15 year-olds in the county and is 6.1 percentage points higher than the equivalent figure for England (16.6%). This gap is larger than at any point in the last eight years.
26. There is a clear downward trend in current rent arrears. During 2014/15 the County Durham Housing Group (CDHG) reduced their rent arrears by 16.6% compared to 2012/13 and 5.4% compared to 2013/14. On average, 23% of CDHG's current rent arrears are arrears from tenants who are under-occupying. The continued downward trend is due to proactive partnership work that has assisted tenants to gain employment, reduce their debt, and maximise their

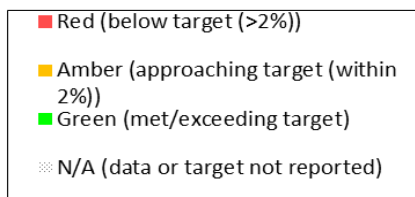
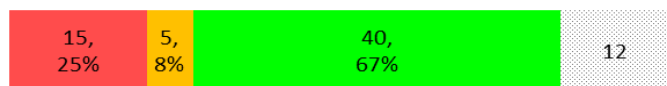
income and the financial assistance provided through the Discretionary Housing Payment Policy.

27. Funding has been made available to the council to work with those tenants who are affected by welfare reform to help them find employment or appropriate training to improve their financial situation. During 2014/15, 41 gained work, 48 increased their working hours and two started a job programme.
28. The amount that individuals have available for spending or saving (gross disposable income per head) increased from £14,151 in 2012 to £14,659 in 2013 but levels remain below the North East rate (£14,927) and significantly below the England rate (£17,842).
29. Homeless levels show fewer statutory homelessness acceptances this quarter when compared to the previous quarter and same period last year. 41% (558 people) of new applications with Durham Key Options met the criteria to be categorised as a reasonable preference group which includes people who have hardship, medical/welfare issues, overcrowding or who are statutory or non-statutory homeless. The number of families rehoused through the Durham Key Options system has reduced slightly this quarter although the long term trend continues to increase.

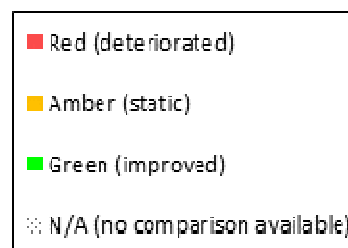
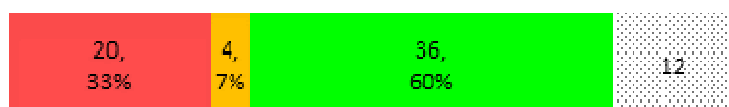
Overall Performance of the Council

Key Performance Indicators

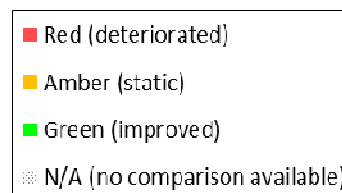
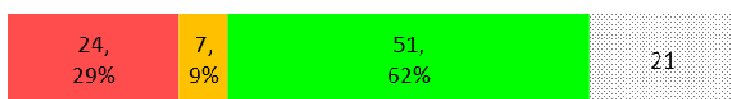
Performance against targets



Target indicators - Direction of travel



Tracker indicators - Direction of travel



Source: Service performance monitoring data

30. In quarter one 2015/16, 75% (45) of target indicators approached, met or exceeded targets and 67% (40) of target indicators improved or remained static. Performance in relation to tracker indicators, many of which reflect the local economy, showed 71% (58) improving or remaining static compared to the same period last year.

31. Areas where there has been improvement in performance in terms of direction of travel compared to 12 months earlier are:

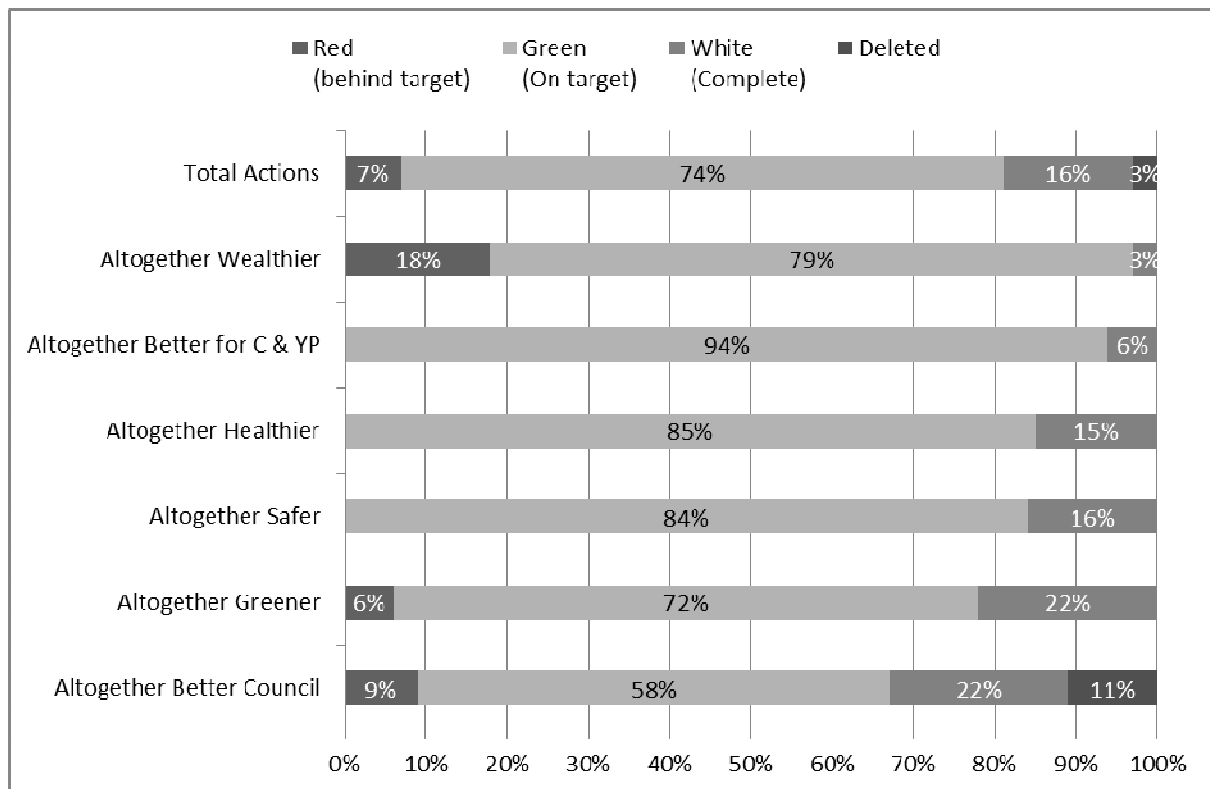
- i. Occupancy of Business Durham floor space
- ii. Empty properties brought back into use through council intervention
- iii. Apprenticeships started through Durham County Council funded schemes and those sustained at least 15 months
- iv. Statutory homelessness acceptances
- v. Children in need referrals within 12 months of previous referral
- vi. Children with a child protection plan

- vii. Teenage pregnancy rates
- viii. Young people admitted to hospital as a result of self-harm
- ix. Delayed transfers of care
- x. Successful drug and alcohol completions
- xi. Overall crime
- xii. Police reported incidents of anti-social behaviour
- xiii. Theft
- xiv. Levels of litter and detritus
- xv. Municipal waste diverted from landfill
- xvi. Household waste re-used, recycled or composted
- xvii. Fly-tipping incidents
- xviii. Telephone call handling
- xix. Supplier invoices paid within 30 days
- xx. Staff performance appraisals

32. Key areas where there has been a deterioration in performance in terms of direction of travel compared to 12 months earlier are:

- i. Major planning applications determined within deadline
- ii. Jobs created or safeguarded as a result of Business Durham activity
- iii. Young people re-offending
- iv. Looked after children
- v. Permanent admissions to residential/nursing homes
- vi. Smoking quitters
- vii. NHS health checks
- viii. Employee sickness absence rates
- ix. Freedom of Information requests responded to within deadline

Progress against Council Plan Actions - Quarter One 2015/16



33. Overall performance in the first quarter of 2015/16 shows that 16% (32 out of 207) of actions have been completed and 74% (154 actions) are on target. 7% (14 actions) did not meet target and 3% (7 actions) have been deleted. Further details of these actions are highlighted throughout the report. The Altogether Greener theme has achieved the highest percentage of actions completed (22%). The Altogether Wealthier theme has the highest percentage behind target (18%), which amounts to six actions.

Service Plan Actions

Service Grouping	Total number of Service Plan	Number of actions met or exceeded	% of actions met or exceeded	Number on target	% of actions on target	Number behind target	% of actions behind target	Deleted	% of actions deleted
ACE	74	14	19%	49	66%	10	14%	1	1%
CAS	110	12	11%	97	88%	1	1%	0	0%
NS	118	21	18%	93	79%	4	3%	0	0%
RED	102	2	2%	79	77%	17	17%	4	4%
RES	116	23	20%	77	66%	5	4%	11	10%
Total	520	72	14%	395	76%	37	7%	16	3%

Source: Service monitoring data

34. Overall, 90% of service plan actions have either been achieved or are on target to be achieved by the deadline. Actions which did not meet target equate to 7%. The Children and Adults (CAS) service grouping had the highest percentage of actions achieved or on target (99%). The Regeneration and Economic Development service grouping (RED) had the highest percentage of actions behind target (17%, 17 actions), with seven of the actions behind target due to the delay in progressing the County Durham Plan. This is followed by the Assistant Chief Executive Services grouping (ACE) (14%, 10 actions) and Resources service grouping (RES) (4%, 5 actions). There were 16 actions (3%) proposed to be deleted in this quarter. Resources has the highest percentage of actions deleted (10%, 11 actions), with four of the actions already completed by the end of the previous financial year. Two actions are proposed to be added from next quarter, one within ACE and the other in RES.

35. Reporting of these key actions is on an exception basis with a full copy of the exceptions, deletions, amendments and additions available on request from performance@durham.gov.uk.

Risk Management

36. Effective risk management is a vital component of the council's change agenda. The council's risk management process sits alongside our change programme and is incorporated into all significant change and improvement projects.

37. The strategic risks identified as potential barriers to successfully achieving our objectives are detailed against each Altogether theme in the relevant sections of the report. These risks have been identified using the following criteria:

- a. Net impact is critical, and the net likelihood is highly probable, probable or possible.
- b. Net impact is major, and the net likelihood is highly probable or probable.
- c. Net impact is moderate, and the net likelihood is highly probable.

38. As at 30 June 2015, there were 27 strategic risks, a reduction of one since 31 March 2015. One new risk has been added and two have been removed. The following matrix categorises the strategic risks according to their net risk evaluation as at 30 June 2015. To highlight changes in each category during the last quarter, the number of risks as at 31 March 2015 is shown in brackets.

Corporate Risk Heat Map

Impact					
Critical	1 (2)	1 (1)	2 (3)		1 (1)
Major		4 (3)	4 (4)	1 (1)	
Moderate			8 (8)	4 (5)	1 (1)
Minor					
Insignificant					
Likelihood	Remote	Unlikely	Possible	Probable	Highly Probable

Key risks 

39. Following the findings of the planning inspector in an interim report on the County Durham Plan, one new risk has been identified this quarter. The future strategic direction of the council and the county will be adversely impacted if the County Durham Plan is not adopted (Regeneration and Economic Development).

40. Two risks have been removed from the register in this quarter. This is due to management of the risk by the service as mitigating actions have been completed to reduce risks to a level where management now consider existing controls to be adequate. These two risks are as follows:

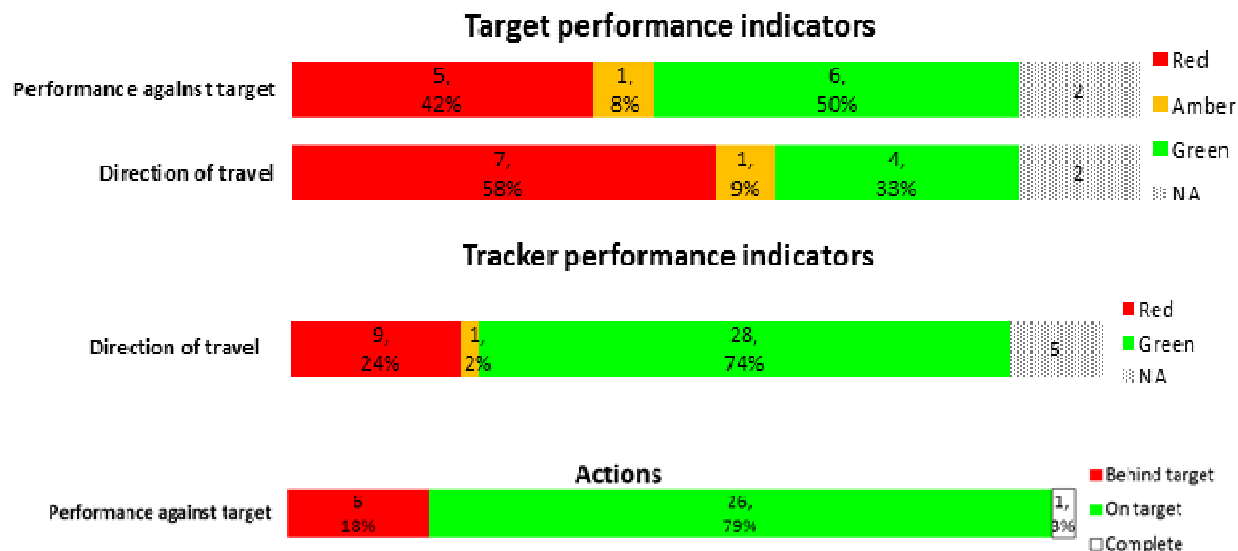
- a. Gypsy Roma Travellers set up camp/events on council land without permission (Neighbourhood Services).
- b. Coastal erosion and environmental improvements may be adversely impacted if a programme of repairs to Seaham North Pier is not undertaken (Neighbourhood Services).

41. At a corporate strategic level, key risks to draw attention to, with their respective net risk evaluations shown in brackets, are:

- a. If there was to be slippage in the delivery of the agreed Medium Term Financial Plan savings projects, this will require further savings to be made from other areas, which may result in further service reductions and job losses (critical/possible).
- b. Ongoing Government funding cuts which now extend to at least 2019/20 will continue to have an increasing major impact on all council services (critical/highly probable).

- c. Potential restitution of search fees going back to 2005 (moderate/highly probable).
 - d. If we were to fail to comply with Central Government's Public Services Network Code of Connection criteria for our computer applications, this would put some of our core business processes at risk, such as revenues and benefits, which rely on secure transfer of personal data (critical/possible).
 - e. The future strategic direction of the council and the county will be adversely impacted if the County Durham Plan is not adopted (major/probable)
42. The implementation of additional mitigation on a number of risks has enabled the council to improve performance, decision-making and governance, and this is detailed in the relevant sections of the report.

Altogether Wealthier: Overview



Council Performance

43. Key achievements this quarter include:

- a. The empty homes programme, which provides financial assistance to owners to bring long-term empty properties back into use, gained momentum through the last year. This has resulted in a high number of returns this quarter with 65 properties returned to use, through a number of interventions such as grants, loans, engagement, encouragement and working with registered providers. Performance was better than the target of 30 and the same period last year, when 19 properties were improved.
- b. During 2014/15 there were 357 apprenticeship starts through Durham County Council funded schemes, nearly double the target of 180 and exceeding the previous year's performance (290). At the end of the year all European Social Fund monies had been exhausted, however contributions to the 2015/16 apprenticeship programme have been identified from Area Action Partnerships (AAPs). Bishop Auckland and Shildon AAP and 3 Towns AAP are funding a post to deliver an employability mentoring programme in 2015/16. The mentoring approach, along with other direct employability support programmes, has been incorporated into the enhanced employability solutions project. A second Youth Employment Advisor has been appointed as part of the youth employment programme, providing more extensive coverage across County Durham job centres.

At 30 June, 393 local authority funded apprenticeships had been sustained for at least 15 months (45.6% of apprenticeships), a trend which is expected to continue due to the large number of apprentices starting during 2014/15.

An element of a key Council Plan action is the delivery of apprenticeship initiatives. The Skills Support for the Unemployed Programme, which was funded by European Social Fund (ESF) to July 2015, is now complete. Through this programme, 63 people have been supported through bespoke pre-employment training programmes, 14 of whom have moved into employment.

Wage subsidy is now classed as eligible under the ESF programme therefore officers are looking to develop a broader programme of wage subsidy over the lifetime of the Youth Employment Initiative (YEI) programme for County Durham.

- c. The occupancy of Business Durham premises continues to rise and currently stands at 83% against a target of 79%. This shows improvement from 79% last quarter and 76.1% for the comparable period last year. The increase is reflective of a strong growth in lettings at NETPark and on industrial units, while the office accommodation market remains difficult. Business Durham premises generated £736,379 of income during quarter one. This is below the £770,000 target however some income is due to be credited in July. Occupancy of properties from Durham County Council's retail, commercial and investment portfolio remains static with 82% of properties let, above the 80% target.
- d. The percentage of overall planning applications determined in deadline is now in line with the target of 87%. Performance has improved from 79.1% last quarter. The number of overall planning applications received fell from 691 last quarter to 656 this quarter and is at the lowest level for the past two years (Appendix 4, chart 1). Due to the timescales involved for determining applications within deadline, any increase or decrease in the number of applications received has an impact on the following quarter's performance. In addition, some planning applications are more complex and therefore take longer to resolve. 64.7% of major planning applications were determined within deadline, which remains below target (75%), performance for last quarter (68%) and the same period last year (87.5%). This is as expected due to the uncertainty of the County Durham Plan. This quarter 35 major planning applications were received, compared to 30 last quarter.
- e. Tracker indicators show:
 - i. The number of people claiming Job Seeker Allowance (JSA) has decreased from 9,385 at quarter one 2014/15 to 7,061 this quarter. Of the 7,061 people, there were 1,890 claimants aged 18 to 24 years (26.8% of all JSA claimants). The number of youth claimants has fallen from 2,190 last quarter and 2,580 for the corresponding period last year.
 - ii. The number of JSA claimants who have claimed for 12 months or more continues to fall, decreasing from 2,125 (27.8% of all JSA claimants) in the last quarter to 1,920 (27.2%) this quarter. The proportion of long term claimants has fallen 24% from the corresponding period in 2014/15 (3,365 claimants). The County Durham rate is higher than the national rate of 24%, but lower than the North East (30.2%) and nearest statistical neighbour rates (31.2%).

The roll out of Universal Credit has led to the Office for National Statistics/Department of Work and Pensions (ONS/DWP) changing their headline claimant count measure. Previously the claimant count reflected solely the number of people claiming JSA. However as the Universal Credit rollout progresses and more people claim under the new system JSA becomes an underestimate of the true claimant count.

ONS/DWP have concluded that the number of out of work people claiming Universal Credit will in future be the best measure of unemployment and will use this definition for headline rates at national and regional levels. Local authority level data will remain as JSA only. Although the impact of this change is likely to be small to begin with there will be a gradual reduction in JSA numbers, which will hinder our ability to distinguish between Universal Credit rollout and underlying labour market trends. Caution should be taken when comparing local data to regional and national levels.

- iii. During this quarter 330 net homes were completed, an improvement from the previous quarter (243), although this is less than the same period last year (361). Of the 330 homes, 39% (130 homes) were in or near major settlements. This is higher than last quarter (35%) and the same period last year (35%). 20 new homes were completed in Durham City. This is an improvement on last quarter (19) and the same period last year (14).
 - iv. Homeless indicators show there were 36 acceptances of a statutory homelessness duty, an improvement from 39 last quarter and 62 for the same period last year. However the number of preventions fell from 326 last quarter to 276 this quarter. Due to changes to the definition, performance cannot be compared with the same period last year.
- f. Progress has been made with the following Council Plan and service plan actions:
- i. Good progress has been made with the delivery of Auckland Castle Trust projects. The council approved planning consent for the Eleven Arches site, together with the required licences for staging outdoor shows. Eleven Arches is seeking to produce a large scale, visually stunning open air night show, bringing to life the history of Britain through the eyes of the North East, with Auckland Castle as a backdrop. The licences are subject to a limit of ten for 2016/17 due to concerns regarding noise levels. A report to Cabinet in the autumn of this year will provide further detail on the delivery of the projects.
 - ii. Good progress has been made with the physical regeneration projects in Seaham, Peterlee and Consett. Initial consultation has been completed regarding improvements to Seaham and a funding application is being prepared. Stakeholders have been identified to assist with development of the projects in both Peterlee and Consett.
 - iii. The highway works to construct a new roundabout at Sunderland Bridge junction are now complete. The work was completed ahead of the Miner's Gala and the commencement of the works to Milburngate Bridge.
 - iv. The Private Landlord Accreditation Scheme, a voluntary scheme requiring private landlords to work in line with a code of practice, has been rolled out countywide with over 3,000 landlords being invited to join the scheme. The scheme has only recently been rolled out but interest has already been shown with 169 landlords joining the scheme.

- v. Further good progress has been made with the roll out of fast speed broadband through our Digital Durham programme.

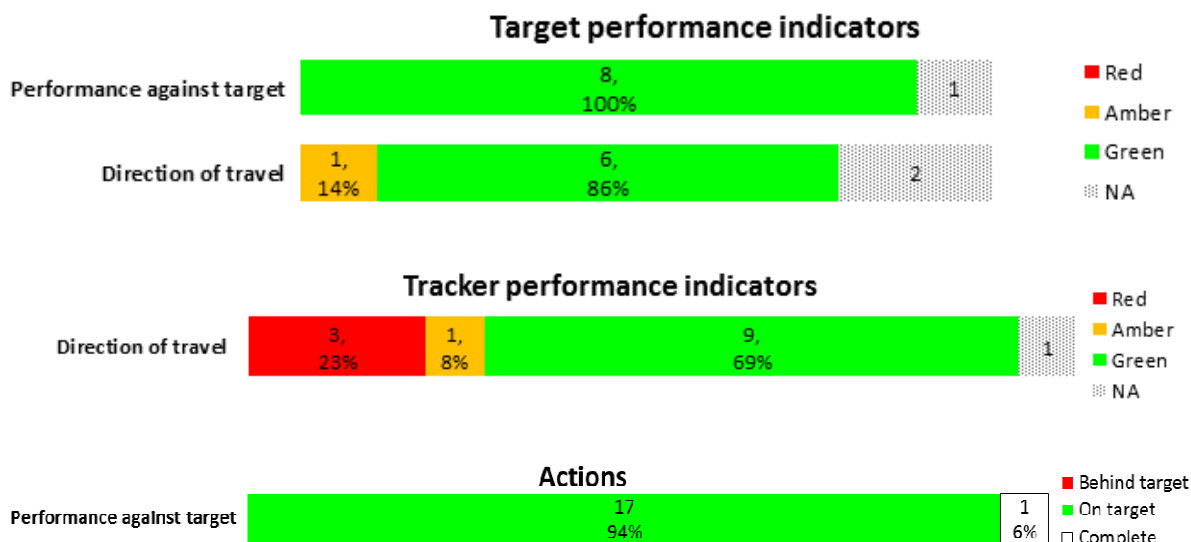
44. The key performance improvement issues for this theme are:

- a. As a result of Business Durham activity, 164 potential jobs have been secured or created, through projects with existing businesses and working with tenants. However performance of this indicator continues to be below the quarterly target (600).
- b. This quarter 103 private sector properties have been improved through local authority intervention. This was below the target of 149 but higher than the same period last year, when 71 properties were improved. Additional properties have been identified for improvement and negotiations with landlords are progressing.
- c. Tracker indicators show:
 - i. Although the number of people in employment increased from 229,700 last quarter to 230,800 this quarter (April 2014 to March 2015), the employment rate (16 to 64 years) has fallen slightly from 68.7% to 68.5%, due to increases in both the working age population and people over 65 who are working. The County Durham rate is lower than the national (72.7%), regional (68.7%) and nearest statistical neighbour rates (70.9%), which all continue to improve. The employment rate however is better than at the same period last year when this was 66.2%.
 - ii. The proportion of the working age population currently not in work who want a job during the same period has deteriorated from 12.4% (40,600 people) in the previous quarter to 13% (43,200 people) this period. Performance is better than the corresponding period in 2013/14 (13.7%) however is worse than the England (10.1%), North East (12.4%) and nearest statistical neighbour rates (11.5%).
 - iii. During quarter one 1,217 applicants registered on Durham Key Options have been re-housed. This is a reduction from 1,345 in the previous quarter and 1,228 for the same period last year (see Appendix 4, chart 2). Performance is directly affected by the number of empty properties available. The decrease in lets demonstrates better sustainability amongst partners and less terminations. This is due to better matching of stock and increased financial support over the two years since welfare reform. 41% (558) of new applications met the criteria to be categorised as a reasonable preference group, which includes people with hardship, medical/welfare issues, overcrowding or who are statutory or non-statutory homeless.
 - iv. The amount that individuals have available for spending or saving (gross disposable income per head) increased from £14,151 in 2012 to £14,659 in 2013. This remains below the North East rate (£14,927) and significantly below the England rate (£17,842).

- d. The key Council Plan actions which have not achieved target in this theme include:
- i. The adoption of the County Durham Plan has been delayed further. Following advice and support from both Government and the Planning Inspectorate, the council requested an opportunity to explore its concerns regarding the inspector's interim report in the public domain. The inspector declined this opportunity. Having explored all options it was agreed to pursue this matter through the courts by way of a judicial review. This was lodged with the High Court on 15 May. Following a request from the Department of Communities and Local Government, Judge Linholm has granted a stay on proceedings in order for interested parties to try to come to a resolution.
 - ii. Obtaining planning consent for the Western Relief Road in Durham is a key proposal in the County Durham Plan and is therefore dependent on the above concerns with the County Durham Plan. This deadline has therefore been revised for March 2016 to August 2017.
 - iii. The delivery of traffic flow improvements in Durham City has been delayed from October 2016 until September 2017 as the funding awaited for the preparatory works for A1(M)/A690 junction improvement has been delayed until 2017.
 - iv. The redevelopment at St John's Square, Seaham has been delayed by a month but it is now largely complete on site with landscaping and lighting works to be completed by the end of September 2015.
 - v. The development of infrastructure at Merchant Park 2, Newton Aycliffe has been delayed from March 2017 to March 2018 following delays with the design and construction of the electricity supply, due to late receipt of information from the developer. Planning is likely to have consent in early 2016, with power works commencing in early 2016/17.
 - vi. The feasibility study into the vision and purpose of Bishop Auckland Town Hall and its links to Auckland Castle has been delayed from April 2015 until November 2015. A draft feasibility study on refurbishment of the building has been completed, but requires further work. A project group has been set up to determine a new programming vision.

45. There is one key risk in delivering the objectives of this theme. The future strategic direction of the council and the county will be adversely impacted if the County Durham Plan is not adopted. A judicial review of the decision has commenced.

Altogether Better for Children and Young People: Overview



Council Performance

46. Key achievements this quarter include:

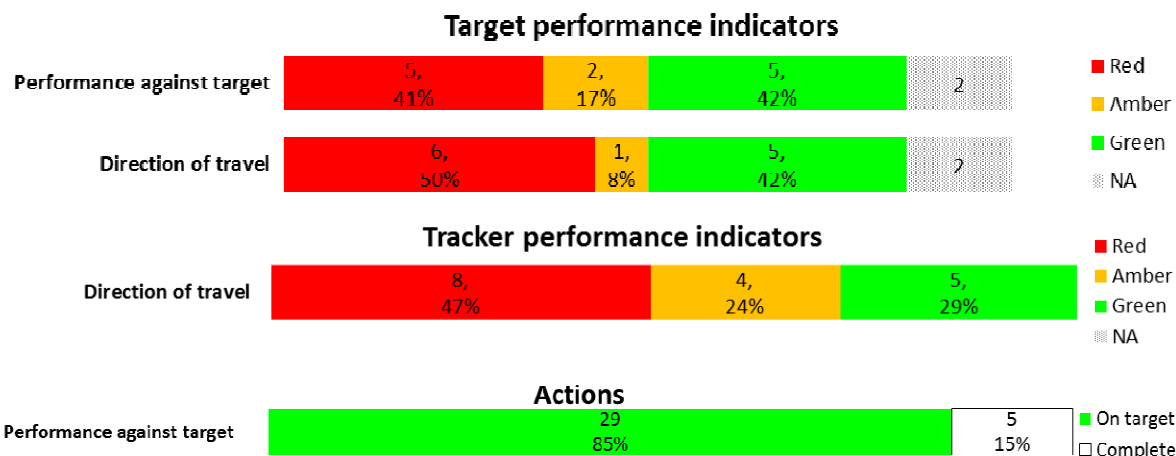
- a. The Stronger Families Programme aims to assist individuals in a family to achieve reductions in crime/anti-social behaviour, improve school attendance or move back into employment as set out in the Department for Communities and Local Government's Troubled Families Programme Financial Framework (March 2012). As of March 2015, 1,320 families have had a successful intervention, which equates to 100% of County Durham's overall target by May 2015. A total reward grant of £1,435,200 has been secured. Comparator data (as of March 2015) show that County Durham has exceeded the national (98.9%), regional (99.9%) and statistical neighbours (99.6%) averages. Following on from the success of the programme, stage two commenced on 1 April 2015 and will continue until May 2020.
- b. Data for April to June 2015 show that 317 of 1,566 children in need referrals occurred within 12 months of the previous referral, which equals 20.2%. This is achieving the target of 21% and has improved from the same period last year (36.6%) (Appendix 4, chart 4). The rate is better than the 2013/14 national (23.4%), regional (22.9%) and statistical neighbour averages (25.9%).
- c. Tracker indicators show:
 - i. At 30 June 2015, there were 352 children subject to a child protection plan, which equates to a rate of 35.1 per 10,000 under 18 population and is a reduction from 44.5 (446 children) at the same point last year. Performance is better than the March 2014 England (42.1), North East (59.3) and statistical neighbour averages (54.8).
 - ii. Provisional under 18 conception rate data for 2014 show a rate of 30.9, which is a reduction from 2013 (33.8). Although there has been a reduction the rate is above the provisional regional (29.7) and national (23.9) averages.

47. The key performance improvement issues for this theme are:

- a. Latest data show 194 of the 474 young people in the July 2012 to June 2013 cohort re-offended within 12 months, which equates to 40.9%. This is an increase when compared against the same period in the previous year (37.5%). The rate in County Durham is higher than the national rate of 36.6%. The 474 young people in the offender cohort committed a total of 611 offences, which equates to an offending rate of 1.29 offences per person. This rate is higher than the same period of the previous year (1.15) and the national average of 1.11. With the aim of reducing reoffending, County Durham Youth Offending Service has developed an enhanced programme of interventions for a cohort of young people identified as offending six or more times in the previous 12 months. The interventions include intensive levels of supervision, short-cut access to a range of multi-agency specialist professionals, and support for leisure activities, reparation and education, training and employment.
- b. There has been a reduction in young people aged 10 to 24 years admitted to hospital as a result of self-harm, although the rate remains above national levels. For the latest three year figure (2011/12 to 2013/14) County Durham's rate is 489.4 per 100,000 population aged 10 to 24 years, which is lower than the previous three year figure (504.8 for 2010/11 to 2012/13). This is worse than the national average of 367.3.
- c. Tracker indicators show:
 - i. At 30 June 2015 there were 641 looked after children (LAC), which equates to a rate of 63.9 per 10,000 population. This rate is an increase from 60.2 (603 LAC) at the same point last year. March 2014 benchmarking data show that County Durham's rate is better than the North East average (81) and statistical neighbours (81) but worse than the England rate of 60. The reduced numbers of children with adoption plans nationally and locally are having an impact on the overall numbers, and following recent serious case reviews this is contributing to a more robust approach to the management of long standing cases of neglect within County Durham. A number of large sibling groups becoming looked after in the early months of 2015, including a family of seven and a family of six have had an impact on the looked after numbers (Appendix 4, chart 3).
 - ii. As at February 2015, 20,060 children were living in families claiming out-of-work benefits in County Durham, which is equivalent to 22.7% of all 0 to 15 year-olds in the county. This is the same as the previous quarter and is 6.1 percentage points higher than the equivalent figure for England (16.6%). This gap is larger than at any point in the last eight years. It should be noted however that this is a proxy measure of child poverty as it reflects a snapshot of the number of children in families claiming out-of-work benefits only and does not reflect in-work poverty in the area.
- d. There are no Council Plan actions which have not achieved target in this theme.

48. There are no key risks which require any mitigating action in delivering the objectives of this theme.

Altogether Healthier: Overview



Council Performance

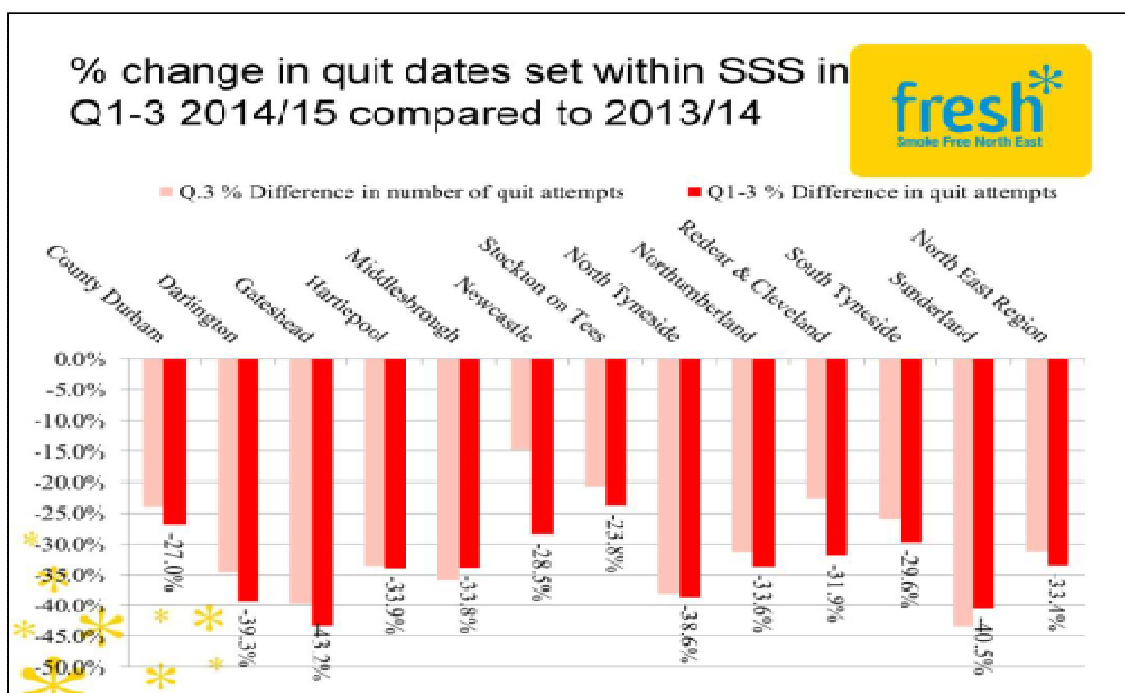
49. Key achievements this quarter include:

- a. During the period April to May 2015, 91.2% of adult social care service users reported that the help and support they received made their quality of life better. This is exceeding the 2015/16 target of 90% but has reduced from 94.3% in the same period last year.
- b. Between January and March 2015, 599 older people received a reablement service following their discharge from hospital. Of these, 519 remained living independently in their own home 91 days after their discharge. This equates to 86.6%, which is exceeding the 2015/16 target of 85.7% but is slightly below performance in the same period last year (87.9%). Performance is above the 2013/14 statistical neighbour (85.3%) and England (82.5%) averages but is slightly below the North East average (87.2%).
- c. Of the 1,201 people in alcohol treatment between April 2014 and March 2015, 456 successfully completed. This equates to a 38% successful completion rate, which is an increase from 34.8% in 2013/14 and has exceeded the 2014/15 target of 36.6%. Performance is slightly below the 2014/15 national outturn of 39.2%.
- d. Tracker indicators show:
 - i. In the two snapshot periods in April and May 2015 there were 37 delayed transfers of care which equates to a rate of 4.5 delays per 100,000 population. This is an improvement from 6.4 delays per 100,000 in the same period last year and is better than the 2013/14 England (7.9), regional (8.1) and 2014/15 statistical neighbour (11.2) averages.
 - ii. There were nine delays which were attributable to social care, a rate of 1.08 delays per 100,000 population per day. This is better than the 2013/14 England (3.1), regional (2.0) and 2014/15 statistical neighbour (3.7) averages.

50. Underlying health issues continue to be a challenge in terms of differences in life expectancy and prevalence of a range of health conditions from the national picture. We monitor a number of health indicators across our corporate indicator set and updated annual data will be reported in subsequent quarters.

51. The key performance improvement issues for this theme from data released this quarter are:

- a. Latest provisional figures show that there were 3,068 smoking quitters through the Stop Smoking Service (SSS) during 2014/15, which equates to a rate of 717.5 per 100,000 population. This is below the target of 1,126 per 100,000 (4,813 quitters) and is less than 971 per 100,000 (4,134 quitters) during 2013/14. All stop smoking services (national and regional) have seen a drop in access over the past two years. Regional data available for quarter one to three 2014/15 shows the drop in access in County Durham is the second lowest of all regional stop smoking services (see graph below). Smoking has been identified as being responsible for one in five of all deaths in adults aged 35 and over. This is more than all deaths caused by alcohol, car accidents, suicide, AIDS, murder and illegal drugs combined.



The SSS has developed a plan to increase uptake in 2015/16 including:

- Increased marketing of services to key target groups
- Marketing services to attract e-cigarette users e.g. e-cigarette friendly services
- Undertaking a review of clients who initially access stop smoking services but subsequently disengaged within a four week period

The contract for the SSS ceases in March 2016. Public health are currently undertaking a full service review of the SSS in preparation for tendering out the service in 2016/17 onwards.

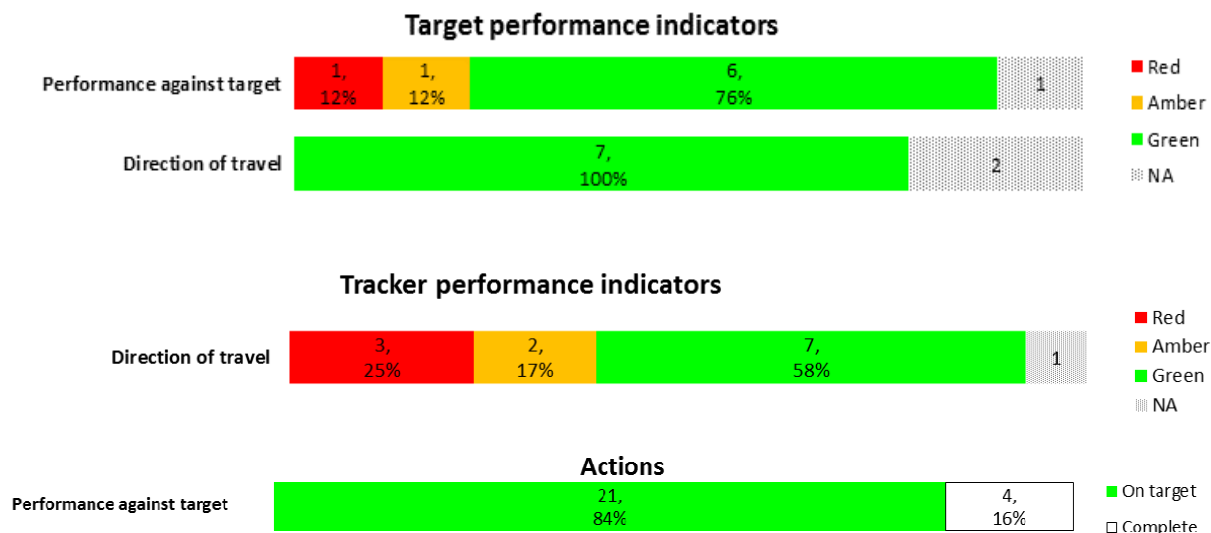
- b. In 2014/15, 7.4% of eligible people in County Durham (12,137 of 163,364) received an NHS health check, which did not achieve the target of 8% and is a reduction from 10.3% in 2013/14. Performance is below regional (8.3%) and national (9.6%) averages. It is important to note that the focus of health checks in County Durham was changed for 2014/15, from a universal to a targeted service aimed at those people with a high prevalence of cardiovascular disease (CVD) risk factors. The contract with GPs for the provision of health checks for 2015/16 was issued to providers on 29 May 2015 and performance against the contract will be monitored by the Public Health lead.
- c. For the period April to June 2015, 186 older people were admitted to permanent residential or nursing care. This equates to 178.5 per 100,000 population and has not achieved the quarter one target of 149 per 100,000. This is also higher than the same period in 2014/15 when there were 158 admissions (a rate of 163.6 per 100,000 population). Factors which have contributed to an increased number of permanent admissions include:
- Increased pressures on the wider health community in County Durham, with older people a particularly vulnerable group. There has been a 6.1% increase in presentations to Accident and Emergency during April and May 2015 compared to the same period of 2014.
 - Increasing complexity of cases, with an additional 19 admissions to specialist dementia beds between April and June 2015 when compared to the same period in 2014.

Robust panels operate to ensure that only those in most need, who can no longer be cared for within their own home, are admitted to permanent care. Permanent admissions are not all funded by the council as some will be self-funded but may receive non-financial council support. It is therefore appropriate to compare the actual number of residential/nursing beds purchased by the council as this shows the cost of permanent residential or nursing care to the council. The number purchased between April and June 2015 decreased by 4.1% (9,689 bed days) from 238,557 at the same period last year (April to June 2014) to 228,868 this year.

- d. The number of people in drug treatment for opiate use between October 2013 and September 2014 was 1,454, of which 103 successfully completed, i.e. they did not re-present between October 2014 and March 2015. This equates to a 7.1% successful completion rate, which is below the target of 7.9% and national performance of 7.6% but an increase in performance from the same period in the previous year (6.1%). Following a procurement exercise in 2014/15, Durham County Council awarded the contract for an integrated drug and alcohol treatment service for adults and young people to Lifeline Project Ltd. A performance management framework is currently being developed with LifeLine, for implementation in summer 2015.
- e. There are no Council Plan actions which have not achieved target in this theme.

52. There are no key risks which require any mitigating action in delivering the objectives of this theme.

Altogether Safer: Overview



Council Performance

53. Key achievements this quarter include:

- a. The percentage of people who agreed that the local council and police deal with concerns of anti-social behaviour (ASB) and crime was 63.2% during 2014/15, with a confidence interval of +/-3.6%. Public perception has increased from 58.8% in the equivalent period of 2013/14. Please note that the Crime Survey is used to report this indicator, which is at force level so includes Darlington.
- b. As reported in the Altogether Better for Children and Young People theme, the Stronger Families Programme aims to assist individuals in a family to achieve reductions in crime/anti-social behaviour, improve school attendance or move back into employment as set out in the Department for Communities and Local Government's Troubled Families Programme Financial Framework (March 2012). As of March 2015, 1,320 families have had a successful intervention, which equates to 100% of County Durham's overall target of 1,320 families by May 2015. This equates to a total reward grant of £1,435,200. Comparator data (as of March 2015) show that County Durham has exceeded the national (98.9%), regional (99.9%) and statistical neighbours (99.6%) averages. Following on from the success of the programme, stage two commenced on 1 April 2015 and will continue until May 2020.
- c. As reported in the Altogether Healthier theme, of the 1,201 people in alcohol treatment between April 2014 and March 2015, 456 successfully completed. This equates to a 38% successful completion rate, which is an increase from 34.8% in 2013/14 and has exceeded the 2014/15 target of 36.6%. Performance is slightly below the 2014/15 national outturn of 39.2%.

d. Tracker indicators show:

- i. In the period April to June 2015 there were 6,326 crimes, equating to a rate of 12.3 per 1,000 population. This has reduced from 6,462 crimes in the equivalent period of 2014 and equates to a 2.1% reduction in overall crime, following a 2% increase in crime reported for 2014/15. Based on current figures Durham Constabulary is forecasting a 1.6% reduction in total crime by the end of 2015/16. Analysis has highlighted that the reduction is primarily due to a fall in theft offences of 9.2% (see table below). However, this was partially offset by crimes categorised as violence against the person which have increased by 9.4% against the equivalent period last year. The County Durham Community Safety Partnership (CSP) area continues to see the lowest level of crime per 1,000 population for the period April to May 2015 (8.2) when compared to its most similar CSPs average (11.8).
- ii. Between April and June 2015, there were 5,657 victim based crimes, which is a 1.8% reduction (103 fewer victims of crime) when compared to the 2014/15 equivalent period (5,760 crimes). This equates to a rate of 11 per 1,000 population. Based on current figures, Durham Constabulary is forecasting a 2% reduction in the number of victim based crimes by the end of 2015/16. County Durham CSP area has the lowest rate for victim based crime per 1,000 population for the period April to May 2015 (7.3) when compared to its most similar CSPs average (10.5). Durham Constabulary continues to report positive feedback from victims of crimes, collected via the Police Satisfaction Survey, and has some of the highest satisfaction levels in the country.
- iii. Between April and June 2015 there were 2,634 theft offences, equating to a rate of 5.1 per 1,000 population. This is a reduction of 9.2% from the 2,901 offences during the same period of the previous year. All theft offences are showing a reduction against 2014 as shown below:

Crime categories	Recorded: <u>Year To date</u>		
	To Jun-14	To Jun-15	Change
Theft offences	2,901	2,634	-9.2%
Burglary	714	683	-4.3%
Vehicle offences	493	436	-11.6%
Theft from the person	29	25	-13.8%
Theft of a pedal cycle	88	59	-33.0%
Shoplifting	652	604	-7.4%
All other theft offences	925	827	-10.6%

Based upon current figures, Durham Constabulary is forecasting a 6% reduction in theft offences by the end of 2015/16. The County Durham CSP area has one of the lowest rates of theft occurrences per 1,000 population (3.4) when compared to its most similar CSPs average (5.04) for the period April to May 2015.

- iv. In the period April to June 2015 there were 5,761 incidents of ASB reported to the police. This equates to a 12.3% reduction on the equivalent period in 2014/15 (6,568 incidents). Durham Constabulary is forecasting a 12.9% reduction in ASB incidents by the end of 2015/16.

