



## Cabinet

**Date** Wednesday 16 December 2015  
**Time** 10.00 am  
**Venue** The