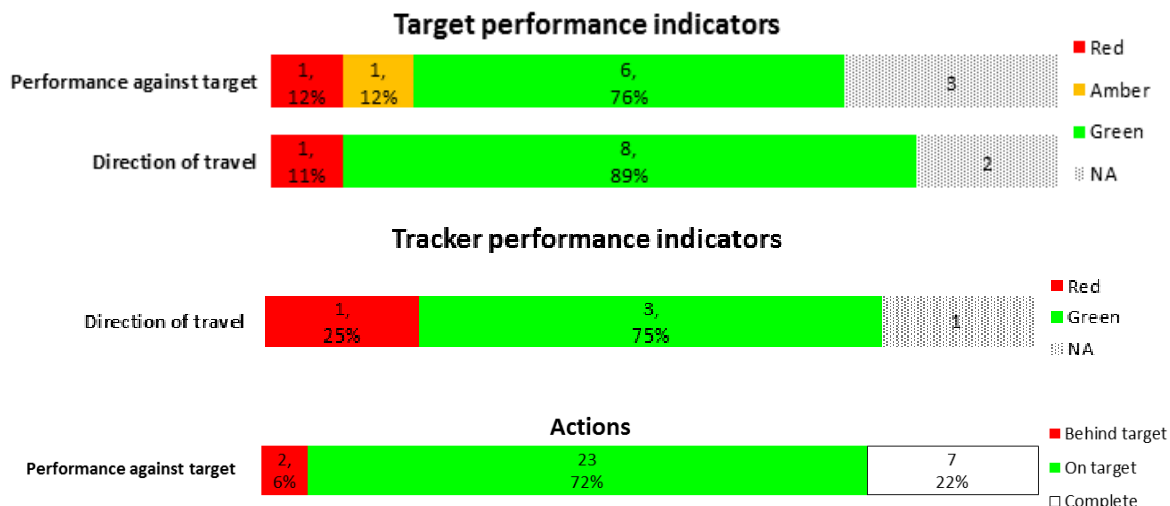
54. An issue highlighted in previous reports has been that referral rates to the Multi Agency Risk Assessment Conference (MARAC) have been low in County Durham when compared to other parts of the country. An independent report produced by CAADA (Coordinated Action Against Domestic Abuse), now known as SafeLives, a national charity dedicated to ending domestic abuse, reported that County Durham rates are considerably below recommended levels and the national average and made recommendations to identify repeat cases and refer cases back to the MARAC. Between April and June 2015, 92 victims of domestic abuse presented to the MARAC of which 17 were repeats, equating to 18.5%. This is an increase from 14.1% in the previous year but falls short of the 25% threshold expected by SafeLives.

55. The key performance improvement issues for this theme are:

- a. As reported in the Altogether Better for Children and Young People theme, latest data show 194 of the 474 young people in the July 2012 to June 2013 cohort re-offended within 12 months, which equates to 40.9%. This is an increase when compared against the same period in the previous year (37.5%). The rate in County Durham is higher than the national rate of 36.6%. The 474 young people in the offender cohort committed a total of 611 offences, which equates to an offending rate of 1.29 offences per person. This rate is higher than the same period of the previous year (1.15) and the national average of 1.11. With the aim of reducing reoffending, County Durham Youth Offending Service has developed an enhanced programme of interventions for a cohort of young people identified as offending six or more times in the previous 12 months. The interventions include intensive levels of supervision, short-cut access to a range of multi-agency specialist professionals, and support for leisure activities, reparation and education, training and employment.
- b. As reported in the Altogether Healthier theme, the number of people in drug treatment for opiate use between October 2013 and September 2014 was 1,454, of which 103 successfully completed, i.e. they did not re-present between October 2014 and March 2015. This equates to a 7.1% successful completion rate, which is below the target of 7.9% and national performance of 7.6% but an increase in performance from the same period in the previous year (6.1%). Following a procurement exercise in 2014/15, Durham County Council awarded the contract for an integrated drug and alcohol treatment service for adults and young people to Lifeline Project Ltd. A performance management framework is currently being developed with LifeLine, for implementation in summer 2015.
- c. There are no Council Plan actions which have not achieved target in this theme.

56. There are no key risks which require any mitigating action in delivering the objectives of this theme.

Altogether Greener: Overview



Council Performance

57. Key achievements this quarter include:

- a. During the 12 months ending May 2015, 96.7% of municipal waste was diverted from landfill. Performance exceeded the target of 95% but decreased by 2.3% from the previous quarter. During March and April the Energy from Waste plant was closed due to planned essential maintenance. Although waste was sent to alternative facilities for disposal, including the Mechanical Biological Treatment at Byker, some additional waste was sent for landfill.
- b. During the 12 months ending May 2015, 42.2% of household waste was re-used, recycled or composted, exceeding the 38% target. The national picture shows that all councils are experiencing a plateau in the area of reuse, recycling and composting and this situation is unlikely to change without government investment and expansion of recycling schemes. During 2014/15, 42.6% of the household waste we collected was reused, recycled or composted, which reflects the regional picture. At the end of May, our performance was 42.2%; this slight reduction can mainly be attributed to changes to our Garden Waste Scheme with 6,000 fewer tonnes of garden waste being collected between the start of the garden waste collections in March and 31 May compared to last year. The reduced targets for 2015/16 reflect the potential impact of these changes on this year's performance.
- c. Three times a year the condition of our local environment in relation to litter, detritus and dog fouling is assessed using a survey. The 2014/15 year-end figures indicate that:
 - i. Of relevant land and highways assessed as having deposits of litter, 5.3% fell below an acceptable level. Performance was better than the target of 7% and the national average (11%) and improved from 6% reported in 2013/14.

- ii. Of relevant land and highways assessed as having deposits of detritus, 8.9% fell below an acceptable level. Performance was better than the target of 10% and the national average (31%) and improved from 9.5% reported in 2013/14.
- iii. Of relevant land and highways assessed as having deposits of dog fouling, 1.1% fell below an acceptable level. Performance improved from 1.6% reported in 2013/14 and was better than the national average (8.1%).

Teams are working to ensure standards remain high. The next survey will be carried out in August/September and an update will be provided in quarter two. During July, County Durham landed a string of prestigious awards by Keep Britain Tidy. Fourteen open spaces owned by the council were awarded Green Flag status for 2015. These include six parks and two countryside sites, while six cemeteries/crematoriums were also recognised, the highest number held by any local authority in the country.

- d. During quarter one 2015/16, there were 374 renewable energy feed in tariff installations registered and approved and the target of 225 installations was exceeded. There were 373 solar photovoltaic installations and one wind installation. The feed in tariff installations have contributed 215.7 megawatts of energy as at the end of June 2015.
- e. A key tracker indicator shows the multi-agency taskforce approach to dealing with fly-tipping is continuing to show significant results. There were 7,674 fly-tipping incidents during the 12 months ending June 2015, 1,105 fewer incidents compared to the previous quarter and 2,019 fewer incidents compared to quarter one 2014/15 (see Appendix 4, Chart 5).

During quarter one, CCTV cameras were deployed to a further 81 locations across the county and captured 11 fly-tipping incidents. 38 stop and search operations resulted in the issuing of 18 duty of care warning letters, 11 requests to produce driving and vehicle documentation and eight Fixed Penalty Notices. 34 people attended an interview under caution (Police and Criminal Evidence Act 1984) and nine cases were referred for prosecution. A further 28 cases reached court and a total of almost £14,000 was awarded in fines, costs, compensation and surcharges. In addition, one person was given an 18 week prison sentence suspended for a year. Two illegal scrap metal dealers have become the first dealers in the county to be handed criminal behaviour orders to stop them dealing scrap metal for two years. Durham County Council continues to use the social media 'name and shame' to maximum effect following the feedback received. Local and national media have picked up on this success, with two examples to appear in BBC TV's Caught Red Handed.

- f. Progress has been made with the following Council Plan and service plan actions:
 - i. Good progress has been made in relation to the Landscape Partnership Plan. A number of bids have been submitted or have approval to be submitted to the Heritage Lottery Fund in relation to a Village Atlas Project, which looks at relationships between natural and social history and Land of Oak and Iron projects: restoration of an

historic landscape. Further work is underway on a number of other bids such as a biological recording WildWatch Project funding bid and a funding bid in relation to St Mary's Church in Barnard Castle. Through the Heritage Coast Partnership, preparations are underway for formation of a community interest company as an arms-length trading body.

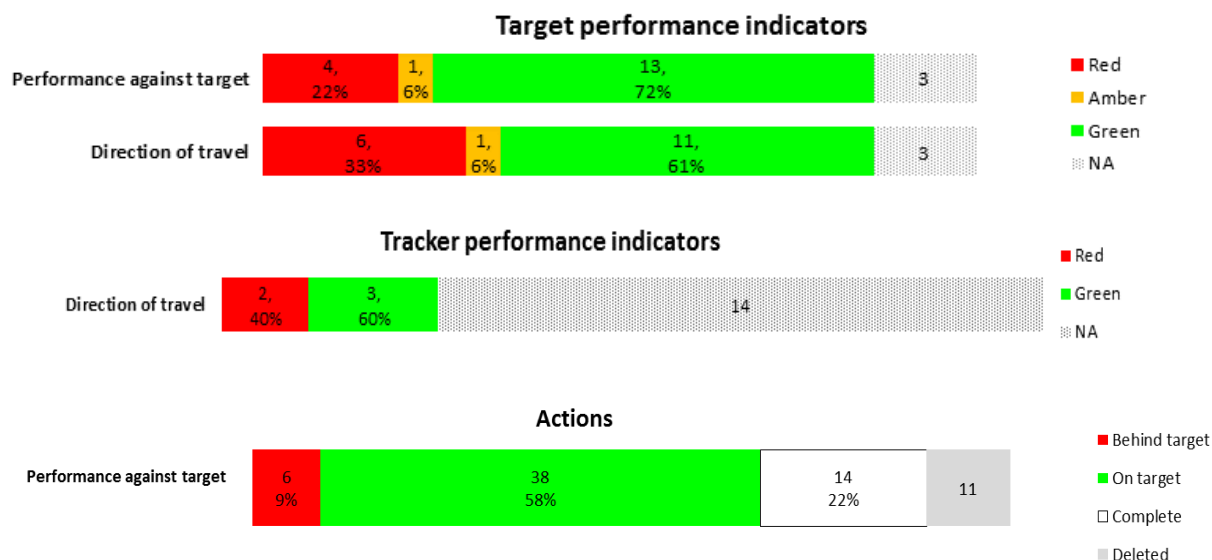
- ii. Work has been undertaken in relation to further developing the Climate Change Strategy and associated delivery plan. The delivery programme will focus around three main areas: climate adaptation, community buildings energy efficiency and transport modal shift for schools and higher education. The Climate Change Strategy was approved by Cabinet in July 2015.

58. The key Council Plan actions which have not achieved target in this theme include:

- i. The procurement and implementation of a new contract for dealing with recyclable material collected at the kerbside has been delayed from June 2015 until April 2016. On advice from our consultants and following soft market testing, tendering has been withheld until the market improves. Following the recycling market commodity crash, only a small upward trend has been seen in prices from their base position of the last few months. The intention is to tender in September for an April 2016 contract start.
- ii. The action to review operational practices around allotments, to harmonise standards and embed enforcement, has been delayed from April 2015 to April 2016. The initial scope for this work has widened to include a full review of the current policy to ensure it aligns to operational practices. The review is currently underway and due to be completed in 2015/16 following consultation. Basic enforcement values have been agreed in the interim. Staff vacancies have been filled and visit schedules are in place.

59. There are no key risks which require any mitigating action in delivering the objectives of this theme.

Altogether Better Council: Overview



Council Performance

60. Key achievements this quarter include:

- a. During the 12 months ending June 2015, there has been an increase in telephone calls received from 986,641 reported at quarter one 2014/15 to 1,000,168 reported this quarter. This is also an increase on the previous quarter (989,422 telephone calls). Approximately two thirds of these calls were received by Customer Services and the remaining third by other teams across the council. The increase can be partly attributed to additional telephone lines being added to the Automatic Call Distributor system which have added almost 31,000 calls to the most recent count of overall call volume. 6% of telephone calls were abandoned, an improvement on the same period last year (8%) and better than the target of 12%. 92% of the telephone calls were answered within three minutes, above the target of 80%. This was an improvement on the same period last year, when 88% were answered within three minutes (Appendix 4, Chart 10).
- b. Footfall in our customer access points (CAPs) has been reducing from 263,689 during the 12 months ending June 2014 to 202,511 during the 12 months ending June 2015 (Appendix 4, Chart 11). This is due to the introduction of the appointments system, changes in reporting (including removal of library footfall from CAP figures) and improvements to the ways in which our customers access services. Noticeable decreases are evident in repeat queries for benefits and council tax, due to the new appointments system and advance notice to customers of documentation they need to bring. The Customer Relationship Management System is being reconfigured to capture accurate data in relation to the percentage of customers seen within 15 minutes at a CAP and the percentage of customers with an appointment seen on time. Data related to the customers seen at a CAP will be available by the end of quarter two.
- c. Good performance has been sustained for benefit claims processing for new claims and changes of circumstances during quarter one.

- i. New Housing Benefit (HB) claims were processed in 22.52 days on average, within the 23 day target but 0.59 days slower than the same period last year (21.93 days). The volume of new HB claims processed was 3,149 this quarter which was close to 3,160, the volume processed in quarter one 2014/15 (Appendix 4, Chart 6).
- ii. New Council Tax Reduction (CTR) claims were processed in 23.16 days on average, just outside the 23 day target and almost as fast as during quarter one 2014/15 (23.10 days). The volume of new CTR claims processed decreased from 3,531 in quarter one 2014/15 to 3,401 this quarter (Appendix 4, Chart 7).
- iii. Changes to HB were processed in 10.01 days on average, within the 11 day target and 0.10 days faster than during quarter one 2014/15 (10.11 days). 29,207 change of circumstances for HB claims were processed this quarter (Appendix 4, Chart 8).
- iv. Changes to CTR were processed in 8.34 days on average, within the 11 day target and 2.31 days faster than during quarter one 2014/15 (10.65 days). 40,416 change of circumstances for CTR claims were processed this quarter (Appendix 4, Chart 9).

Note: The way in which the change of circumstance is processed changed this quarter which means that some multi-changes are now counted more than once where previously it would have been counted as just one change. Data previously reported regarding volume is therefore not comparable.

The service is on track to achieve the annual target of 22 days for processing new claims and 10 days for changes of circumstances.

- d. The council tax collection rate was 28.7% which achieved target for quarter one, an improvement of 0.24% from quarter one 2014/15. The gross payments collected increased by £2.245m from £62.837m in quarter one 2014/15 to £65.082m in quarter one 2015/16.

At the end of quarter one 2015/16, there were over 2,000 additional chargeable households than at the end of quarter one 2014/15. In June 2015 alone, the number of chargeable households increased by 285. At the same time, more council tax payers opted to pay over 12 months rather than ten, impacting upon monthly cash flow.

It is encouraging to report that the percentage of council tax payers using direct debit increased from 69.96% at the end of quarter one 2014/15 to 70.50% this quarter.

- e. The collection rate for business rates was 34.4%, exceeding the 33.4% target at quarter one and improving by 3.1% from quarter one 2014/15. This improvement should be considered within the context of increased collectable debit, from £120,631,485 in June 2014 to £121,518,431 in June 2015. From a cash flow perspective, £42,125,479 was collected this quarter compared to £40,700,194 in quarter one 2014/15, an increase of £1.4m.

Since the start of quarter one 2015/16, a further 196 rate payers chose to pay over 12 months instead of 10, an increase of 13.5%, although this is unlikely to make a significant difference to in-year collection rates as the majority of major business rate payers moved to this payment group for 2014/15.

- f. During quarter one 2015/16, over 88,000 supplier invoices were paid and 93.7% of those were paid within 30 days. Performance exceeded the 92% target. This represents an improvement of 1.3% on the previous quarter and the same period last year.
- g. Progress has been made with the following Council Plan and service plan actions:
 - i. Good progress has been achieved for another year in relation to compliance with the Public Services Network for council computer security and controls. This action has been completed well ahead of the original target date of July 2016.
 - ii. The successful roll out of the Iken software case management system in Legal Services has been achieved. This action has been completed well ahead of the original target date of March 2016.
 - iii. Good progress has been made on office accommodation work, with Cabinet agreeing in principle to progress with a new Headquarters, subject to an outline business case and receipt of an update report in November 2015, in order to make way for a strategic employment site at Aykley Heads. An approach to new ways of working for all employees, in support of the proposed office accommodation programme to move to five strategic sites across the county, is also under development.

61. The key performance improvement issues for this theme are:

- a. The employee appraisal rate was 84.5% in the 12 months to June 2015. Whilst performance improved by 0.8% on the previous quarter and by 31.5% from quarter one 2014/15, the target of 87.5% was not achieved.

Human Resources continue to work with management teams to support and encourage compliance, and individual managers continue to be prompted by automated alerts when appraisals are coming due or overdue. Heads of Service are also provided with monthly lists of their respective employees who have not had a relevant appraisal in the last rolling year.

- b. The council continues to be challenged by sickness absence levels despite significant council-wide efforts to ensure fair and consistent application of the agreed policy by managers, and proactive support to get employees back to work as soon as possible. Improving the management of attendance and reducing sickness absence continues to be a priority for the council.
 - i. The average days lost to sickness absence per full time equivalent (FTE) employee (including school based employees) for the rolling year to June 2015 was 9.97 days. The sickness levels remain higher than acceptable and outside the target of 8.5 days. The average days lost to sickness absence per FTE increased by 4.1% from quarter four 2014/15 (9.58 days) and by 11.3% from the same period last year (8.96 days).

- ii. The average number of days lost to sickness absence per FTE (when excluding schools based employees) for the rolling year to June 2015 was 12.3 days. Whilst current levels remain better than the December 2012 peak of 12.72 days, the target of 11.5 days has not been achieved. The average days lost to sickness absence per FTE increased by 1.3% from quarter four 2014/15 (12.14 days) and by 3.1% from the same period last year (11.93 days).
- iii. During the rolling year to June 2015, 47.5% of posts (excluding school based employees) had no sickness absence. Performance improved from quarter four 2014/15 (45%) but deteriorated from the same period last year (48.1%).
- iv. The percentage time lost to sickness absence (excluding schools) was 4.9% for the rolling year to June 2015. Performance deteriorated from quarter four 2014/15 (4.8%) and from the same period last year (4.7%).

Sickness absence is subject to a scrutiny review by the Corporate Issues Overview and Scrutiny Committee.

- c. The percentage of Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests responded to within 20 days was 71% this quarter, a deterioration of two percentage points from the previous quarter (73%) and eight percentage points from quarter one 2014/15 (79%). Performance remains below the national target of 85%. The number of FOI/EIR requests was 291 this quarter, a slight increase from 283 in the same period last year but a drop from 353 in quarter four 2014/15, although the long term trend continues to increase (see Appendix 4, Chart 12). The high volume in quarter four had a clear spill over effect into quarter one performance. Performance also suffered from increased complexity of FOI requests.
- d. The key Council Plan actions which have not achieved target in this theme include:
 - i. The review of customer service standards and development of an action plan to enable the measurement of the new service standards has been rescheduled from June to October 2015. Customer service standards were approved in June 2015 and an action plan is being developed.
 - ii. Improving information governance through development of Senior Information Risk Owner (SIRO) and Information Asset Owner roles has been delayed. The target date has been revised from May 2015 to October 2015. Work continues to formalise SIRO role and responsibilities within the organisation against broader information governance work.
 - iii. The action to map information assets to identify asset owners and the risk associated with those assets has been delayed. Information asset owners are in place in Children and Adult Services, and mapping of information assets has been done by ICT. Discussions on records management responsibilities have taken place. Full completion of the action has been rescheduled from June 2015 to October 2015.

- iv. The target date to review performance management indicators in relation to welfare reform and poverty has been rescheduled from June 2015 to October 2015. The draft Poverty Action Plan for County Durham was agreed in July. The Action Plan will be considered by Cabinet in October, following which it is intended to undertake a consultation with other organisations and groups, including the County Durham Partnership.
- v. Delivery of a Centre for Volunteering and Social Enterprise in partnership with Durham Community Action has been rescheduled from November 2015 to January 2016 due to the delay in announcing the winners of the Transformation Challenge Award bids. The first meeting of the centre steering group was held in July 2015.

62. The key risks to successfully delivering the objectives of this theme are:

- a. If there was to be slippage in the delivery of the agreed Medium Term Financial Plan (MTFP) savings projects, this will require further savings to be made from other areas, which may result in further service reductions and job losses. Management consider it possible that this risk could occur, which will result in a funding shortfall, damaged reputation and reduced levels of service delivery. To mitigate the risk, a programme management approach for key projects has been established and embedded across the council. Monitoring by Corporate Management Team and Cabinet provides assurance over the implementation of the agreed MTFP savings projects. It should be recognised that this will be a significant risk for at least the next four years.
- b. Ongoing Government funding cuts which now extend to at least 2019/20 will continue to have an increasing major impact on all council services. Management consider it highly probable that this risk could occur, and to mitigate the risk, sound financial forecasting is in place based on thorough examination of the Government's "red book" plans. This will also be a significant risk for at least the next four years.
- c. Potential restitution of search fee income going back to 2005. The parties have now resolved the matter to their mutual satisfaction.
- d. If we were to fail to comply with Central Government's Public Services Network Code of Connection criteria for our computer applications, this would put some of our core business processes at risk, such as revenues and benefits, which rely on secure transfer of personal data. A backup ICT site is now in place. The equipment has been installed, data has been transferred, and a full test is planned once remedial electrical work is carried out at the council's primary data site. This will remain on the register as an inherent strategic risk.

Conclusions

63. There continues to be good progress made this quarter. Housing development generally shows an improved picture with an increase in the number of new homes built and the number of empty properties brought back into use through local authority intervention. Child safeguarding targets have generally improved and good adult care provision continues although the number of people aged 65 and over admitted on a permanent basis to residential and nursing care is continuing to increase. Crime and anti-social behaviour levels have fallen following a slight increase reported last year. Good progress continues in diverting municipal waste from landfill and low levels of street and environmental cleanliness continue.
64. Significant challenges continue in the level of unemployment and in the underlying health picture in the county with low levels of smoking quitters and eligible people receiving NHS health checks. The employee appraisal rate has improved but remains outside target. Sickness indicators show levels have deteriorated and remain worse than target.
65. The council has observed reductions in demand for some key areas this quarter such as processing new benefit claims, the number of fly-tipping incidents reported and the number of customers seen at our customer access points.
66. Increased demand has been evident in the number of looked after children cases and requests for information under the Freedom of Information Act or Environmental Information Regulations. Although the number of children in need referrals has reduced, numbers still remain high.

Recommendations and Reasons

67. Cabinet is recommended to:
- a. Note the performance of the council at quarter one and the actions to remedy under performance.
 - b. Agree all changes to the Council Plan outlined below:

Altogether Wealthier

- i. Obtain planning consent for the Western Relief Road in Durham due March 2016. Revised date: August 2017.
- ii. Deliver traffic flow improvements in Durham City due October 2016. Revised date: September 2017.
- iii. Complete redevelopment at St Johns Square, Seaham due June 2015. Revised date: September 2015.
- iv. Carry out a feasibility study into the vision and purpose of Bishop Auckland Town Hall and its links to Auckland Castle due April 2015. Revised date: November 2015.
- v. Development of infrastructure at Merchant Park 2, Newton Aycliffe due March 2017. Revised date: March 2018.

Altogether Greener

- i. Procurement and implementation of a new contract for dealing with recyclable material collected at the kerbside has been delayed from June 2015 until April 2016.
- ii. The action to review operational practices around allotments to harmonise standards and embed enforcement has been delayed from April 2015 to April 2016.

Altogether Better Council

- i. The action to review customer service standards due June 2015. Revised date: October 2015.
- ii. Develop SIRO and information asset owner due May 2015. Revised date: October 2015.
- iii. Map our information assets to identify asset owners and the risk associated with those assets due June 2015. Revised date: October 2015.
- iv. Review performance management indicators in relation to welfare reform and poverty due June 2015. Revised date: October 2015.
- v. Deliver a Centre for Volunteering and Social Enterprise in partnership with Durham Community Action due November 2015. Revised date: January 2016.
- vi. Publish timely data in line with the new Local Government Transparency Code requirements (quarterly) original dates: June, 2015, September 2015, December 2015 and March 2016. Revised dates: July 2015, October 2015, January 2016 and April 2016 respectively.
- vii. Review of customer service standards and implementation of an action plan to enable the measurement of the new service standards. The wording amended from 'implementation' to 'develop' as this describes better what we do.
- viii. Undertake a survey of completed asset transferred community buildings to evaluate strategy has been deleted due to resource intensity.
- ix. Produce an outline business case for a new headquarters for Cabinet approval by November 2015.

Contact: Jenny Haworth, Head of Planning and Performance
Tel: 03000 268071 **E-Mail** jenny.haworth@durham.gov.uk

Appendix 1: Implications

Finance - Latest performance information is being used to inform corporate, service and financial planning.

Staffing - Performance against a number of relevant corporate health Performance Indicators (PIs) has been included to monitor staffing issues.

Risk - Reporting of significant risks and their interaction with performance is integrated into the quarterly monitoring report.

Equality and Diversity / Public Sector Equality Duty - Corporate health PIs are monitored as part of the performance monitoring process.

Accommodation - Not applicable

Crime and Disorder - A number of PIs and key actions relating to crime and disorder are continually monitored in partnership with Durham Constabulary.

Human Rights - Not applicable

Consultation - Not applicable

Procurement - Not applicable

Disability Issues - Employees with a disability are monitored as part of the performance monitoring process.

Legal Implications - Not applicable

Appendix 2: Key to symbols used within the report

Where icons appear in this report, they have been applied to the most recently available information.

Performance Indicators:

Direction of travel

Latest reported data have improved from comparable period

GREEN

Latest reported data remain in line with comparable period

AMBER

Latest reported data have deteriorated from comparable period

RED

Performance against target

Performance better than target

Getting there - performance approaching target (within 2%)

Performance >2% behind target

Actions:

WHITE

Complete (action achieved by deadline/achieved ahead of deadline)

GREEN

Action on track to be achieved by the deadline

RED

Action not achieved by the deadline/unlikely to be achieved by the deadline

Benchmarking:

GREEN

Performance better than other authorities based on latest benchmarking information available

AMBER

Performance in line with other authorities based on latest benchmarking information available

RED

Performance worse than other authorities based on latest benchmarking information available

Nearest Neighbour Benchmarking:

The nearest neighbour model was developed by the Chartered Institute of Public Finance and Accountancy (CIPFA), one of the professional accountancy bodies in the UK. CIPFA has produced a list of 15 local authorities which Durham is statistically close to when you look at a number of characteristics. The 15 authorities that are in the nearest statistical neighbours group for Durham using the CIPFA model are: Barnsley, Wakefield, Doncaster, Rotherham, Wigan, Kirklees, St Helens, Calderdale, Dudley, Northumberland, Tameside, Sheffield, Gateshead, Stockton-on-Tees and Stoke-on-Trent.

We also use other neighbour groups to compare our performance. More detail of these can be requested from the Corporate Planning and Performance Team at performance@durham.gov.uk.

Appendix 3: Summary of Key Performance Indicators

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Table 1: Key Target Indicators

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
Altogether Wealthier											
1	REDPI106	Percentage of properties let from Durham County Council's retail, commercial and investment portfolio	82.00	As at Jun 2015	80.00	GREEN	82.00	AMBER			
2	REDPI33	Percentage of Business Durham floor space that is occupied	83.00	As at Jun 2015	79.00	GREEN	76.10	GREEN			
3	REDPI76	Income generated from Business Durham owned business space (£)	736,379	Apr - Jun 2015	770,000	RED	746,000	RED			
4	REDPI64	Number of passenger journeys made on the Link2 service	7,583	Apr - Jun 2015	7,500	GREEN	8,257	RED			
5	REDPI75	Overall proportion of planning applications determined within deadline	86.7	Apr - Jun 2015	87.0	AMBER	89.7	RED			
6	REDPI10a	Number of affordable homes delivered	Not reported	Apr - Jun 2015	30	NA	37	NA			
7	REDPI29	Number of private sector properties improved as a direct consequence of local authority intervention	103	Apr - Jun 2015	149	RED	71	GREEN			
8	REDPI30	Number of empty properties brought back into use as a result of local authority intervention	65	Apr - Jun 2015	30	GREEN	19	GREEN			

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
9	REDPI62	Number of apprenticeships started through Durham County Council funded schemes	357	2014/15	180	GREEN	290	GREEN			
10	CASAW2	Overall success rate of adult skills funded provision (%)	87.0	2013/14 ac yr	86.0	GREEN	87.5	RED	84.6	83.6**	2013/14 ac yr
11	REDPI81	Percentage of timetabled bus services that are on time	83.0	Apr - Jun 2015	88.0	RED	90.0				
12	REDPI41b	Percentage of major planning applications determined within 13 weeks	64.7	Apr - Jun 2015	75.0	RED	87.5	RED	72.0	80**	Jan - Mar 2015
13	REDPI92	Number of gross potential jobs created or safeguarded as a result of Business Durham activity	164	Apr - Jun 2015	600	RED	514	RED			
14	REDPI104	Number of businesses supported through business improvement grants	Reported Q4	NA	52	NA	New indicator	NA			
Altogether Better for Children and Young People											
15	CASCYP 15	Percentage of children in the early years foundation stage achieving a good level of development	56.7	2013/14 ac yr	48.0	GREEN	41.9	GREEN	60.0	56**	2013/14 ac yr
16	CASCYP4	Percentage of pupils achieving five or more A*-C grades at GCSE or equivalent including English and maths	57.6	2013/14 ac yr	Not set	NA [1]	New indicator	NA [1]	56.6	54.6*	2013/14 ac yr

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
17	CASCYP7	Achievement gap (percentage points) between Durham pupils eligible/not eligible for pupil premium funding achieving five A*-C GCSE's including English and maths at key stage 4	29.2	2013/14 ac yr	29.5	GREEN	30.0	GREEN	27.5		2013/14 ac yr (state funded)
18	CASCYP6	Achievement gap (percentage points) between Durham pupils eligible/not eligible for pupil premium funding achieving level 4 in reading, writing and maths at key stage 2	15.9	2013/14 ac yr	20.5	GREEN	21.0	GREEN	16.0		2013/14 ac yr
19	CASCYP5	Percentage of pupils on level 3 programmes in community secondary schools achieving two A levels at grade A*-E or equivalent	98.7	2013/14 ac yr	98.5	GREEN	98.9	AMBER	98.0	98.4*	2013/14 ac yr
20	CASAS5	First time entrants to the youth justice system aged 10 to 17 (per 100,000 population of 10 to 17 year olds) (Also in Altogether Safer)	89	Apr - Jun 2015	160	GREEN	105	GREEN			
21	CASCYP9	Percentage of children in need referrals occurring within 12 months of previous referral	20.2	Apr - Jun 2015	21.0	GREEN	36.6	GREEN	23.4	22.9*	2013/14

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
22	CASCYP 14	Percentage of successful interventions (families turned around) via the Stronger Families Programme (Also in Altogether Safer)	100	Apr 2012 - Mar 2015	70.0	GREEN	51.2	Not comparable [2]	98.9 GREEN	99.9* GREEN	As at Mar 2015
23	CASCYP8	Percentage of mothers smoking at time of delivery (Also in Altogether Healthier)	19.0	2014/15	20.5	GREEN	19.9	GREEN	11.4 RED	19.9* GREEN	2014/15 (NE - Durham, Darlington and Tees area team)
Altogether Healthier											
24	CASAH2	Percentage of eligible people who receive an NHS health check	7.4	2014/15	8.0	RED	10.3	RED	9.6 RED	8.25* RED	2014/15
25	CASAH3	Percentage of people eligible for bowel cancer screening who were screened adequately within a specified period	Definition under development	NA	NA	NA	NA	NA			
26	CASAH10	Percentage of women eligible for breast screening who were screened adequately within a specified period	77.9	2014	70.0	GREEN	78.6	AMBER	75.9 GREEN	77.1* GREEN	2014
27	CASAH4	Percentage of women eligible for cervical screening who were screened adequately within a specified period	78.0	2014	80.0	RED	77.7	GREEN	74.2 GREEN	76.1* GREEN	2014

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
28	CASAS23	Percentage of successful completions of those in alcohol treatment (Also in Altogether Safer)	38.0	2014/15	36.6	GREEN	34.8	GREEN	39.2 RED		2014/15
29	CASAS7	Percentage of successful completions of those in drug treatment - opiates (Also in Altogether Safer)	7.1	Oct 2013 - Sep 2014 (Re-presentations to Mar 2015)	7.9	RED	6.1	GREEN	7.6 RED		Oct 2013 - Sep 2014
30	CASAS8	Percentage of successful completions of those in drug treatment - non-opiates (Also in Altogether Safer)	40.1	Oct 2013 - Sep 2014 (Re-presentations to Mar 2015)	40.4	AMBER	34.2	GREEN	39.0 GREEN		Oct 2013 - Sep 2014
31	CASCYP8	Percentage of mothers smoking at time of delivery (Also in Altogether Better for Children and Young People)	19.0	2014/15	20.5	GREEN	19.9	GREEN	11.4 RED	19.9* GREEN	2014/15 (NE - Durham, Darlington and Tees area team)
32	CASAH1	Four week smoking quitters per 100,000 smoking population	718	2014/15	1,126	RED	971	RED	688 GREEN	932* RED	2013/14
33	CASAH11	Adults aged 65+ per 100,000 population admitted on a permanent basis in the year to residential or nursing care	178.5	Apr - Jun 2015	149.0	RED	163.6	RED			
34	CASAH12	Percentage of adult social care service users that receive self-directed support such as a direct payment or personal budget	89.9	As at Jun 2015	90.0	AMBER	New definition	NA [1]			

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
35	CASAH13	Percentage of service users reporting that the help and support they receive has made their quality of life better	91.2	Apr - May 2015	90.0	GREEN	94.3	RED	90.0	91*	2013/14
									GREEN	GREEN	
36	CASAH14	Proportion of older people who were still at home 91 days after discharge from hospital into reablement/ rehabilitation services	86.6	Apr - Jun 2015	85.7	GREEN	87.9	RED	82.5	85.3**	2013/14
									GREEN	GREEN	
37	CASAH24	Percentage of people who use services who have as much social contact as they want with people they like	48.9	2014/15 (provisional)	Not set	NA	51.0	RED	44.5	48.6*	2013/14
									GREEN	GREEN	
Altogether Safer											
38	CASAS9	Building resilience to terrorism (self-assessment). Scored on level 1 (low) to 5 (high)	4	2013/14	3	GREEN	3	GREEN			
39	CASAS3	Proportion of people who use adult social care services who say that those services have made them feel safe and secure	93.9	Apr - May 2015	90.0	GREEN	90.2	GREEN	79.1	78.2*	2013/14
									GREEN	GREEN	
40	CASAS1	Percentage of domestic abuse victims who present at the Multi-Agency Risk Assessment Conference (MARAC) and are repeat victims	18.5	Apr - Jun 2015	25.0	NA [3]	14.1	NA [3]	24.0	28*	2014
									NA	NA	
41	REDPI98	Percentage of emergency response Care Connect calls arrived at the property within 45 minutes	99	Apr - Jun 2015	90.0	GREEN	97.0	GREEN			

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
42	CASAS5	First time entrants to the Youth Justice System aged 10 to 17 (per 100,000 population of 10 to 17 year olds) (Also in Altogether better for Children and Young People)	89	Apr - Jun 2015	160	GREEN	105	GREEN			
43	CASAS23	Percentage of successful completions of those in alcohol treatment (Also in Altogether Healthier)	38.0	2014/15	36.6	GREEN	34.8	GREEN	39.2 RED		2014/15
44	CASAS7	Percentage of successful completions of those in drug treatment - opiates (Also in Altogether Healthier)	7.1	Oct 2013 - Sep 2014 (Re-presentations to Mar 2015)	7.9	RED	6.1	GREEN	7.6 RED		Oct 2013 - Sep 2014
45	CASAS8	Percentage of successful completions of those in drug treatment - non-opiates (Also in Altogether Healthier)	40.1	Oct 2013 - Sep 2014 (Re-presentations to Mar 2015)	40.4	AMBER	34.2	GREEN	39.0 GREEN		Oct 2013 - Sep 2014
46	CASCYP 14	Percentage of successful interventions (families turned around) via the Stronger Families Programme (Also in Altogether Better for Children and Young People)	100	Apr 2012 - Mar 2015	70.0	GREEN	51.2	Not comparable [2]	98.9 GREEN	99.9* GREEN	As at Mar 2015

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
Altogether Greener											
47	NS14a	Percentage of relevant land and highways assessed (LEQSPRO survey) as having deposits of litter that fall below an acceptable level	5.32	2014/15	7.00	GREEN	6.03	GREEN	11.00 GREEN		2013/14
48	NS14b	Percentage of relevant land and highways assessed (LEQSPRO survey) as having deposits of detritus that fall below an acceptable level	8.87	2014/15	10.00	GREEN	9.47	GREEN	31.00 GREEN		2013/14
49	NS10	Percentage of municipal waste diverted from landfill	96.7	Jun 2014 - May 2015	95.0	GREEN	88.6	GREEN			
50	NS19	Percentage of household waste that is re-used, recycled or composted	42.2	Jun 2014 - May 2015	38.0	GREEN	42.0	GREEN	43.5 RED	37* GREEN	2013/14
51	REDPI53	Percentage of conservation areas in the county that have an up to date character appraisal	41.00	As at Sep 2014	42.00	RED	39.00	GREEN			
52	REDPI48	Percentage change in CO ₂ emissions from local authority operations	-9.00	2013/14	-5.00	GREEN	5.50	GREEN			
53	NS08	Percentage reduction in CO ₂ emissions from the DCC fleet	-0.07	2013/14	Not set	NA	1.19	RED			
54	REDPI49	Number of new registered and approved new feed in tariff installations	374	Apr - Jun 2015	225	GREEN	362	GREEN			

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
55	REDPI109	Number of private sector properties benefiting from an energy efficiency measure installed by British Gas through the Warm Up North Partnership	404	2014/15	Not set	NA	New indicator	NA			
56	NS04	Percentage of recorded actionable defects on carriageways and footways repaired within 24 hours (category 1)	94	Jul 2014 - Jun 2015	95	AMBER	90	GREEN			
57	NS05	Percentage of recorded actionable defects on carriageways and footways repaired within 14 working days (category 2)	New indicator	NA	NA	NA	New indicator	NA			
Altogether Better Council											
58	NS20	Percentage of abandoned calls	6	Jul 2014 - Jun 2015	12	GREEN	8	GREEN			
59	NS22	Percentage of telephone calls answered within three minutes	92	Jul 2014 - Jun 2015	80	GREEN	88	GREEN			
60	NS24	Percentage of customers seen within 15 minutes at a customer access point	Reported Q2	NA	95	NA	NA	NA			
61	NS25	Percentage of customers with an appointment at a customer access point who are seen on time	Reported Q2	NA	95	NA	New indicator	NA			
62	RES/038	Percentage all ICT service desk incidents resolved on time	94	Apr - Jun 2015	90	GREEN	94	AMBER			

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
63	RES/NI/181a1	Average time taken to process new housing benefit claims (days)	22.52	Apr - Jun 2015	23.00	GREEN	21.93	RED	22.00 Not comparable	23** Not comparable	Jan - Mar 2015
64	RES/NI/181a2	Average time taken to process new council tax reduction claims (days)	23.16	Apr - Jun 2015	23.00	AMBER	23.10	RED			
65	RES/NI/181b1	Average time taken to process change of circumstances for housing benefit claims (days)	10.01	Apr - Jun 2015	11.00	GREEN	10.11	GREEN	5.00 Not comparable	5** Not comparable	Jan - Mar 2015
66	RES/NI/181b2	Average time taken to process change of circumstances for council tax reduction claims (days)	8.34	Apr - Jun 2015	11.00	GREEN	10.65	GREEN			
67	RES/001	Savings delivered against the Medium Term Financial Plan (MTFP) (£m)	10.6	As at Jun 2015	16.3	<u>Not comparable</u> [4]	14.2	NA			
68	RES/002	Percentage of council tax collected in-year	28.70	Apr - Jun 2015	28.70	GREEN	28.63	GREEN	97.00 Not comparable	95.89* Not comparable	2014/15
69	RES/003	Percentage of business rates collected in-year	34.40	Apr - Jun 2015	33.40	GREEN	33.36	GREEN	98.11 Not comparable	98* Not comparable	2014/15
70	RES/129	Percentage of council tax recovered for all years excluding the current year	98.90	Apr - Jun 2015	98.50	GREEN	98.96	RED			
71	RES/130	Percentage of business rates recovered for all years excluding the current year	99.39	Apr - Jun 2015	98.50	GREEN	99.11	GREEN			

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
72	REDPI49b	Total of income and savings from solar installations on council owned buildings (£)	261,210	2014/15	242,000	GREEN	214,000	GREEN			
73	REDPI68	Average asset rating of Display Energy Certificates in county council buildings	90.2	Apr - Jun 2015	97.0	GREEN	98.0	GREEN			
74	RES/LPI/010	Percentage of undisputed invoices paid within 30 days to our suppliers	93.7	Apr - Jun 2015	92.0	GREEN	92.5	GREEN			
75	ACE006	Percentage of Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests responded to within statutory deadlines	71	Apr - Jun 2015	85	RED	79	RED			
76	RES/LPI/012	Days / shifts lost to sickness absence – all services including school staff	9.97	Jul 2014 - Jun 2015	8.50	RED	8.96	RED			
77	RES/LPI/012a	Days / shifts lost to sickness absence – all services excluding school staff	12.30	Jul 2014 - Jun 2015	11.50	RED	11.93	RED			
78	RES/011	Percentage of performance appraisals completed in current post in rolling year period (excluding schools)	84.54	Jul 2014 - Jun 2015	87.50	RED	64.28	GREEN			

[1] [Due to changes to the definition data are not comparable/available](#)

[2] [Data cumulative year on year so comparisons are not applicable](#)

[3] [The MARAC arrangements aim to increase the number of referrals but to remain below a threshold of 25%](#)

[4] [Annual target](#)

Table 2: Key Tracker Indicators

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
Altogether Wealthier											
79	REDPI3	Number of net new homes completed in Durham City	20	Apr - Jun 2015	19	GREEN	14	GREEN			
80	REDPI22	Percentage of households within County Durham that can access Durham City market place by 8.30am, using public transport with a total journey time of one hour, including walking time	Not reported	As at Jun 2015	75.00	NA	74.00	NA			
81	REDPI38	Number of passenger journeys recorded by the operator of the three Durham City Park and Ride sites	263,432	Apr - Jun 2015	255,039	GREEN	240,243	GREEN			
82	REDPI80	Percentage annual change in the traffic flow through Durham City	Not reported	Apr - Jun 2015	Not reported	AMBER	4.91	GREEN			
83	REDPI 100	Number of visitors to County Durham (million)	17.9	Jan - Dec 2013	17.8	GREEN	17.8	GREEN			
84	REDPI 101	Number of jobs supported by the visitor economy	10,899	Jan - Dec 2013	10,643	GREEN	10,643	GREEN			
Page 6 of 153	REDPI 102	Amount (£m) generated by the visitor economy	728	Jan - Dec 2013	708	GREEN	708	GREEN			

Page 154	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
86	REDPI 97a	Occupancy rates for retail units in Barnard Castle (%)	91	As at Mar 2015	89	GREEN	89	GREEN	90 GREEN		As at Jan 2015
87	REDPI 97b	Occupancy rates for retail units in Bishop Auckland (%)	80	As at Mar 2015	79	GREEN	79	GREEN	90 RED		As at Jan 2015
88	REDPI 97c	Occupancy rates for retail units in Chester-le-Street (%)	87	As at Mar 2015	84	GREEN	84	GREEN	90 RED		As at Jan 2015
89	REDPI 97d	Occupancy rates for retail units in Consett (%)	93	As at Mar 2015	94	RED	94	RED	90 GREEN		As at Jan 2015
90	REDPI 97e	Occupancy rates for retail units in Crook (%)	90	As at Mar 2015	92	RED	92	RED	90 GREEN		As at Jan 2015
91	REDPI 97f	Occupancy rates for retail units in Durham City (%)	91	As at Mar 2015	89	GREEN	89	GREEN	90 GREEN		As at Jan 2015
92	REDPI 97g	Occupancy rates for retail units in Newton Aycliffe (%)	67	As at Mar 2015	71	RED	71	RED	90 RED		As at Jan 2015
93	REDPI 97h	Occupancy rates for retail units in Peterlee (%)	86	As at Mar 2015	85	GREEN	85	GREEN	90 RED		As at Jan 2015
94	REDPI 97i	Occupancy rates for retail units Seaham (%)	94	As at Mar 2015	91	GREEN	91	GREEN	90 GREEN		As at Jan 2015
95	REDPI 97j	Occupancy rates for retail units in Shildon (%)	89	As at Mar 2015	89	AMBER	89	AMBER	90 RED		As at Jan 2015
96	REDPI 97k	Occupancy rates for retail units in Spennymoor (%)	88	As at Mar 2015	85	GREEN	85	GREEN	90 RED		As at Jan 2015

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
97	REDPI 97I	Occupancy rates for retail units in Stanley (%)	88	As at Mar 2015	86	GREEN	86	GREEN	90 RED		As at Jan 2015
98	REDPI72	Number of local passenger journeys on the bus network	5,832,051	Jan - Mar 2015	6,154,696	RED	6,250,137	RED			
99	REDPI 10b	Number of net homes completed	330	Apr - Jun 2015	243	GREEN	361	RED			
100	REDPI24	All homes completed in and near all major settlements, as defined in the County Durham Plan, as a proportion of total completions	39.00	Apr - Jun 2015	35.00	GREEN	35.00	GREEN			
101	REDPI34	Total number of applications registered on the Durham Key Options system which led to the household being successfully rehoused	1,217	Apr - Jun 2015	1,345	RED	1,228	RED			
102	REDPI 36d	Number of clients accessing the Housing Solutions Service	Not reported	NA	2,096	RED	2,496	RED			
103	REDPI 36c	Number of clients who have accessed the Housing Solutions Service where there has been an acceptance of a statutory homelessness duty	36	Apr - Jun 2015	39	GREEN	62	GREEN			

Page 156	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
104	REDPI 36a	Number of clients who have accessed the Housing Solutions Service and for whom homelessness has been prevented	276	Apr - Jun 2015	326	RED	New indicator	NA			
105	REDPI 96a	Number of new applicants registered for housing with the Durham Key Options Scheme who meet the criteria for the Government's reasonable preference groups	558	Apr - Jun 2015	New indicator	NA	New indicator	NA			
106	REDPI40	Proportion of the working age population defined as in employment	68.5	Apr 2014 - Mar 2015	68.7	RED	66.2	GREEN	72.7	68.7*	Apr 2014 - Mar 2015
107	REDPI73	Proportion of the working age population currently not in work who want a job	13.00	Apr 2014 - Mar 2015	12.36	RED	13.66	GREEN	10.07	12.42*	Apr 2014 - Mar 2015
108	REDPI8b	Proportion of all Jobseeker's Allowance (JSA) claimants that have claimed for one year or more	27.20	As at Jun 2015	27.81	GREEN	35.85	GREEN	24.00	30.2*	As at Jun 2015
109	REDPI7a	Number of Jobseeker's Allowance (JSA) claimants aged 18 to 24	1,890	As at Jun 2015	2,190	GREEN	2,580	GREEN			

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
110	CASCYP 16	Percentage of 16 to 18 year olds who are not in education, employment or training (NEET) (Also in Altogether Better for Children and Young People)	6.3	Apr - Jun 2015	6.7	GREEN	6.8	GREEN			
111	REDPI 105	Number of local authority funded apprenticeships sustained at 15 months	393	As at Jun 2015	314	GREEN	139	GREEN			
112	ACE018	People commencing a full-time first degree who were resident in County Durham the year before they started (per 1,000 population aged 18+)	18.0	2013/14 ac yr	17.3	GREEN	17.3	GREEN	24.5	19.7*	2013/14 ac yr
113	REDPI 103	Number of full time equivalent jobs created through business improvement grants	Reported Q4	NA	New indicator	NA	New indicator	NA			
114	REDPI87	Gross Value Added (GVA) per capita in County Durham (£)	12,875	2012	12,661	GREEN	12,661	GREEN	21,937	16,091*	2012
115	REDPI88	Per capita household disposable income (£)	14,659	2013	14,151	GREEN	14,151	GREEN	17,842	14,927*	2013
116	REDPI89	Number of registered businesses in County Durham	15,155	2014/15	14,785	GREEN	14,785	GREEN			
Page 157	REDPI66	Number of businesses engaged with Business Durham	1,134	2014/15	581	GREEN	581	GREEN			

Page 158	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
118	REDPI93	Number of business enquiries handled by Business Durham	1,202	2014/15	1,151	GREEN	1,151	GREEN			
119	REDPI 32a	Percentage of tourism businesses actively engaged with Visit County Durham	65	As at Mar 2015	81	RED	81	RED			
120	REDPI90	Percentage change in the number of visitors to the core attractions in County Durham compared to the previous year	-9.7	Apr - Sep 2014	33.6	RED	33.6	RED			
121	REDPI91	Number of unique visitors to the thisisdurham website	203,089 [5]	Apr - Jun 2015	244,331	RED	240,478	RED			
Altogether Better for Children and Young People											
122	CASCYP 16	Percentage of 16 to 18 year olds who are not in education, employment or training (NEET) (Also in Altogether Wealthier)	6.3	Apr - Jun 2015	6.7	GREEN	6.8	GREEN			
123	ACE016	Percentage of children in poverty (quarterly proxy measure) (Also in Altogether Better Council)	22.7	As at Feb 2015	22.7	AMBER	23.6	GREEN	16.6	23.3*	As at Feb 2015
124	ACE017	Percentage of children in poverty (national annual measure) (Also in Altogether Better Council)	22.7	2012	23.0	GREEN	23.0	GREEN	18.9	23.4*	2012

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
125	CASCYP 18	Percentage of children aged 4 to 5 years classified as overweight or obese (Also in Altogether Healthier)	23.8	2013/14 ac yr	21.9	RED	21.9	RED	22.5 RED	24.4* GREEN	2013/14 ac yr
126	CASCYP 19	Percentage of children aged 10 to 11 years classified as overweight or obese (Also in Altogether Healthier)	36.1	2013/14 ac yr	35.9	AMBER	35.9	AMBER	33.5 RED	36.1* AMBER	2013/14 ac yr
127	CASCYP 29	Proven re-offending by young people (who offend) in a 12 month period (%) (Also in Altogether Safer)	40.9	Jul 2012 - Jun 2013	38.7	RED	37.5	RED	36.6 RED	38.5* RED	England - Jul 2012 - Jun 2013 NE - 2012/13
128	CASCYP 20	Under 18 conception rate per 1,000 girls aged 15 to 17	30.9	2014 (provisional)	33.8	GREEN	33.8	GREEN	23.9 RED	29.7* RED	2014 (provisional)
129	CASCYP 21	Under 16 conception rate per 1,000 girls aged 13 to 15	7.9	2013	8.9	GREEN	8.9	GREEN	4.8 RED	7.4* RED	2013
130	CASCYP 23	Emotional and behavioural health of children looked after continuously for 12 months or more (scored between 0 to 40)	15.1	2014/15	15.5	GREEN	15.5	GREEN	13.9 RED	13.9* RED	2013/14

Page 160	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
131	CASCYP 30	Percentage of Community and Adolescent Mental Health Services (CAMHS) patients who have attended a first appointment within nine weeks of their external referral date	70.7	Apr - Jun 2015	New indicator	NA	New indicator	NA			
132	CASCYP 26	Young people aged 10 to 24 years admitted to hospital as a result of self-harm (rate per 100,000 population aged 10 to 24 years)	489.4	2011/12 - 2013/14	504.8	GREEN	504.8	GREEN	367.3	532.2*	England - 2011/12 - 2013/14 NE - 2010/11 - 2012/13
133	CASCYP 28	Rate of children with a child protection plan per 10,000 population	35.1	As at Jun 2015	37.6	GREEN	44.5	GREEN	42.1	59.3*	As at Mar 2014
134	CASCYP 24	Rate of looked after children per 10,000 population aged under 18	63.9	As at Jun 2015	61.8	RED	60.2	RED	60.0	81*	As at Mar 2014
135	CASCYP 25	Prevalence of breastfeeding at 6 to 8 weeks from birth (Also in Altogether Healthier)	28.9	2014/15	28.5	GREEN	28.5	GREEN	43.8	27.6*	2014/15 (NE - Durham, Darlington and Tees area team)

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
Altogether Healthier											
136	CAS CYP18	Percentage of children aged 4 to 5 years classified as overweight or obese (Also in Altogether Better for Children and Young People)	23.8	2013/14 ac yr	21.9	RED	21.9	RED	22.5	24.4*	2013/14 ac yr
									RED	GREEN	
137	CAS CYP19	Percentage of children aged 10 to 11 years classified as overweight or obese (Also in Altogether Better for Children and Young People)	36.1	2013/14 ac yr	35.9	AMBER	35.9	AMBER	33.5	36.1*	2013/14 ac yr
									RED	AMBER	
138	CAS CYP25	Prevalence of breastfeeding at 6 to 8 weeks from birth (Also in Altogether Better for Children and Young People)	28.9	2014/15	28.5	GREEN	28.5	GREEN	43.8	27.6*	2014/15 (NE - Durham, Darlington and Tees area team)
									RED	GREEN	
139	CASAH 18	Male life expectancy at birth (years)	78.0	2011-13	77.9	GREEN	77.9	GREEN	79.4	78*	2011-13
									RED	AMBER	
140	CASAH 19	Female life expectancy at birth (years)	81.3	2011-13	81.5	AMBER	81.5	AMBER	83.1	81.7*	2011-13
									RED	RED	
141	CASAH6	Under 75 mortality rate from cardiovascular diseases (including heart disease and stroke) per 100,000 population	88.8	2011-13	91.3	GREEN	91.3	GREEN	78.2	88.9*	2011-13
									RED	GREEN	
142	CASAH7	Under 75 mortality rate from cancer per 100,000 population	166.6	2011-13	164.2	AMBER	164.2	AMBER	144.4	169.5*	2011-13
									RED	GREEN	

Page 162	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
143	CASAH9	Under 75 mortality rate from respiratory disease per 100,000 population	43.4	2011-13	40.1	RED	40.1	RED	33.2 RED	42.6* RED	2011-13
144	CASAH8	Under 75 mortality rate from liver disease per 100,000 population	21.9	2011-13	21.7	RED	21.7	RED	17.9 RED	22.3* GREEN	2011-13
145	CASAH 23	Percentage of registered GP patients aged 17 and over with a diagnosis of diabetes	6.9	2013/14	6.77	RED	6.77	RED	6.2 RED	6.5* RED	2013/14
146	CASAH 20	Excess winter deaths (%) (3 year pooled)	19.0	2010-13	16.8	RED	16.8	RED	17.4 RED	16* RED	2010-13
147	CASAH 22	Estimated smoking prevalence of persons aged 18 and over	22.7	2013	22.2	RED	22.2	RED	18.4 RED	22.3* RED	2013
148	CASAH 25	Number of residential/ nursing care bed days for people aged 65 and over commissioned by Durham County Council	228,868	Apr - Jun 2015	229,737	GREEN	238,557	GREEN			
149	CASAH 20i	Delayed transfers of care from hospital per 100,000 population	4.5	Apr - May 2015	7.7	GREEN	6.4	GREEN	7.9 GREEN	8.1* GREEN	2013/14
150	CASAH 20ii	Delayed transfers of care from hospital, which are attributable to adult social care, per 100,000 population	1.1	Apr - May 2015	1.5	GREEN	1.0	AMBER	3.1 GREEN	2* GREEN	2013/14
151	CASAH 21	Suicide rate (deaths from suicide and injury of undetermined intent) per 100,000 population (Also in Altogether Safer)	13.4	2011-13	11.3	RED	11.3	RED	8.8 RED	10.6* RED	2011-13

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
152	NS11	Percentage of the adult population (aged 16+) participating in at least 30 minutes sport and active recreation of at least moderate intensity on at least three days a week	24.9	Apr 2013 - Mar 2015	26.0	RED	28.2	RED			
Altogether Safer											
153	CASAS 12	Overall crime rate (per 1,000 population)	12.3	Apr - Jun 2015	49.7	Not comparable [6]	12.7	GREEN			
154	CASAS 24	Rate of theft offences (per 1,000 population)	5.1	Apr - Jun 2015	21.8	Not comparable [6]	5.7	GREEN			
155	CASAS 10	Recorded level of victim based crimes per 1,000 population	11.0	Apr - Jun 2015	44.5	Not comparable [6]	11.2	GREEN			
156	CASAS 11	Percentage of survey respondents who agree that the police and local council are dealing with concerns of anti-social behaviour and crime	63.2	2014/15	62.5	GREEN	58.8	GREEN		59.4**	Oct 2013 - Sep 2014
157	CASAS 15	Number of police reported incidents of anti-social behaviour	5,761	Apr - Jun 2015	23,235	Not comparable [6]	6,568	GREEN			
Page 163	CASAS 22	Number of hate incidents	74	Apr - Jun 2015	311	Not comparable [6]	109	NA			

Page 164	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
159	CASAS 18	Proportion of all offenders (adults and young people) who re-offend in a 12 month period	28.2	Jul 2012 - Jun 2013	27.3	RED	27.9	AMBER	26.2 RED		Jul 2012 - Jun 2013
160	CASCYP 29	Proven re-offending by young people (who offend) in a 12 month period (%) (Also in Altogether Better for Children and Young People)	40.9	Jul 2012 - Jun 2013	38.7	RED	37.5	RED	36.6 RED		England - Jul 2012 - Jun 2013 NE - 2012/13
161	CASAS 19	Percentage of anti-social behaviour incidents that are alcohol related	13.2	Apr - Jun 2015	12.3	RED	14.0	GREEN			
162	CASAS 20	Percentage of violent crime that is alcohol related	30.8	Apr - Jun 2015	32.4	GREEN	30.7	AMBER			
163	REDPI44	Number of people killed or seriously injured in road traffic accidents	35	Jan - Mar 2015	181	Not comparable [6]	42	GREEN			
		Number of fatalities	2				3				
		Number of seriously injured	33				39				
164	REDPI45	Number of children killed or seriously injured in road traffic accidents	4	Jan - Mar 2015	23	Not comparable [6]	1	RED			
		Number of fatalities	0				0				
		Number of seriously injured	4				1				

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
165	CASAH 21	Suicide rate (deaths from suicide and injury of undetermined intent) per 100,000 population (Also in Altogether Healthier)	13.4	2011-13	11.3	RED	11.3	RED	8.8 RED	10.6* RED	2011-13
Altogether Greener											
166	NS14c	Percentage of relevant land and highways assessed as having deposits of dog fouling that fall below an acceptable level	1.08	2014/15	1.56	GREEN	1.56	GREEN	8.10 GREEN		2013/14
167	NS15	Number of fly-tipping incidents	7,674	Jul 2014 - Jun 2015	8,779	GREEN	9,693	GREEN			
168	NS09	Megawatt hours (MWh) of energy produced from municipal waste sent to Sita's 'Energy from Waste' plant	66,206	Jun 2014 - May 2015	67,556	RED	28,944	GREEN			
169	REDPI46	Percentage reduction in CO ₂ emissions in County Durham	39.0	As at Dec 2012	41.2	RED	41.2	RED	14.0 GREEN	20* GREEN	2012
170	REDPI47	Amount of renewable energy generation - megawatts equivalent (MWe) installed or installed/approved capacity within County Durham	215.72	As at Jun 2015	217.17	Not comparable [2]	207.79	Not comparable [2]			
Altogether Better Council											
171	NS43a	Number of customer contacts - face to face	202,511	Jul 2014 - Jun 2015	219,756	NA	263,689	NA			

Page Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
172	NS43b	Number of customer contacts -telephone	1,000,168	Jul 2014 - Jun 2015	989,422	NA	986,641	NA			
173	NS43c	Number of customer contacts - web forms	17,213	Jul 2014 - Jun 2015	16,886	NA	18,274	NA			
174	NS43d	Number of customer contacts - emails	15,775	Apr - Jun 2015	NA	NA [1]	NA	NA [1]			
175	RES/013	Staff aged under 25 as a percentage of post count	5.54	As at Jun 2015	5.52	NA	5.47	NA			
176	RES/014	Staff aged over 50 as a percentage of post count	39.27	As at Jun 2015	38.8	NA	38.02	NA			
177	RES/LPI/011a	Women in the top five percent of earners	52.36	As at Jun 2015	52.03	NA	51.44	NA			
178	RES/LPI/011bi	Black and minority ethnic (BME) as a percentage of post count	1.53	As at Jun 2015	1.53	NA	1.47	NA			
179	RES/LPI/011ci	Staff with disability as a percentage of post count	3.99	As at Jun 2015	2.73	NA	2.79	NA			
180	RES028	Discretionary Housing Payments - value (£) for customers affected by social sector size criteria	115,924.44	Apr - Jun 2015	1,146,867.00	NA	629,272.88	NA			
181	RES029	Discretionary Housing Payments - value (£) for customers affected by local housing allowance reforms	38,091.06	Apr - Jun 2015	131,568.00	NA	62,342.77	NA			
182	ACE016	Percentage of children in poverty (quarterly proxy measure) (Also in Altogether Better for Children and Young People)	22.7	As at Feb 2015	22.7	AMBER	23.6	GREEN	16.6 RED	23.3* GREEN	As at Feb 2015

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
183	ACE017	Percentage of children in poverty (national annual measure) (Also in Altogether Better for Children and Young People)	22.7	2012	23.0	GREEN	23.0	GREEN	18.9	23.4*	2012
184	ACE019	Percentage of households that need to spend more than 10% of their income on fuel to maintain an adequate standard of warmth	17.9	2012	19.5	GREEN	19.5	GREEN	13.9	17.8*	2012
185	RES/034b	Staff - total headcount (excluding schools)	8,668	As at Jun 2015	8,954	NA	9,190	NA			
186	RES/035b	Staff - total full time equivalent (excluding schools)	7,099	As at Jun 2015	7,450	NA	7,604	NA			
187	RES/020	Percentage of time lost to sickness in rolling year (excluding schools)	4.86	Jul 2014 - Jun 2015	4.8	RED	4.71	RED			
188	RES/052	Percentage of posts with no absence in rolling year (excluding schools)	47.51	Jul 2014 - Jun 2015	45.02	GREEN	48.14	RED			
189	RES/036	Number of RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) incidents reported to the Health and Safety Executive	14	Apr - Jun 2015	15	N/A	16	NA			

[1] Due to changes to the definition data are not comparable/available

[2] Data cumulative year on year so comparisons are not applicable

[3] The MARAC arrangements aim to increase the number of referrals but to remain below a threshold of 25%

[4] Annual target

[5] The new website went live in April and a dip in web traffic is inevitable until Google re-indexes the site

[6] Data cumulative so comparisons are not applicable

Appendix 4: Volume Measures

Chart 1 – Overall planning applications

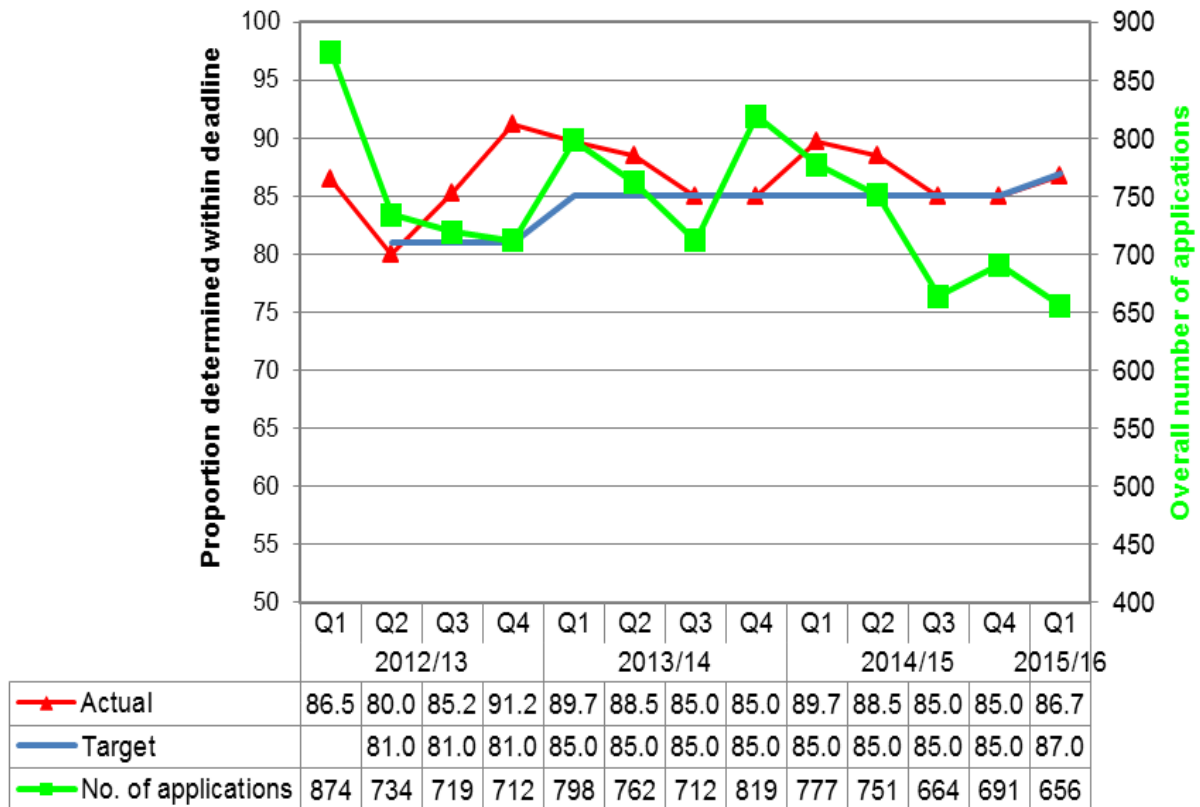


Chart 2 – Durham Key Options - total number of applications registered on the Durham Key Options system which led to the household being successfully rehoused

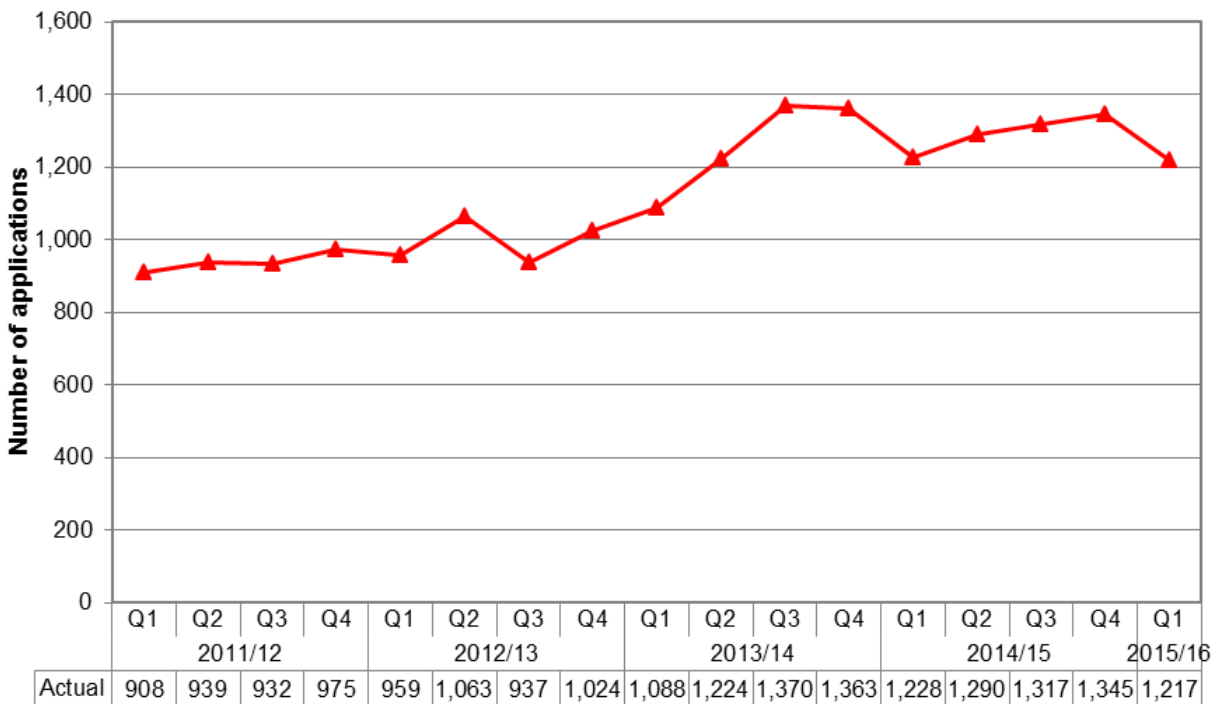


Chart 3 - Number of looked after children cases

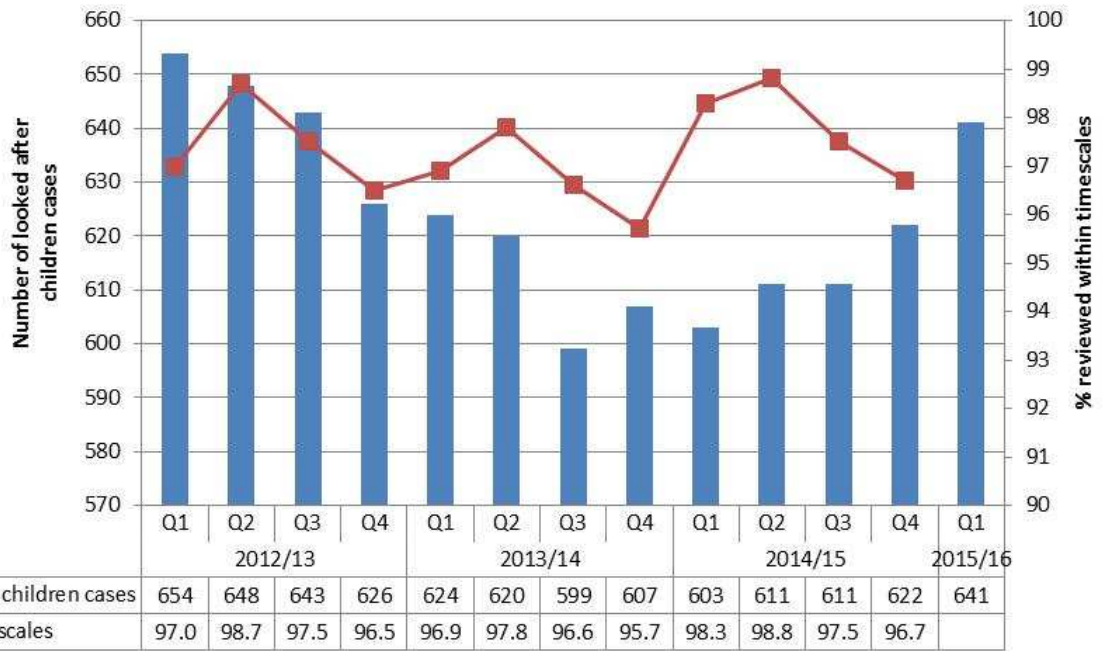


Chart 4 - Children in need referrals within 12 months of previous referral

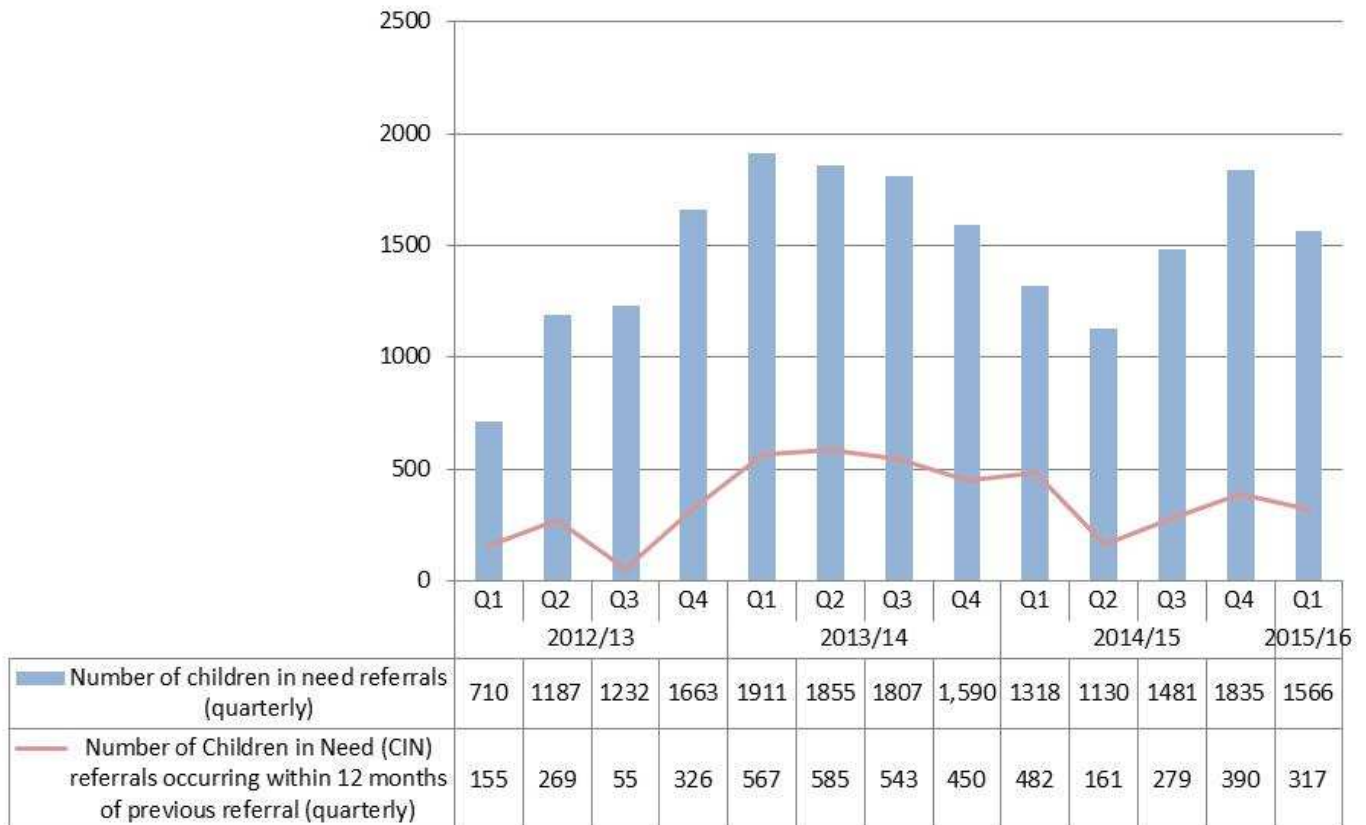


Chart 5 – Fly-tipping incidents

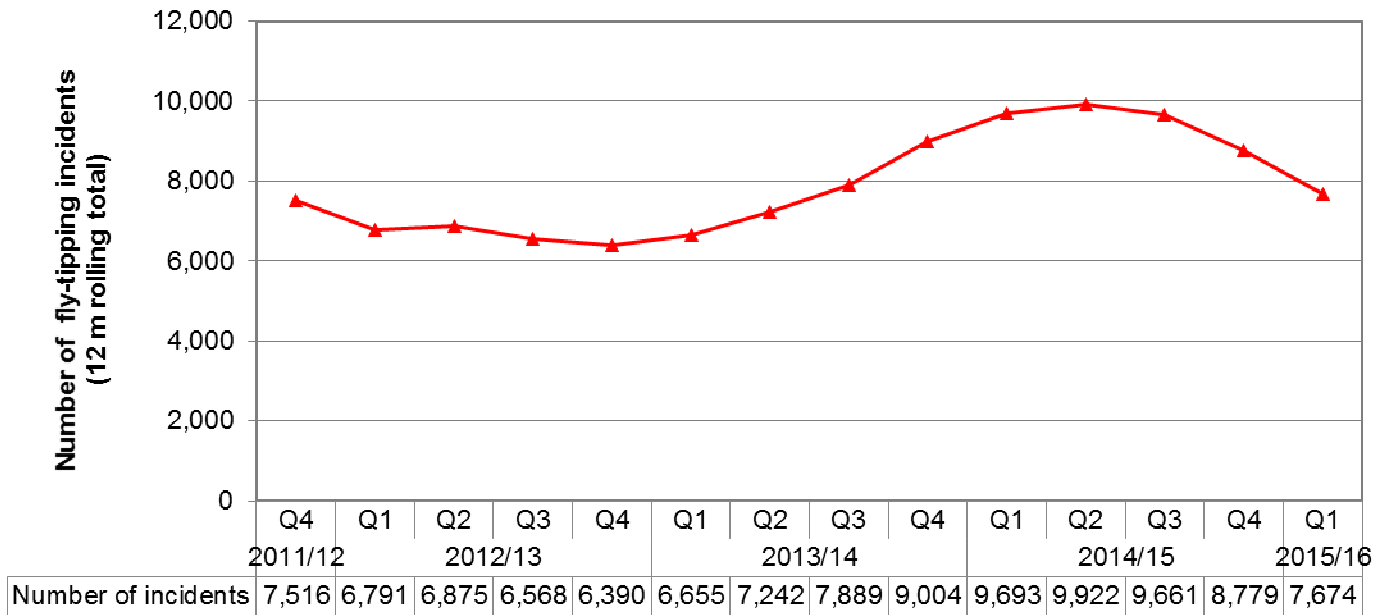


Chart 6 – Housing Benefits – new claims

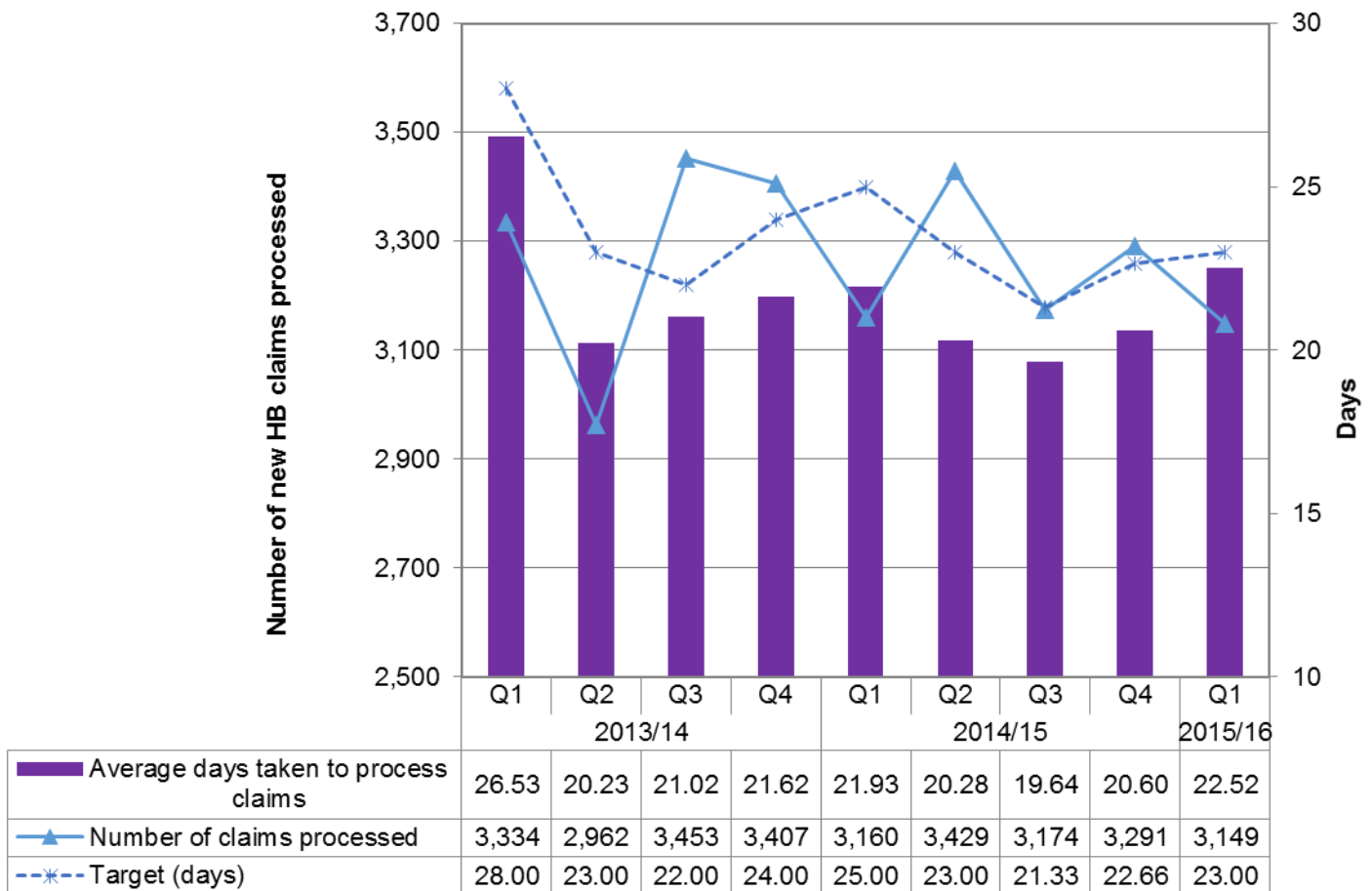


Chart 7 – Council Tax Reduction – new claims

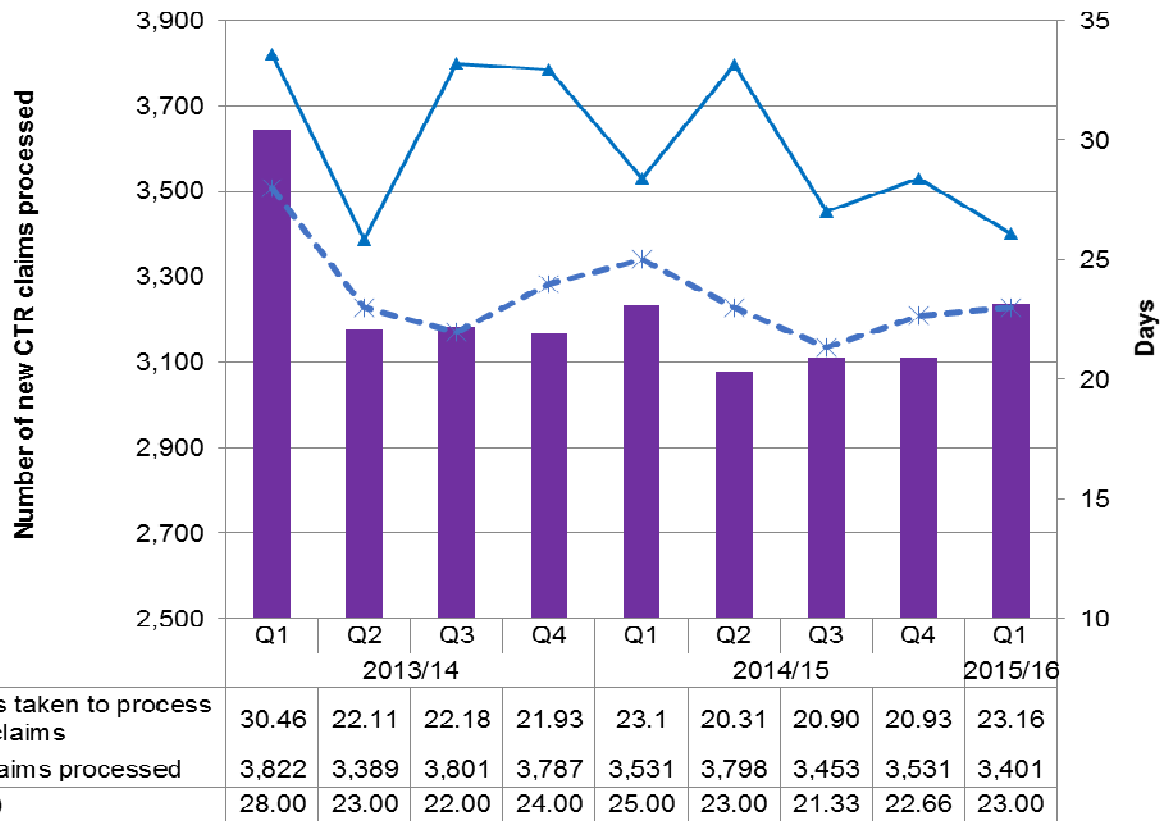
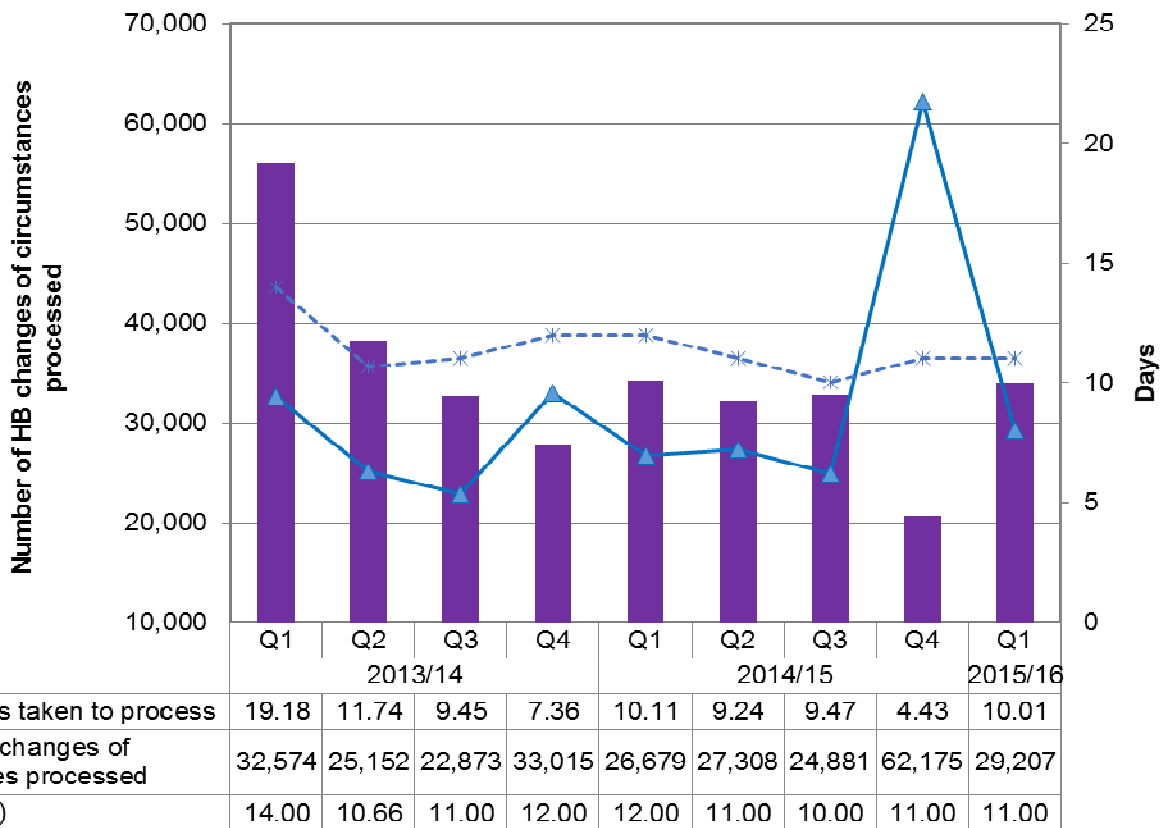
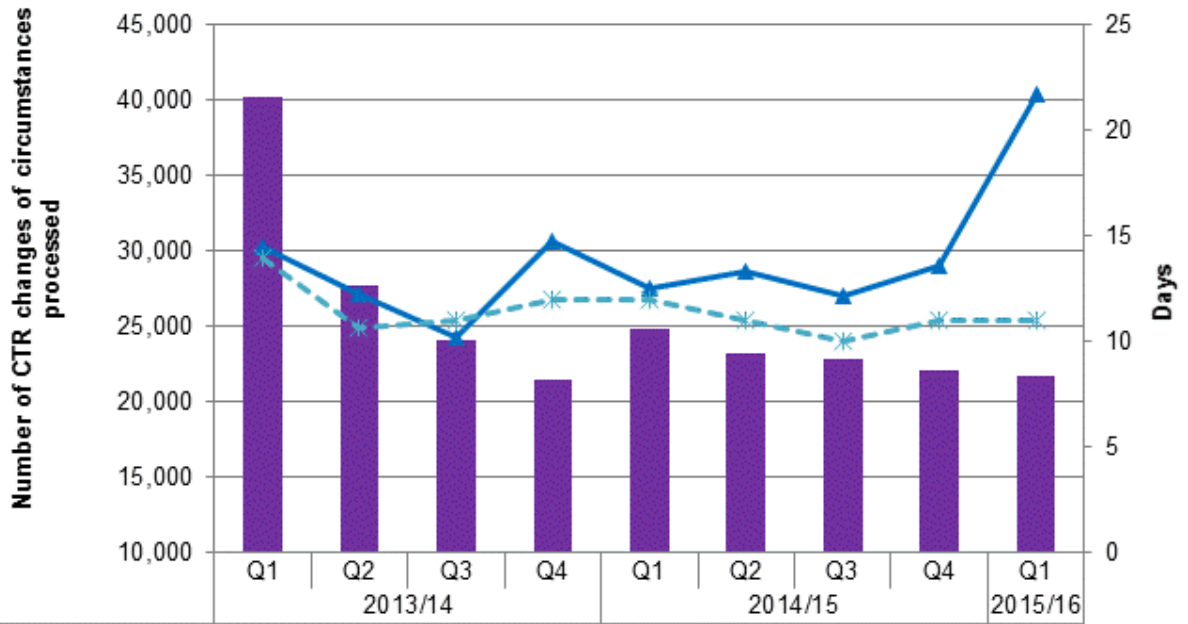


Chart 8 – Housing Benefits – changes of circumstances



The way in which the change of circumstance is processed changed this quarter which means that some multi-changes are now counted more than once where previously it would have been counted as just one change. Data previously reported regarding volume is therefore not comparable.

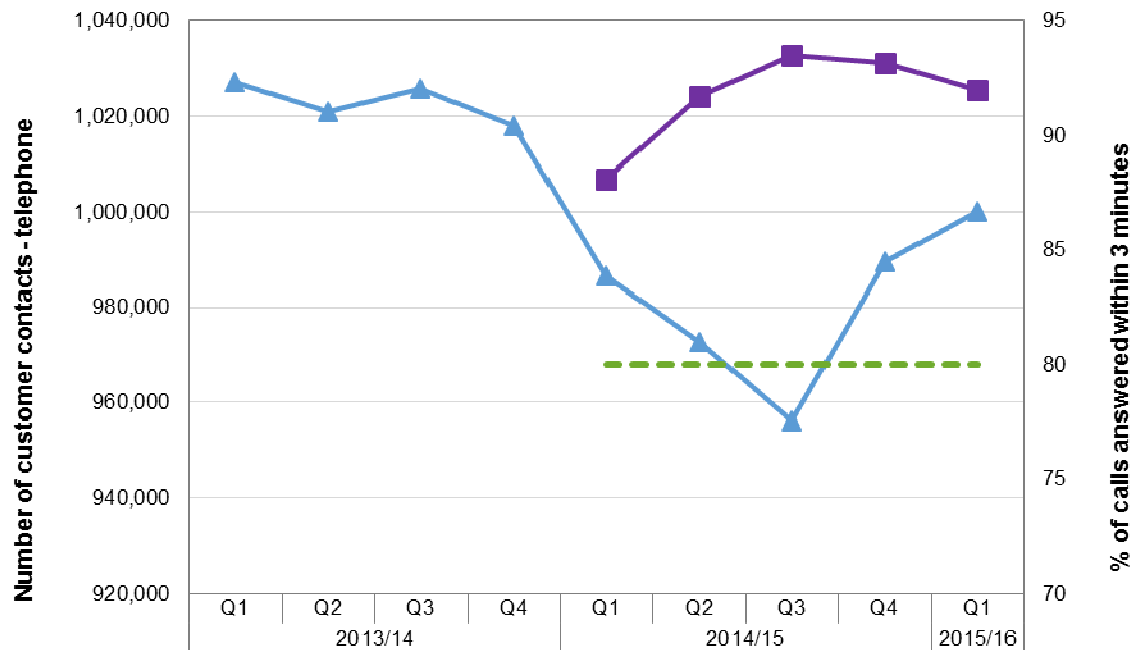
Chart 9 – Council Tax Reduction – changes of circumstances



	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
	2013/14				2014/15				2015/16
Average days taken to process	21.59	12.68	10.05	8.17	10.65	9.43	9.20	8.62	8.34
Number of changes of circumstances processed	30,326	27,215	24,319	30,707	27,570	28,732	27,090	29,043	40,416
Target (days)	14.00	10.66	11.00	12.00	12.00	11.00	10.00	11.00	11.00

The way in which the change of circumstance is processed changed this quarter which means that some multi-changes are now counted more than once where previously it would have been counted as just one change. Data previously reported regarding volume is therefore not comparable.

Chart 10 - Telephone calls



	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
	2013/14				2014/15				2015/16
Number of customer contacts - telephone	1,027,171	1,020,877	1,025,771	1,018,021	986,641	972,668	956,196	989,422	1,000,168
Percentage of calls answered within 3 minutes					88	92	94	93	92
Target - 3 minutes (%)					80	80	80	80	80

Chart 11 – Face to face contacts

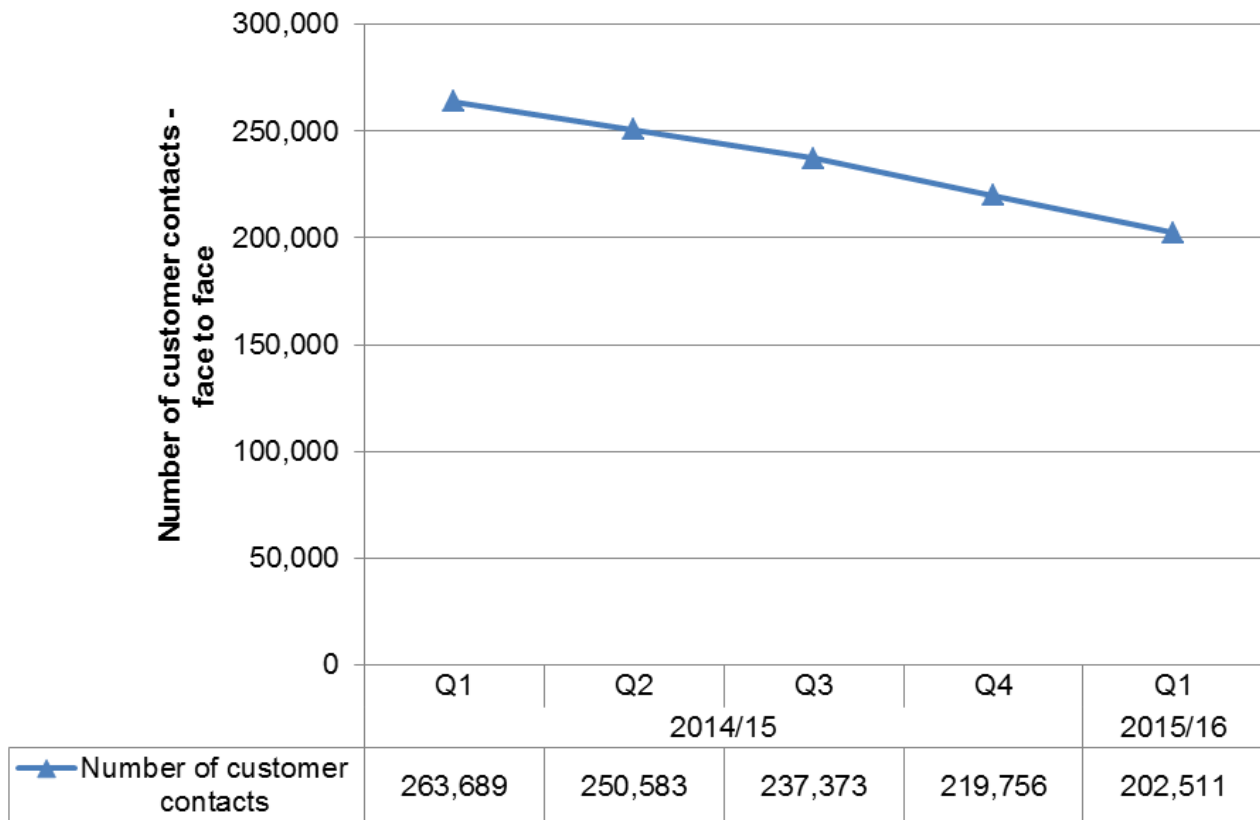
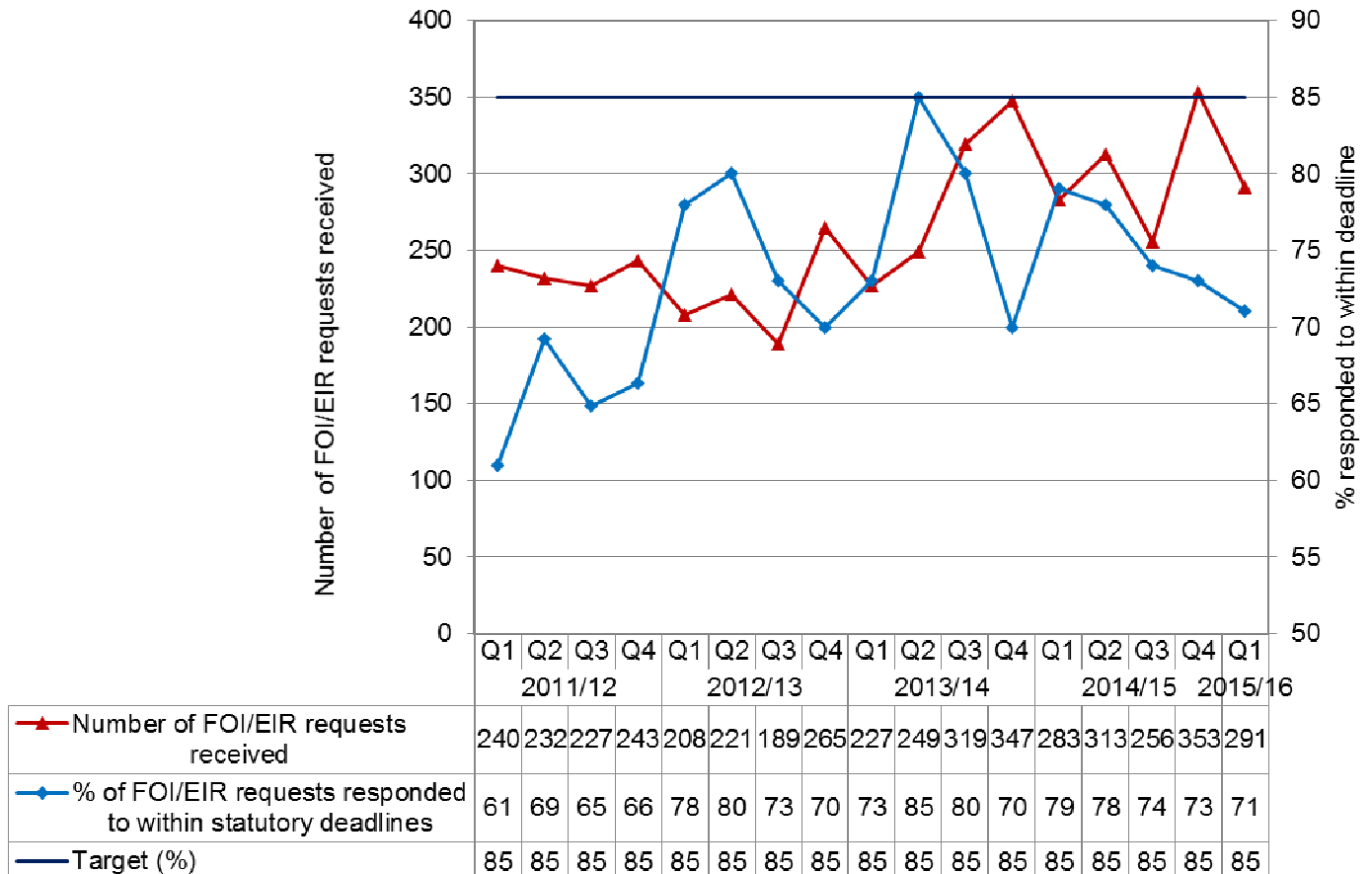


Chart 12 – Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests



Cabinet

16 September 2015



**Environment and Sustainable
Communities Overview and
Scrutiny Review Group -
Management of the Woodland
Estate owned by Durham County
Council**

Report of Lorraine O'Donnell, Assistant Chief Executive

Purpose

1. The attached report presents the findings and recommendations of the Environment and Sustainable Communities Overview and Scrutiny Committee's Review Group report on the management of the woodland estate owned by Durham County Council.

Background

2. At a meeting of the Environment and Sustainable Communities Overview and Scrutiny Committee on 11 November 2015 members agreed the terms of reference for the review with the aim of the review to investigate how Durham County Council strategically manages its woodland estate and identify any areas for improvement. It was agreed that the review would focus on:
 - Are DCCs current policies, strategies and plans effective in managing the woodland estate?
 - Is partnership working within the County in relation to management of the woodland estate robust?
 - How will DCC fund woodland management in the future including opportunities for income generation?
 - Should DCC be seeking to create new woodland that meets multiple objectives on DCC estate where appropriate?
 - How DCC and partners encourage, engage with and support communities within County Durham to participate in woodland projects and initiatives?
 - DCC's current and future arrangements for the diversification of the woodland estate?
 - How DCC and partners promote biodiversity within the woodland estate?
3. A review group of ten members was established from the membership of the Environment and Sustainable Communities Overview and Scrutiny Committee. Evidence was gathered over a period of six meetings and two site visits with information from Durham County Council officers from Regeneration and Economic Development (RED) and Neighbourhoods

Service Groupings; Forestry Commission; Durham Wildlife Trust (DWT) and Northwoods.

4. The review group's findings are attached at appendix 2 and have resulted in the formulation of the following recommendations:
 - a) That Durham County Council as part of the audit of the woodland estate considers:
 - The future strategic management of the woodland estate.
 - The partnership management approaches adopted by key partners within County Durham such as Durham Wildlife Trust.
 - The development and implementation of a streamlined corporate strategy/policy framework for the management and protection of woodland owned by Durham County Council.
 - b) That Durham County Council maximise the income generation and employment opportunities from timber extraction on existing and potential new sites including consideration of new management models such as those produced by the SIMWOOD project for the marketing and extraction of timber.
 - c) That Durham County Council's procurement process for the letting of timber extraction contracts ensure that:
 - Contracts are advertised to target and maximise interest from the private sector.
 - That in conjunction with the Corporate Procurement Manager the required documentation and process is simplified to make contracts more attractive to private sector companies.
 - d) That Durham County Council maximises the funding opportunities available via the Common Agricultural Policy (Countryside Stewardship Scheme for England) and the European Structural and Investment Fund (Low Carbon Economy Strand) if and when such funding becomes available for the benefit of the Durham County Council woodland estate.
 - e) That Durham County Council continues to actively encourage and promote the volunteering opportunities available within the woodland estate via the Durham Community Action's Do-it website, AAPs, Durham County News, Durham County Council Staff (current and former), Resident Organisations, Community Centres and County Council Members.
 - f) That Durham County Council ensures that the contact details of the Countryside Service are clearly displayed on community woodland sites for use by the general public and that Durham County Council publicise via factsheets information in relation to the benefits of biodiversity; woodland management and the illegal status of fallen timber taken from the woodland estate.

- g) That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet including as part of this process an update on the progress of the audit of the woodland estate.

Service Response

5. The report was shared with Regeneration and Economic Development Departmental Management Team and Neighbourhoods Departmental Management Team and was well received. Both Management Teams commented that the report was “very positive in terms of managing the Council’s assets”.

Recommendations

6. Cabinet is asked to note the recommendations in the report attached (appendix 2, pages 4-6) and to formulate a response within the six month period identified in the report for systematic review of the recommendations.
7. That the report is shared with the County Durham Environment Partnership Board.

Contact: Tom Gorman
tom.gorman@durham.gov.uk
Author: Diane Close
diane.close@durham.gov.uk

Tel: 03000 268027

Tel: 03000 268141

Appendix 1: Implications

Finance – The report highlights the need for DCC to maximise the funding opportunities for woodlands available via the Common Agricultural Policy (CAP) under the Countryside Stewardship Scheme and the European Structural and Investment Fund via the Low Carbon Economy Strand when funding becomes available. In addition, woodlands present an opportunity to generate income for the Authority which needs to be maximised via timber extraction from the forest estate on appropriately identified sites.

Staffing – None

Risk – None

Equality and Diversity / Public Sector Equality Duty – The necessary Equality Impact Assessment has been prepared concerning the review report.

Accommodation – None

Crime and Disorder – None

Human Rights – None

Consultation – None

Procurement – In relation to timber extraction contracts for DCC woodland estate the report identifies the need to ensure that contracts are advertised appropriately to maximise interest and target the private sector. The report also identifies the need for the required documentation and procurement process to be simplified to make the contracts more favourable to the private sector.

Disability Issues – DCC tries to ensure that community woodlands sites can be accessed by people with disabilities including by the use of mobility scooters. However, some sites have limited access and advice can be given by the Countryside Service as to the accessibility of individual sites.

Legal Implications - None



Environment & Sustainable Communities OSC

Scrutiny review of the Management
of the woodland estate owned by
Durham County Council

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Email: scrutiny@durham.gov.uk
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Chairman's Foreword



In County Durham it is important that our woodlands are looked after for future generations to enjoy. Durham County Council owns a substantial amount of woodland within the County with further woodland creation being carried out as part of the Land of Oak and Iron Heritage Lottery Fund project.

During this review we have learned of the diversity of our woodlands. They provide a habitat to fauna and flora, a place of recreation, they regulate the movement of water, reduce soil erosion and the leaching of pollutants into surface and ground waters. Our woodlands create jobs, provide opportunities for economic diversification in rural areas, store carbon and create opportunities for education and community involvement. Woodland is also resource for the county council and provides an opportunity to generate income from timber extraction.

The review received information on the management of woodland both by the council and key partners, volunteering opportunities and engagement with local communities, sources of funding and woodland biodiversity. Site visits showed to us two of the many diverse benefits of woodlands – we visited work taking place to extract timber at woods at Croxdale and at Hawthorn Dene we viewed the beautiful site of the bluebell woods.

I would like to thank all of those who have been involved in gathering information especially officers from Regeneration and Economic Development, Neighbourhood Services, The Forestry Commission, Durham Wildlife Trust and Northwoods. I would also like to thank my fellow Councillors who have served on the review group.

Councillor Barbara Graham
Chair Environment and Sustainable Communities
Overview and Scrutiny Committee

Executive Summary

- 1 During the discussion of the committee's work programme for 2014/15 the Environment and Sustainable Communities Overview and Scrutiny Committee agreed at the meeting on 3 July 2014 to undertake a visit to various community woodland sites within the county. This provided an opportunity for members to see 'first hand' the work undertaken by Durham County Council (DCC) and partners on community woodland owned and managed by DCC.
- 2 Members also asked for further detail on: the role of DCC in managing the woodland estate; the key partners within County Durham involved in the woodland estate; timber extraction currently taking place within the county and any future plans for the woodland estate. Following the conclusion of these discussions members identified management of the woodland estate owned by DCC as the future topic for focused scrutiny review.

Focus of the Review

- 3 The aim of the review is to investigate how DCC strategically manages the woodland estate for which it is responsible and identify any future improvements.
- 4 The review pursued the following lines of enquiry:
 - Are DCCs current policies, strategies and plans effective in managing the woodland estate?
 - Is partnership working within the County in relation to management of the woodland estate robust?
 - How will DCC fund woodland management in the future including opportunities for income generation?
 - Should DCC be seeking to create new woodland that meets multiple objectives on DCC estate where appropriate?
 - How DCC and partners encourage, engage with and support communities within County Durham to participate in woodland projects and initiatives?
 - DCC's current and future arrangements for the diversification of the woodland estate?
 - How DCC and partners promote biodiversity within the woodland estate?

Methodology

A review group of 10 members was established from the committee's membership.

- 5 The review group gathered evidence over six meetings and carried out two site visits to see timber extraction undertaken and biodiversity schemes within DCC's woodland estate. The meetings and visits were held between January and June 2015 with the evidence provided via presentations and reports from the following DCC officers and partners:
Sue Mullinger - Landscape Delivery Officer – RED
John Bragg – Senior Forester – RED;
Ged Lawson – Principal Landscape Officer – RED;
Darryl Cox – Head Ranger – Neighbourhood Services;
Maggie Bosanquet – Sustainability and Climate Change Team Leader – RED;
Andrew Jackson – Technical and Service Development Manager - Neighbourhood Services;

Rodger Lowe – Senior Tree Officer – RED; Zoe Thirlaway – Senior Policy Officer – RED; Terry Coult - Principal Ecologist – RED; Richard Pow – Partnership and Expertise Manager, Forestry Commission; Jim Cokill – Director Durham Wildlife Trust; and Andrew Kitching - Projects Manager, Northwoods.

Key Findings & Conclusions

- 6 DCC owns and manages approximately 2000 hectares of woodland within County Durham with a further 214 hectares managed on long-term lease arrangements with partners making a total of 118 sites all providing public access. Management of DCC's woodland estate is spread across two Service Groupings; Neighbourhood Services and Regeneration and Economic Development. Each Service Grouping has adopted its own model of management resulting in the lack of a co-ordinated response to woodland management within the authority in terms of management, expenditure and revenue generation. Consideration should be given to how woodlands are managed over both service groupings to ensure that common areas of woodland management are efficiently and effectively administered and a strategic approach to management is considered. This would allow a pooling of resources such as contractors, enable us to look at different management models for the various types of woodland within the county and explore funding options.
- 7 DCC is in the early stages of undertaking a comprehensive audit of the woodland estate providing an opportunity for DCC to review the current management approach and consider various management models including those used by partners such as Durham Wildlife Trust (DWT) which manage woodland sites owned by Gateshead Borough Council who are unable to manage several sites themselves due to capacity issues. DWT are able to access funding routes that are not open to local authorities and take an approach which will secure the future long term ecology sites under their management (see page 13 of report for case study). It was suggested by the review group that members of the Environment and Sustainable Communities Overview and Scrutiny Committee be kept updated on the progress and key findings of the woodland audit.
- 8 Currently, DCC does not have a corporate strategy/policy for the management and protection of woodland although elements of management and protection are contained in several existing DCC plans and strategies including the County Durham Landscape Strategy, the Green Infrastructure Strategy, and the emerging County Durham Plan. The woodland audit will provide an opportunity to develop and implement a streamlined DCC corporate policy/strategy for the management and protection of woodland owned by DCC.
- 9 Opportunities exist for income generation and increased employment from timber extraction undertaken on DCC woodland estate with two contracts let in 2014 and a further four contracts to be revisited in 2015. DCC has received £10,000 income for the sale of timber from the two let contracts with a further £70,000 to £80,000 anticipated from future sales. The four contracts to be revisited are expected to generate a further income of £20,000-£50,000 in total. DCC needs to maximise income generation and employment

opportunities including consideration of new management models for the marketing and extraction of timber (SIMWOOD project – see page 13 of report for case study) from appropriate DCC forest sites.

- 10 In 2014 six contracts were issued for timber extraction however only two were let. DCC needs to ensure that contracts for timber extraction are advertised appropriately to maximise interest and target the private sector and that the procurement process and the required documentation is simplified to make the contracts more attractive to the private sector.
- 11 The Countryside Stewardship Scheme for England provides funding to support woodlands via capital grants for woodland management and creation to farmers, land managers, land owners and tenants. The European Structural Investment Funds (ESIF) Programme 2014-2020 - European Regional Development Fund (ERDF) (low carbon economy strand) may provide funding for forestry projects, however this is proving difficult to access with discussions currently taking place as to the type of project which would gain funding. DCC needs to maximise all funding opportunities available via the Countryside Stewardship Scheme and the ERDF (the low carbon economy strand) of the ESIF Programme 2014-2020 when funding becomes available.
- 12 The Countryside Service has 300 Volunteers active within the Durham Voluntary Countryside Rangers Service (DVCRS) together with a further 100 volunteers from specific groups including corporate groups, work experience groups and restorative justice groups. The Countryside Service needs to promote the volunteering opportunities available via the Durham Community Action's Do-it website, Area Action Partnerships, Durham County News, County Council staff both current and former, Resident Organisations, Community Centres and County Council members. This approach for greater community involvement aligns and supports the Council's Ask initiative. In addition, to further promote volunteering the contact details of the Countryside Service should be clearly visible at woodland sites ensuring that the service can be easily contacted by the general public to ask advice or enquire about volunteering opportunities.
- 13 Ancient woodland is denoted by sites of continuous woodland cover since 1600. County Durham has a number of small fragmented ancient woodlands that have survived. Although biodiversity of ancient woodlands is protected, the size, fragmentation and isolation of the sites has led to the loss and migration of some species, with development on the periphery having a further impact. In addition, the popularity of wood burners has seen an increase in fallen timber taken from these sites although it is illegal. Members of the public may have limited understanding of biodiversity in ancient woodlands and DCC needs to publicise the benefits of biodiversity, woodland management and the illegal status of fallen timber taken from the woodland estate.

Recommendations

Recommendation 1

That Durham County Council as part of the audit of the woodland estate considers:

- The future strategic management of the woodland estate.
- The partnership management approaches adopted by key partners within County Durham such as Durham Wildlife Trust.
- The development and implementation of a streamlined corporate strategy/policy framework for the management and protection of woodland owned by Durham County Council.

Recommendation 2

That Durham County Council maximise the income generation and employment opportunities from timber extraction on existing and potential new sites including consideration of new management models such as those produced by the SIMWOOD project for the marketing and extraction of timber.

Recommendation 3

That Durham County Council's procurement process for the letting of timber extraction contracts ensure that:

- Contracts are advertised to target and maximise interest from the private sector.
- That in conjunction with the Corporate Procurement Manager the required documentation and process is simplified to make contracts more attractive to private sector companies.

Recommendation 4

That Durham County Council maximises the funding opportunities available via the Common Agricultural Policy (Countryside Stewardship Scheme for England) and the European Structural and Investment Fund (Low Carbon Economy Strand) if and when such funding becomes available for the benefit of the Durham County Council woodland estate.

Recommendation 5

That Durham County Council continues to actively encourage and promote the volunteering opportunities available within the woodland estate via the Durham Community Action's Do-it website, AAPs, Durham County News, Durham County Council Staff (current and former), Resident Organisations, Community Centres and County Council Members.

Recommendation 6

That Durham County Council ensures that the contact details of the Countryside Service are clearly displayed on community woodland sites for use by the general public and that Durham County Council publicise via factsheets information in relation to the benefits of biodiversity; woodland management and the illegal status of fallen timber taken from the woodland estate.

Recommendation 7

That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet including as part of this process an update on the progress of the audit of the woodland estate.

Detailed Report

Woodland in County Durham

- 14 Woodland is a habitat where trees are the dominant plant form. Tree canopies generally overlap and interlink, often forming a more or less continuous canopy which shades the ground to varying degrees. Woodland provides many ecosystem benefits: regulation of water, absorption of pollutants, taking carbon out of the air, and habitats for wildlife, provision of fruit, wood fuel and timber. Woodland also contributes to the beauty, diversity and distinctiveness of rural landscapes.
- 15 The National Forestry Inventory (NFI) March 2012, showed that the total woodland area of County Durham is 19,133 hectares (1 hectare is equal to 10,000 metres squared) representing 7% of the total land area within County Durham. The county has seen an increase in its recorded woodland area of 3,592 hectares since the previous woodland survey undertaken in 2002. However woodland cover in the county is lower than the UK average of 9% and the England average of 8% with existing woodlands within the county often being in relatively remote and sparsely populated areas.
- 16 The majority of woodlands in the county are plantations established for timber, shelter, amenity or game. Older woodlands were planted with native species or with broad leafed trees such as sycamore or beech. Conifers such as scots pine or larch were planted for the pit wood market which became widespread during the 19th and 20th centuries with the development of large Forestry Commission (FC) forests such as Hamsterley. The NFI 2012 shows that conifers occupy 52% of the stocked area and broadleaves 48% based on field samples, aerial surveys and includes felled open spaces.
- 17 Ancient woodland is defined as that which has existed continuously since 1600 when good maps started to become available. Most ancient woodlands in the county lie on land that is unsuitable for agricultural development, on steep valleys and ravines along rivers and streams and consist of oak and birch due to the acidity of the soil. Ash woodlands can be found on the limestone upland gills, ravines and coastal denes.
- 18 Within County Durham 2,096 hectares (10.9%) of the woodland is owned (or leased) by the FC, with the main woodland area comprising of Hamsterley Forest near Bishop Auckland. The remaining 17,036 hectares (89.1%) is owned by private landowners, other government bodies, local authorities, non-government organisations and charities (National Trust, Woodland Trust etc.) and businesses.
- 19 FC data (Managed Woodland Headline Performance Indicator) shows that of the 19,133 hectares of woodland in County Durham only 8,790 hectares are

managed, leaving 10,343 (54%) unmanaged. DCC currently owns and manages around 2000 hectares of woodland within the county.

- 20 The NFI data also provides data on the size of the woodland areas within County Durham, with the average size of privately owned woodland being around 3.68 hectares, compared to the average size of woodland owned by Durham County Council which is 11.2 hectares.

DCC's Approach to Woodland Management

Key conclusions:

- Management of the DCC woodland estate following Local Government Re-organisation in 2009 is split between two Service Groupings, Neighbourhood Services and Regeneration and Economic Development and falls under three specific teams – Clean and Green; Countryside Service and Landscape and Forest Service.
- This is further divided across service areas; Culture & Sport, Planning & Assets and Direct Services. As a result, there is an inconsistent response to woodland management in terms of management, expenditure and revenue generation.
- DCC continues to undertake further woodland creation within the County increasing the amount of woodland it owns and manages.
- The value of timber products has increased making timber extraction viable and a source of income for DCC.
- A woodland audit of the entire woodland estate owned and managed by DCC is currently being scoped and will evaluate individual woodlands in terms of their biodiversity, economic value, recreational value, landscape value and community value.
- The audit provides an opportunity for the Authority to consolidate and prioritise management operations and resources and look at alternative management approaches for use by DCC.

- 21 The management of DCC's woodland estate is split across two Service Groupings within DCC, Neighbourhood Services and Regeneration and Economic Development (RED) and falls under three specific teams –the Clean and Green Team within Neighbourhood Services attend to the maintenance of trees on highway verges, parks and residential estates, the Countryside Service manages community woodland and the Landscape and Forestry Service are responsible for the management of 61 large afforested sites across the county.
- 22 The Countryside Service sits within Neighbourhood Services and manages 'community woodland' or woodland with community benefits. It ensures that: access for all to woodland is enhanced wherever possible; biodiversity gain is achieved and links to communities are strengthened through information, events and volunteering.
- 23 The entire estate under the management of the Countryside Service comprises of 57 sites and includes a mixture of: Special Scientific Interest sites (SSSI), Local Nature Reserve sites (LNR), Local Wildlife sites (LW) and picnic sites with significant biodiversity value; 75 miles (120 km) of railway path; 7 viaducts; 55 bridges and 38 car parks.

- 24 The Countryside Service woodland estate is spread across the county with the majority in the central area with annual visitor numbers to the 57 sites totalling over four million (2012).
- 25 The Countryside Service prioritises a number of activities in managing woodland sites. An annual review of management of these woodland sites is undertaken by the Countryside Service.
- 26 The Landscape and Forestry Services sits within RED Service Grouping and are responsible for the management of 61 sites within County Durham. The sites are located across the county on brownfield sites such as pit heaps and brickworks and were landscaped and afforested throughout the 1970s to 1990s. Since their establishment there has been little active intervention with only basic maintenance taking place.
- 27 Each area of the forest estate has a management plan that covers all aspects of its management including safety, reclamation, landscape and future actions. The management plan identifies priorities for individual sites which include wildlife diversity, public access and leisure, landscape quality and timber production as priorities. All of these priorities have equal bearing.
- 28 The MTFP budget savings limits proactive work such as maintenance and community engagement. The service currently prioritises the work on sites benefitting from external funding e.g. Land of Oak and Iron project.
- 29 The public has access to all DCC woodland including 118 managed sites across the county.
- 30 The current management of the DCC woodland estate is spread across two Service Groupings each with different management, expenditure and revenue generation priorities. This has resulted in a lack of a co-ordinated response to woodland management by the two Service Groupings with each service identifying its own priorities and approach.
- 31 Consideration is needed in relation to how woodlands are managed over both Service Groupings to ensure that common areas of woodland management are efficiently and effectively administered and a strategic approach is used. This would allow for the pooling of resources in relation to contractors, the joint exploration of funding streams due to capacity issues within both Service Groupings and consideration of different management models for different types of woodland.

Audit of Durham County Council's woodland estate 2015

- 32 Durham County Council owns and manages a substantial area of woodland in the county in the region of 2000 hectares. Other areas of DCC owned woodland are on long term lease arrangements. This includes 134 hectares of new woodland with the Woodland Trust (WT) and over 80 hectares with Beamish Museum. Further substantial areas of woodland have been created through the Mineral Valleys Heritage Lottery Fund (HLF) Programme of 200 hectares and more woodland creation is planned with the Land of Oak and Iron project consisting of 15.41 hectares of native woodland creation which falls under the forestry team.

- 33 DCC continues to undertake further woodland creation within the County increasing the amount of woodland under its ownership and management. The value of timber products has also increased within the last two years making timber extraction from the woodland estate viable and a source of income for the Authority. The Service Groupings therefore consider it is timely for DCC to undertake an audit of the entire woodland estate.
- 34 DCC officers are in the early stages of undertaking a comprehensive audit of the woodland estate. A project team consisting of staff from both Service Groupings has been established with the team currently scoping out the aim, objectives and areas of focus for the project initiation document.
- 35 The comprehensive audit of the woodland estate will look at the entire DCC woodland resource and evaluate individual woodlands in terms of their biodiversity, economic value, recreational value, landscape value and community value.
- 36 It will also provide an opportunity to develop new woodland creation partnerships within the county and look to the forest estate as a stimulus for wider projects to develop timber supply chains, deliver low carbon growth and contribute towards sustainable economic development across rural and urban communities.
- 37 It is anticipated that the comprehensive audit will take approximately eight months and it was suggested by the review group that members of the Environment and Sustainable Communities Overview and Scrutiny Committee be kept updated on the progress and key findings of the audit.
- 38 The audit will enable the service to consolidate and prioritise management operations and resources leading to more efficient management within Durham County Council, identify alternative management approaches and models for working with partners such as Durham Wildlife Trust (DWT – See page 13 paragraph 56 of report for case study).

Recommendation 1:

That Durham County Council as part of the audit of the woodland estate considers:

- The future strategic management of the woodland estate
- The partnership management approaches adopted by key partners within County Durham such as Durham Wildlife Trust.
- The development and implementation of a streamlined corporate strategy/policy framework for the management and protection of woodland owned by Durham County Council.

Recommendation 7

That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet including as part of this process an update on the progress of the audit of the woodland estate.

Policies and strategies for the management and protection of trees and woodlands

Key conclusions:

- DCC does not have a corporate strategy/policy for the management and protection of woodland.
- There are elements of woodland management and protection contained in several DCC plans and strategies including: the County Durham Landscape Strategy and the Green Infrastructure Strategy and the emerging County Durham Plan.
- The Corporate Tree Management Policy 2014 manages and protects trees under DCC's ownership.
- The audit of DCC's woodland estate will provide an opportunity to develop and implement a streamlined corporate policy/strategy for the management and protection of woodland owned by DCC.

National policy context

- 39 In 2011 an independent panel on forestry was set up to advise the Government on the future direction of forestry and woodland policy in England and on the future role of the FC. The panel published its final report in July 2012 putting forward 31 recommendations which covered issues in relation to the future of the public forest estate, woodland creation and management, economic development of the forestry sector, payment for ecosystems, community involvement in local woodlands and tree health.
- 40 In relation to the management of woodland, the 2012 report recommends that there is an increase in the area of woodland managed to the UK Forestry Standard (the standard for sustainable forest management in the UK) from around 50% to 80% of total woodland over the next ten years.
- 41 Following the publication of the report, the response by the Government was positive and they agreed that a new woodland culture should be developed with the woodland and forestry sector becoming more resilient.
- 42 A refreshed government forestry policy 'Woodland and Forestry Policy Statement 2013' produced by the Forestry Commission and the Department for the Environment, Food and Rural Affairs (DEFRA), was published which sets out a clear hierarchy of priorities which include protecting, improving and expanding public and private woodland assets.
- 43 The policy addresses the need to sustain, manage and improve our forests and woodlands to enable their contribution to economic growth by reducing red tape and working with private landowners and others to actively manage woodlands. It also identifies the need to work with the forestry sector to explore the scope for exploiting opportunities such as fuel markets or rural tourism and suggests the promotion of greater involvement of communities.
- 44 Town and country planning legislation also provides protection to selected trees and woodlands via Tree Preservation Orders (TPOs). The legislation states that TPOs are legal documents which are administered by the local planning authority (LPA) and should be used to protect selected trees and woodlands if their removal would have a significant impact on the local environment and its enjoyment by the public.

Regional policy context

- 45 In response to the national policy statement a North East strategy and action plan 'Roots to Prosperity' for the growth and development of the forestry sector in Northern England for the next ten years was commissioned. Work was led by an industry led group which included the Forestry Commission, representatives from the forestry industry and local authorities.
- 46 The North East strategy identifies a number of barriers that can affect the management of small woodlands including:
- Access and infrastructure within woodlands - many forests and woodland in the private sector have poor access and infrastructure reducing the potential for harvesting timber and adversely affecting the financial viability of management work.
 - Owners being unengaged and ill-informed about the benefits of management –several decades of low timber prices has led to owners having little knowledge about woodlands and woodland management which has resulted in lower levels of management and a loss in value of these woodlands.
 - Under capitalised contractor base for small scale woodland management – larger scale commercial timber harvesting and extraction has been the subject of significant investment, innovation and mechanisation. However smaller scale, lower intensity harvesting and extraction has not benefited from the same level of capital investment. This lack of investment has limited the uptake of management in smaller privately owned woodlands.
 - Lack of collaborative working amongst woodland owners – many small woodland owners undertake very little if any collaborative working. Links among small woodland owners within discreet geographical areas would ensure activities are undertaken in an efficient and rational manner with reduced costs which would maximise income for the owner.
- 47 The Secretary of State and the North East Local Enterprise Partnership (NELEP) supported the launch of the Roots to Prosperity action plan and strategy in August 2014. The North East strategy and action plan focus on: the forest resource of the North East; opportunities for timber production; investment within the supply chain and processing sector; potential for bio-energy; further woodland creation and the development of tourism and recreation opportunities. The action plan is currently in the implementation stage.
- 48 From a local policy context DCC does not have a corporate strategy/policy for the management and protection of woodland owned by DCC although there are elements within several existing DCC plans and strategies. The review group considered the following relevant plans and strategies:
- County Durham Landscape Strategy 2008
 - County Durham Green Infrastructure Strategy 2012
 - Corporate Tree Management Policy 2014
 - County Durham Plan (emerging)

- 49 The County Durham Landscape Strategy was adopted by DCC in 2008 and is a non-statutory plan which addresses issues that affect the varied landscapes of County Durham and contains a strategy for woodlands and forestry. The strategy also promotes: the supply and utilisation of woodland products for wood fuels and wood crafts; an increase in woodland cover within the county identifying priority areas for the creation of new woodlands; the use of sensitive forest design; the protection of ancient woodlands; conservation of existing woodlands and provides opportunities for access to the countryside around towns and villages. The strategy forms part of the evidence base for the emerging County Durham Plan.
- 50 The Green Infrastructure Strategy (GIS) 2012 has been developed by DCC in partnership. The GIS offers the potential of dealing with landscape, bio-diversity, access and regeneration issues in the countryside around towns in a systematic way. The strategy resists development that has a significant detrimental effect upon trees and woodland, requires new woodlands to be planted where appropriate, for example restoration schemes, and institutes policies for new tree planting. The GIS also forms part of the evidence base for the emerging County Durham Plan.
- 51 In 2014 the Council developed and agreed a county wide tree management policy for the management and protection of all trees under Durham County Council ownership and for those trees which pose a safety risk to the public highway. It sets out a risk based programme of inspection with highways trees and where public safety is at risk considered as the highest priority. The policy also details the requirements in relation to Tree Preservation Orders and trees in conservation areas. In County Durham it takes approximately four days to process a TPO and there are currently 750 TPOs in operation with more being added each year. There are potentially unlimited fines for breaches of TPOs but the upper limit is usually in the region of £20,000. During 2014 138 applications were received for additional TPOs and 95% of those were granted consent.
- 52 The emerging County Durham Plan (identifies where development within the county will take place over the next 20 years) policy 40 lays down specific requirements for development proposals which may impact on trees, woodlands, forestry and hedges including ancient semi-natural woodlands (ASNW) and planted ancient woodland sites (PAWS). In relation to PAWS the policy is more comprehensive than the National Planning Policy Framework. The policy requires new development to retain existing woodland and integrate them fully into the design of sites. Development would not be permitted that would result in the loss of woodland unless the benefits of the proposal clearly outweigh the loss and suitable replacement planting can be undertaken.
- 53 The current policy framework is good, but distributed over several policy documents, however there is a need for a streamlined corporate management policy/strategy for the management and protection of DCC owned woodland. This policy/strategy would bring together all of the existing plans, strategies and policies including policy 40 of the emerging County Durham Plan (which focuses on limiting the effects that development would have on woodland) and would provide detail of woodland management in relation to biodiversity, access etc.

- 54 It was suggested by the review group that as part of the audit of the woodland estate the opportunity is taken to develop and implement a streamlined DCC corporate policy/strategy for the management and protection of the woodland estate.

Partnership Working

Key conclusions:

- DCC's woodland audit will include investigating and considering options for the future management of DCC's woodland estate including management models adopted by partners such as Durham Wildlife Trust (DWT).
 - DCC share with Northwoods (SIMWOOD project) barriers experienced in relation to the marketing and extraction of timber.
 - DCC consider the management model used by the SIMWOOD project for the future management, marketing and extraction of timber on DCC smaller forest sites.
- 55 DCC works with a number of key partners within the county on the management of various woodland projects including the Woodland Trust on Jubilee Woods at Coxhoe, Quarrington Hill and Cassop; Land of Oak and Iron at the Derwent Valley, and Durham Wildlife Trust and the Woodland Trust on the Minerals Valleys project in Weardale. During the review process it was recognised by partners that DCC works well with them in managing woodland projects within the county.
- 56 As part of the review process members were given detail via case studies of the woodland management approach used by DWT and a focused study for County Durham undertaken by Northwoods involving private woodland owners and looking at barriers to woodland management, marketing and timber extraction.

Case Study: Approach to the management of woodland estates by Durham Wildlife Trust (DWT)

Durham Wildlife Trust (DWT) is one of 47 Wildlife Trusts within Great Britain. Its purpose is to protect wildlife and promote nature conservation in County Durham, the City of Sunderland and the boroughs of Gateshead, South Tyneside and Darlington. The Trust delivers conservation projects to protect the regions wildlife and provides education and volunteering opportunities for thousands of children and adults every year.

DWT manages several woodland sites within Gateshead which are owned by Gateshead Borough Council and were previously under the management of the council. Gateshead BC was unable to manage several sites due to capacity issues and the sites attracted external funding from Countryside Stewardship making it viable for DWT to manage the sites. As a charity DWT have access to funding streams that are not open to local authorities. The Trust receives agri- environment scheme (schemes which deliver effective environmental management) income for the sites that it manages, combines this with funding it receives from the sale of timber at its own woodland site in Gateshead, to fund an officer post within DWT which promotes volunteering opportunities and assists in managing the woodland sites under DWT's control.

DWT is looking at opportunities as part of the Land of Oak and Iron project to provide management support to private woodland owners developing partnerships or co-operatives to market and sell timber products.

- 57 The scope for DCC's woodland audit will include the investigation and consideration of options for the future management of the entire woodland estate including management models adopted by key partners.

Case Study: Woodland management model (Northwoods – SIMWOOD project)

Northwoods is a North East region woodland initiative with the remit of supporting tree and timber businesses. The initiative supports the whole of the forestry sector and its associated supply chain.

The majority of Northwood's projects are publically funded with the initiative managed by the Rural Development Initiatives Limited (RDI), a not-for-profit company with staff delivering projects in support of forestry, farming and land-based industries. The Northwood team comprises of one full-time project manager who is supported by other RDI staff.

Northwoods is currently 18 months into a four year project, the SIMWOOD (Sustainable Innovative Mobilisation of Wood) project 2013- 2017 which is funded via the EU Framework Programme. The overall aim of the project is to investigate and test new novel ideas which could be replicated elsewhere in the UK and across Europe, to mobilise more timber to meet the growing demand.

The project is the result of the sector's forecasts for the coming decades which predict a substantial increase in the demand for wood with the highest growth rate expected to come from the bioenergy sector with wood energy playing a critical role in Europe's future renewable energy supply and the achievement of climate change protection objectives.

The focus study for County Durham will take a specific geographical area within County Durham and undertake a survey of private woodland owners to get a better understanding of their motivation and identify the barriers to the management or the non-management of their woodlands. A pilot project will look into the current practices for managing these small woodland holdings and investigate alternative methods of management, marketing and harvesting across a range of woodland types.

- 58 Although it was recognised that the SIMWOOD initiative related to small private woodlands, it was suggested by the review group that DCC share with Northwoods barriers which the authority has experienced in relation to the marketing and extraction of timber. It was also commented that DCC consider the management models produced by the SIMWOOD project for the future management, marketing and extraction of timber on DCC smaller forest sites.

Future Funding of Woodland Management

Timber Extraction

Key conclusions:

- The restructure programme of the forest estate initiated in 2011 focused on establishing whether DCC forest estate sites were economically viable for timber extraction, and led to the development of plans for timber extraction at specific sites.
- Only two contracts were let in 2014 from the six contracts issued for timber extraction from DCC's forest estate.
- The procurement process and documentation is complex for contractors particularly small contractors. The current procurement process and documentation needs to be simplified to make it more attractive to the private sector.
- There is £10,000 income in the system from the sale of timber from the two let contracts with a further £70,000 to £80,000 anticipated from future sales. A further £20,000-£50,000 of income is expected from the letting of the remaining four contracts.

59 DCC woodland estate contains many mature woodland sites which have only had basic maintenance taking place. The trees are of even age and densely planted and at risk from windblow, tree disease and of poor growth as a result of competition for light, rooting space and nutrients.

60 In 2011, DCC decided to undertake a restructure of the forest estate under the management of the RED Service Grouping (Landscape and Forestry Service Teams). The restructure was focused on establishing whether forest estate woodland sites within DCC's ownership were economically viable for timber extraction. It was determined that those DCC forest estate woodland sites over one hectare in size across 61 separate sites within the County would be considered within the restructure.

61 DCC needed FC approved plans in order to receive the required felling licenses for the restructure of the forest estate. Due to the complex nature of the documents a consultant was appointed specifically to work on the documents. A key aspect of the consultant's work was to estimate the quantity of timber that could be extracted from the various DCC forest estate sites and the income which could be generated from the sale of the timber.

62 The forestry consultant was engaged through procurement in early 2012 and spent 18 months carrying out surveys and submitting plans to the FC. The cost of the consultant was £8,500 of which £6,000 was grant aided by the FC. The consultant worked with the council's procurement team to draw up the contracts for the sale of the timber from the identified sites.

63 The contracts for the sale of timber were released in early 2014. The structure of the contracts was designed to ensure the less productive DCC woodland sites were managed alongside the more profitable sites and that smaller local forestry businesses had the opportunity to express an interest in the contracts as well as large scale contractors.

64 Timber from DCC's forest sites is divided into two markets: softwood and hard wood. Softwoods from the sites are sent to processors locally and further afield in Cumbria and Southern Scotland and are used for wood fuel and firewood. Good quality hardwood has a number of uses including roof trusses, timber frames (construction timber) and furniture. This wood attracts premium values however this high grade timber can take up to 30 years to grow and mature.

65 A number of issues have to be considered in determining whether a woodland site is suitable for timber extraction. A key issue is access to the site with many of the sites under the management of DCC hard to reach. There is limited access especially with the specialist and heavy machinery required for timber extraction such as tractors, log loaders and skidders. Other technical issues also need to be considered including weight limits on bridges and the regulations and requirements from the Health and Safety Executive. The above picture shows timber extraction undertaken at the Croxdale site by the contractor.



66 Six contracts were issued for the sale of timber from DCC forest estate in 2014 however only two of the contracts were let. Feedback from contractors on the procurement process indicated that the procurement paperwork was too complex and that there was a need to simplify the procurement process and documentation to make the contracts attractive to the private sector. Discussions are taking place with a timber auction company concerning the re-advertising of the remaining four unlet contracts to ensure they are advertised appropriately maximising private sector interest. It is anticipated that the contracts will be re-visited in spring 2015.

67 The two contracts let are for timber extraction in the Annfield Plain area (Burnopfield and Westwoods) and the Brandon area (Deerness and Croxdale) of County Durham. In relation to the contract for the Annfield Plain area (Burnopfield and Westwoods) DCC is receiving £11 per tonne which based on estimates will generate DCC £40,000 income from the site. For the Brandon area contract (Deerness and Croxdale), DCC is receiving £17.83 per tonne for high grade timber at Croxdale down to £4.02 per tonne for the young conifers at Deerness. The total income from this contract for DCC is also estimated to be £40,000.

68 There is £10,000 income in DCC's 2014/2015 budget from the two let contracts with the remaining sales income expected in 2015/16 to total a further £70,000 - £80,000.

69 A further £20,000 - £50,000 of income in total will be generated as a result of the letting of the remaining four contracts. It was also commented that the letting of the four contractors would create further employment opportunities

within the forestry sector. It was suggested by the review group that DCC maximise the income and employment opportunities available from timber extraction on appropriate DCC forest sites.

Recommendation 2

That Durham County Council maximise the income generation and employment opportunities from timber extraction on existing and potential new sites including consideration of new management models such as those produced by the SIMWOOD project for the marketing and extraction of timber.

Recommendation 3

That Durham County Council's procurement process for the letting of timber extraction contracts ensure that:

- Contracts are advertised to target and maximise interest from the private sector.
- That in conjunction with the Corporate Procurement Manager the required documentation and process is simplified to make contracts more attractive to private sector companies.

EU Funding

Key conclusions:

- The Common Agricultural Policy (CAP) consists of two pillars with funding for woodlands under pillar two (new rural development programme for England), with the Countryside Stewardship Scheme providing funding to support woodlands.
- The Countryside Stewardship Scheme applies to eligible farmers, land managers, land owners and tenants and provides capital grants for woodland management and creation.
- That DCC as a woodland owner and manager maximise the funding opportunities available via the Countryside Stewardship Scheme to support DCC's woodland estate.
- The low carbon economy element of the ESIF programme 2014-2020 potentially presents significant opportunities both regionally and locally with £70m available to the NELEP and £18m available to County Durham.
- It is anticipated that the English Operational Programme will be agreed and adopted in June 2015.
- DCC and partners have already begun to identify and develop eligible project opportunities including the possibility of developing the biomass supply chain for County Durham (see paragraphs 93-97 for details of project).
- DCC needs to maximise the funding opportunities available for the woodland estate if and when funding becomes available via the low carbon economy element of the ESIF programme.
- Overview and Scrutiny members are updated on any relevant County Durham woodland related projects that may receive funding via the ESIF programme.

70 There are two potential sources of EU funding available to support woodlands; The Common Agricultural Policy (CAP) falling under the Countryside Stewardship Scheme which is open for applications; and European Structural

and Investments Funds (ESIF) Programme 2014-2020 under the new European Regional Development Programme (low carbon economy strand) if and when it becomes available.

- 71 At the time of the review funding arrangements for woodland management was in a state of flux. Changes to the new Common Agricultural Policy (CAP) became effective from December 2014 and therefore a range of new funding arrangements became available. However due to the time lag on some of these new arrangements; there was a cross over period where previous arrangements were still in place.
- 72 The CAP will retain its two pillars with pillar one for direct payments to farmers and market control measures and pillar two to promote rural development. In total the CAP for England will make £14 billion of funds available with 70% of the £14 billion falling to pillar 1 and 30% of the £14 billion falling to pillar 2. The Government informed the European Commission in 2013 that for England, they would for each year of the CAP period (2014-2020) transfer 12% of the budget from direct payments (pillar 1) to rural development (pillar 2).
- 73 The Countryside Stewardship Scheme which is part of the new Rural Development Programme for England is a new environmental land management scheme that will contribute approximately £900m to rural business to help them improve the countryside environment. The scheme is open to eligible farmers, land managers, land owners and tenants. The Countryside Stewardship Scheme is the source of government funding for woodland management within the new Rural Development Programme for England.
- 74 The main priorities of the Countryside Stewardship Scheme are biodiversity and water quality however it will also help to improve flood management, the historic environment, landscape character, genetic conservation, education access and climate change adaptation and mitigation. The Countryside Stewardship Scheme replaces funding opportunities provided by the Environmental Stewardship Scheme, English Woodland Grant Scheme and Capital Grants from the Catchment Sensitive Farming (CSF) Programme.
- 75 The Countryside Stewardship Scheme will provide a range of capital grants to support farming and forestry that benefit the environment. The range of capital grants available to support woodlands includes grants for: hedges and boundaries; tree health; woodland management; woodland creation; feasibility studies and implementation plans. In addition, further funding is provided via the Countryside Stewardship Scheme for the most environmentally important sites and woodland which need complex management such as habitat restoration, woodland creation or tailored measures for priority species.
- 76 Capital grants for woodland creation are available for planting, protecting and maintaining woodlands for 10 years to ensure the establishment of the trees planted. The applications for the capital grants should be for areas of woodland at least 3 hectares. There are exceptions to this such as where the woodland creation is part of work to address water quality or flood risk issues, in these cases applications of 1 hectare would be considered.

- 77 The European Structural and Investment Funds (ESIF) programme 2014-2020 represents a single growth programme combining European Regional Development Fund (ERDF), European Social Fund (ESF), and part of the European Agricultural Fund for Rural Development (EAFRD). For the NELEP area the 2014-2020 ESIF programme amounts to £462m including £135m for County Durham as a Transition Region. In relation to the environmental strand of the ESIF programme, £70m is available to the NELEP for the low carbon economy element with 15% (£18m) of Durham's total allocation ring-fenced for this element.
- 78 The government is continuing to negotiate the England Operational Programme (OP) with the EU pending final agreement and formal adoption is anticipated in June 2015 with an early round of calls for projects launched in March. On 20 March 2015 a revised draft English OP was circulated setting out the areas of activity that can be supported under the ESIF programme and the rules and parameters of spending that the EU Commission will agree to in the UK.
- 79 Work is already taking place within DCC in anticipation of the approval of the OPs. DCC officers for the past 16 months have engaged with key partners within County Durham to identify and develop eligible project opportunities suitable for funding from the low carbon economy element of the ESIF programme. DCC officers have identified the development of a biomass supply chain for County Durham as a potential project however discussions are taking place with DEFRA and DCLG to identify if any funding via the ESIF would be available for this project (See page 22 for details of project).
- 80 The review group highlighted the need for DCC in its role as a land owner and manager to maximise the funding opportunities available via the Countryside Stewardship Scheme together with any funding opportunities available via ERDF programme (low carbon economy strand). In addition, members requested that they are kept updated on any relevant County Durham woodland related projects receiving funding via the ESIF programme in the future.

Recommendation 4

That Durham County Council maximises the funding opportunities available via the Common Agricultural Policy (Countryside Stewardship Scheme for England) and the European Structural and Investment Fund (Low Carbon Economy Strand) if and when such funding becomes available for the benefit of the Durham County Council woodland estate.

How DCC and partners promote volunteering

Key conclusions:

- The Countryside Service has 300 volunteers within the Durham Voluntary Countryside Rangers Service (DVCRS) together with a further 100 volunteers from specific groups.
- DCC's volunteering figures have been fairly static however they are expected to have declined in 2014/15 which is reflected in figures from Natural England showing a gentle decline in conservation volunteering.

- There are several active local voluntary groups working in community woodland within County Durham. These groups manage woodland sites with the support of DCC staff and receive income from Forestry Commission grants or from selling timber and other products.
- The contact details of the Countryside Service need to be visible via signposting on woodland sites.
- Volunteering opportunities need to be promoted by the Countryside Service via AAPs, Durham County News, and County Council staff both current and former, Resident Organisations, Community Centres and County Councillors.

- 81 The Countryside Service which sits within the Neighbourhood Services Grouping of DCC depends upon 300 volunteers known as Durham Voluntary Countryside Ranger Service (DVCRS) who engage in various activities on DCC woodland sites including:
- Practical work – the service is fully skilled and able to carry out the full range of maintenance work.
 - Lead and steward the guided walks programme.
 - Assist with events and educational sessions.
 - Undertake site patrolling functions.
 - Provide administration assistance.
- 82 On a weekly basis the service has a practical task group session which involves up to 20 volunteers and can be anything from step and stile construction, clearing scrub on grassland sites or removing invasive species from woodlands. The service also has regular small activity group sessions when resources are available with DCC ex-staff helping to run and supervise the sessions with volunteers undertaking habitat work, infrastructure improvements and seasonal maintenance.
- 83 The service engages with and facilitates participation/volunteering from specific groups which include: corporate groups such as Northumbrian Water which send staff twice a year to undertake plant clearing; supported learners groups; work experience groups and restorative justice groups. This brings the total volunteers helping the Countryside Service on community woodland sites within the county to approximately 400. The value of the work undertaken and the support provided by volunteers to the Authority has been estimated at £350,000 per year.
- 84 In addition to the DVCRS there are several active local voluntary groups working in community woodland throughout the county. These local voluntary groups manage the various woodland sites and undertake work to meet the aims/objectives which are specified within the management plans for the individual woodland sites. The following community woodland sites have active local voluntary groups who undertake a range of activities:
- Bearpark Woods – managed in part by a local group /community association known as ‘The Friends of Bearpark Woods’. The group with the support of DCC has developed a new management plan for a FC grant for the creation of an orchard and garden with seats which will be located within the woodland.
 - Pelaw Woods – managed by ‘The Friends of Pelaw Woods’. The group has a management plan in place and is in the process of applying for grants from the FC to undertake conservation work.

- Flassvale – managed by ‘The Friends of Flass Vale’. The group has been established for several years with the woodland located within Durham City. The group has conservation and access as aims with its management plan. The group has recently received grants for sycamore thinning and to open up wetland areas.
 - Hedleyhill Woods Local Nature Reserve – managed by East Hedleyhope Community Association. The group within its management plan has a focus of conservation and has recently received FC grants for the development of footpaths and the thinning of woodland.
 - Deerness Woods – managed by informal friend & volunteers locally. The group has a focus of ecology and access. DCC is currently providing support to this group to thin out conifers and to further diversify habitats.
- 85 The local voluntary groups are led by a few locally influential individuals with the group’s focusing on conservation, ecology and access. These groups receive income from grants normally via the FC or from selling timber and other products such as fruit.
- 86 DCC provides support to the local voluntary groups via a member of staff from the Forestry Service who assists with grant applications and provides support and advice in relation to the development of practical skills.
- 87 It was commented by the review group that there is a need for the Countryside Service contact details to be visible on woodland sites for use by groups and individuals to get advice or to ask about volunteering opportunities. It was also suggested that the Countryside Service could actively encourage and promote volunteering opportunities via the Durham Community Action’s Do-it website, 14 Area Action Partnerships, Durham County News, County Council staff both current and former, Resident Organisations, Community Centres and County Council members. This approach for greater community involvement aligns and supports the Council’s Ask initiative.
- 88 Due to the current national and local economic climate people can not afford the time or to commit to volunteer work in conservation. It was suggested that people are more inclined to volunteer in other sectors.
- 89 Information was also provided to the review group by Durham Wildlife Trust on their approach to volunteering (see case study on page 13 paragraph 56).

Recommendation 5

That Durham County Council continues to actively encourage and promote the volunteering opportunities available within the woodland estate via the Durham Community Action’s Do-it website, AAPs, Durham County News, Durham County Council Staff (current and former), Resident Organisations, Community Centres and County Council Members.

Current and future arrangements for diversification

Key conclusions:

- Officers within DCC over the last 16 months have led the development of a number of potential low carbon economy projects for funding under the European Structural and Investment Funds (ESIF) programme for 2014-2020.
- A Biomass supply chain project for County Durham has been identified as a possible project however there is uncertainty as to whether ESIF funding would be available.
- DCC should investigate existing local authority biomass supply chains and incorporate any suitable elements from existing schemes into any future County Durham scheme.
- The review group recognised that the project presented a number of opportunities for County Durham however funding issues needed to be resolved before it could progress.

- 90 Durham County Council's Sustainability and Climate Change Team have led on the development of a portfolio of potential low carbon economy projects for possible European Structural and Investment funds (ESIF) programme for the whole of the NELEP area. The team has worked over the past 16 months to engage key partners in County Durham and develop a number of eligible project opportunities in advance of the circulation of the draft English ESIF operational programme, which identifies the areas of activity which can be supported under the funding programme.
- 91 On the 20 March the draft operational programme was circulated setting out the areas of activity which can be supported under the programme and the rules and parameters of spending that the EU Commission will agree to in the UK which includes projects having a defined start and end date, must meet the eligible activity and secure 40% match funding.
- 92 The review group was informed that as part of the work undertaken to develop projects, DCC officers have identified the development of a biomass supply chain for County Durham as a potential project.
- 93 The aim of the project would be to manage DCC woodland resource and the heat demand in council owned buildings to create market conditions which would stimulate the creation of a private sector supply chain. Key areas of focus in developing the project are:
- Resource - appropriate management of the DCC woodland, investment in woodland creation and provide skills and knowledge to private woodland owners;
 - Supply chain – investment in equipment appropriate for small woodlands, support collaborative working and provide business support and facilitation services;
 - Processing the product – investment in processing equipment and storage facilities and business support;
 - End use – conversion of existing heating systems at appropriate DCC property, training for staff and maintenance arrangements.
- 94 Currently European Regional Development Fund (ERDF) cannot be used to fund forestry projects however rural development funding could be used for such a project but is difficult to access and discussions are currently taking

place with DEFRA and DCLG to identify if any EU funding would be available for this project. It was recognised that match funding would be needed for any EU funding received (40% match funding required) and it was suggested by officers that various options would be pursued including discussions with both public and private sector and exploration of different grant schemes.

- 95 In advance of any funding bid being submitted for this project expertise would need to be bought in to develop a business plan which would identify potential pots of funding for the project to move forward.
- 96 Other local authorities within the country have already developed successful biomass supply chains (Barnsley) and it was suggested by the review group that DCC investigate those biomass supply schemes already in existence to see if any elements from existing schemes could be incorporated into any future County Durham scheme.
- 97 The review group commented that the project presented a number of opportunities for County Durham however there were issues to be resolved in relation to funding the project before it could progress.
- 98 The review group received evidence in relation to the extraction of timber currently taking place on the DCC woodland estate and detail of future proposals for further timber extraction and its proposed uses (See paragraphs 59-69).

Woodland Biodiversity in County Durham

Key conclusions:

- Ancient Woodland is not just trees but the flora and fauna that live within it and the soil in which they live, it is irreplaceable, once it is gone it is lost forever.
 - County Durham has relatively small areas of ancient woodland in comparison to other areas of England. The Derwent Valley area of County Durham has the most ancient woodland.
 - Durham County Council practice coppice management on some areas of ancient woodland it owns. Fallen timber is left on the ground to provide ecological benefit to the woodland.
 - The popularity of wood burners has seen an increase in timber being taken from woodlands. It is illegal to take fallen timber from any woodland.
 - DCC needs to continue to publicise with the general public the benefits of biodiversity, woodland management and the illegal status of fallen timber taken from the woodland estate.
- 99 Forests and woodland plantations such as those in Weardale are no more than crops. The same species of tree is grown and the ground on which they stand has little ecological value. However, ancient woodlands provide a rich variety of flora and fauna and are diverse in the sense that it provides a home to many species of plants, insects, birds and mammals. Ancient woodland sites are usually found in valleys, gorges, ravines and river corridors where timber extraction would be difficult. They are native woods that have been in continual existence since 1600 and in some cases are much older.

- 100 Most ancient woodlands in County Durham remain as isolated fragments, the largest areas of ancient woodland occur in the Derwent Valley area of County Durham where there was much less expansion of settlements during the 19th and 20th centuries as there was in the east of the county.
- 101 Coppice management is practised by the County Council on ancient woodlands in their ownership to mimic wild woods with periodic felling of trees. In some cases felled trees are left to benefit eco systems within the woodland, dead trees are also left for the same reasons but this can cause problems with health and safety.
- 102 An issue with fallen timber being taken from woodlands has increased with the popularity of wood burning stoves. Many members of the public are not aware that it is illegal to take timber from woods without permission. The public also complain and question why trees have been felled as they do not understand that this is required for the woodland to survive and grow. There is a need for DCC to continue to publicise with the general public the benefits of biodiversity, woodland management and the illegal status of fallen timber taken from the woodland estate.
- 103 Biodiversity of ancient woodland is protected by the national planning policy framework and locally the emerging local plan policy 40 provides guidance for developers and states that new development will not be permitted which would result in the loss, fragmentation isolation or deterioration of ancient woodlands. The minimum buffering for new development from ancient woodland sites is 15 metres which is quite close when considering the damage that could be caused by such as domestic pets.
- 104 Due to the size, fragmentation and isolation of ancient woodlands in County Durham species have been lost or migrated elsewhere. Development on the periphery of ancient woodland sites has impacted the wild life habitat.
- 105 Members of the review group visited woodlands at Hawthorn Dene to view biodiversity projects.

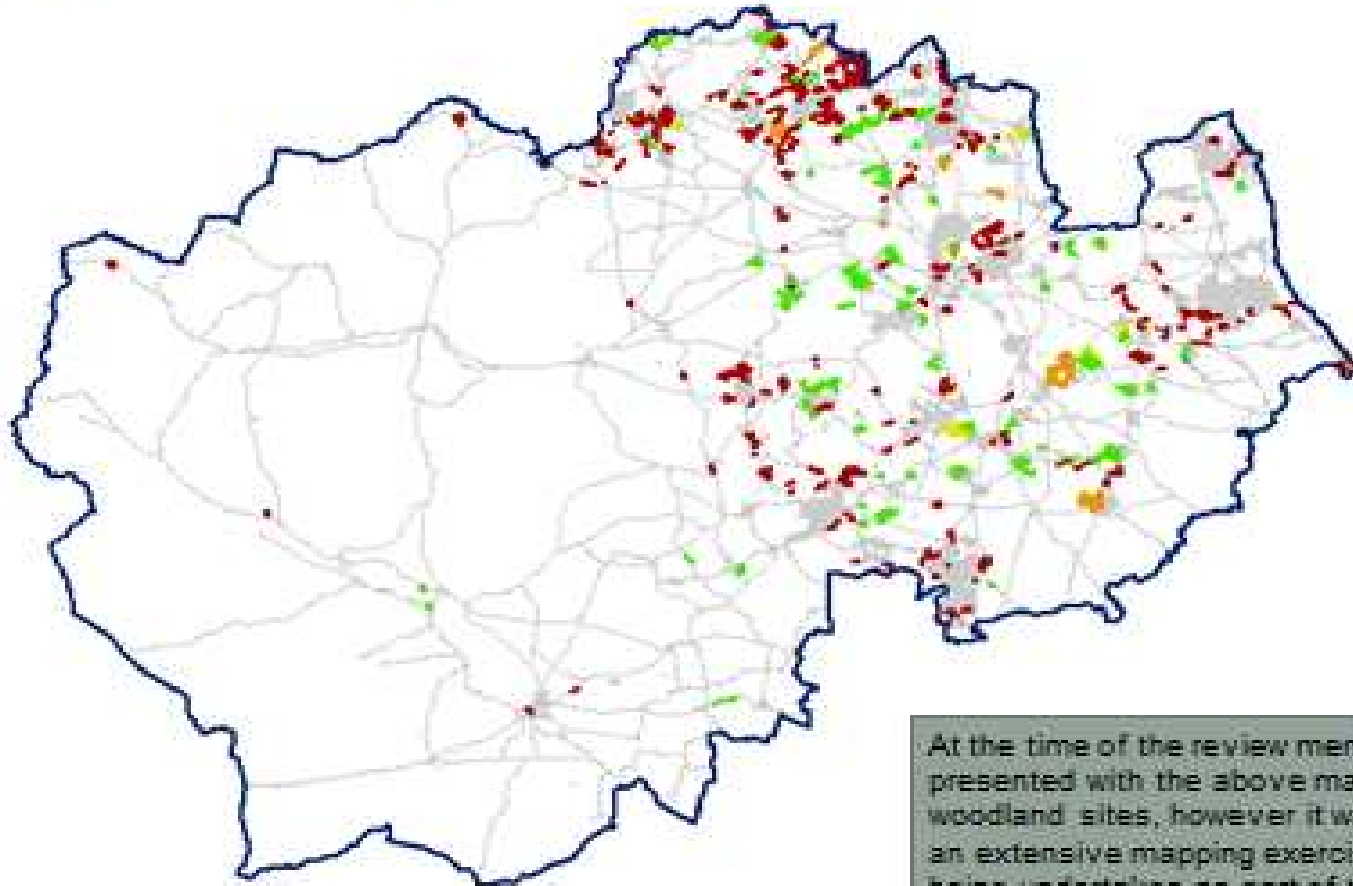
Recommendation 6

That Durham County Council ensures that the contact details of the Countryside Service are clearly displayed on community woodland sites for use by the general public and that Durham County Council publicise via factsheets information in relation to the benefits of biodiversity; woodland management and the illegal status of fallen timber taken from the woodland estate.

Contact:	Diane Close,	Overview and Scrutiny Officer
Tel:	03000 268 141	E-mail:diane.close@durham.gov.uk

DCC owned woodlands

Appendix 1



At the time of the review members were presented with the above map showing DCC woodland sites, however it was recognised that an extensive mapping exercise is currently being undertaken as part of the audit of the woodland estate which may result in changes to the above.

Cabinet**16th September 2015****Safer and Stronger Communities
Overview and Scrutiny Committee
Review report on Organised Crime**

Report of Lorraine O'Donnell, Assistant Chief Executive

Purpose of the Report

1. The purpose of this report is to present the findings, conclusions and recommendations of the Safer and Stronger Communities Overview and Scrutiny Committee review report on Organised Crime attached at appendix 2.

Background

2. Members of the committee agreed to undertake a review on organised crime looking at how the police and partners on the Safe Durham Partnership work together tackle this. As a focus of the review, the committee looked at the effectiveness of partnership working and community engagement and the role community intelligence plays in tackling organised crime. The committee also looked at the risk to the council of fraud and organised crime. Finally, members considered a case study looking at how partners worked together to tackle organised crime groups operating illegal waste sites in County Durham and what lessons could be learned from this work.

Conclusions

3. The review has gathered a wide range of evidence including presentations, video footage and examining approaches to raise awareness of organised crime with communities. The report includes a number of recommendations for consideration by the Council's Cabinet and the Safe Durham Partnership.
4. The report concludes that there are strong partnership arrangements in place to tackle organised crime and that the work led by Durham Constabulary is considered to be leading work nationally. The committee noted that Government issued guidance at the time of the review on how the police together with its partners should develop profiles on the threat of serious and organised crime in their localities. These local profiles will help build on the good work that has been introduced in Durham.
5. Communities can provide valuable intelligence to the police and partners to help fight serious and organised crime. Education and awareness is a key part of the work of the Safe Durham Partnership. The report concludes that work in helping partner agencies and communities to recognise serious and organised crime and encourage them to report it

remains a critical area in fighting the threat and that they would like to be kept apprised of the work being done in this area.

6. The work of the police, the council, Environment Agency and other agencies working together to tackle organised crime groups operating illegal waste sites in County Durham was the focus of a case study. The committee heard how a Joint Memorandum of Understanding had been developed between the council and the Environment Agency for cases where waste processing businesses are being used as a front for criminal activity. Whilst legal action may be being pursued, members recognise that residents may become frustrated with the lack of any visible progress regarding dealing with unsightly illegal waste sites in their neighbourhood. The committee would like to be updated on work being done in partnership in this area and what further action can be done to engage with communities when dealing with illegal sites.
7. Local government can be the target of organised crime groups. The committee looked at the risk of fraud to the council. Public sector organisations can legitimately share data to help disrupt organised crime and protect the public purse. The committee heard that Durham County Council is taking part in one of only a small number of pilots nationally looking at data sharing and procurement contracts. Following conclusion of this exercise the committee would like to hear if there are any lessons learned from this innovative work.
8. Finally it was felt that both members and officers of the council could benefit from further training in being able to recognise organised crime particularly those officers in the front line who work within communities.

Service Responses

9. The Internal Audit, Risk and Fraud Team welcome the report of the Safer and Stronger Scrutiny Committee into Organised Crime. It has highlighted the risk of organised crime to Durham and to the County Council. The report has allowed the service to demonstrate the work it is doing and what it has planned over the coming months in order to protect the Council and its residents from the potential of fraud, be that from organised criminals or others. It has also highlighted the importance of partnership and joined up working with a variety of stakeholders in order to build an intelligence picture across the County. The service supports the recommendation made and will continue to work to deliver the recommendations identified.
10. The Environment, Health and Consumer Protection Service are fully supportive and committed to the overall strategic approach to tackling organised crime through partnership working and sharing of intelligence. The report highlights how working together with other agencies has proved highly effective in dismantling and disrupting the activity of organised crime groups and the key improvements identified within the report will assist us all to build upon the successes achieved to date.

Recommendation

11. Cabinet is asked to note the recommendations in the report attached (appendix 2, pages 6-7) and to formulate a response within a six month period for a systematic review of the recommendations.
12. That the report is shared with the Safe Durham Partnership Board.

Contact: Tom Gorman, Corporate Scrutiny and Performance Manager

tom.gorman@durham.gov.uk

Tel: 03000 268027

Jonathan Slee, Overview and Scrutiny Officer

Tel: 03000 268148

jonathan.slee@durham.gov.uk

Appendix 1: Implications

Finance – None

Staffing – None

Risk – The report includes information on the potential risk of fraud through organised crime on Durham County Council

Equality and Diversity / Public Sector Equality Duty – The review report takes into consideration equality and diversity and an Equality Impact Assessment has been carried out.

Accommodation - None

Crime and Disorder – The report includes information that aims to contribute to reducing Crime and Disorder within the Altogether Safer element of the Council Plan and Safe Durham Partnership Plan.

Human Rights – None

Consultation – None

Procurement – The report makes reference to the risk of fraud to procurement.

Disability Issues – None

Legal Implications – None.



Safer and Stronger Communities Overview and Scrutiny Committee

Overview and Scrutiny Review of Organised Crime

2015

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Chair's Foreword

Organised crime is a real threat that can have a detrimental and devastating effect upon people, communities, business and organisations within the County.

It is therefore important that we are alert to this risk and that law enforcement agencies are prepared with effective processes to pursue organised crime groups and help prevent and protect us all from organised crime.

Organised crime involves a range of offences including supplying drugs, money laundering, cybercrime and fraud. The committee has considered evidence on the partnership approach led by Durham Constabulary to tackle organised crime. The importance of community intelligence and tackling illegal waste was examined. Finally, the risk of fraud to the council was also considered.

This topic is of significant interest to members. The review has heard a range of evidence including presentations and video footage and looked at awareness raising approaches in our communities. The report concludes with a number of recommendations for consideration by the Council's Cabinet and the Safe Durham Partnership.

I would like to take this opportunity to thank members of the committee and representatives from Durham Constabulary, Durham County Council, The National Crime Agency and the Environment Agency for their valuable time in giving evidence and supporting the work of the review.



Councillor Dr David Boyes
Chairman
Safer and Stronger Communities Overview and Scrutiny Committee

Executive Summary

1. At its meeting in April 2014, the Committee received information from Durham Constabulary on the approach to tackling organised crime within the County and work undertaken by a Safe Durham Partnership task and finish group. The presentation highlighted the range of criminal activity, economic impact of organised crime groups and positive partnership action that had taken place. Within the previous 12 months there had been a minimum of £560,000 worth of drugs seized, £332,000 in cash detained (which does not include confiscation orders made of criminal benefit) and at least 70 arrests.
2. In considering its work programme, the Committee requested to undertake review activity looking at organised crime. In developing the scope, discussions with Durham Constabulary identified illegal waste sites and their links to organised crime to be included within the Committee's work. In addition the review looked at the potential risk of organised crime to the council.
3. The review sought evidence in relation to the objectives of 'Pursue, Prevent, Protect and Prepare' within the Government's Serious and Organised Crime Strategy and how this is being met locally. Evidence was also gathered on the approach between Durham County Council, Durham Constabulary and the Environment Agency regarding raising awareness of the impact of organised crime in relation to illegal waste sites. Information has been gathered on community confidence, innovative use of Police and Communities Together (PACT) meetings and the Proceeds of Crime Act. The Government's strategy also aims to reduce the vulnerability and protect local government from serious and organised crime.

Purpose of the Review

4. The purpose of the review is to help deliver further improvements in tackling organised crime within the county through:
 - promoting the wider elements of tackling organised crime and the partnership approach
 - further improving confidence and reassurance within communities to report activity;
 - identifying and removing illegal waste sites which could be linked to organised crime; and
 - looking at the potential risk of organised crime impacting on the Council.

Methodology

5. The review group members:
 - Considered crime and confidence data within areas affected by organised crime, the range of activity across the county, partnership approaches through the Disruption and Intervention Panel and its impact on communities and businesses.

- Gained an understanding and commented upon delivery of the Government's strategy within County Durham through partnership working and linked into the work of the National Crime Agency.
 - Gathered evidence on the impact of organised crime within County Durham and existing approaches to engage and raise awareness with communities and businesses to report suspected organised crime through Neighbourhood Policing, PACT meetings, social media and use of the Proceeds of Crime Act.
 - Received evidence on a case study example of tackling an organised crime group operating an illegal waste site and considered current partnership arrangements, powers and responsibilities to take action on illegal waste sites.
 - Raised awareness of the potential threat of organised crime through fraud in the Council and looked at the approaches to identify and reduce this risk.
6. Members held four Review Group Meetings that received evidence from:
- DCI Victoria Fuller, Durham Constabulary
 - Sgt Stoyan Barrett, Durham Constabulary
 - Stewart McLeod, National Crime Agency
 - Dave Edwardson, Environment Agency
 - Neil Laws, Durham County Council (Env Helath and Consumer Protecton
 - Paul Bradley, Durham County Council (Internal Audit and Corporate Fraud)

Conclusions and Recommendations

7. The committee concludes that there are strong partnership arrangements in place to tackle organised crime and that the work led by Durham Constabulary is considered to be leading work nationally. The committee noted that Government issued guidance at the time of the review on how the police together with its partners should develop profiles on the threat of serious and organised crime in their localities. These local profiles will help build on the good work that is already in place in Durham.
8. Communities can provide valuable intelligence to the police and partners to help fight serious and organised crime. Education and awareness is a key part of the work of the Safe Durham Partnership. The committee heard of some innovative work that has been done in this area. It was noted helping partner agencies and communities to recognise serious and organised crime and encourage them to report it remains a critical area in fighting the threat and that the committee would like to be kept appraised of the work being done in this area.
9. The work of the police, the council, Environment Agency and other agencies working together to tackle organised crime groups operating illegal waste sites in County Durham was the focus of a case study. The committee heard how a Joint Memorandum of Understanding had been developed between the

council and the Environment Agency for cases where waste processing businesses are being used as a front for criminal activity. Whilst legal action may be being pursued, members recognise that residents may become frustrated with the lack of any visible progress regarding dealing with unsightly illegal waste sites in their neighbourhood. The committee would like to be updated on work being done in partnership in this area and what further action can be done to engage with communities when dealing with illegal sites.

10. Local government can be the target of organised crime groups. The committee looked at the risk of fraud to the council. Public sector organisations can legitimately share data to help disrupt organised crime and protect the public purse. The committee heard that Durham County Council is taking part in one of only a small number of pilots nationally looking at data sharing and procurement contracts. Following conclusion of this exercise the committee would like to hear if there are any lessons learned from this innovative work.
11. Finally it was felt that both members and officers of the council could benefit from further training in being able to recognise organised crime particularly those officers in the front line who work within communities.
12. It is therefore recommended that:
 - 1) Cabinet note the work of the Council and partners in contributing to partnership activity to tackle organised crime through the Disruption and Intervention Panel.
 - 2) Relevant organisations on the Safe Durham Partnership comply with all information and actions required to develop and deliver the Local Profiles Document. In addition, the Committee request that a progress report on the Local Profiles document is presented to a future meeting.
 - 3) The Safe Durham Partnership continues work to raise awareness with partner agencies and communities to be alert and be confident to report activity that could be linked to organised crime.
 - 4) Through the Memorandum of Understanding the council work with the Environment Agency to take prompt action when illegal waste sites are identified.
 - 5) Cabinet note the potential risk of organised crime through fraud and that following conclusion of the Home Office project look to seek if learning from this work can be implemented more widely.
 - 6) Enhance training and awareness raising in relation to organised crime through:
 - an awareness session on Organised Crime for Elected Members

- Integrating organised crime information within the Council's fraud awareness training, including consideration of developing on-line training information.

Background

13. Serious and organised crime is not just a threat, it is a daily reality that can impact everyone and costs the overall economy at least £24 billion each year. Nationally law enforcement agencies estimate that there are around 5,500 active organised crime groups operating in the UK, comprising about 37,000 people.
14. Organised crime groups are responsible for the trafficking of drugs, people and firearms, organised illegal immigration, large-scale and high-volume fraud and other financial crimes, counterfeit goods (including medicines), organised acquisitive crime, child sexual exploitation and cybercrime. In undertaking activities, organised crime groups will often function through a structured hierarchical model similar to that of a business or organisation. There is no legal definition of organised crime in England and Wales. The Government's Strategy identifies organised crime as *'serious crime planned, coordinated and conducted by people working together on a continuing basis. Their motivation is often, but not always, financial gain'*.
15. Organised crime is an important subject which is clearly reflected within the video by the National Crime Agency's Director of Intelligence, Gordon Meldrum QPM which was shown to the review group. This illustrates that a wide range of public sector workers need to work together collectively as "it takes a network to defeat a network". In addition, Mr Meldrum highlights the importance of community intelligence and the use of law enforcement agencies using the Proceeds of Crime Act 2002 as a tool to target the power and profit of organised crime groups who can view custodial sentences as an occupational hazard. In conclusion, the video instilled a clear message to encourage greater emphasis from law enforcement agencies and communities to "prevent bad people from doing bad things to good people".
16. This report outlines the Government's Serious and Organised Crime Strategy and the legislation that has been introduced specifically to target organised crime groups, some of which Durham Constabulary have been at the forefront of applying. Some of these new laws have led to the creation of the National Crime Agency, an officer from which gave evidence to the committee as part of this review.
17. The report then looks at the local context and how the national framework is applied in Durham, the leading work done in partnership and how this can be built upon through the development of local profiling and raising awareness among members, staff and residents of organised crime. The threat that organised crime poses to the council as an organisation is also examined as part of our deliberations.

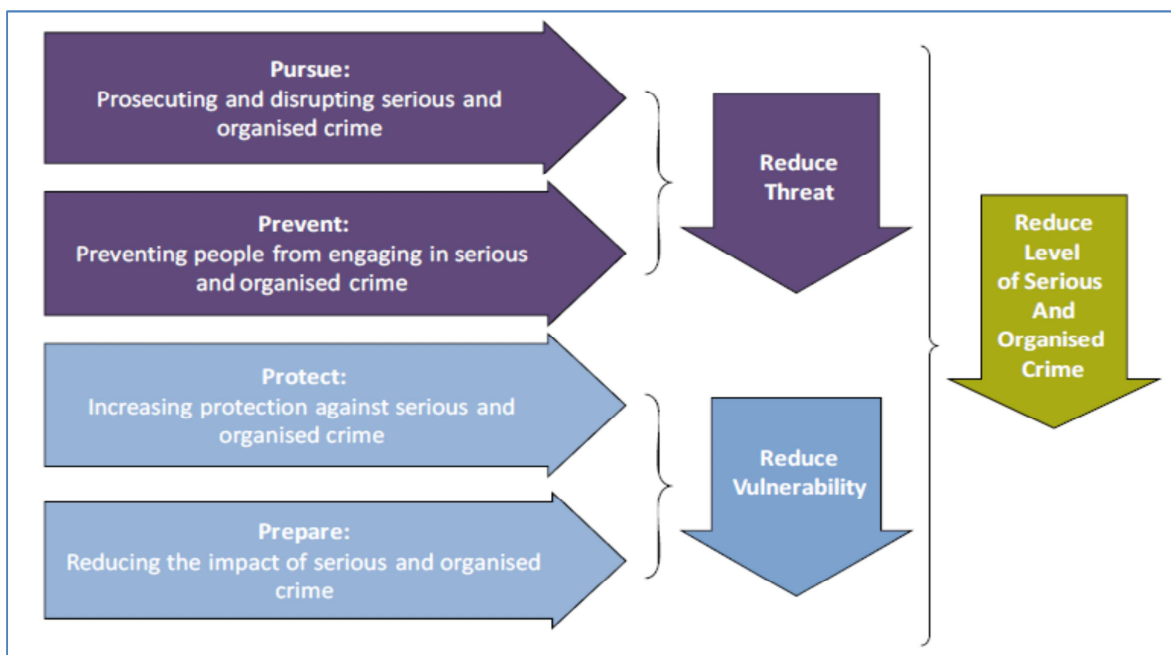
18. Finally, it concludes with some recommendations for improvement to Cabinet and the Safe Durham Partnership.

National Context

19. The key national drivers are:
- the Government's Organised Crime Strategy;
 - National Crime Agency;
 - Legislation (Proceeds of Crime Act 2002, Serious Crime Act 2015 and lifetime management of offenders).

The Government's Serious and Organised Crime Strategy

20. The Government's Serious and Organised Crime Strategy was launched in October 2013 with the aim to substantially reduce the level of organised crime affecting the UK and its interests. The strategy follows the four objectives within the Counter Terrorism Strategy that are Pursue, Prevent, Protect and Prepare and illustrated with the following chart:



(UK serious and Organised Crime Strategy, Home Office, 2013)

21. Appendix 1 to the report includes a table outlining the measures of success and objectives to be delivered from the main objectives of the Government's strategy. The immediate priority within the Strategy is under the objective of 'Pursue' and 'to prosecute and relentlessly disrupt serious and organised criminals and reduce the threat they pose'. Delivery of the strategy requires a response from the whole of government, partnership working with many agencies and close collaboration with the public.
22. The Home Office has overall responsibility for co-ordinating implementation of the strategy and are developing a national performance framework and

annually publish a report on delivery of the strategy. Locally the strategy requires Police and Crime Commissioners to scrutinise the performance of police forces regarding serious and organised crime and also the support provided to police forces by the local authority.

National Crime Agency

23. Coinciding with the publication of the Government's strategy was the high profile launch of the National Crime Agency (NCA). With 4,000 officers who have specialist capabilities, the overall aim of the NCA is to lead the UK's fight to cut serious and organised crime within the four main objectives of the strategy and provide specialist support to UK operational partners.
24. The NCA publish an annual report and strategic assessment that identifies their achievements, priority areas and key national risks. In terms of activity their October 2014 newsletter reports that the NCA has been involved in over 2,000 arrests and 400 convictions in the UK, over 1,000 arrests overseas and seized 213 tonnes of drugs.
25. Delivery of their activities requires close working with partner agencies. The NCA's partnerships go beyond law enforcement and include work with private industry, local and national government and other public sector organisations, the charity and voluntary sectors, think tanks and academia.
26. The NCA have adopted a number of tactics to communicate specific messages to a variety of target audiences with the intention of achieving a focussed outcome in support of the agency's mission to lead the UK's fight to cut serious and organised crime. In collaboration with partners campaigns have been developed to:
 - increase awareness of existing and emerging threats, providing advice and specialist resources to help the public and industry avoid, or mitigate the impact of the threat;
 - deter criminals and would-be criminals; preventing them from engaging in criminal activity by demonstrating our effectiveness at fighting serious and organised crime and promoting consequences of their actions;
 - engage the public, organisations and partners; sharing intelligence and encouraging reporting of suspicious activity or individuals. Further information regarding the NCA can be accessed from their website www.nationalcrimeagency.gov.uk
27. Whilst a national organisation, the NCA has four regional units including one located within the North East of England. An overview of activity from national and regional perspectives was provided by the NCA's Stuart McLeod at a working group meeting and reference was made to successful joint operations with Durham Constabulary

Legislation

28. Money is at the heart of all organised crime and the lifestyle and status it brings is the main motivation for most criminals. The Proceeds of Crime Act (POCA) 2002 provides legislation to tackle organised crime, enabling officers to have the power to seize cash and recover assets such as cars and houses bought by criminals through the proceeds of their crimes.
29. The money recovered and made through the sale of the criminal's assets can then be put back into community projects and provide funding for further investigations, whilst showing the public that crime does not pay. By way of context, nationally, £190 million was recovered through POCA during 2013/14.
30. The Serious Crime Act 2015 received Royal Assent in February 2015. The principal objective of the Act is to ensure that law enforcement agencies have effective legal powers to deal with the threat from serious and organised crime and contributes to objectives within the Government's Serious and Organised Crime Strategy. The Act has six parts but linked to the Committee's work, Part 1 makes further provision in respect of strengthening powers for the recovery of property derived from the proceeds of crime and Part 3 provides for a new offence of participating in the activities of an organised crime group and strengthens the arrangements for protecting the public from serious crime and gang-related activity.

Lifetime Management

31. Lifetime Management of offenders provides a responsibility for law enforcement agencies to manage a number of high-priority and significant serious and organised criminals. These criminals have been convicted of serious offences, and law enforcement have secured additional restrictions on them at court to prevent them from re-offending. Key powers used include:
 - **Serious Crime Prevention Orders (SCPOs)** are civil orders to prevent or deter serious crime and include restrictions on communications devices, conducting specific types of business, bank accounts, associating with criminal associates and geographic restrictions.
 - **A Travel Restriction Order (TRO)** can be imposed on any offender convicted of a drug trafficking offence and sentenced to four years or more in prison, regardless of nationality.
 - **Financial Reporting Orders (FROs)** may be made by a court, on the application of a prosecutor, following a conviction for certain offences. They require a convicted criminal to report their financial details at regular intervals.
 - The imposition of **licence conditions** can also deter and frustrate offenders from committing further offences.
32. A wide range of investigative and intelligence techniques are used to monitor compliance with these restrictions. In particular, working closely with partners

including local authorities to exchange information to identify and reduce offenders' opportunities for returning to criminal activity. Durham Constabulary were the first force nationally to successfully gain a lifetime management order for a member of an organised crime group

Local Context and Partnership Approach

33. An objective of the working group was to gather and consider evidence on the approach and activity to tackle and disrupt organised crime by the Police and partners within the County.

34. Key Conclusions

- **There is a strong and effective partnership approach through the Disruption and Intervention Panel and utilising the Sledgehammer branding to disrupt organised crime activity within County Durham.**
- **The Council has a valuable role in contributing to the work of the Disruption and Intervention Panel**
- **The development of a Local Profile document requires all available information to be shared and partners are utilised to tackle organised crime**

35. Reducing the threat and harm from serious and organised crime is something Durham Constabulary acknowledge within their core deliverables set out in the Police and Crime Plan. The Chief Constable has publicly spoken on many occasions about his commitment and desire to relentlessly tackle organised crime groups within the force area. The Force has an ongoing campaign known as Sledgehammer with the clear aim to disrupt, dismantle and destroy organised crime groups and slogan 'hitting organised crime where it hurts'.



36. The types of activity linked to organised crime in County Durham are generally classed as 'volume crime' and while drugs and illegal alcohol and tobacco did form part of the spectrum, it is not the only aspect. It is noted that in many cases there were links from one type of activity to another, with links from drugs to firearms to exploitation and from illegal waste dumping to bypassing electricity and gas meters to avoid bills. This activity can impact on communities in respect of societal harms, harm to individuals and businesses. This also has a wider impact on public services, through increased burden on the public purse through greater demands placed on the Council, police, fire and health service and to the Government through loss of tax to the Treasury and locally, which can all impact on the economy.

37. Durham Constabulary were one of the first forces nationally who have 100% management of organised crime groups within their area and have identified over 35 Organised Crime Groups suspected to be operating within the force area. Each group has an assigned Financial Investigator and an identified lead officer as the plan owner.
38. Activities are coordinated by the relevant plan owner liaising with the relevant officers within Durham Constabulary, the NCA and partners including the council in relation to intelligence gathering activities. Tackling organised crime can be resource intensive, however partnership working and appropriate plan management ensures that every organised crime group receives the appropriate level of attention in County Durham. A case study of tackling an organised crime group is provided later in this report.
39. Community intelligence and partnership working is vital and has successfully led to the arrests, seizure of money and vehicles. In April 2014, a report to the Safer and Stronger Communities Overview and Scrutiny Committee highlighted that in the previous 12 months there had been a minimum of £560,000 worth of drugs seized, £332,000 in cash detained (which does not include confiscation orders made of criminal benefit) and there have been at least 70 arrests. In addition through the Proceeds of Crime Act, in the region of £4,000 has been given to community initiatives.
40. In addition, following operational activity or raids, proactive media releases have also been undertaken through the Sledgehammer branding to demonstrate the approach in hitting Organised Crime Groups where it hurts and to provide reassurance and confidence that the police were tackling issues of organised crime.
41. In line with the 'Pursue' element of the Government's Strategy, the force together with a wide range of partner agencies including Durham County Council, Darlington Borough Council, the Environment Agency, RSPCA, VOSA and County Durham & Darlington Fire & Rescue Service have an established Organised Crime Disruption and Intervention Panel. This is chaired by Durham Constabulary and working under the Sledgehammer brand. The aim of the group is to collectively utilise powers from each partner agency, gather intelligence and carry out activity in support of the 4Ps towards suspected organised crime groups. Members also note that Durham Constabulary has been invited to share its approach and practices with other police forces.
42. Tackling organised crime is led by Durham Constabulary but the Council's Environmental Health and Consumer Protection, Corporate Fraud, and Planning Service provide a valuable contribution to the work of the Disruption and Intervention Panel.

Local Area Profiles

43. In November 2014, the Government published a document 'Serious and Organised Crime Local Profiles: A Guide'. The document outlines principles for a consistent approach to fighting serious and organised crime nationally. Within this context, the purpose of the document is to identify the threat from serious and organised crime within a specific local area.
44. The document highlights that police forces will continue to conduct most law enforcement work on serious and organised crime and that they should be supported by a local, multi-agency partnership, including representatives from local authorities, education, health and social care, and immigration enforcement. The aim is to ensure that all available information and powers are brought to bear locally against serious and organised crime.
45. The objectives of the local area profiles are to:
- develop a common understanding among local partners of the threats, vulnerabilities and risks relating to serious and organised crime;
 - provide information on which to base local programmes and action plans;
 - support the mainstreaming of serious and organised crime activity into day-to-day policing, local government and partnership work; and
 - allow a targeted and proportionate use of resources.
46. The Government has set out a four stage process for the development of Local Profiles commissioning; production; sharing; and delivery. At the time of preparing this report, Durham Constabulary is developing its Local Profile and will build upon positive partnership working that has been established through the Disruption and Intervention Panel.

Recommendation 1

Cabinet note the work of the Council and partners in contributing to partnership activity to tackle organised crime through the Disruption and Intervention Panel.

Recommendation 2

Relevant organisations on the Safe Durham Partnership comply with all information and actions required to develop and deliver the Local Profiles Document. In addition, the Committee request that a progress report on the Local Profiles document is presented to a future meeting

Community Intelligence & Engagement

47. The review group has gathered evidence to assess the effectiveness of current approaches to engage and raise awareness of organised crime.

48. Key Conclusions

- **It is difficult to measure the effect on community confidence of tackling organised crime.**
- **There is a role for elected members in tackling organised crime through providing local intelligence.**
- **Positive engagement through education with communities and high confidence with police can deter people from involvement in organised crime, challenge attitudes and increase reporting of suspected activity.**
- **Innovative approaches to raise awareness of organised crime take place through PACT meetings, POCA funding and Media reports**
- **Neighbourhood Policing Teams provide links to communities and Elected Members**
- **Information can be reported anonymously via Crimestoppers**
- **Community intelligence has contributed to successful activity to tackle organised crime across the County.**

49. The Committee's review sought to identify the impact of tackling organised crime on crime reduction and community confidence levels. Whilst measures including the number and length of convictions, high profile seizures of illegal drugs, the seizure of properties, vehicles and jewellery can be recorded, it is difficult to measure the impact on crime and confidence levels purely on these results. It is also noted that many activities undertaken by organised crime groups will have been unreported and communities may have been unaware. However, Members were unanimous in the view that the approach that was being taken to disrupting activities of organised crime groups can achieve a positive impact within communities.

50. Home Office guidelines on the development of Local Profiles identifies the role of elected members and how they can contribute to tackling organised crime through local intelligence, ensuring that effective partnerships are established and maintained and through communication of appropriate information.

51. Organised Crime can be corrosive to a community, become an accepted feature of the environment and in some areas criminals become local role models. They may operate through fear and intimidation and believe they are untouchable. These behaviours can also lure young people and other

members of the community into criminality as they may not recognise the risks or consequences of criminal activities.

52. Communities or individuals may have suspicion or knowledge of activity relating to organised crime before it is known to law enforcement agencies. It is therefore imperative that they have the confidence to report information and this is emphasised within the PREVENT element of the Government's Strategy which includes objectives to:
- *'Deter people from becoming involved in serious and organised crime by raising awareness of the reality and consequences'*.
 - *'Provide communities, victims and witnesses affected by serious and organised crime with effective criminal justice and other support'*.
53. Working with communities through education and communication programmes can deter people from getting involved in organised crime, challenge attitudes to organised crime and encourage communities to report organised crime and support law enforcement work against it. It is within this context the strategy identifies the need for disruption but for this to happen, public confidence with the police is vital and that Neighbourhood Policing Teams have an important part to play through building trusted relationships, gathering community intelligence and resolving community concerns.
54. Evidence from research within the Government strategy has shown that when people are helped to recognise organised crime and the serious harm it causes, they are more likely to report it. The Strategy reports on a Home Office-funded Crimestoppers campaign to raise awareness of the role of organised crime and cannabis cultivation which led to a 25% increase in public reporting and directly to arrests and seizures of drugs and plants
55. Locally, the Safe Durham Partnership Plan identifies that "education and awareness continues to be a key part of the work of the Safe Durham Partnership in helping people recognise serious and organise crime and encouraging them to report it". Durham Constabulary and partners have actively engaged with communities relating to organised crime and currently has high confidence and victim satisfaction levels. Neighbourhood Police Teams provide effective communication of all areas of policing with local communities and links to elected members. The Force holds regular PACT meetings across the county which provides a platform for communication on matters of concern within that locality.
56. In 2014, the Chief Constable, Mr Barton attracted positive media attention through attending a PACT meeting to raise awareness of organised crime through the use of the 'Guess Who' board game. The purpose of this approach is to highlight the message that there was no stereotypical organised crime group member and that people of all ages, ethnicities and social backgrounds could be involved in organised crime.

57. The game also illustrates that people could be living next to a member of an organised crime group and that there were various types of activities that they undertook and if the public had information they could bring this forward to the police. A further element to this approach was to name and shame those involved in organised crime, with an example given where organised crime group members' names were given to the public in that area and their activities were listed, including: theft; cruelty to animals; drug dealing; and violence to highlight the impact they were having within that community. Subsequently and positively reported within the media was the arrest of an individual identified within the PACT meeting and seizure of assets, highlighting the effect to undermine the status of those involved in organised crime groups.
58. A separate example provided related to an elderly gentleman who had been storing a large quantity of drugs for another individual and demonstrated that it was not the stereotypical view of an offender involved in drugs. This example also illustrated that this person may have also been a victim in the context of not fully understanding the risks and consequences of his actions.
59. A presentation to the Safer and Stronger Communities Overview and Scrutiny Committee on consumer protection enforcement also demonstrated the vital importance and value of community intelligence in tackling tobacco houses. This intelligence has contributed in a number of joint operations between the Council's Trading Standards Team and Durham Constabulary resulting in the seizure of over 39,000 illegal cigarettes and more than 40 kilograms of hand rolled tobacco between the period 1April 2014 – 31st January 2015. Undertaking this work provided further information on the wider activity of organised crime groups.
60. Understandably people may feel vulnerable in reporting information relating to organised crime directly to the police and law enforcement agencies and at no point would authorities ask people to put themselves in any risk of danger to gather intelligence. Information provided to police is handled carefully and the recorded source of the information is protected. Communities can have confidence to report information anonymously through the crime fighting charity Crimestoppers through which the police do not receive personal details which could be used to identify the person reporting information.
61. Within County Durham, Crimestoppers is actively promoted by the police and partners to raise awareness and encourage reporting of a wide range criminal activity. Relating to organised crime, specific campaigns have been undertaken relating to cannabis farms and loan sharks. These have included 'scratch and sniff' cards being circulated to communities and PACT meetings to raise awareness of the smell of cannabis and how to report to it. In addition, working with Crimestoppers a campaign called VIPA (violence, intimidation, persuasion and aggression) was undertaken in specific areas to provide information on how to anonymously report organised gangs who may use violence and intimidation as a method of operating. In addition, Neighbourhood Police Teams are in regular communication with communities raising awareness of local issues of concern with the extensive

neighbourhood watch scheme that covers over 55,000 properties across the County.

62. Durham Constabulary and partner agencies using funding from Durham Agency against Crime and in some areas support from the Council's Area Action Partnerships, have also established Junior Neighbourhood Watch schemes within primary schools across the County. This is an exciting and positive approach to actively engage with primary school children to help them understand that crime prevention plays an important part in protecting them, their families, property and the area they live in.
63. Young people can be at risk of being lured into organised crime without knowledge of the risks or consequences and appropriate messages relating to organised crime are to be incorporated into the Junior Neighbourhood Watch programme.
64. Seizures through the Proceeds of Crime Act are highlighted to the public through media articles, press releases and social media to inform communities and the public of action taken to tackle organised crime through the Sledgehammer brand. Money seized from criminals operating in the Durham Constabulary force area was used to fund the purchase of new strips bearing the Sledgehammer logo for several children's football teams at Shotton Colliery. The aim of this approach is to engage with young people for them to see the work to tackle organised crime in the community in a positive light and demonstrate that those involved in organised crime groups are not to be admired and their lifestyles are not to be aspired to. This approach received TV coverage across the region and in addition to positive feedback from parents and coaches at the football club, over 100 children are now aware of Sledgehammer.

Recommendation 3

The Safe Durham Partnership continues work to raise awareness with partner agencies and communities to be alert and be confident to report activity that could be linked to organised crime.

Illegal Waste Sites

65. Durham Police identified illegal waste sites and their links to organised crime as areas to include within the review. Evidence has been gathered to assess current responsibilities and a case study example of partnership activity to tackle an illegal waste site linked to organised crime was considered.

66. Key Conclusions

- **Illegal Waste Sites can impact on people, communities, the environment and businesses and a case study highlighted how an organised crime group used waste to generate income**
- **Legislation to take enforcement action can be time consuming and lead to frustrations for communities**
- **Partnership Memorandum of Understanding in place to address illegal waste sites and provide intelligence on suspected organised crime to the Disruption and Intervention Panel .**
- **Case Study identified positive partnership approach to take effective action to remove and clear illegal waste sites at no cost to public purse**

Impact of Illegal Waste Sites

67. The Environment Agency defines waste sites as being illegal if they do not have a permit or do not meet other legal requirements i.e. waste exemption or planning permission. Waste crime has a detrimental impact on people and the environment. It can blight communities and causes pollution. People who handle waste illegally, do not invest in appropriate safeguards, can dispose of waste more cheaply and undercut legitimate waste contractors. Within its report 'The Economic Impact of Illegal Waste', published in December 2012, The Environment Agency estimates that waste crime diverts as much as £1 billion per annum from legitimate business and HM Treasury.
68. In terms of scale, it is estimated that between April 2012 and March 2013, nationally the Environment Agency stopped 1,300 illegal waste sites by closing them down or in some cases by bringing them into regulation. This topic was the focus of a BBC Inside Out programme in September 2014 that highlighted the devastating impact that this can cause upon communities and businesses within the County.
69. There are many victims of waste crimes and these include home owners, businesses, police and fire services and local authorities. Examples presented to the review group included an incident near to the east coast mainline where if a fire was to occur, notwithstanding the environmental impact and resource implications for agencies, would also result in financial penalties to the rail provider, affect rail passengers and have a significant disruptive impact on the national rail network.

Responsibilities

70. The Environment Agency have responsibility for tackling waste crime in relation to illegal waste sites, illegal export of waste, mis-description of waste

and high risk sites. There are currently 32 high risk sites within the region of which at the time of this report none were in County Durham. The Environment Agency also has responsibility for issuing of waste carrier licenses and permits to operate sites and that upon conviction for certain offences, these can be revoked.

71. In summary, powers to take enforcement action are through:
- ***The Environmental Permitting (England and Wales) Regulations 2010*** for either breaching the requirements of an environmental permit or for an activity where no permit is in place.
 - ***The Environmental Protection Act 1990*** for offences where no permit would be granted eg fly-tipping offences, keeping or treating waste eg burning of waste. There is also an offence under this legislation of being the controller of a vehicle used for waste offences, as well as various Duty of Care offences to ensure waste is managed properly and only transferred to properly authorised people. The Control of Pollution (Amendment) Act 1989 which is the legal requirement for carriers of waste to be registered with the Environment Agency stems from this.
 - ***Hazardous Waste (England and Wales) Regulations 2005*** which are the legal requirements for managing hazardous waste
 - ***Transfrontier Shipment of Waste Regulations 2007*** that details that the export of waste should only be for recycling or recovery in other countries that are assessed as able to deal with such wastes properly.
72. Notwithstanding these legal powers, tackling waste crime is not always a simple process and whilst these are pursued, legal processes can be resource intensive, costly, time consuming and lead to frustrations by communities and agencies when it appears that no visible action is being taken. It is therefore imperative that whilst enforcement action may be taken, partnership arrangements are also in place to take wider action with illegal waste sites and the Environment Agency work with local authorities, police, fire service, Driver and Vehicle Standards Agency, Health and Safety Executive and the waste industry.
73. At the time of undertaking the Committee's work a joint memorandum of understanding had been agreed between the Council and the Environment Agency. Through the Silver Command Group, council officers from a range of services work with partners from external agencies to tackle criminal activities masked by illegal or unregulated activities, particularly where these activities involve the storage, treatment or disposal of waste. The collective actions of the Group can have a significant impact on the individuals or businesses targeted.
74. Alongside this work, the everyday regulatory activities of the Environment Agency and the Council's Strategic Planning and Environment, Health and

Consumer Protection officers exercise control over a broad range of waste-related activities and premises.

75. Durham County Council and the Environment Agency recognise the need to work in partnership to effectively tackle environmental crime and to co-ordinate their regulation of waste businesses in County Durham given the overlap of enforcement duties.
76. A key aim of the document is to clarify the responsibilities of each of the signatories and to act as a point of reference in relation to those responsibilities for the public. This ensures that any future issues are directed to the people who have the expertise to deal with them.
77. All parties will work in partnership where possible, resolving complaints/issues in a timely manner. This will give a better customer service, protect the reputation of both authorities and provide the most efficient use of public resources.
78. To aid this partnership working a meeting is held at least every three months between the authorities at officer level to discuss new and ongoing issues and agree our joint approach. With representation on the Disruption and Intervention Panel from the Environment Agency and Durham County Council information relating to organised crime can be shared. In addition, issues of fly-tipping linked to this intelligence are brought to the attention of the Council's Street Scene Teams or Neighbourhood Wardens.

Links to Organised Crime

79. With regard to identifying links to organised crime, the Disruption and Intervention Panel includes the Environment Agency and creates a process to share information regarding potential problem sites and identify potential actions that could be taken to remedy situations and prevent larger problems. Whilst prosecutions will be pursued where appropriate working in partnership can lead to more creative thinking and use of wider powers to reach a more effective conclusion that best deals with the situation.

80. Landowners will be traced and enforcement taken where appropriate but it is important to note that the landowners may also be victims as they may have rented or leased the land and be unaware of activities until approached by the local authority or Environment Agency. Information sharing with the council's planning service enables assessment of compliance with any conditions and/or associated breaches.



81. To illustrate the impact of this crime and effectiveness of partnership working a case study was provided. This illustrated an organised crime group which was operating across three sites in County Durham and Darlington. Waste collected by the operating company was stripped of any items of value and then dumped in large warehouses and compounds without being correctly processed. This resulted in volumes of waste overflowing out of a warehouse in Darlington and at Shildon an uncovered mound was higher than surrounding buildings. A conviction had been secured by the Environment Agency but a significant pile of waste at the barrier works in Shildon and a previous fire prevented a neighbouring company from obtaining insurance and threatened their future.
82. Working in partnership, agencies intervened to facilitate the obtaining of insurance for the company, safeguarding employment and business. Whilst a further conviction was obtained, partnership work with the Vehicle Operator Standards Agency and an insurance company ensured no further waste collections were being made or dumped. However, there was still the issue of who would pay to clean up the waste on the site. In May 2013, a serious fire broke out at the site in Darlington engulfing the waste pile and in addition to the detrimental effect on the local community and environmental impact this had a significant resource implication for the fire service as it took 45 fire-fighters one week to extinguish the blaze.
83. The landowner was traced and looking further into the sale contract and planning permission of the site, it was established that the site was only permitted to treat the waste inside the building on the site, not outside within the larger compound.
84. Subsequently, action was taken resulting in the landowner having responsibility for clearing the site at a cost of £500,000, and £62,000 court costs. The Health and Safety Executive (HSE) determined that the damaged building needed to be demolished and the site was cleared in August 2014, with the Environment Agency overseeing the operation. The site at Shildon had the same landowner and had breached planning regulations and was also cleaned up.
85. This approach emphasised the significant impact of illegal waste sites on adjacent businesses and neighbouring communities and the link to organised crime. Using an innovative partnership approach involving a range of public sector organisations and a combination of both criminal and civil court action undermined this organised crime group and led to the clean-up of the sites and not at the public's expense.



Recommendation 4

Through the Memorandum of Understanding the council work with the Environment Agency to take prompt action when illegal waste sites are identified.

Risk of fraud through Organised Crime on Durham County Council

86. This area of the report considers the Council's internal measures and approaches to prevent fraud and reduce the risk of organised crime.

Key Conclusions

- **Estimated cost of fraud on local government nationally is £2.1bn**
- **Durham County Council has a zero tolerance approach to fraud and has reviewed policies and created a Corporate Fraud Team**
- **Pilot exercise currently being undertaken to reduce the risk of organised crime through procurement activity**
- **Training sessions to be held to raise awareness of fraud with staff and Members**

National Impact

87. Nationally, it is estimated that fraud against the public sector costs about £20 billion each year of which the majority is against the tax system. The Government's Serious and Organised Crime Strategy estimates that about £5 billion of the annual UK 'tax gap' (the gap between tax owed and tax collected) is due to organised crime.

88. By way of context, the National Fraud Authority's Annual Fraud Indicator report 2013, estimates that local government might be losing £2.1 billion to fraud. This estimated figure consists of loss due to:

- grants (£35 million);
- payroll (£154 million);
- pension fraud (£7.1 million);
- procurement (£876 million);
- fraudulent council tax discounts and exemptions (£133 million);
- Blue Badge Scheme abuse (£46 million) and,
- housing tenancy fraud (£845 million).

89. The Government's Serious and Organised Crime Strategy includes an objective to 'Protect national and local government' and aims 'to increase work to cut fraud against government and in particular local government procurement.'

90. The strategy encourages collaboration between law enforcement agencies and local authorities to contain the risk that serious and organised crime might benefit from local authority procurement, highlights concern about organised criminals tendering for public sector contracts, including through the use of front companies. In response, the Government aims to develop secondary legislation to implement the modernised EU Public Procurement Directive that ensures appropriate checks and controls in the public sector procurement process exclude companies involved in organised crime.

Council Counter fraud approach

91. The Council has a zero tolerance policy on its approach to tackling fraud and by adopting this method aims to reduce the risk of fraud but it is to be acknowledged that is difficult to assess what percentage or monetary value of fraud is identified or linked to organised crime.
92. The Council has taken a number of positive actions to tackle and prevent fraud through revising its Counter Fraud and Corruption Strategy, Confidential Reporting Code (Whistleblowing) and integration of the Benefit Fraud Team into the Internal Audit and Risk Division to create a Corporate Fraud Team. These approaches have enhanced an anti-fraud culture and further developed partnerships both internally and externally including with the Home Office, Durham Constabulary and other local authorities within the region.
93. A representative from the Council's Corporate Fraud Team attends the Organised Crime Disruption and Intervention Panel. Public sector organisations can share data to disrupt organised crime and help protect the public purse. The Council in partnership with Durham Constabulary are participating in a Home Office pilot data sharing exercise linked to organised crime and procurement.
94. Whilst it is acknowledged that not all fraud is organised crime, it was highlighted that organised crime groups may target any area through which they could achieve a financial reward or benefit. These could include housing benefit and council tax support, single person discount or fraudulent use of a blue badge but this also provides scope for the police and partner agencies to disrupt organised crime activities.

Raising awareness and training

95. The Council publicises enforcement outcomes following fraud investigations to raise awareness and act as a deterrent and this is of assistance to the continued development of internal and external partnerships to build intelligence and also deter fraud from happening.
96. Raising awareness is essential and the council aims to support the culture of deterring and detecting fraud by encouraging employees and members of the public to raise any concerns. Contributing to this, awareness sessions are to be developed by the Corporate Fraud Team with frontline staff such as social

workers, housing staff and contractors to be able to identify where fraud may be occurring and reduce the risk of organised crime upon the council.

Recommendation 5

Cabinet note the potential risk of organised crime through fraud and that following conclusion of the Home Office project look to seek if learning from this work can be implemented more widely.

Recommendation 6

Enhance training and awareness raising in relation to organised crime through:

- **an awareness session on Organised Crime for Elected Members**
- **Integrating organised crime information within the Council's fraud awareness training, including consideration of developing on-line training information.**

Appendix 1

Main Objective	Success will mean that	Objectives to be delivered
Pursue	<ul style="list-style-type: none"> • At home, relentless disruption of serious and organised crime and the prosecution of those responsible reduces the threats we face • Overseas, better international collaboration drawing on wider resources more effectively disrupts global organised crime 	<ul style="list-style-type: none"> i. Establish strong organisations and effective collaboration to lead work against serious and organised crime ii. Develop our capabilities to detect, investigate, prosecute and disrupt serious and organised crime iii. Attack criminal finances by making it harder to move, hide and use the proceeds of crime iv. Ensure that effective legal powers are available and are used to deal with the threat from serious and organised crime v. Internationally, improve our own capabilities and our cooperation with others to better tackle organised crime networks
Prevent	<ul style="list-style-type: none"> • Fewer people engage in serious and organised criminal activity • We reduce reoffending by people convicted for serious and organised crime 	<ul style="list-style-type: none"> i. Deter people from becoming involved in serious and organised crime by raising awareness of the reality and consequences ii. Use interventions to stop people being drawn into different types of serious and organised crime iii. Develop techniques to deter people from continuing in serious and organised criminality iv. Establish an effective offender management framework to support work on Pursue and Prevent
Protect	<ul style="list-style-type: none"> • We reduce our vulnerability to serious and organised crime, across government and the private sectors and among the public. 	<ul style="list-style-type: none"> i. Protect our borders from serious and organised crime ii. Protect national and local government from serious and organised crime iii. Improve protective security in the private sector by sharing intelligence on threats from serious and organised crime iv. Protect people at risk of becoming the victims of serious and organised crime v. Improve our anti-corruption systems vi. Strengthen systems for establishing identity so that serious and organised criminals are denied opportunities to exploit false or stolen personal data
Prepare	<ul style="list-style-type: none"> • Major serious and organised crime incidents are brought to a rapid and effective resolution • Communities, victims and witnesses affected by serious and organised crime have the support which they need 	<ul style="list-style-type: none"> i. Ensure that we have the necessary capabilities to respond to major serious and organised crime incidents ii. Provide the communities, victims and witnesses affected by serious and organised crime with effective criminal justice and other support

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Cabinet

16 September 2015

**Forecast of Revenue and Capital
Outturn 2015/16 for General Fund and
Housing Revenue Account – Period to
30 June 2015**



**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 a forecast of 2015/16 revenue and capital outturn, based on the period to 30 June 2015 for the Council's General Fund and Housing Revenue Account. The report also includes the forecasts for the Council Tax Collection Fund and Business Rates Collection Fund.

Background

- 2 This report is the first indication of the revenue and capital outturn for 2015/16 based on actual expenditure and known commitments as at 30 June 2015, together with the forecast balances on general reserves and earmarked reserves at 31 March 2016.

Revenue – Current Position to 30 June 2015

- 3 The table overleaf compares the forecast with the revised budgets and is shown in more detail in Appendices 2 and 3.
- 4 The following adjustments have been made to the Original Budget that was agreed by Full Council in February 2015:
 - (i) agreed budget transfers between Service Groupings;
 - (ii) additions to budget for items outside the cash limit (for Cabinet consideration and recommended approval);
 - (iii) planned use of or contribution to Earmarked Reserves (please refer to Appendix 4).

Forecast of General Fund Revenue Outturn 2015/16

	Original Budget 2015/16	Budget - incorporating adjustments	Service Groupings Forecast of Outturn	Forecasted Variance
	£'000	£'000	£'000	£'000
Assistant Chief Executive	10,163	9,430	9,278	-152
Children and Adults Services	251,450	259,363	251,751	-7,612
Neighbourhood Services	104,236	107,169	106,593	-576
Regeneration and Economic Development Resources	41,535	25,775	25,482	-293
	15,855	15,893	15,208	-685
Cash Limit Position	423,239	417,630	408,312	-9,318
Contingencies	5,690	2,471	2,471	0
Corporate Costs	4,980	4,502	4,334	-168
NET COST OF SERVICES	433,909	424,603	415,117	-9,486
Capital charges	-48,977	-48,977	-48,977	0
Interest and Investment income	-1,641	-3,168	-4,113	-945
Interest payable and similar charges	38,530	44,168	43,910	-258
Levies	0	16,555	16,555	0
Net Expenditure	421,821	433,181	422,492	-10,689
Funded By:				
Council tax	-174,134	-174,134	-174,134	0
Use of earmarked reserves	-11,511	-22,641	-22,641	0
Estimated net surplus on Collection Fund	-500	-500	-500	0
Start up Funding Assessment	-215,540	-215,540	-215,540	0
New Homes Bonus	-8,322	-8,322	-8,323	-1
New Homes Bonus - Re-imburement	-377	-377	-377	0
Section 31 Grant - Small business rate relief	-2,398	-2,398	-2,461	-63
Section 31 Grant - Settlement Funding Assessment Adj	-919	-919	-505	414
Section 31 Grant - Retail Adjustment	-1,681	-1,681	-1,645	36
Education Services Grant	-6,002	-6,002	-6,010	-8
Forecast contribution to/from(-) Cash Limit Reserve	-437	-667	8,651	9,318
Forecast contribution to General Reserves	0	0	993	993
TOTAL	0	-0	0	0

Note: Negative figures in the variance column represent an underspend or overachievement of income

Note

- The Children and Adults Services budget has changed due to the increased use of earmarked reserves. The main increase is in respect of schools balances and is further explained in paragraph 46.
- The Regeneration and Economic Development (RED) budget has changed as a result of moving the North East Combined Authority levy (£16.176m) from the Net Cost of Services to reflect the correct accounting treatment. Other minor levies were also moved from the Resources budget.

- 5 The sums Service Groupings have proposed as being outside the Cash Limit are detailed below:

SERVICE GROUPING	PROPOSAL	Amount
		£m
All Services	Car Mileage	0.240
Neighbourhoods	Climate Change Levy	0.200
RED	Whinney Hill School – Security (Surplus Property)	0.035
Total		0.475

- 6 The car mileage sums relate to MTFP savings factored into the 2015/16 budget from a reduction in the car mileage rate per mile from 48p to 45p. Negotiations are underway with trade union colleagues on this and a range of other changes to terms and conditions but the MTFP saving will not be achieved in year.
- 7 The Climate Change levy was changed by the Chancellors July Budget and this has had an adverse impact on the income budget for power generation at Joint Stocks, which is outside the control of the service grouping. This will be a continuing budget pressure in 2016/17.
- 8 The Whinney Hill School costs relate to the former school site which is empty and awaiting demolition or sale and for which RED have no budget provision as this was formerly funded through the Dedicated School Grant.
- 9 After adjusting the budgets as detailed above the forecast outturn for Cash Limit Reserves and the General Reserve are summarised in the table below:

Type of Reserve	Opening Balance as at 1 April 2015	Budgeted use at 1 April 2015	Movement during 2015/16		2015/16 Forecast of Outturn
			Planned contribution to (-) or use of reserve	Contribution to (-) or use of reserve	
	£m	£m	£m	£m	£m
Service Grouping Cash Limit					
Assistant Chief Executive	-0.773	0.000	0.000	-0.152	-0.925
Children and Adults Services	-9.443	0.249	0.000	-7.612	-16.806
Neighbourhoods	-5.076	0.080	0.130	-0.576	-5.442
Regeneration and Econ Development Resources	-3.216	0.000	0.040	-0.293	-3.469
	-3.857	0.108	0.060	-0.685	-4.374
TOTAL CASH LIMIT RESERVE	-22.365	0.437	0.230	-9.318	-31.016
General Reserve	-28.897	0.000	0.000	-0.993	-29.890

- 10 The forecasted Cash Limit and General Reserves position is a prudent one given the forecasted levels of savings the Council needs to make of £102.8m over 2016/17 to 2018/19, as the delivery of such is becoming more and more difficult to achieve.

- 11 The reasons for the major variances against the revised budgets are detailed by each Service Grouping below.

Assistant Chief Executive

- 12 The forecast revenue outturn for 2015/16 is a cash limit underspend of £0.152m for the year after taking account of the forecast use of reserves and items outside the cash limit.
- 13 The forecast 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 projected underspend is the net effect of the following items;
- Partnerships and Community Engagement - £7k underspend, primarily due to a managed underspend on supplies and services related costs within the Area Action Partnerships (AAPs).
 - Planning and Performance – £6k managed overspend on employee related costs due to the small amount of vacancies in the service.
 - Policy and Communications - £0.151m underspend, predominantly resulting from a £81k managed underspend on employee related costs across the service together with a £70k underspend on the supplies and services budget through tight control of expenditure in this area.
- 14 In arriving at the forecast cash limit outturn position £0.732m relating to contributions to and from reserves and cash limits have been excluded from the outturn.
- 15 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the total cash limit reserve forecasted to be carried forward for ACE is £0.925m from April 2016 – a forecasted increase of £0.152m.

Children and Adults Services

- 16 The 2015/16 projected outturn position for Children and Adults Services (CAS), based on the position to 30 June 2015, is a cash limit underspend of £7.612m. This represents circa 3% of the total budget for CAS.
- 17 The projected outturn takes into account adjustments for sums outside the cash limit including redundancy costs which are met from the corporate reserves, capital accounting entries and use of / contributions to earmarked reserves.
- 18 The forecast underspend is a managed position, reflecting the proactive management of activity by Heads of Service across CAS to remain within the cash limit. The forecast underspend is accounted for by the net effect of the following items:
- Early achievement of a number of proposed future MTFP savings from management and support service proposals across the Adult Care and related areas, together with the careful management and control of

vacant posts and supplies and services budgets across the service has created a projected net underspend for the year of circa £4.1m;

- Net spend on adult care packages is forecast to be circa £2.9m below budget, which represents circa 3% of the adult social care budget. This area of spend is being closely monitored to assess the impact of demographic and procedural/operational changes. Ongoing savings have arisen from the consistent and effective application of the existing eligibility criteria, and the ongoing transformational change agenda, linked to the provision of social care, will further refine processes. CAS Service Managers are reviewing their approach to current savings in order to consider building this increased saving associated with consistent application of eligibility criteria into the MTFP in future years. This will need to be carefully considered in light of transition cases, the potential for increased care package costs linked to older carers, and general increases in demand.
- Children's Services is forecasting a net overspend of £0.210m. This is primarily related to additional staffing costs incurred to provide required cover for absences/vacancies and higher than budgeted costs associated with looked after children, offset by savings relating to looked after children travel arrangements and additional income within the One Point Service, combined with reduced premises and supplies and services costs.
- The Education Service is currently forecasting a net underspend of £0.818m. In the main the underspend relates staff vacancies, reduction in pension liabilities and additional Service Level contract income, which represents 4% of the education budget.

19 Taking the projected outturn position into account, including the transfer to/from Reserves in year, the estimated cash limit reserve to be carried forward for Children and Adults Services is forecast to be £16.806m – a forecasted increase of £7.612m.

Neighbourhood Services

20 The forecast revenue outturn for 2015/16 is a cash limit underspend of £0.576m, after taking account of the forecast use of reserves and items outside the cash limit.

21 The forecast underspend is a managed position, reflecting the proactive management of activity by Heads of Service across Neighbourhoods to remain within the cash limit. The main reasons accounting for the outturn position are shown below:

- Direct Services are forecast to be underbudget by £0.812m. £0.481m of this relates to underspends on premises costs relating to Admin Buildings closing early as part of the office accommodation programme, which will be used to achieve MTFP savings in 2016/17 earlier than originally planned, together with a further £0.631m of other proposed 2016/17 MTFP savings being achieved early. These underspends are being offset by a managed overspend of £0.300m relating to investment in cemetery repairs and maintenance.

- Technical Services is showing a balanced position in 2015/16, with a small overspend outturn position of £35k being reported. Within this there are savings on employee costs within Design Services and additional surplus on the trading account areas of £0.241m forecast, which have offset overspends on utility costs and increased activity in the non-trading areas, particularly relating to policy led expenditure on highways maintenance in relation to Category 1 and 2 defects.
- Environment, Health and Consumer Protection is projected to underspend by £0.192m, largely attributable to underspends on employees, supplies and services and transport in Health Protection, Consumer Protection and Environmental Protection.
- Projects and Business Support is forecast to overspend by a net £0.387m, primarily due to significant increases in the Materials Recycling Facility (MRF) costs within the Strategic Waste (£1.2m) which are as a result of a national reduction in the market value of recycled materials and therefore outside the control of the Council, together with reduced income of £0.2m from power generation at Joint Stocks as a result of changes to the Climate Change Levy introduced in the Chancellor's July Budget. These overspends are being offset by £0.476m of savings on the waste disposal budgets and underspends on employee and supplies and services across all other areas of the service. The £0.2m budget pressure in relation to power generation has been treated as outside the cash limit.

22 In arriving at the forecast outturn position £3.663m relating to contributions to and from reserves and cash limits have been excluded from the outturn.

23 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the forecasted cash limit reserve to be carried forward for Neighbourhood Services is £5.442m – a forecasted increase of £0.576m.

Regeneration and Economic Development (RED)

24 The forecast revenue outturn for Regeneration and Economic Development is a cash limit underbudget of £0.293m. 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.

25 The forecast underbudget is a managed position. The Heads of Service across RED continue to proactively manage activity to remain within the cash limit. The main reasons accounting for the outturn position are shown below:

- Strategy Programmes and Performance - £31k managed saving on employee related costs due to vacancies, maternity leave and staff working reduced hours.
- Economic Development and Housing - £0.210m under budget, primarily due to managed savings on employee related costs as a result of restructuring and residual income from the FamilyWise project.

- Planning and Assets - £0.270m overspend, which is broken down into a £23k underspend in the Planning Service and a £0.293m overspend in Assets. Assets is continuing to experience income pressures, mainly from Newgate Street in Bishop Auckland, the Brackenhill Centre in Peterlee, the Millennium Square in Durham City and the Beveridge Arcades where budgeted rental income is not being achieved.
 - Transport - £0.322m underspend, primarily resulting from reduced payments on the Bus and Rail contracts.
- 26 In arriving at the forecast outturn position some £0.821m relating to contributions to and from reserves and cash limits has been excluded from the outturn.
- 27 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the forecasted cash limit reserve to be carried forward for Regeneration and Economic Development is £3.469m – a forecasted increase of £0.293m.

Resources

- 28 The forecast revenue outturn for 2015/16 is a cash limit underbudget of £0.685m for the year after taking account of the forecast use of reserves and items outside the cash limit.
- 29 The forecast underbudget is a managed position. The Heads of Service across Resources continue to proactively manage activity to remain within the cash limit. The main reasons for the projected underbudget position is the net effect of the following items:
- Corporate Finance is forecast to be underbudget by £0.125m. £0.112m of this relates to a managed under budget position in employee related expenditure, in advance of MTFP savings requirements in 2016/17, with the £13k balance from over recovery of income, mostly from VAT services.
 - Financial Services is forecast to be underbudget by £0.116m, consisting primarily of a managed underbudget against staff travel costs (£73k) and a forecast over recovery of income (£0.184m), offset by overbudgets on work packages (£0.100m) and supplies and services (£34k).
 - Human Resources is forecasting a balanced position, with a small underbudget position of £4k through minor variances across a number of budget heads.
 - ICT Services is forecasting an overbudget position of £0.197m, which includes an agreed £0.270m contribution to fund investment in corporate ICT systems which are being funded by Resources, consisting of: a SharePoint Upgrade (£50k); investment in Forensic Investigation Hardware & Software Replacement (£25k); Server Replacements (£0.110m); and the Upgrade of Internet Service Provider (ISP) Provision (£85k). This is partly offset by the net effect of

underbudgets on running costs (£0.213m) and income (£3k) and overbudgets on employees (£79k) and Digital Durham (£64k).

- Internal Audit & Risk is forecast to be underbudget by £0.121m resulting from a £74k underbudget on employees and a £45k over recovery of income plus other minor variances.
 - Legal and Democratic Services is forecast to be underbudget by £0.447m, mostly from a £0.350m underbudget on employees, following the implementation of a restructure to achieve MTFP savings. Another factor is £72k over recovery of income, primarily from increased schools SLA income of £59k, after an increase in charges to ensure recovery of costs incurred in service delivery.
 - Service Management is forecasting a £69k underbudget position arising from income from Northumberland for providing HR support.
- 30 There is also a £0.168m underbudget against Centrally Administered Costs, comprising expenses associated with raising loans (£41k), Audit Fees (£94k), subscriptions (£18k) and over recovery of credit card income (£15k).
- 31 In arriving at the forecast outturn position some £0.344m relating to contributions to and from reserves and cash limits have been excluded from the outturn.
- 32 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the forecast cash limit reserve to be carried forward for Resources is £4.374m – a forecasted increase of £0.685m.

Central Budgets

- Interest Payable and Similar Charges - Capital Financing

- 33 Following a review of capital financing costs, linked to re-profiling within the capital programmes earlier in the year, there is a forecast underspend of £0.258m. This saving is being achieved due to lower than forecast interest rates on loans and borrowing not needing to take place yet due to higher levels of cash balances than forecast.

- Self Financing Capital Schemes

- 34 Since 2011/12 the Council has supported a wide range of 'Self Financing' capital schemes. The schemes are deemed to be 'Self Financing' as they either reduce costs or generate additional income. To be 'Self Financing' the schemes must have a 'payback' of 10 or less years.
- 35 In total, schemes to the value of over £40m have been supported with Service Groupings being required to transfer revenue budget to the 'Capital Financing' budget to pay for the borrowing costs. The budget is then transferred back to the Service Grouping once the debt is repaid. This can be over a period of between 5 to 25 years dependent upon the asset life of the investment.
- 36 An opportunity is available to support the Medium Term Financial Plan (MTFP) by releasing the savings generated from the Self Financing capital

schemes early. To do so would require funding being made available to repay the capital balances outstanding. Funding is not available to repay all outstanding sums but it is felt that the following schemes with outstanding balances could be considered:

Scheme	Total Expenditure	Sum Repaid to Date	Balance Remaining	Revenue Saving
	£	£	£	£
Street Lighting - Phase 1	2,656,000	441,884	2,214,116	212,000
Wheeled Bins	4,200,000	446,816	3,753,184	345,323
Solar Voltaics	2,855,459	187,147	2,668,312	201,400
Archiving Obsolete ICT	500,000	40,640	459,360	64,148
Dark Fibre Networking	1,243,328	251,353	991,975	159,511
Telephony and Contact	1,145,000	382,278	762,722	147,101
TOTAL	12,599,787	1,750,118	10,849,669	1,129,483

37 The table above highlights that for the six schemes identified:

- (i) Total original capital investment was £12.6m
- (ii) The outstanding capital is £10.85m
- (iii) If the capital sums outstanding were repaid the recurrent savings to the MTFP would be £1.13m.

38 A saving contribution to MTFP (6) of £1.13m would be significant and would support the protection of front line services. The following options are available to finance the repayment of the outstanding £10.85m:

- (i) Corporate Contingencies – based upon the Quarter 1 Forecast of Outturn it is estimated that this budget could be reduced by £4m.
- (ii) Capital Financing – high cash balances are enabling the council to delay the need to borrow to finance capital expenditure. In 2015/16 it is estimated that a sum of £4m could be made available from this budget.
- (iii) Capital Receipts – during 2014/15 the council overachieved against the capital receipts target by £1.4m. This sum could be utilised in this regard.
- (iv) Capital Reserve – the residual £1.45m required to finance the outstanding capital could be financed from the £2.8m Capital Reserve.

39 It is recommended that the options considered above are utilised to repay the £10.85m capital sum outstanding. This will result in a saving of £1.13m which will be utilised to support MTFP (6).

- Interest and Investment Income

- 40 The forecast of outturn at this stage is an overachievement of income of £0.945m which is due to a higher than anticipated level of cash balances. This is due in the main to slower than expected use of reserves and capital expenditure.

Council Earmarked Reserves Forecast

- 41 The table at Appendix 4 sets out the 56 earmarked reserves that the Council has plus two earmarked reserves for schools, where funding has been set aside in anticipation of future expenditure and shows the forecasted balance on these reserves by 31 March 2016.
- 42 A summary of the latest forecast of Council reserves by 31 March 2016 is shown below:

	Earmarked	Cash Limit	TOTAL
	£m	£m	£m
Opening Earmarked Balances as at 1 April 2015	-157.571	-22.365	-179.936
Less/Plus Forecasted usage/increase of Earmarked Reserves	17.736	-8.651	9.085
Forecasted Earmarked Reserve Balance as at 31 March 2016	-139.835	-31.016	-170.851

Schools

- 43 The total delegated budget for maintained schools (including early years' providers) in 2015/16 is £258.382m. In addition, schools are estimated to receive around £20.751m in Pupil Premium income and £18.231m in other income. Other income consists of:

	£'000
Grant Income	9,360
Sales	5,339
Lettings	903
Income from local authority	1,370
Other	1,259
Total	18,231

- 44 Grant income includes funding for Universal Infant Free School Meals, PE and infant class sizes. Sales income is mainly from school meals and out-of-hours care e.g. breakfast clubs. Income from the local authority is mainly

funding for early years funding and funding from Communities of Learning budgets, which are used to support provision for special educational needs.

- 45 All schools have delegated budgets and most have earmarked reserves / accumulated balances arising from underspending in previous years. Where schools spend more than their delegated budgets in any one year, the overspend reduces their accumulated balance carried forward to the following year. At 31 March 2015, 9 schools had a deficit balance, where their spending had exceeded their delegated budget / resources, totalling £1.779m, 16 schools were holding a balance of less than 2.5% of their overall annual funding and 229 schools had balances of more than 2.5% of their overall annual funding. The Council encourages schools to have a retained balance of at least 2.5% of their overall annual funding to provide a contingency sum against unforeseen budget pressures.
- 46 Cumulative school reserves brought forward from 2014/15 were £24.245m. This balance is net of loans to schools and other balances not related to maintained schools. Maintained schools balances amounted to £24.098m. Based on budget plans approved by Governing bodies and the latest updated forecasts, schools are currently planning to use £6.355m of these balances in 2015/16. The forecast balances at 31 March 2016 are therefore £17.743m and a summary of this forecast position is provided below:

	Nursery	PRU	Primary	Secondary	Special	Total
Schools forecasting a surplus balance above 2.5% of annual funding						
Number	12	-	187	6	9	214
Forecast Balances	(£724,948)	-	(£16,519,060)	(£1,247,125)	(£1,822,784)	(£20,313,917)
Schools forecasting a surplus balance of less than 2.5% of annual funding						
Number	-	-	22	7	-	29
Forecast Balances	-	-	(£275,529)	(£488,999)	-	(£764,527)
Schools forecasting a deficit balance						
Number	-	1	2	3	-	6
Forecast Balances	-	£322,346	£14,975	£2,997,649	-	£3,334,969
Total						
Number	12	1	211	16	9	249
Forecast Net Balances	(£724,948)	£322,346	(£16,779,614)	£1,261,525	(£1,822,784)	(17,743,475)

- 47 The Council is working with the schools in deficit and there is a more integrated approach in place now, with officers in the Education Service being supported by Finance and HR to determine appropriate action to support these schools in the context of their financial position and any wider education / performance concerns.

- 48 A summary of the latest forecast of schools' balances and DSG reserve by 31 March 2016 is shown below:

	Schools and DSG
	£m
Opening Schools' and DSG Balances as at 1 April 2015	-34.609
Less/Plus Forecasted usage/increase of Reserves	6.355
Forecasted Schools' and DSG Reserve Balances as at 31 March 2016	-28.254

Housing Revenue Account (HRA)

- 49 On 13 April 2015, the Council transferred its housing stock of 18,500 dwellings to the County Durham Housing Group. Consent was received from the Secretary of State to close down the HRA any time from 30 April 2015 onwards as the Council is no longer a social housing landlord and not required to maintain a ring-fenced HRA.
- 50 There are some residual transactions still taking place reflecting the relatively short period of activity in 2015/16 and also costs associated with delivering stock transfer in April which have been met from available income and reserves. Work is ongoing to close off all residual transactions in the HRA and the final position will be reported at quarter 2. This will include transferring the HRA balance of £26.078m at 31 March 2015 to the Council's General Fund' earmarked reserves.

Capital

Background

- 51 The General Fund (GF) capital budget for 2015/16 was set at £148.479m by Council on 25 February 2015. Re-profiling from the 2014/15 capital programme outturn into 2015/16, amounting to £18.736m was reported to Cabinet on 15 July 2015.
- 52 The Council's Member Officer Working Group (MOWG) that closely monitors the capital programme has since recommended approval to Cabinet of further revisions to the capital programme, taking into account additional resources received by the authority and further requests for re-profiling as Service Management Teams continue to monitor and review their capital schemes.

Current Position

- 53 The following table summarises the latest capital budget recommended to be submitted to Cabinet for approval by MOWG on 6 July 2015. The table also

shows the forecast outturn for each service and the actual capital spend as at 30 June 2015.

Service Grouping	Original Budget 2015/16	Re-profiling from 2014/15 to 2015/16	Amendments recommended by MOWG	Revised Budget 2015/16	Projected Outturn 2015/16	Actual Spend to 30 June 2015
	£m	£m	£m	£m	£m	£m
Assistant Chief Executives	3.768	2.007	-0.094	5.681	5.681	0.350
Children and Adult Services	34.366	6.818	9.540	50.724	50.724	10.402
Neighbourhoods	35.691	6.057	6.756	48.504	48.504	8.065
Regeneration and Economic Development	61.307	3.367	-24.063	40.611	40.611	3.596
Resources	13.348	0.487	0.074	13.909	13.909	2.109
Total	148.479	18.736	-7.787	159.428	159.428	24.523

54 Since the 2015/16 budget was approved at Council on 25 February 2015, MOWG have considered a number of variations to the capital programme to be submitted to Cabinet for approval – of which the following are of note:

- **ACE** – Direct Revenue Funding to the value of £0.175m has been allocated to increase the Members' capital budget.
- **CAS** – CAS have been awarded capital Basic Need Grant which is now confirmed and reflected in the capital budget. It was requested via MOWG to increase the capital Budget by £0.488m in 2015/16 and £2.02m in 2017/18 in line with the grants awarded.
- **Neighbourhood Services** – Further to the separate Highway Maintenance report considered by MOWG on 22 May 2015 the Street Lighting budget is proposed to be increased by £2.7m and the Highways Maintenance budget by £3.0m. These budget increases will be met by a combination of corporate contingencies and borrowing.
- **RED** – RED has successfully identified £0.3m of contributions from private investors to enable further development of the Dawdon Group Repair scheme. It is anticipated that activity related to this additional investment will be undertaken in 2015/16.
- **RED** – The RED budget has increased in 2015/16 by £13.6m in line with previous agreement to facilitate development of Merchant Park and remedial work at Pelaw Wood. A request to increase the budget in connection with the Local Pinch Point project at Chester le Street (£0.22m) funded by grant together with four other schemes with a total of £40k funded by grant and revenue contribution also is also included subject to Cabinet approval.

- **RED** – Additional external funding of £0.774m has been received from the Coastal Communities Fund towards Seaham Harbour Marina which is to be overseen by the Seaham Marina Community Investment Company. The funding is to assist the Marina in realising its economic potential and establish the Marina as a centre for leisure and recreation, creating jobs, business start-ups and generating more visitors to the area. In addition, section 106 funding to the value of £95k has been secured towards the Consett Streetscape project.

55 Budget managers continue to challenge and review the programming and phasing of works, which has resulted in the re-profiling of the following budgets in line with anticipated activity:

- **ACE** – budget totalling £2.007m was re-profiled from 2014/15 to 2015/16 broken down as follows - AAP Capital Budgets: £92k, Community Buildings: £0.267m, and Members Neighbourhood Fund: £1.648m.
- **CAS** – sums of £11.086m (associated with 11 schemes) and £6.188m (associated with 16 schemes) were re-profiled into 2015/16 to reflect the changes to the anticipated programme of works. Primarily, this relates to school-related projects including school devolved capital.
- **Neighbourhood Services** – sums of £4.406m (in connection with 11 projects) and £6.584m (in connection with 14 schemes) were re-profiled from 2014/15 to 2015/16 to meet future commitments on these projects. Primarily, this relates to Vehicle and Plant (£2.38m), Customer Access points (£1.63m) and Strategic Highways (£1.9m). Furthermore, £2.0m of the additional funding received for Improvements to Street Lighting was re-profiled into 2016/17. MOWG are recommending to Cabinet that it supports the request for the re-profiling of £1.5m relating to the Highways Maintenance budget into 2016/17. The transfer of the CAS Public Health budget of £1m to Neighbourhoods was also re-profiled as follows:

2015/16	2016/17	2017/18
£0.300m	£0.400m	£0.300m

- **RED** – MOWG considered and supported the re-profiling of £13.637m of the 2015/16 budget to 2016/17 connected with 5 projects to align the budgets with the revised project delivery schedule. In addition, a comprehensive review of the RED capital programme (over the period 2014/15 to 2017/18 accounting for the 2014/15 capital outturns and known delivery timetables) has been undertaken by project managers. MOWG are recommending to Cabinet that it supports the re-profiling of £3.366m 2014/15 capital budget and £22.041m of 2015/16 budget into 2016/17 (£17.203m) and 2017/18 (£8.204m).
- **Resources** – MOWG have supported the re-profiling of 3 ICT related project budgets amounting to £0.11m from 2014/15 to 2015/16 to reflect service delivery along with bringing forward £36k of the 2015/16 budgets into 2014/15 relating to the ongoing Server Replacement

Programme and the LAN Switching Upgrade at the Tanfield Data Centre, to align with the additional progress made in year. In addition, 2 ICT Projects (Dark fibre installations and the Learning Gateway) are being delivered ahead of schedule and it was requested that £32k of the 2015/16 capital budget assigned to these projects be brought forward to 2014/15 to align with expenditure incurred to date. A further request to re-profile £0.518m from the 2014/15 budget into 2015/16 was made. All these changes are factored into the programme, subject to Cabinet approval.

Capital Financing

56 The following table summarises the recommended financing of the revised Capital Programme:

Financing – General Fund Capital Programme 2015/16

Financed By:	Original Budget 2015/16	Re-profiling from 2014/15 to 2015/16	Amendments recommended by MOWG	Revised Budget 2015/16
	£m	£m	£m	£m
Grants and Contributions	36.041	14.270	2.261	52.572
Revenue and Reserves	0.280	1.899	0.734	2.913
Capital Receipts	16.619	0.000	0.000	16.619
Borrowing	95.539	2.567	-10.782	87.324
Total	148.479	18.736	-7.787	159.428

Council Tax and Business Rates Collection Funds

Council Tax

57 Council Tax is charged for all residential dwellings in bandings agreed by the Valuation Office Agency, which is part of Her Majesty's Revenues and Customs (HMRC). Exemptions, reliefs and discounts are awarded dependent upon the state of the property, its use and occupiers' personal circumstances.

58 The collection rate at 30 June 2015 was marginally below the target of 28.70% but is an improvement of 0.03% points over 2014/15. This has been achieved through more automation of the 2015/16 recovery schedule used to target non-payers

59 The in-year collection rates in Quarter 1 for the last three years including the current year are shown below:

Billing Year	Position at 30 June Each Year %
2015/16	28.66
2014/15	28.63
2013/14	28.18

- 60 The current overall collection rate for 2014/15 council tax liabilities is now 96.59% and for 2013/14 council tax liabilities is now 97.66%. The Council continues to recover Council Tax from earlier years and currently, the collection rate for all years excluding the current year is 98.9% which is line with our medium term financial plan forecasts.
- 61 The income shown in the Council Tax Collection Fund is the amount collectable from Council Tax payers in the long run, rather than the actual cash collected in the year the charges are raised. Likely bad debts are accounted for by maintaining a bad debt provision. The amount estimated to be collectable is estimated each year by reference to the actual council taxbase for all domestic properties in the county (schedule of all properties, discounts and reliefs) with an allowance for non-collection, currently 1.5%.
- 62 Due to changes in the number of properties (including new build and demolitions), eligibility of discounts and reliefs during the year, the actual amount collectable increases or decreases from the estimate on a dynamic day to day basis. In addition, adjustments for previous billing years take place during each accounting year. All of these adjustments mean that the actual amounts collected will always differ from the estimate.
- 63 Such differences at the end of each accounting year, after taking into account the calculated change required in the 'bad debt' provision, determines whether a surplus or deficit has arisen, which is then shared proportionately between the Council and its major preceptors, being Durham Police and Crime Commissioner and County Durham and Darlington Fire and Rescue Authority.
- 64 At 30 June 2015, the Estimated Outturn for the Council Tax Collection Fund is a surplus of £6.861m as shown in the table overleaf. Durham County Council's share of this forecasted surplus is £5.754m.

	£'000
Net Bills issued during Accounting Year 2015/16	279,919
LCTRS and previous years CTB adjustments	-52,539
Calculated change in provision for bad debts required and write offs	-2,459
Net income receivable (a)	224,921
Precepts and Demands	
Durham County Council	174,134
Parish and Town Councils	10,921
Durham Police and Crime Commissioner	21,235
County Durham and Darlington Fire and Rescue Authority	12,261
Total Precepts and Demands (b)	218,551
Net Surplus / (-) Deficit for year (a) – (b)	6,370
Surplus Brought Forward from 2014/15	491
Estimated Year end surplus	6,861

- 65 At 15 January in each year, the estimated surplus/deficit on the Collection Fund Council Tax Account is notified to the two major preceptors for inclusion in the budget setting process for the following year as an additional income or expenditure item.
- 66 At 15 January 2016 an estimated year end position on the Council Tax Collection Fund for 2015/16 will be declared and taken into account in the budget setting process for 2016/17. Any difference between this and the actual surplus at 31 March 2016 will be carried forward to 15 January 2017 and will be taken into account in estimating the surplus/deficit for 2016/17, which will need to be taken into account for 2017/18 budget setting.
- 67 Over the past four years, the Council Tax provision for bad debts has been increasing steadily. This managed approach has been necessary to minimise the risk of the Council Tax Collection Fund moving into deficit whilst securing the robustness of the levels of provision held.

Business Rates

- 68 2013/14 was the first year of the new Business Rates Retention Scheme whereby the Council now has a vested budget interest and stake in the level of business rate yield, as income generated from Business Rates is now shared between Central Government (50%), Durham County Council (49%) and County Durham and Darlington Fire and Rescue Authority (1%). For the first time, therefore, it is not only the accuracy and timeliness of bills levied and collected that is monitored and audited, but the level of income anticipated for the year is important and new monitoring procedures have been devised for this purpose.

- 69 Bills raised, exemptions and reliefs awarded are examined together with local knowledge of anticipated changes in reliefs such as Mandatory Charitable Relief and Discretionary Rate Relief on a monthly basis to enable a comparison with the January 2015 estimate of 2015/16 Business Rates income that was used for budget setting purposes. At 30 June 2015, the estimated outturn for the Collection Fund- Business Rates is a deficit of £4.603m, arrived at as shown in the table below, which takes into account the actual surplus brought forward from 2014/15, including the previously declared estimated surplus plus the undeclared surplus based upon the actual surplus as at 31 March 2015.

	£'000
Net rate yield for 2015/16 including previous year adjustments	117,609
Estimate of changes due to appeals lodged and future appeals	-8,462
Estimated losses in Collection – Provision for Bad Debts and Write-offs	-1,776
Net income receivable (a)	107,371
Agreed allocated shares	
Central Government (50%)	55,916
Durham County Council (49%)	54,798
County Durham and Darlington Fire and Rescue Authority (1%)	1,118
Payment of Previous year's declared surplus	1,020
Cost of Collection Allowance and Renewable Energy (paid to Durham County Council)	646
Total fixed payments (b)	113,498
Net deficit for year (a) – (b)	-6,127
Declared Surplus brought forward from 2014/15	1,020
Undeclared Surplus brought forward from 2014/15	504
Estimated year end deficit	-4,603

- 70 The in-year estimated deficit of £6.127m is offset by the total surplus brought forward from 2014/15, leaving an estimated deficit of £4.603m at 31 March 2016. Any surpluses or deficits at 31 March in any year are shared proportionately between Durham County Council, Central Government and County Durham and Darlington Fire and Rescue, Durham County Council's share being 49%. Durham County Council's share of the estimated year end deficit will therefore be £2.220m.
- 71 The Business Rates Retention Scheme has not changed the actual business rates charged to ratepayers and therefore is not expected to have a detrimental effect on collection rates. However, the payment profile has changed because from 1 April 2014 businesses were statutorily allowed to request the right to spread their payments over 12 months rather than ten. The major Business Rates Payers have all opted to take up this opportunity to

re-profile their cash flow. However, robust collection procedures have ensured that the challenging collection target of 33.40% has been exceeded.

- 72 The in-year collection rates in Quarter 1 for the last three years, including the current year, are shown below:

Billing year	30 June %
2015/16	34.40
2014/15	33.36
2013/14	35.96

- 73 The 34.40% collection rate exceeds the target by one percentage point.
- 74 The current overall collection rate for 2014/15 business rate liabilities is now 97.84% and for 2013/14 business rate liabilities is now 98.73%. The Council continues to recover Business Rates from earlier years and currently, the collection rate for all years excluding the current year is 99.39% which is line with our medium term financial plan forecasts.

Section 31 Grant - Small Business Rate Relief

- 75 Small Business Ratepayers with properties with rateable values under £12,000 benefit from relief on their rates payable. The Government has awarded local authorities a special 'Section 31' grant to cover their share of the shortfall in business rates that these small business ratepayers would have paid had the relief scheme not been in place.
- 76 Small Business Ratepayers with properties with rateable values up to £6,000 are currently being granted full relief instead of 50% relief under the previous scheme, and properties with rateable values between £6,000 and £12,000 have a tapered relief applied to them ranging from 100% down to 0%, but in all cases double the standard relief.
- 77 The Section 31 grant has been calculated as 50% of the extended small business rate relief awarded.
- 78 The Government has only agreed to pay Section 31 grant for the additional Small Business Rate Relief in respect of business rates bills and adjustments thereof relating to the period commencing 1 April 2013. Any adjustments that relate to bills for years prior to this will be dealt with as part of the normal Rate Retention shares. At 30 June 2015, the gross Small Business Relief awarded against 2015/16 Business Rates bills and adjustments to 2014/15 and 2013/14 bills is £9.924m, and on this the Council will receive £2.461m in Section 31 Grant, including the capping adjustment.

Other Section 31 Grants

- 79 In the Autumn Statement 2013 and 2014, additional Business Rate Reliefs were announced for 2014/15 and 2015/16 for which Section 31 Grants would be payable. These included one for properties empty from new, reoccupation of long-term empty properties and an additional relief for small shops. Durham County Council will be recompensed for any retained rates foregone because of reliefs given.

- 80 When assessing estimated outturn income from Business Rates, due regard must also be given on the effect that changes in estimated reliefs will have on the Section 31 grants. At 30 June 2015, the shortfall in Durham County Council's Section 31 grants (including Small Business Rate Relief) was £0.387m, in addition to the estimated deficit discussed above.
- 81 Whilst the shortfall in S31 grants is accounted for in 2015/16, the deficit on Business Rates retention is accounted for in 2016/17.

Recommendations and Reasons

- 82 It is recommended that Cabinet:
- Note the projected change in the Council's overall financial position for 2015/16.
 - Agree the proposed 'sums outside the cash limit' for approval.
 - Agree the revenue and capital budget adjustments.
 - Note the forecast use of Earmarked Reserves.
 - Note the forecast end of year position for the Cash Limit and General Reserves.
 - Agree the options outlined in paragraph 38 to repay the £10.85m self financing capital sum outstanding.
 - Note the position for the Housing Revenue Account, Capital Programme and the Collection Funds in respect of Council Tax and Business Rates.

Background Papers

- (a) County Council – 25 February 2015 – General Fund Medium Term Financial Plan 2015/16 to 2017/18, Revenue and Capital Budget 2015/16
- (b) Cabinet – 15 July 2015 - 2014/15 Final Outturn for General Fund, Housing Revenue Account and Collection Fund

Contact:	Jeff Garfoot	Tel: 03000 261946
	Paul Darby	Tel: 03000 261930

Appendix 1: Implications

Finance -

The report details the 2015/16 forecast of outturn position for Revenue and Capital and details the forecast movement on Reserves.

Staffing -

None

Risk -

The figures contained within this report have been extracted from the General Ledger, and have been scrutinised and supplemented with information supplied by the Service Management Teams and budget holders. The projected outturn has been produced taking into consideration spend to date, trend data and market intelligence, and includes an element of prudence. This, together with the information supplied by Service Management Teams and budget holders, helps to mitigate the risks associated with achievement of the forecast outturn position.

Equality and Diversity / Public Sector Equality Duty -

None

Accommodation -

None

Crime and Disorder -

None

Human Rights -

None

Consultation -

None

Procurement -

None

Disability Issues -

None

Legal Implications -

The outturn proposals contained within this report have been prepared in accordance with standard accounting policies and procedures.

Appendix 2: Revenue Summary 2015/16

	Original Budget 2015/16	Revised Budget	Proposed Budget Revisions	Cash Limit Reserve	Contribution to / Use of Earmarked Reserves	Budget - incorporating adjustments	Service Groupings Forecast of Outturn	Forecasted Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assistant Chief Executive	10,163	10,163	3	0	-736	9,430	9,278	-152
Children and Adults Services	251,450	251,450	-21	0	7,934	259,363	251,751	-7,612
Neighbourhood Services	104,236	104,236	-450	130	3,253	107,169	106,593	-576
Regeneration and Economic Development	41,535	41,535	-16,512	40	712	25,775	25,482	-293
Resources	15,855	15,855	-261	60	239	15,893	15,208	-685
Cash Limit Position	423,239	423,239	-17,241	230	11,402	417,630	408,312	-9,318
Contingencies	5,690	5,690	-3,219		0	2,471	2,471	0
Corporate Costs	4,980	4,980	-478	0	0	4,502	4,334	-168
NET COST OF SERVICES	433,909	433,909	-20,938	230	11,402	424,603	415,117	-9,486
Capital charges	-48,977	-48,977				-48,977	-48,977	0
Interest and Investment income	-1,641	-1,641			-1,527	-3,168	-4,113	-945
Interest payable and similar charges	38,530	38,530	5,638			44,168	43,910	-258
Levies	0	0	16,555			16,555	16,555	0
Net Expenditure	421,821	421,821	1,255	230	9,875	433,181	422,492	-10,689
Funded By:								
Council tax	-174,134	-174,134				-174,134	-174,134	0
Use of earmarked reserves	-11,511	-11,511	-1,255		-9,875	-22,641	-22,641	0
Estimated net surplus on Collection Fund	-500	-500				-500	-500	0
Start up Funding Assessment	-215,540	-215,540				-215,540	-215,540	0
New Homes Bonus	-8,322	-8,322				-8,322	-8,323	-1
New Homes Bonus - Re-imburement	-377	-377				-377	-377	0
Section 31 Grant - Small business rate relief	-2,398	-2,398				-2,398	-2,461	-63
Section 31 Grant - Settlement Funding Assessment Adj	-919	-919				-919	-505	414
Section 31 Grant - Retail Adjustment	-1,681	-1,681				-1,681	-1,645	36
Education Services Grant	-6,002	-6,002				-6,002	-6,010	-8
Forecast contribution to/from(-) Cash Limit Reserve	-437	-437		-230		-667	8,651	9,318
Forecast contribution to General Reserves	0	0				0	993	993
TOTAL	0	0	-0	0	0	-0	0	0

Appendix 3: Revenue Summary by Expenditure / Income for the period ended 31 March 2016

	Original Budget 2015/16	Revised Budget	Proposed Budget Revisions	Agreed Budget	Service Groupings Forecast of Outturn	Corporate Costs	Sums Outside the Cash Limit	Cash Limit Reserve	Contribution to / Use of Earmarked Reserves	Revised Service Outturn	Forecasted Variance (including Corporate Costs)	Forecasted Variance - Corporate Costs
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Employees	470,911	470,002	1,117	471,119	477,371	504	0	-190	-10,042	467,643	-3,476	0
Premises	50,757	50,095	-419	49,676	49,570	0	0	0	-200	49,370	-306	0
Transport	47,915	40,668	-5,891	34,776	41,021	0	-240	0	2	40,782	6,006	0
Supplies & Services	112,068	110,601	8,822	119,424	120,352	1,268	-35	-40	-1,295	120,249	826	-153
Agency & Contracted	307,725	306,218	4,477	310,695	298,888	2,691	0	0	-2	301,577	-9,118	0
Transfer Payments	204,317	203,874	1,767	205,641	205,694	0	0	0	-342	205,352	-289	0
Central Costs	96,263	95,979	636	96,615	97,992	0	0	0	54	98,046	1,431	0
DRF	0	0	0	0	740	0	0	0	-125	615	615	0
Other	18,603	19,858	473	20,331	22,999	0	0	0	0	22,999	2,668	0
Capital Charges	48,977	48,977	-0	48,977	48,977	0	0	0	0	48,977	0	0
GROSS EXPENDITURE	1,357,536	1,346,272	10,983	1,357,255	1,363,604	4,463	-275	-230	-11,950	1,355,612	-1,644	-153
Income												
- Specific Grants	564,352	565,163	9,759	574,922	577,141	14	0	0	-2,104	575,051	-130	0
- Other Grants & conts	53,488	53,079	17,289	70,368	71,230	0	0	0	77	71,307	-939	0
- Sales	5,966	5,989	460	6,449	6,341	100	0	0	0	6,441	8	0
- Fees & charges	104,473	103,576	2,357	105,933	101,595	15	200	0	1,421	103,231	2,702	-15
- Rents	6,494	6,506	-205	6,301	5,903	0	0	0	0	5,903	398	0
- Recharges	186,789	176,053	-874	175,178	184,881	0	0	0	-4	184,877	-9,699	0
- Other	7,755	7,687	393	8,080	8,201	0	0	0	62	8,263	-183	0
Total Income	929,317	918,053	29,178	947,231	955,292	129	200	0	-548	955,073	-7,842	-15
NET EXPENDITURE	428,219	428,219	-18,195	410,024	408,312	4,334	-475	-230	-11,402	400,538	-9,486	-168

Appendix 4: Earmarked Reserves Position as at 30 June 2015

	EARMARKED RESERVES AND CASH LIMIT RESERVES	SERVICE GROUPING	2014/15 CLOSING BALANCE	USE OF RESERVES	CONTRIBUTION TO RESERVES	TRANSFERS BETWEEN RESERVES	TOTAL MOVEMENT ON RESERVES	2015/16 CLOSING BALANCE AS AT 30 JUNE 2015
			£,000	£,000	£,000	£,000	£,000	£,000
1	ACE AAP/Members Reserve	ACE	-3,699	512	0	0	512	-3,187
2	ACE Grant Reserve	ACE	-194	37	-1,123	0	-1,086	-1,280
3	ACE Operational Reserve	ACE	-124	8	0	0	8	-116
4	Social Care Reserve	CAS	-13,335	787	0	0	787	-12,548
5	Aycliffe Young People's Centre Reserve	CAS	-1,202	1,002	0	0	1,002	-200
6	Continuing Professional Development Reserve	CAS	-1,035	566	0	0	566	-469
7	Education Reserve	CAS	-2,440	578	0	0	578	-1,862
8	Tackling Troubled Families	CAS	-2,027	281	0	0	281	-1,746
9	Transformation Reserve	CAS	-1,483	0	-1,528	0	-1,528	-3,011
10	Special Projects Reserve	CAS	-37	37	0	0	37	0
11	Public Health Reserve	CAS	-4,983	837	-300	0	537	-4,446
12	Neighbourhoods AAP Reserve	NS	-40	0	0	0	0	-40
13	Customer Services Reserve	NS	-373	0	0	0	0	-373
14	Direct Services Reserve	NS	-3,043	657	0	0	657	-2,386
15	Env. Health and Consumer Protection Reserve	NS	-1,000	200	0	0	200	-800
16	Culture and Sport Reserve	NS	-3,193	283	0	0	283	-2,910
17	Strategic Waste Reserve	NS	-1,796	1,430	0	0	1,430	-366
18	Technical Services Reserve	NS	-2,922	116	0	0	116	-2,806
19	Transport Asset Management Programme Reserve	NS	-318	0	0	0	0	-318
20	Business Growth Fund Reserve	RED	-913	0	0	0	0	-913
21	Economic Development Reserve	RED	-1,486	264	0	0	264	-1,222
22	Planning Reserve	RED	-1,423	65	0	0	65	-1,358
23	North Pennines AONB Partnership Reserve	RED	-329	0	0	0	0	-329
24	Employability and Training Reserve	RED	-458	79	0	0	79	-379
25	RED Regeneration Reserve	RED	-1,344	0	-700	0	-700	-2,044
26	Housing Regeneration Reserve	RED	-410	0	-827	0	-827	-1,237
27	Housing Solutions Reserve	RED	-867	176	0	0	176	-691
28	Restructure Reserve	RED	-663	0	0	0	0	-663
29	Transport Reserve	RED	-287	0	0	0	0	-287
30	Funding and Programmes Management Reserve	RED	-140	45	0	0	45	-95
31	Resources Corporate Reserve	Resources	-984	59	0	0	59	-925
32	Resources DWP Grant Reserve	Resources	-1,930	217	0	0	217	-1,713
33	Resources System Development Reserve	Resources	-840	205	0	0	205	-635
34	Resources Housing Benefit Subsidy Reserve	Resources	-745	0	0	0	0	-745
35	Resources Single Fraud Incentive Scheme	Resources	0	0	-257	0	-257	-257
36	Local Council Tax Support Scheme Reserve	Resources	-1,031	0	0	0	0	-1,031
37	Resources Land Search Fees Reserve	Resources	-1,000	0	0	0	0	-1,000
38	Resources Legal Expenses Reserve	Resources	-200	0	0	0	0	-200
39	Resources Legal Services Reserve	Resources	0	0	-154	0	-154	-154
40	Resources Elections Reserve	Resources	-1,036	0	0	0	0	-1,036
41	Resources ICT Reserves	Resources	-1,130	80	0	0	80	-1,050
42	Human Resources Reserve	Resources	-65	65	0	0	65	0
43	Corporate Reserve - Demographic Pressures	Corporate Fin	-23,600	4,150	0	0	4,150	-19,450
44	Equal Pay Reserve	Corporate Fin	-14,114	4,744	-207	0	4,537	-9,577
45	Insurance Reserve	Corporate Fin	-15,601	0	0	0	0	-15,601
46	Performance Reward Grant Reserve	Corporate Fin	-1,044	0	0	0	0	-1,044
47	MTRP Redundancy and Early Retirement Reserve	Corporate Fin	-10,878	3,828	0	0	3,828	-7,050
48	Office Accommodation Project Support Reserve	Corporate Fin	-1,007	74	0	0	74	-933
49	Planned Delivery Programme (PDP) Reserve	Corporate Fin	-20,000	0	0	0	0	-20,000
50	Capital Expenditure Reserve	Corporate Fin	-2,802	1,450	0	0	1,450	-1,352
51	Office Accommodation Capital Reserve	Corporate Fin	-8,000	0	0	0	0	-8,000
	Total Earmarked Reserves		-157,571	22,832	-5,096	0	17,736	-139,835
	Cash Limit Reserves							
52	Assistant Chief Executive		-773	0	-152	0	-152	-925
53	Children and Adults Services		-9,443	249	-7,612	0	-7,363	-16,806
54	Neighbourhood Services		-5,076	210	-576	0	-366	-5,442
55	Regeneration and Economic Development		-3,216	40	-293	0	-253	-3,469
56	Resources		-3,857	168	-685	0	-517	-4,374
	Total Cash Limit Reserves		-22,365	667	-9,318	0	-8,651	-31,016
	Total Council Reserves		-179,936	23,499	-14,414	0	9,085	-170,851
	Schools' Balances							
Sch 1	Schools' Revenue Balance	CAS	-24,244	6,355	0	0	6,355	-17,889
Sch 2	DSG Reserve	CAS	-10,365	0	0	0	0	-10,365
	Total Schools and DSG Reserve		-34,609	6,355	0	0	6,355	-28,254

Cabinet**16 September 2015****School Loans Scheme**

Report of Corporate Management Team**Joint Report of Rachael Shimmin, Corporate Director, Children and Adults Services and Don McLure, Corporate Director Resources****Cllr Ossie Johnson, Portfolio Holder for Children & Young People's Services and Cllr Alan Napier, Portfolio Holder for Finance**

Purpose of the Report

- 1 To set out proposals for the establishment of a new loans scheme for schools, financed and underwritten by the Council, and available to maintained schools in County Durham to access for school improvements and investment in ICT and other equipment.

Background

- 2 In normal circumstances, schools can only borrow from external sources with the express permission of the Secretary of State. Secretary of State loans can only be granted in exceptional circumstances, or for specific loan schemes set up to allow investment in environmental improvements. However, statutory guidance allows local authorities to set up an internal loan scheme for schools to access, though this cannot be financed through the utilisation of Dedicated Schools Grant or schools' retained balances.
- 3 Until 2013, the Council did operate an internal loan scheme, but this was withdrawn because of concerns about the risk being taken by the Council in respect of schools becoming sponsored academies, where under some circumstances the Council could become liable for repaying the loan rather than the school. This risk arose because it was a condition of the loan agreements that they were repaid if a school became an academy and, in the case of a sponsored academy, if repaying the loan left the school with a deficit balance or indeed they were already in a deficit position with an outstanding loan at conversion, the Council would then have to write this off at the point of conversion. This cost would be a subsequent charge to the Council's General Fund.
- 4 There were also concerns about the stability of school funding at the time following the funding reforms that started in 2013-14 and which have made funding for individual schools more sensitive to changes in pupil numbers and largely removed local flexibility over the formula factors that could be used. Increased volatility increases the risk for a school in committing to repaying a loan over a number of years.

- 5 The lack of a loan scheme has become a concern to schools, because the value of their delegated capital funding has fallen significantly in recent years and the Council has also had significant cuts to the DfE capital grant funding for capitalised maintenance and 'basic need'. This, together with the withdrawal of the Building Schools for the Future Programme, has necessitated a prioritisation of investment in essential works such that only schools with chronic conditions are being addressed. Schools have few alternative sources of funding to supplement this grant funding currently, other than through retained schools balances and many schools save up over many years to build up sufficient balances to invest in initiatives within their school.
- 6 Schools have the statutory powers to lease assets, but only on operating leases, which is not always suitable and can be relatively expensive. Finance leases are a form of borrowing and the DfE is consulting on changing statutory guidance to require local authorities to strengthen the restrictions on leases in their schemes of delegation.
- 7 In 2014 the DfE issued revised guidance which clarified that any internal loans should normally be taken on by a school converting to an academy, even where there is a deficit situation, and that this should be included in the commercial transfer agreement between the local authority and the academy trust. This changes has reduced the risk to the Council in respect of sponsored academies and has opened up the prospect of reinstating a loans scheme.

Financing the Scheme

- 8 The main difference between the old and proposed new scheme is that the new scheme would need to be financed by the Council from its cash reserves; the old scheme was funded by the cumulative balances held on behalf of maintained schools.

Cost of Loans and Interest Rate Chargeable to Schools

- 9 The scheme would require the establishment of a capital budget on a "self-financing" basis, with the interest rate set to recover the interest foregone on the surplus cash balances by lending these sums to schools instead of investing them in line with the Council's Treasury Management policy, plus an additional 0.5% premium to cover the costs of administering the scheme and the risk of changes in interest rates. Loans would be fixed interest loans; rates for new loans would be determined on a case-by-case basis, according to the prevailing interest rates available to the Council for medium-term lending.

Eligibility

- 10 All maintained schools would be eligible to apply for a loan, within the restrictions of the scheme which are shown below. Maintained schools include the following categories:
 - Nursery
 - Primary (including infant and junior)
 - Secondary

- Special
 - The Pupil Referral Unit (PRU)
- 11 Most primary and secondary schools are community schools, but some are either 'voluntary controlled' or 'voluntary aided'. The assets of voluntary aided schools are owned by the diocese, which has some responsibility for capital expenditure, but in practice these schools have similar needs to incur expenditure on assets as community schools and the revenue funding that would pay for the cost of borrowing is no different from that of community schools. There are no significant differences in terms of finance or the ownership of assets between community and voluntary controlled schools.
- 12 Academies would not be able to borrow from the Council; this would require permission from the Secretary of State, (because they are not part of the Council, so these would not be classified as internal loans), and this is only granted in exceptional circumstances.

Purpose of Loans

- 13 Loans would only be approved for the purpose of funding expenditure on building works and new furniture or equipment, including ICT. Schools would not be able to borrow to cover a temporary revenue funding problem where separate arrangements exist where schools can apply for permission to run a budget deficit temporarily. A further restriction would be that schools could not borrow to fund works needed for a trading venture, such as altering a room to allow its use by a stand-alone nursery company as this could contravene state aid regulations.
- 14 The Council has a vested interest in the infrastructure of all schools. The Council is the landlord for community and voluntary controlled schools and it would be important that any schemes put forward in respect of building works received approval from the Asset Management Service in RED, and Technical Services in Neighbourhoods, before being agreed. This is particularly important in light of the need to manage asbestos issues and other potential building problems in schools.
- 15 Schools would need to fund any feasibility studies necessary prior to submitting an application for a loan and accept that these may be abortive costs if the feasibility study resulted in an unacceptably high estimate for the desired works. Where a project was linked to carbon reduction / energy efficiency measures then the Council's Carbon and Climate Reduction team would also need to agree it was a viable and cost effective solution before it could be supported.
- 16 The Council is not the landlord for voluntary aided schools. However, the loans scheme would only be accessible to these schools where they could demonstrate that the appropriate feasibility studies had been carried out. Proposals would need to be checked by colleagues in Technical Services, Neighbourhoods and this would incur a small charge.

Limits on Advances

- 17 The old scheme limited loans to 3% of a school's current budget share (the total of all funding, including the main formula plus funding for early years, post-16 and special educational needs).
- 18 The table below shows the limits that would be applicable in 2015-16 using limits of 3% and 5%, based on the average budget shares. Limits for individual schools would be determined by their actual budget share:

	Average budget share	Average surplus forecast at 31 March 2016	Average maximum advance		
			At 3% of budget share	At 5% of budget share	Difference between 3% & 5%
	£	£	£	£	£
Nursery	361,619	60,412	10,849	18,081	7,232
PRU	2,283,852	-	68,516	114,193	45,677
Primary	764,845	80,403	22,945	38,242	15,297
Secondary	4,174,804	149,624	125,244	208,740	83,496
Special	2,040,580	202,532	61,217	102,029	40,812

- 19 Note that the average surpluses exclude schools with forecast deficits. Loans would not be made available to schools in financial difficulties, including schools with forecast deficits.
- 20 Based on an interest rate of 2.5% and a five year loan on an annuity basis, the annual cost of a loan at these limits would be:

	Annual repayment for average maximum advance		
	3% of budget share	5% of budget share	Difference between 3% & 5%
	£	£	£
Nursery	2,335	3,892	1,557
PRU	14,748	24,580	9,832
Primary	4,939	8,231	3,293
Secondary	26,958	44,931	17,972
Special	13,177	21,961	8,785

- 21 For every 0.5% increase / decrease in the interest rate applicable, the costs annual costs would increase / decrease as follows:

Annual repayment for average maximum advance (Int Rate 2.5%)			Annual repayment for average maximum advance (Int Rate +/- 0.5%)	
3% of budget share	5% of budget share		3% of budget share	5% of budget share
£	£		£	£
2,335	3,892	Nursery	34	56
14,748	24,580	PRU	213	355
4,939	8,231	Primary	71	119
26,958	44,931	Secondary	389	649
13,177	21,961	Special	190	317

- 22 A 5% limit would increase the potential value of advances by two-thirds, but the additional annual cost would be relatively small. There would be other checks to ensure that schools were able to meet the annual cost of a loan and for this reason it is recommended that loans be limited to a maximum of 5% of a school's budget share.

Additional Loans

- 23 The old scheme allowed for schools to have more than one loan. It is recommended that this be also allowed under the new scheme, subject to the total of the loans not exceeding the limits on advances for that school, i.e. 5% of the school's current budget share (the total of all funding, including the main formula plus funding for early years, post-16 and special educational needs).

Period of Loan

- 24 The old scheme allowed loans for up to a maximum period of seven years providing that the term of the loan did not exceed the useful life of the asset. This would be appropriate for loans in respect of building works, but equipment, particularly ICT equipment is likely to have a shorter life and it would be more appropriate to limit loans for such equipment to four years or the useful life of the asset, so that schools would not have outstanding loans for equipment that was obsolete and they were no longer using. Four years is the maximum life that is allowed for operating leases for ICT equipment.
- 25 An additional feature of the proposed scheme would be to allow loans of up to 10 years for the installation of photovoltaic solar panels or other energy conservation measures. This would provide a financial incentive for schools to reduce their carbon footprint where the cost benefit analysis proves a viable business case exists. All such scheme would require sign off from Technical Services, Neighbourhoods and the Council's Carbon and Climate Reduction team as being viable and cost effective before it could be supported.

Repayments

- 26 The old scheme provided for repayments annually in advance, and gave schools the option of starting repayments in the year of the loan or the year after. It would also be appropriate to continue with this arrangement for the new scheme. Repayments would be made early in the year, which means that schools do not need to remember to take account of the loan repayment when managing their budget during the year.
- 27 The previous scheme also allowed for early repayment of loans without penalty. There is no disadvantage to the Council in having loans repaid early and it is proposed that this would be a feature in the new scheme also.

Transfers of Loans

- 28 The loan application will make it clear that any outstanding loans will transfer to:

- Any successor school, in the event that the school is included in an amalgamation to form a new maintained school; or
- An academy trust, in the event that the school converts to academy status, whether by choice or as a sponsored academy.

Criteria for Assessing Applications

29 The suggested criteria are set out below:

Purpose of Loan

Loans in connection with building works should have approval from Technical Services (see section of ***Purpose of loan*** above). In addition, any energy efficiency / carbon reduction linked scheme would require sign off from the Council's Carbon and Climate Reduction team as being viable and cost effective before it could be supported.

(ICT or equipment would not normally need approval, because the local authority is not responsible for these in the same way as for buildings, though applicants will be encouraged to seek advice from the Council's ICT Team before committing to purchase any new ICT equipment.)

School Context

The Education Service, working with the School Finance Team, Resources would be responsible for giving approval that:

- The loan is to be used for expenditure that is appropriate in the context of the school's forward planning for educational provision;
- It is appropriate to add to this school in the context of the Council's strategy on school places;
- Consideration has been given to the school making a financial contribution to the works from their retained balances;
- It is appropriate to lend to this school in the context of anticipated outcomes from OFSTED inspections (the Council needs to consider whether to lend to schools that are expected to become academies in the near future);
- The loan can be funded without cuts to other areas of expenditure that could have a detrimental impact on the standards of education;
- It is appropriate for the school to incur the costs of a loan rather than spend this money on raising standards.

Three-Year Budget Plan

The School Finance Team, Resources should be responsible for giving approval that:

- The loan is less than 5% of the school's most recent budget share;

- The school carried forward a surplus balance at the end of the last financial year and that the current budget plan is for a surplus at the end of the current financial year of at least 2.5% of the current year's budget share plus Pupil Premium income;
- The school has submitted a robust three-year budget plan, which demonstrates that the school can afford the annual cost of the loan over that period without going into deficit or reducing its surplus balance to less than 2.5% of the total of funding plus income from the Pupil Premium.

30 The Council should reserve the right to refuse any application at its absolute discretion.

Loan Applications

- 31 It is important that schools can demonstrate that they have fully considered the implications of a loan and have properly investigated the proposals being put forward. In the case of building works this will require reference to condition survey data and, potentially, feasibility studies being undertaken. Schools will be encouraged to engage with colleagues in Asset Management, RED, and Technical Services, Neighbourhoods, before they submit an application for building works and to factor this into their planning. In the case of any energy efficiency / carbon reduction linked schemes, these would also require sign off from the Council's Carbon and Climate Reduction team as being viable and cost effective before it could be supported
- 32 To demonstrate that the scheme has been well developed and is fully supported by the governing body, applications should be approved by both the governing body and the finance committee of the governing body before submission. These approvals should take the form of resolutions which acknowledge the financial commitment being made by the school and the transfer arrangements for any outstanding loan in the event of the school amalgamating or converting to an academy.

Maximum Amount Available for Lending

- 33 This is for the Council to determine. The table below shows take-up and amounts lent under the old scheme, together with outstanding amounts at the end of each year:

Financial year	Loans advanced in Year	Total advanced in Year	Total outstanding at end of financial year
		£	£
2014-15	0	0	377,772
2013-14	0	0	575,918
2012-13	13	262,025	785,791
2011-12	2	45,425	939,229
2010-11	7	434,333	1,689,656
2009-10	12	536,069	1,805,799
2008-09	6	884,545	1,962,651
2007-08	6	735,216	1,729,116
2006-07	14	1,194,500	1,286,571
2005-06	9	579,160	717,066
2004-05	15	493,500	737,953
2003-04	27	543,686	669,960
2002-03	23	664,142	254,339
2001-02	2	37,000	31,588

- 34 The outstanding balance at 31 March 2015 for the remaining outstanding loans from the old scheme was £377,772, which will reduce to £190,000 by the end of March 2016. The final loans of the old scheme will be fully repaid in 2019-20.
- 35 Whilst there has been interest in re-establishing a loans scheme, actual take-up is uncertain, and other factors may reduce demand compared to the old scheme:
- There are fewer schools, because of academy conversions, amalgamations and closures;
 - Funding is more volatile than it was previously, increasing the risks involved in taking on a loan.
- 36 Any loans subsequently made once the new loans scheme is established will be reported through the capital updates to the Member/Officer Working Group (MOWG) and into Cabinet as the capital budgets are established to facilitate these payments.

Risk

- 37 There are risks involved in making loans available to schools:
- a) In the event that a school ran into severe financial difficulties and had to choose between setting aside money to repay a loan or reducing education provision, there would be pressure on the Council to re-schedule or write-off the loan.
 - b) If a school needed to be closed any outstanding loan would be a charge to the Council if the school did not have sufficient balances to cover the outstanding amount at closure.
 - c) If a school converted to an academy and then got into financial difficulties, repaying the loan would be unlikely to be a priority and the Council could face difficulties in enforcing the repayment.
 - d) A school could choose to project manage the works themselves and engage a private contractor to undertake the works, without due regard to health and safety and other compliance issues.
- 38 In respect of the project management risk there are powers available to the Council to mitigate this risk:
- e) The Schools' Scheme of Finance spells out responsibilities of Governors / schools in respect of building alterations and repairs and maintenance works. Governing bodies are required to have due regard to duties placed on the Council in relation to health and safety, and the Council' policy on health and safety matters in the management of its budgets.
 - f) The Council has powers to issue directions to the governing body and head teacher of a Community, Community Special or Voluntary Controlled School on health and safety matters. These directions are enforceable on governing bodies via S.497 of the Education Act 1996 if not complied with. Section 39(3) of the School Standards and Framework Act 1998 enables LA to direct schools to take specific action (e.g. remedy a health and safety failing) or require a governing body or head teacher to comply with a specific aspect of the Local Authority's Health and Safety policy
 - g) Schools are reminded when they employ contractors directly that they then have a responsibility to ensure that the contractor is competent, adequately insured and that the contractor has an appropriate health and safety policy in place. Also, and importantly, that they undertake all necessary risk assessments to ensure that the contractor can comply with safeguarding requirements for working in the school environment.
- 39 Financial risks can be mitigated by placing limits on the circumstances in which schools will be able to borrow, and limiting the total value of loans made to schools, and also through the vetting of applications and encouraging schools to use Direct Services / Technical Services to undertake the works, but there will still be residual risks that cannot be eliminated:

- Changes in pupil numbers can have a significant impact on funding for individual schools;
- School funding and the relationship between schools and the local authority is determined by government policy and the Council has little say in changes to either; changes could affect either the ability of schools to repay loans or the Council's ability to collect repayments from schools. Changes in EFA regulations and Government funding for schools could change.

Recommendations and Reasons

40 Cabinet is recommended:

- (i) To consider the establishment of a loan scheme for schools with effect from 1 October 2015, funded by the Council, as described in this report.
- (ii) To give specific approval the following parts of the scheme as described in this report:
 - a) A limit on advances of 5% of the most recent budget share of a school;
 - b) That schools be allowed more than one loan, subject to not exceeding the limits on advances for that school;
 - c) That schools will be encouraged to make a contribution towards the scheme from their retained balances where available
 - d) That schools be given the option of repayment on an annuity or equal instalment of principal basis;
 - e) That interest rates be set at the prevailing interest rate that could be earned on an investment over the period of the loan requested, as advised by our Treasury Management advisors at the time of borrowing, plus 0.5%;
- (iii) To consider the risks set out in this report and confirm that it is appropriate for the Council to accept these risks.

Contact: Paul Darby Tel: 03000 261 930

Appendix 1: Implications

Finance –

The report sets out proposals to re-introduce a loans scheme, accessible to maintained schools on a self-financing basis through the charging of interest on the loans, with a 0.5% additional interest charge to cover the cost of administration and interest rate risk.

The interest charged on the loan would be based on the prevailing rates that could be earned on an investment over the period of the loan requested, as advised by our Treasury Management advisors at the time of borrowing. Schools will be encouraged to make contributions towards projects and part finance schemes from their retained balances where it is prudent to do so.

Whilst there are no provisions for this scheme to be financed and underwritten from the Dedicated Schools Grant / schools retained balances, the interest charged and the application of an additional 0.5% will ensure that the Council suffers no financial detriment on its investment income.

Availability will be publicised via the Schools Extranet. A report will also be taken to the Schools Forum and the Scheme of Financing for Schools amended accordingly in the autumn.

Staffing –

None

Risk –

There is a risk that loans may not be repaid if schools or academies get into financial difficulties. This can be partly mitigated by limiting the value of loans and scrutiny of applications, but a residual risk will remain. Safeguards are built into the application process with regards to the need to produce feasibility studies and obtain sign off of the scheme via Technical Services, Neighbourhoods and Assets, Regeneration and Economic Development.

Equality and Diversity / Public Sector Equality Duty –

None

Accommodation –

Potential for loans to be used for building works to maintain or improve school accommodation.

Crime and Disorder –

None

Human Rights –

None

Consultation –

Children and Adults Services and Resources Management Teams have been consulted on this report. If approved the introduction of the scheme will need to be reflected in the Scheme of Financing for Schools, which will need to be amended, in consultation with the Schools Forum.

Procurement –

None

Disability Issues –

None

Legal Implications –

Colleagues in Legal Services will assist in drawing up the Terms and Conditions of the scheme, and in drafting conditions which would apply to any academy commercial transfer agreements.

Cabinet

16 September 2015

Review of Care Connect



**Report of Corporate Management Team
Ian Thompson, Corporate Director, Regeneration & Economic
Development
Councillor Eddie Tomlinson, Cabinet Portfolio Member for
Assets, Strategic Housing and Rural Issues**

Purpose of the report

1. The purpose of this report is to inform Cabinet of the proposed Medium Term Financial Plan (MTFP) savings associated with the Care Connect service.
2. The report requests approval to consult on the proposals before reporting back to Cabinet for final consideration.

Background

3. The Council continues to be impacted by the Government's ongoing austerity programme, where Government funding to the Council is forecast to have reduced by 60% by 2018/19 when compared to the funding levels in 2010/11. This is despite the Council facing demographic and inflationary budget pressures that need to be financed across this period also.
4. Overall, it is forecast that the Council will need to save £250 million over the 2011 to 2018 period, based on the forecast public sector funding reductions outlined in the Government's March 2015 and July 2015 Budget statements.
5. A sum of £153.2 million of savings will have been delivered by the end of 2015/16, with forecasted savings over the MTFP (6) period 2016/17 to 2018/19 of £115.8 million being required to achieve a balanced budget.
6. Care Connect is the council's community alarm and telecare/telehealth provider. It provides a range of additional preventative services to a variety of people many of whom are older people and some who also receive a social care service. The community alarm service is non-statutory but the service assists users to live independently in their own home, safe in the knowledge that if there is an accident or they have a fall, they can get help quickly 24 hours a day, seven days a week, 365 days a year through our alarm monitoring and response service.

7. The total annual cost of delivering the Care Connect service (excluding CCTV provision) is £4.942m. This is funded through a combination of a financial contribution from CAS of £2.376m, income from self-funding customers of £1.175m, Service Level Agreements (mainly with housing providers) of £0.562m and income from Public Health of £0.822m.
8. In December 2013 Cabinet agreed a report detailing a £1m MTFP reduction in funding support from CAS for the delivery of Care Connect. This saving was achieved through a combination of service efficiencies, the reduction in support planning visits from quarterly to annual and additional income generation from those who pay for the service. Cabinet agreed to transitional protection for those customers receiving a free community alarm service for a period of at least two years. This was based on trying to protect those customers on lower incomes from the impact of funding reductions.
9. In order to address ongoing reductions in government funding support for local authorities, MTFP proposals include a further reduction in CAS expenditure on Care Connect services of £750k for 2016/17 financial year.

Existing provision of community alarms

10. Historically, customers in receipt of Guaranteed Pension Credit, Council Tax Benefit or Housing Benefit qualified for a free community alarm service. This qualification was removed for new customers from April 2014, as part of the previous MTFP savings measures. However, Cabinet agreed to protect those customers already receiving a free service for a period of at least two years. The two year period would end on 31 March 2016.
11. There are currently around 16,300 households (around 20,000 customers) receiving the community alarm monitoring and response service. This comprises approximately:
 - 9,750 households who receive the service free due to being in receipt of means tested benefits;
 - 4,750 'self-funding' households (who currently pay £4.60 per week)
 - 1,800 households in receipt of Telecare equipment and monitoring (which includes the community alarm service as part of an assessed care package)
12. A graph showing the existing customer base and projected changes over coming years (see appendix 2) together with an analysis of unit costs has been used to develop a business model to identify savings options.
13. In terms of the customer base for Care Connect, it is likely to grow in line with the demographic change in the county. The 65+ age group is projected to increase from almost one in five in 2012 to nearly one in four people (24.5%) by 2030. The proportion of the county's population aged

85+ is predicted to increase more acutely, from 2.2% in 2012 to 3.9% in 2030, almost doubling in terms of numbers from 11,300 to 22,000.

Savings proposals

14. The longer term viability of the service depends on being able to cover the costs of providing community alarms through charging its customers. The cost to the council of continuing to deliver the community alarm service in 2016/17 is currently estimated to be around £4.80 per week. To develop our savings proposals against the £750k target, we have made some assumptions about usage and likely impact.
15. It is therefore proposed to increase the charge for the self-funding customers from £4.60 to £4.80 per week to cover the cost. It is anticipated that the number of users will increase in line with demographic changes highlighted in paragraph 13. For modelling purposes it has been assumed that there will be 370 additional users in 2016/17 generating additional income of £93k. The extra income from the existing customers by increasing the charge by 20 pence a week will be £49k. This will increase the total income to the service in 2016/17 by £142k.
16. In order to realise the full £750k MTFP saving for 2016/17, it is also proposed to introduce a contributory charge for those customers currently receiving the service for free.
17. The introduction of charges where none previously existed, may lead to people withdrawing from the service. For example, Sunderland City Council introduced community alarm charges in 2013 and saw a reduction of around 40% of their customer base.
18. Through natural reductions, the number of customers receiving the service free of charge is projected to reduce from 9,750 customers currently to an average of 7,520 during the 2016/17 financial year.
19. It should also be noted that there are around 4,200 smoke alarms linked to the community alarm system in registered housing provider properties. We currently receive 60p per week for each monitored smoke alarm, equating to £131k a year under Service Level Agreements with the housing providers. If this customer base also falls by 40% there will be a loss of 1,680 customers equating to an annual income loss of £52k a year. Should individual customers decide not to stay on the Care Connect service, we would need to renegotiate our SLA or adjust the budget for loss of this income.
20. If we assume a similar elasticity as Sunderland and make an adjustment for the loss of SLA income, then the required level of income will be £660k (£750k minus £142k additional income from increasing the charge by 20 pence a week plus £52k from 40% loss of smoke alarm income).

21. The £660k of income to meet the savings target will need to be generated from the 4,500 remaining customers (7,500 x 60%) who currently don't pay anything. This would require a charge of £2.80 per week (around £145 per year) and would therefore still represent a considerable subsidy from the Council for these customers.
22. Should the customer base fall by a greater amount than 40%, then the reduced level of income would need to be offset by a further reduction in the costs of staffing and resources required to deliver the service. Any shortfall in the anticipated income would be met from cash limits until exact numbers, costs and savings levels have been established.

Comparison with other Local Authorities

23. Many authorities already charge for some or all of the similar services provided by Care Connect.
24. A sample of comparator authorities is included in appendix 3, showing charges ranging from £2.88 to £16.70 per week. It is difficult to make detailed comparisons as the service offered varies from one location to the next. However, the proposed charges in County Durham appear to compare favourably with other local authorities.

Implications for users and partner organisations

25. The customers who currently receive a free service are amongst the highest users of the service. Over the last 12 months we have answered and responded to around 40,000 calls from these customers which equates to an average of 5 calls a year.
26. An Equality Impact screening has been undertaken and is included at appendix 4. Many of these calls relate to low level incidents. However, any withdrawal from the service will inevitably place additional burdens on the Police, Fire and Ambulance services.
27. The consultation plan will identify key stakeholders and seek to assess the level of impact of potential changes.

Next Steps

28. Should the recommendations of this report be approved the next steps would be to initiate a period of consultation with service users and key stakeholders.
29. The consultation would assist in understanding any issues that may arise through the introduction of charging. This information would be used in completing the full Equalities Impact Assessment.
30. It is anticipated that a report setting out the consultation feedback, details of the equality impact assessment and any mitigation measures, together

with a proposed implementation plan will be presented to Cabinet in January 2016, on which a final decision could be made. This would allow the introduction of charges to begin from April 2016.

Recommendations

31. Cabinet is recommended to:

- (i) Agree to begin consultation on proposals to:
 - (a) Introduce a contributory charge of £2.80 per week for customers currently receiving a free community alarm service to deliver a forecasted saving of £608k in 2016/17.
 - (b) Increase the current charge of £4.60 to £4.80 for self-pay customers to deliver a forecasted saving of £142k in 2016/17.
- (ii) Receive a further report in January 2016 following consultation.

Contact: Adrian White, Head of Transport and Contract Services
Tel: 03000 267455

Appendix 1: Implications

Finance

The recommended proposals will allow the service to remain viable whilst delivering a saving of £750k in line with the council's MTFP requirements.

Staffing

The introduction of additional charging will require a review of the administration staff within Care Connect. It is not anticipated that wider staffing levels will be affected by this proposal. However, should there be a significant withdrawal of customers, then a review of staffing levels would be undertaken in consultation with staff and trades unions.

Risk

This is a front line service utilised by many of County Durham's most vulnerable residents. There is a potential reputational risk to the council in changing this service. A communication plan is being developed to ensure sensitivity in the consultation and informing service users and their support networks of the proposed changes.

Equality and Diversity

An initial Equality Impact Assessment screening has been carried out (see appendix 4). A full EIA will be undertaken and presented to Cabinet alongside the results of consultation.

Accommodation

None

Crime and Disorder

None.

Human Rights

None.

Consultation

A full consultation with service users and key stakeholders will be undertaken to help understand any issues that may arise as a result of introducing charges to those customers currently receiving a free service.

Procurement

None.

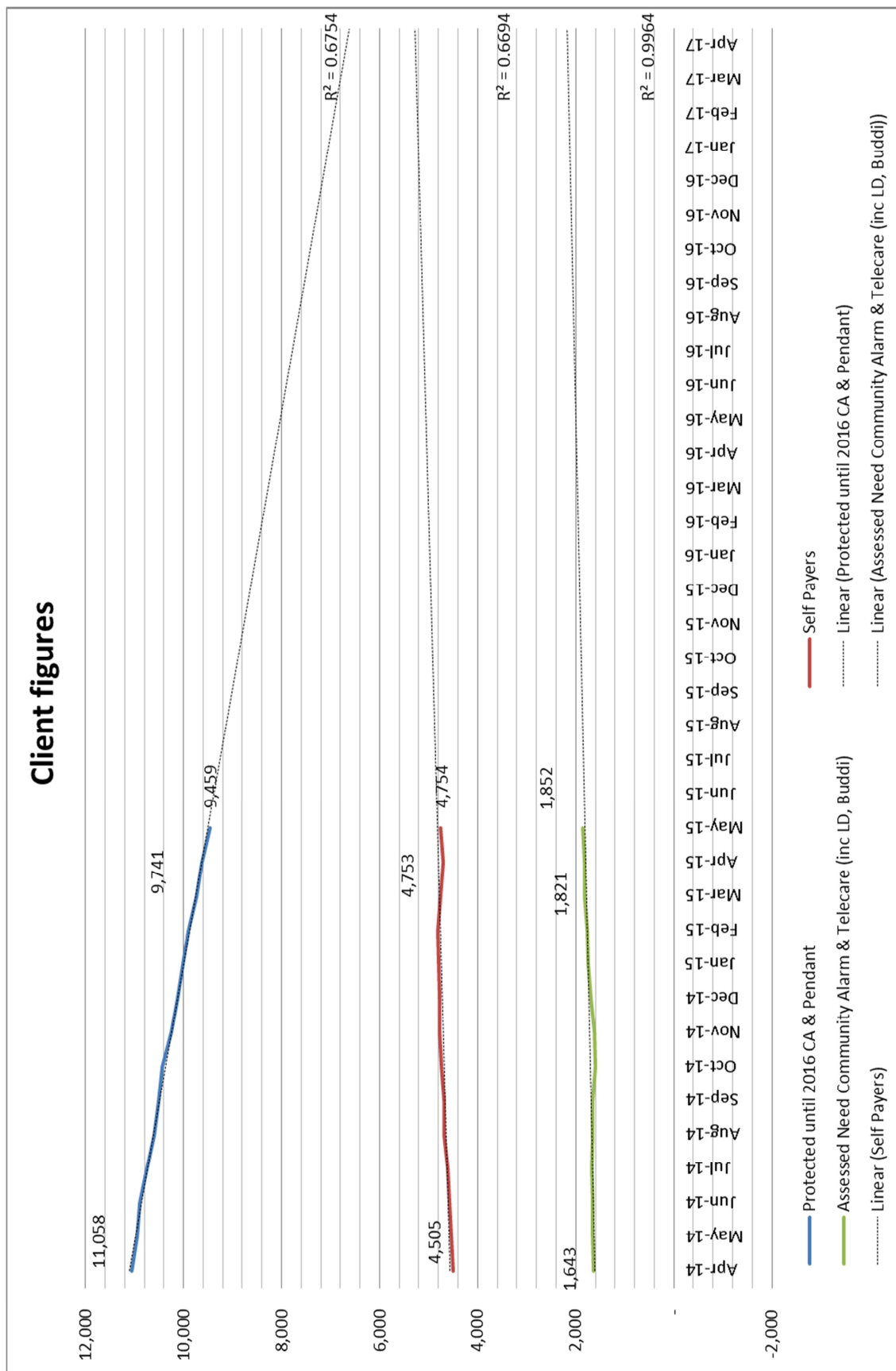
Disability Discrimination Act

Disability issues to be addressed thorough Equality Impact Assessment.

Legal Implications

Council has the power to charge for discretionary services under s 93 of the Local Government Act 2003. The aim of the legislation is to allow local authorities to recover the costs of providing the services that are not obligatory and not to generate a surplus. The authority must ensure that the income it derives from the

service equates to the cost and guidance on this matter gives advice on how to assess the costs. The guidance also states, however that the local authority does not have to recover the full cost if there are policy reasons for limiting charges, thus enabling different charging arrangements provided it can justify its reasons for doing so, but if the charge imposed is less than the full cost of the service, it should be reviewed annually.



Appendix 3

Community Alarm Service Benchmarking of Costs (June 2015)				
Local Authority	Community Alarm monitoring charge	24/7 call centre	Mobile Response	Comments
Durham	£4.60	Y	Y	
Broadacres	£4.35	Y	N	Monitoring only
Broadacres	£6.26	Y	Y	With mobile response
Broadacres	£12.54	Y	Y	As above with weekly visit / daily tel call
Middlesbrough	£3.99-£4.57	Y	Y	Free to people in receipt of pension credit
Middlesbrough - Erimus	£16.70	Y	Y	Response Mon - Fri, 9am - 5pm only
Darlington	£5.21	Y	Y	
Stockton	£3.77	Y	Y	
Sunderland	£2.88	Y	Y	
Gateshead	£4.20	Y	Y	Subsidy for council tenants in receipt of HB
Newcastle	£3.36-£8.55	Y	N/Y	Basic package is monitoring only
North Yorkshire	£6.20-£12.30pw	Y	Y	Installation, maintenance, monitoring and response
East Ridding of Yorkshire	£14-£22/month	Y	N/Y	Response only where contacts are not available
Doncaster	£3.20pw	Y	Y	Free for low income benefits
Barnsley	£3.24-£4.29	Y	N/Y	Basic package is monitoring only

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. 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: Care Connect	
Lead Officer: Linda Ogilvie	Start date: 6 th July 2015
<p>Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)</p> <p>Care Connect is the council's community alarm and telecare/telehealth provider. It provides a range of additional preventative services to a variety of people many of whom are older people and some who also receive a social care service. The community alarm service is non-statutory provision which assists users to live independently in their own home, safe in the knowledge that if there is an accident or they have a fall, they can get help quickly 24 hours a day, seven days a week, 365 days a year through our alarm monitoring and response service.</p> <p>In order to address ongoing reductions in government funding support for local authorities, MTFP proposals include a further reduction in Children and Adult Services (CAS) expenditure on Care Connect services of £750k from April 2016.</p> <p>The long term need for community alarm type services is likely to grow as the demographics of the county change. The longer term viability of the service depends on being able to cover the costs of providing community alarms through charging its customers. The cost to the council of delivering the community alarm service is currently estimated at £4.80 per week per client.</p>	

Historically, customers in receipt of Guaranteed Pension Credit, Council Tax Benefit or Housing Benefit qualified for a free community alarm service. This qualification was removed for new customers from April 2014, as part of the previous MTFP savings measures. However, Cabinet agreed to protect those customers already receiving a free service for a period of at least two years.

It is proposed to increase the charge for the self-funding customers from £4.60 to £4.80 per week. This increase is carried out on an annual basis and will increase the income to the service by £142k. In order to realise the full MTFP saving it is also proposed to introduce a contributory charge for those customers currently receiving the service for free.

The introduction of charges where none previously existed may lead to people withdrawing from the service. For example, Sunderland City Council introduced community alarm charges in 2013 and saw a reduction of around 40% of their customers.

It should also be noted that there are around 4,200 smoke alarms linked to the community alarm system in registered housing provider properties. We currently receive 60p per week for each monitored smoke alarm under Service Level Agreements with the housing providers. Should individual customers decide not to stay on the Care Connect service, we would need to renegotiate our SLA or adjust the budget for loss of this income.

If we assume a similar elasticity as Sunderland and make an adjustment for the loss of SLA income, then in order to make the appropriate level of savings it would be necessary to introduce a charge of £2.80 per week (around £145 per year) for those currently receiving a free service. This would still represent a considerable subsidy from the Council for these customers.

Should the customer base fall by a greater amount than 40%, then the reduced level of income would need to be offset by a further reduction in the costs of staffing and resources required to deliver the service. Any shortfall in the anticipated income would be met from cash limits until exact numbers, costs and savings levels have been established.

Who are the main stakeholders: General public / Employees / Elected Members / Partners/ Specific audiences/Other (please specify) –
Care Connect service users, staff, potential users,NHS,Emergency Services,Public Health

Is a copy of the subject attached? Yes											
If not, where could it be viewed?											
Initial screening											
Prompts to help you: Who is affected by it? 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/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	N	Religion or belief	N	Sexual orientation	N
How will this support our commitment to promote equality and meet our legal responsibilities? Reminder of our legal duties: <ul style="list-style-type: none"> ○ Eliminating unlawful discrimination & harassment ○ Promoting equality of opportunity ○ Promoting good relations between people from different groups ○ Promoting positive attitudes towards disabled people and taking account of someone's disability, even where that involves treating them more favourably than other people ○ Involving people, particularly disabled people, in public life and decision making <p>The service is generally provided to older people and those who are vulnerable, for example as a result of a disability. There are more older women in the county's population so the likelihood is that more women will be affected by changes to this service than men. The gender profile of current service users shows that just under 65% are female. 58% of users are aged over 75. There is no direct evidence that changes to the service will have a specific impact in relation to transgender status, race, religion or</p>											

sexual orientation.

The potential impacts relate to health and wellbeing as well as financial impacts. The increase in weekly payments for self funders and the proposed introduction of charges for those who currently do not currently pay will have a financial impact which may mean that some cancel, this could leave them at risk and would potentially increase reliance on other emergency response services such as ambulance or fire and rescue services.

The customers who currently receive a free service are amongst the highest users of the service. Over the last 12 months we have answered and responded to around 40,000 calls from these customers. Many of these calls relate to low level incidents. However, any withdrawal from the service will inevitably place additional burdens on the Police, Fire and Ambulance services. The consultation plan will identify key stakeholders and seek to assess the level of impact of potential changes.

If proposals are implemented and the customer base falls this may affect staffing with a potentially greater impact on women as more women are employed within the service. Corporate HR procedures would be followed to ensure fair treatment.

What evidence do you have to support your findings?

There are currently around 16,300 households (20,000 customers) receiving the community alarm monitoring and response service. This comprises approximately:

- 9,750 households who receive the service free (through historical funding arrangements)
- 4,750 self-funding households (who currently pay £4.60 per week)
- 1,800 households in receipt of Telecare equipment and monitoring (which includes the community alarm service as part of an assessed care package)

Data for current users who receive the service for free (9,750 households = 11584 customers)

Gender breakdown: 7510 (65%) female, 4074 (35%) Male

Age breakdown:

Age Range	Customers
Birth to 64 yrs	2370
65 to 69 yrs	1091
70 to 74 yrs	1400
75 to 79 yrs	1959
80 to 84 yrs	2054
85 yrs +	2710
Total	11584

This assessment will proceed to full assessment if agreed to proceed with consultation.

Decision: Proceed to full impact assessment – Yes Date: 6th July 2015

If you have answered 'No' you need to pass the completed form for approval & sign off.

Cabinet

16 September 2015



**Securing Developer Contributions
Towards Education Provision in
County Durham**

**Report of Corporate Management Team
Joint Report of Ian Thompson, Director Regeneration and
Economic Development and Rachael Shimmin, Corporate Director,
Children and Adults Services
Councillor Neil Foster, Cabinet Portfolio Holder for Economic
Regeneration
Councillor Ossie Johnson, Portfolio Holder for Children and Young
People's Service**

Purpose of the Report

1. The purpose of this report is to agree how the financial contributions required to accommodate pupils from new residential development are both calculated and secured through the statutory planning process as detailed within the 'Securing Developer Contributions towards Education Provision in County Durham' draft document (Appendix 2).

Background

2. The Sustainable Communities Strategy and Regeneration Statement set out where the County aims to be in 2030, which includes having a thriving economy and bridging the gap between its economic performance and that of other parts of the North East and the rest of England.
3. To meet the vision for sustainable communities it is essential that residents can live close to and have access to local facilities. Education provision is critical to ensuring this vision is achieved. Where there is insufficient capacity in existing schools to meet the demands from a new housing development it is essential that this is appropriately mitigated through securing financial contributions from developers towards the provision of additional school places.
4. Historically in County Durham there has not been a significant need to request education contributions from developers via Section 106 Agreements as there were large numbers of surplus places across the County and therefore additional school places were not needed. That situation has now changed due to increases in the birth rate, net inward migration and the fact that Local Authorities were encouraged by Government to remove large numbers of surplus places as retaining them was viewed as an inefficient use of resources.

Education Provision within County Durham

6. When forecasting future school rolls a range of information is used, which includes:
- Health Authorities (live births);
 - Termly School Census (January, October, May each year);
 - Primary School patterns of transition to secondary school;
 - Neighbouring Authorities (transfer of information regarding pupil movement across borders and school re-organisation proposals);
 - Housing data on new build developments and demolition programmes that have received planning permission, and demolitions;
 - Early Years and Sure Start (nursery/childcare figures); and
 - Staying on rate at Post-16.
7. As a result of an increase in the birth rate, it is expected that in the County there will be in the region of 1,220 more primary aged pupils by 2023-24 than there were in 2013-14. However, this increase does not take account of any future residential developments that may come forward through the planning process and that could have a significant impact on the future pattern and provision of school places, especially within the primary sector.

Funding

5. Local Authorities receive a DfE grant each year for additional school places where there is existing pressure (Basic Need). Table 1 shows that funding has significantly reduced since 2011/12. Table 1 also shows that there is a planned increase for 2017/18 but it should be noted that this increase is as a result of increased pupil rolls from a rise in the birth rate and from recent housing developments.

Table 1 Basic Need allocations 2011/12 – 2017/18

Funding Source	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £
Basic Need	3,764,095	2,235,315	216,803	216,803	488,411	512,831	2,019,958

8. It is unlikely that future Basic Need allocations will be sufficient to fund all of the extra pupil places required; therefore other sources of funding are therefore required to enable the Council to fulfil its statutory duty of ensuring there are sufficient school places available.

Developer Contributions, Viability and Deliverability

9. Where the need for additional school places as a result of new residential development is required, one potential source of funding is a financial contribution from developers via a Section 106 agreement where the development(s) is in an area that will result in additional school places being required.

10. Ensuring delivery and viability of housing developments within the County is critical and therefore it is important that a balanced approach is taken to ensure deliverability of housing developments whilst also ensuring appropriate associated infrastructure, such as additional school places is provided.
11. It should be noted that developers have a finite resource available to them for other infrastructure contributions, which in addition to education may include affordable housing, open space, targeted recruitment and training, older persons housing, transport improvements etc. Consequently there is a risk that the developer may not be in a position to agree to a full range of contributions on developments where they consider that the development could become unviable. In such cases the Council will need to determine priorities for contributions through the planning application process.
12. The Council will continue to examine all proposals on a site by site basis and thoroughly check viability assumptions to ensure appropriate levels of contributions are secured by the Council, whilst also ensuring delivery is achieved.
13. In circumstances where the developer cannot be apportioned the full costs or where there are issues around viability the Council may seek to share the cost of providing additional school places. This would be through the basic need allocation and/or making capital requests to the Council Capital Programme for funding.

Calculating Developer Contributions (Pupil Yield Methodology)

14. New residential developments generate a demand for education places in all age groups over and above natural population changes. In terms of housing developments, some properties will clearly not generate a significant need for additional places such as student accommodation and care homes.
15. Accurately predicting the number of pupils likely to be produced from new housing developments is not straightforward as it depends upon various factors including the location and type of housing.
16. Research in line with guidance from the Education Funding Agency¹ has been undertaken on a number of existing housing developments in County Durham to determine the number of pupils produced.
17. The detailed research has been undertaken on a number of housing developments that have been built over the last 20 years and as such, has taken into account market trends and changes. This research indicates that the expected pupil yield from developments is as follows:

¹ School Capacity (SCAP) Survey 2014 - Guide to forecasting pupil numbers in school place planning, June 2014, Education Funding Agency

- 0.3 primary aged pupils per house (i.e. 'broadly' 3 houses could typically generate one primary aged pupil)
 - 0.12 secondary aged pupils per house (i.e. just under 10 houses could typically generate one secondary aged pupil).
18. The pupil yields reflect demand for places generated, rather than actual children moving to the development. It also recognises that some children will not need to change school and some may attend private, selective or faith schools.
19. When assessing the nearest school(s) to the site of a proposed residential development(s) to assess the availability of school places to accommodate any demand that would arise, where it is practicable to do so the Council will apply a distance of 2 miles from the development measured by the shortest available safe walking route to avoid increases in home to school transport expenditure.

Cost of Additional Places

20. Where there are insufficient school places to accommodate the demand that would arise from a proposed development, and where that development is 10 dwellings or more, the contribution for each additional place will be based on information supplied by the Education Funding Agency (EFA) with regard to cost rates and area standards contained in the Contractors Framework issued in November 2013 (the cost with regard to Primary Schools has been increased following a funding review in October 2014). Added to this are costs for ICT and furniture, fittings and equipment which needs to be provided but are not included in the costs contained in the Contractors Framework. This gives a value of £11,705 per primary place required and £15,920 per secondary place required. The full methodology is detailed in 'Securing Developer Contributions towards Education Provision in County Durham' draft document attached as Appendix 2.
21. Developer contributions would be calculated using the formula below:

Number of Dwellings x Pupil Yield (*less any surplus places*) x Cost of Places = Developer Contribution

Primary Example

(if contributions are needed and includes surplus places)

100 Dwellings x 0.3 = 30 places, less 10 surplus places = 20 places required

20 x £11,705 = £234,100 (Developer Contribution)

Secondary Example

(if contributions are needed and includes surplus places)

100 Dwellings x 0.12 = 12 places, less 5 surplus places = 7 places required

7 x £15,920 = £111,440 (Developer Contribution)

Developments where New Schools are Required

22. Where new developments are so large that there is a need for a new build school rather than an expansion to an existing school(s), discussions will need to take place to agree the location, design, specification, size, number of classrooms, non-teaching space, play area provision etc. The full cost of the new build will need to be agreed, in addition to other developer contributions secured as part of the planning process, and as such will not follow the methodology stated in paragraph 18.

Securing the Financial Contribution

23. The Council has a role in assessing the likely impact of a new development on the service it provides, however, it is also the Local Planning Authority's role to decide whether or not the level of contributions requested are appropriate and in line with the Community Infrastructure Levy Regulation 2010 (regulations 122 and 123), which are:
- Necessary to make the development acceptable in planning terms;
 - Directly related to the development; and
 - Fairly and reasonably related in scale and kind to the development.
24. Where the CIL regulations above are satisfied, any financial contribution required would be secured at the time planning permission is granted (either outline or full) by way a planning obligation pursuant to Section 106 of the Town and Country Planning Act 1990. The section 106 agreement would set out an appropriate trigger for the payment of the contribution. In most cases the contribution should be a single payment rather than provided in stages. In addition, all contributions will be index linked as the amount calculated at the time of a planning application may change due to build cost inflation by the time the development is commenced and the contribution is paid.

25. The Council is unable to request retrospective contributions from developers where it has already commenced a programme of increasing places within a school prior to any approved planning application and as such the Council would be required to fund the full cost.
26. The Council can only make reasonable requests to developers for contributions which mitigate against the impacts of their development. It is likely that in the majority of cases the full value of a classroom extension cannot be secured from the developer due to the development producing less than a full classroom size of 30 pupils. In these cases the Basic Need allocation would be utilised to supplement the developer contributions, but if there was still a shortfall capital bids would have to be made to the Council's Capital Programme.
27. As stated previously in this report the Council is mindful of national advice on viability and delivery. Therefore the determination of individual schemes often involves an assessment of viability to ensure realistic decisions are made to support development and promote economic growth. Where the viability of a development is in question, the local planning authority will be flexible in applying infrastructure and policy requirements wherever possible.

Recommendation

28. It is recommended that Cabinet agree the content of this report and the 'Securing Developer Contributions towards Education Provision in County Durham' draft document attached as Appendix 2 to this report.
29. It is requested that delegated authority is provided to the Directors of Regeneration and Economic Development and Children and Adult Services in consultation with the Portfolio Holders for Economic Regeneration and Children and Young People's Service to approve any future update to secondary and primary pupil values in line with funding reviews undertaken by the EFA.

Contact: Mike Allum, RED, Tel: 03000 261906
Sheila Palmerley, CAS, Tel: 03000 265731
Stephen Reed, RED, Tel: 03000 263870

Appendix 1: Implications

Finance –

Costs associated with providing additional education places as result of new residential development will be sought from developers at a rate of £11,705 per primary place and £15,920 per secondary place. Where there is a need for a new build as opposed to an expansion of existing schools the cost will be calculated on a case by case basis.

Staffing –

None.

Risk –

Viability of residential developments is a critical factor in ensuring delivery of new housing throughout the County. Developer contributions secured through a Section 106 agreement will need to be mindful of viability pressures including developer financial contributions for other infrastructure elements, whilst ensuring adequate schools places are available.

The Council can only make reasonable requests to developers for contributions which mitigate against the impacts of their development. There is the potential risk to the Council that full value of a classroom extension cannot be secured from the developer due to the development producing less than a full classroom size of 30 pupils. As such the Council would have to explore other funding options which may include capital bids to the Council

The Council is unable to request retrospective contributions from developers where it has already commenced a programme of increasing places within a school prior to any approved planning application and as such the Council would be required to fund the full cost.

Equality and Diversity / Public Sector Equality Duty –

None

Accommodation –

None.

Crime and Disorder –

None.

Human Rights –

None.

Consultation –

None.

Procurement –

None.

Disability Issues –

None.

Legal Implications –

Legal opinion has been sought from the Council's in-house legal team and advice and guidance is sought when individual Section 106 agreements are negotiated.

The Council is mindful of the Section 106 'pooling' regulations which limit the use of no more than 5 financial contributions towards the infrastructure project.

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Introduction

1.1 The purpose of this document is to consider the potential pupil impact on pupil numbers as a result of housing growth within County Durham and the resulting additional school places required as a result of future development.

1.2 The report is not intended to address wider education matters relating to school organisation which is a matter for the School Places and Admissions Team in Children and Adults Services.

Background

2.1 The [Sustainable Communities Strategy](#) and [Regeneration Statement](#) sets out where the County aims to be in 2030, which includes having a thriving economy and bridging the gap between its economic performance and that of other parts of the North East and the rest of England. The County will be a top location for business, capitalising on its strategic location in relation to road, rail and air transportation and a distinctive multi-centred settlement pattern will comprise sustainable and regenerated communities.

2.2 To meet the vision for sustainable communities it is essential that residents can live close to employment opportunities and have access to local facilities. Where possible, new residential development should help support schools, including those where pupil numbers have fallen, plan for use of surplus capacity and where necessary contribute towards additional provision. Education provision is critical to ensuring this vision is achieved. Where there is insufficient capacity to meet the demands from a new housing proposal, it is critical that the developers engage with the local education authority through the Development Management process to ensure that additional provision can be secured.

Education Provision - The National Picture (England)^(a)

3.1 The Office for National Statistics (ONS) has produced an overview of key findings from its analysis of pupil numbers using the 2014 School Census information. This represents the national picture and 'broadly' reflects the situation in County Durham.

3.2 Key Points:

- Overall pupil numbers (aged up to and including 15) in state-funded schools began to increase in 2011 and are projected to continue rising, although the numbers in primary and secondary schools will obviously peak at different stages in the next 15 years;
- Numbers in maintained nursery and state-funded primary schools started increasing in 2010 and are expected to continue rising. Between 2013 and 2017, numbers are projected to increase by 8%; and
- State-funded secondary school rolls of pupils aged up to and including 15 have been in decline since 2004 and are expected to decline further until around 2015 when numbers in secondary schools will be about 3% lower than in 2012. Increases in primary pupil numbers will start to flow through at this point and numbers in secondary schools therefore will increase again. By 2018 they are projected to recover to 2013 levels.

a March 2014

Education Provision - County Durham Picture

4.1 Durham County Council has a statutory responsibility as the Local Authority to ensure there are sufficient school places for pupils within the County. Pupil place planning is a critical aspect of the Local Authority's duty to assess the local need for school places to ensure that every child can be provided with a place in a state funded school in County Durham. A pupil place planning document is produced annually which gives an overview of current and future pupil numbers which supports the future pattern and provision of school places across the County.

Forecasting Primary and Secondary Pupil Numbers

4.2 When Children and Adult Services produce and update the Pupil Place Planning document all pupil projections are based on relevant data provided from a range of sources, which includes:

- Health Authorities (live births);
- Termly School Census (January, October, May each year);
- Primary School patterns of transition to secondary school;
- Neighbouring Authorities (transfer of information regarding pupil movement across borders and school re-organisation proposals);
- Housing data on new build developments and demolition programmes that have received planning permission;
- Early Years and Sure Start (nursery/childcare figures); and
- Staying on rate at Post-16.

4.3 As a result of an increase in the birth rate, it is expected that there will be in the region of 1,220 more primary aged pupils by 2023/2024 than there were in 2013/2014. However, the increase does not take account any future residential developments that may come forward as part of the planning process that could have a significant impact on the future pattern and provision of school places in the primary sector.

4.4 Pupil rolls in primary schools are projected by using data provided by the Health Authority on the number of children born in County Durham. The data has postcodes and birth dates for all of the children which are then used to estimate the intake for the reception year of primary schools in forthcoming years.

4.5 Forecasting secondary school pupils is carried out at the same time as forecasting primary numbers. Primary numbers feed through to the secondary phase, so our current projections have the advantage that seven year groups are already in the school system.

4.6 The basic technique for forecasting secondary pupil numbers is to project forward the numbers of children transferring to secondary schools from specific primary schools each year. This exercise is carried out by Performance and Data Team within Children and Adults Services. We then adjust these forward projections to include other important factors.

4.7 These key factors are:

- **Expected House Building** - The School Places and Admissions Team receive information from colleagues in Regeneration and Economic Development (Development Management) on proposed housing developments which are in the process of seeking planning approval;
- **Migration Trends** - Migration trends means taking account of the additional numbers of children expected to move in or out of a particular area or neighbouring authority and the arrival of new migrants from abroad. Currently, less than 2% of our primary school pupils have moved in from other authorities and less than 2% of our resident population go out of the Authority for their education. We do not monitor nationalities of children, but English is the first language of nearly

98% of primary children. In respect of secondary schools, less than 1.5% of pupils have moved in from other authorities, but more than 5.5% go out of the Authority for their education. English is the first language for more than 98% of secondary children;

- **Changes in School Organisation** - Recent or planned changes in number, size, age range, and location of schools has an impact on pupil place planning. Pupil planning takes account of proposed changes to the current pattern and provision at primary age, 11-16, Post-16 and provision in Special Schools; and
- **Schools' Popularity** - The School Places and Admissions Team in Children and Adults Services monitors parental preference and admissions into schools. Any change in patterns of admissions to both primary and secondary schools is taken into account.

Surplus Places

4.8 While it is not cost effective to maintain large numbers of surplus places, local authorities cannot and should not try to eliminate all surplus capacity. A certain level of surplus places is necessary because:

- It allows greater opportunity to respond to parental choice;
- There may be unpredicted changes to demographic patterns, with a sudden influx of children to particular areas; and
- There may be unexpected changes to house building patterns.

4.9 There is no single 'ideal' level of overall surplus capacity, since this varies from authority to authority. It is reasonable to aim for between 5% and 10% overall surplus across the authority. Patterns show that a reasonable figure for urban areas is around 5% whereas in more rural areas it is around 10%. As Durham has a number of 'rural' areas the aim is to work to a target of no more than 10% surplus places overall. It is recognised that in some rural areas in County Durham it may be difficult to achieve this target.

Rising Pupil Numbers

4.10 As at 1 April 2015 in the primary sector there are 193 Primary Schools (8 of which are Academies), 14 Infant Schools and 13 Junior Schools (1 of which is an Academy). In the secondary sector there are 31 Secondary Schools (14 of which are Academies), 1 Sixth Form Centre and 2 14-19 Studio Schools.

4.11 Children and Adult Services continuously review data to determine those planning areas and schools where there will be pressure on school places in the future and allocate resources to provide additional school places. These places can be provided by either remodelling current accommodation, extending the current building or providing demountable buildings. The aim is to provide the extra places required as soon as possible subject to funding being available.

Projected Pupil Numbers (Primary)

4.12 The total number of primary school places available across all schools in the County is currently 44,196.

Projected Pupil Numbers (11-16)

4.13 The total number of secondary school places available across all schools in the County for pupils aged 11-16 is currently 32,286.

School Pupil Place Provision Context Statement

5.1 Pupil Place Planning is a critical aspect of the Local Authority's statutory duty to assess the local need for school places to ensure that every child can be provided with a place in a state-funded school in County Durham. The Local Authority has a statutory duty to assess the local need for school places to ensure that every child can be provided with a suitable place in a state-funded school in its area within high quality, stimulating and successful learning environments. The Local Authority needs to identify what school places are needed at present and in the future and how they will be provided. The challenge for the Local Authority in attempting to secure "value for money" and good quality education for all, is to provide the right number of places in the right locations.

5.2 Local Authorities need to show that they have robust procedures and systems for forecasting pupil numbers and identifying changes in local circumstances. These systems help to ensure there will be the right number of schools in the right places for the number of pupils expected in the future.

5.3 Schools submit data on pupil rolls to the Local Authority in October, January and May each year through the Termly School Census. A review of the projected rolls (for approximately 10 years hence) is carried out annually. Schools are encouraged to play an active role in the pupil place planning process and to identify at an early stage any concerns with projections that may impact on future school planning.

5.4 There is a diverse pattern of population distribution and school provision across County Durham so that there are both areas of place shortages and surplus places that currently exist both in specific locations and individual schools that see considerable levels of over and under subscription. The result is that specific locations and schools have either a deficient or a surplus of school places. It is important that any new house building should take account of available school surplus places, and that, new builds ought to strengthen community demand for school places. In addition, housing development needs to generate a pupil place demand which sits inside any council strategic vision for the primary school estate and its centrality to local community life.

Pre-application Discussions

6.1 The Council appreciates that developers will require certainty and expect to know the extent of any financial contributions necessary to mitigate the effects of their development prior to submitting a planning application in order to ensure the viability of their scheme. The methodology for contributions towards additional education provision is set out in this document and enables the level of contribution (if any) that is required on a clear and consistent basis. All advice provided by Council staff will be on a 'without prejudice' basis.

6.2 It should be noted that circumstances can change between contributions being calculated and formal assessment of a planning applications. Scenarios which could have an impact include:

- Other planning applications;
- Changes to scheme (e.g. number of houses);
- Annual updating of pupil forecasts;
- EFA funding reviews; and
- Changes to school management and structures.

Planning Applications

6.3 The need or otherwise for developer contributions towards education provision will be identified at either the outline or full planning application stage, or where a developer subsequently seeks to vary the number or type of units. Likewise, where a developer is seeking to renew an extant planning permission the need or otherwise for a contribution may also be reassessed.

Assessing the Sufficiency of Places

6.4 Contributions towards additional places will be sought where forecasts suggest that the appropriate education establishments in relation to the development cannot reasonably accommodate the expected increase in demand for places.

6.5 The Pupil Place Planning document as referred to in section 4 sets out the current and projected school rolls. This data is updated on an annual basis. The need for additional places may be immediate or gradual and it is necessary to take into account the future demand for places as well as the current positions because:

- Time lag between the planning application and completion of the development;
- Additional demand for places generally comes a few years after a development is first occupied; and
- The development will be a permanent feature of the local community and it should not just cater for the immediate impact.

6.6 When assessing the nearest school(s) to a development(s) to assess and calculate any developer contributions, the Council will apply a distance of 2 miles from the development measured by the shortest available safe walking route. The Council's School Places and Admissions Team can provide advice and guidance in relation to school rolls and forecasted pupil numbers. In addition they will also be able to provide advice in relation to relevant national and local policy and regulations in relation to education matters and Council policies and procedures for admissions and home to school transport.

Calculating Developer Contributions

Pupil Yield Methodology

7.1 New residential developments generate a demand for education places in all age groups over and above natural population changes. In terms of housing developments, some properties will clearly not generate a significant need for additional places such as student accommodation and care homes. Accurately predicting the number of pupils likely to be produced from new housing developments is not straightforward as it depends upon various factors including the location and type of housing.

7.2 Research in line with guidance from the Education Funding Agency^(b) has been undertaken on a number of existing housing developments^(c) in County Durham to determine the number of pupils produced. Each residence in the development was allocated a postcode and this is cross checked with information provided by schools via the pupil census. The pupil census lists all pupils attending schools in County Durham together with their address including the postcode.

7.3 The detailed research undertaken on a number of housing developments over the last 20 years has taken into account market trends and changes and indicates that the expected pupil yield from specific local 'family' housing developments as follows;

- 0.3 primary aged pupils per house^(d) (i.e. 'broadly' 3 houses typically generate one primary aged pupil)
- 0.12 secondary aged pupils per house^(e) (i.e. just under 10 houses typically generate one secondary aged pupil)

7.4 The pupil yields reflect demand for places generated, rather than actual children moving to the development. It also recognises that some children will not need to change school and some may attend private, selective or faith schools.

Cost of Additional Places

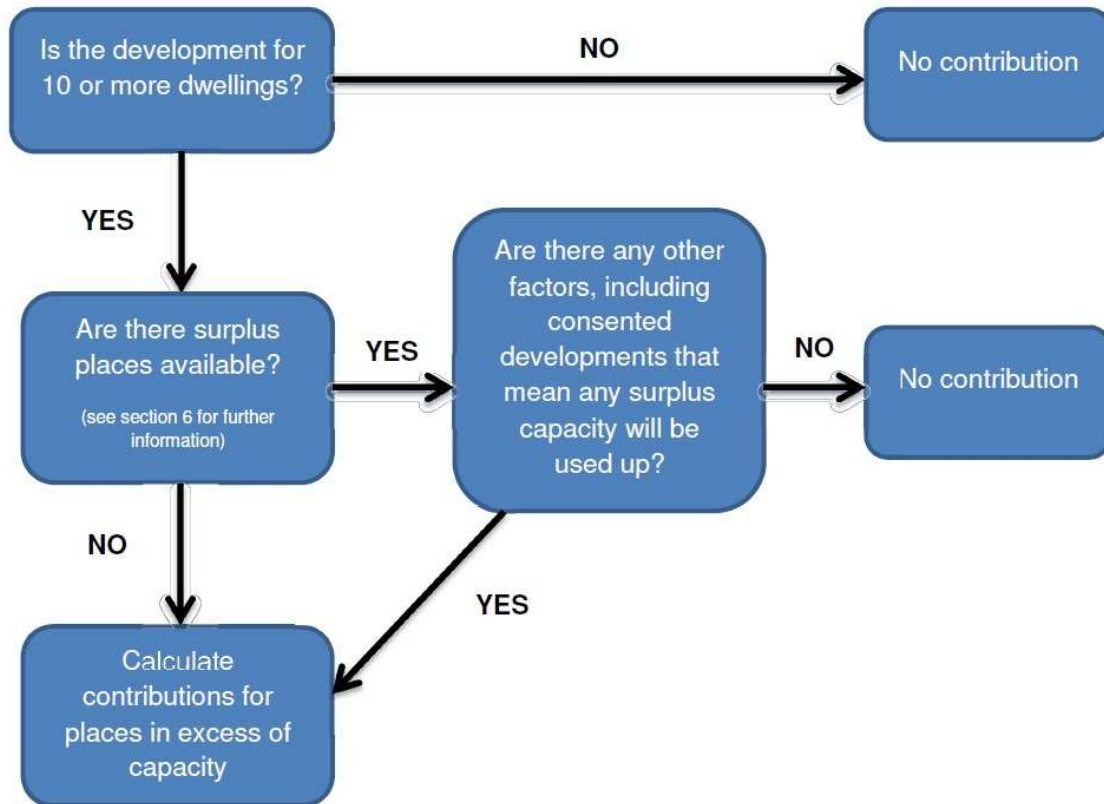
7.5 There is no requirement to calculate demand on school places from developments of less than 10 dwellings. For schemes of 10 or more dwellings, officers will advise whether the development will be able to be accommodated within existing capacity or if a contribution from the developers will be required.

b School Capacity (SCAP) Survey 2014 - Guide to forecasting pupil numbers in school place planning, June 2014, Education Funding Agency

c Relley Garth, Merryoaks, Meadowfield, Rosemount, Grayson Road, Winterton, Templetown, Bracks Farm, Cobblers Hall, Seaham, St Leonard's, Newcastle Road

d as at April 2015

e as at April 2015



7.6 Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.^(f)

7.7 The contribution for each excess space will be based on information supplied by The Education Funding Agency (EFA) with regard to cost rates and area standards contained in the EFA Contractors Framework issued in November 2013 (the cost with regard to Primary Schools have been increased following a funding review in October 2014). The current contribution required for the creation of a primary place is £11,705 and £15,920 for a secondary place. The costs may change in line with future funding reviews, therefore, these figures are not fixed and will be reviewed annually.

^f NPPF (Para 47)

Education Funding Agency advise the cost per primary school place to be:

- £1,370 per square metre for construction
- 17% fees for site costs and abnormals
- 12.5% design and statutory fees

Equals £1,803 per m²

Additional cost of £1,125 per pupil for ICT, furniture, fittings and equipment

Department for Education recommend 210 place primary school should be 1,232m²

1,232m² x £1,803 = £2,221,296 (construction, fees etc.)

£1,125 x 210 = £236,250 (ICT, furniture, fittings and equipment)

Total Cost of a 210 place primary school = £2,457,546

Cost per Pupil Calculation for Primary and Secondary Places

Cost per Primary Pupil = £2,457,546 ÷ 210 = £11,703 (round up to £11,705)

Cost per Secondary Pupil is 136%* of a Primary Pupil = £15,919 (round up to £15,920)

All pupil costs subject to indexation

* Based on DfE guidance issued in 2013 as part of the Targeted Basic Need Programme

7.8 To illustrate how the required developer contribution will be calculated, the example below shows the calculation for a 100 dwelling development in area where there is existing surplus school capacity of 10 primary places and 5 secondary places.

Number of Dwellings x Pupil Yield (*less any surplus places*) x Cost of Places = Developer Contribution

Primary Example

(*if contributions are needed and includes surplus places*)

100 Dwellings x 0.3 = 30 places, less 10 surplus places = 20 places required

20 x £11,705 = £234,100 (Developer Contribution)

Secondary Example

(*if contributions are needed and includes surplus places*)

100 Dwellings x 0.12 = 12 places, less 5 surplus places = 7 places required

7 x £15,920 = £111,440 (Developer Contribution)

7.9 The calculated developer contribution derived from the above calculation could vary with the residential mix of the development scheme and as such until a scheme gains full planning permission approval any assessment is indicative.

Developments where New Schools are Required

7.10 Where new developments trigger the need for a new build school, discussion and negotiations will need to take place to agree the location, design, specification, size, number of classrooms, non-teaching space, play area provision etc. The full cost of the new build will need to be agreed, along with developer contributions as part of the planning process. The arrangements detailed in this document will not be relevant in these cases and early discussions with Council officers are encouraged.

Securing the Financial Contribution

7.11 The Council has a role in assessing the likely impact of a new development on the service it provides, however, it is also the Local Planning Authority's role to decide whether or not the level of contributions requested are appropriate and in line with the Community Infrastructure Levy Regulation 2010 (regulations 122 and 123), which are;

- necessary to make the development acceptable in planning terms;
- directly related to the development; and
- fairly and reasonably related in scale and kind to the development.

7.12 Where the CIL regulations above are satisfied, any financial contribution required would be secured at the time planning permission is granted (either outline or full) by way a planning obligation pursuant to Section 106 of the Town and Country Planning Act 1990. The section 106 agreement would set out an appropriate trigger for the payment of the contribution, and it is expected that the contribution should be a single payment rather than provided in stages.

Viability

7.13 The Council is mindful of national advice on viability and decision-taking. Decision-taking on individual schemes often involves an assessment of viability to ensure realistic decisions are made to support development and promote economic growth. Where the viability of a development is in question, the local planning authority will look to be flexible in applying infrastructure requirements wherever possible.

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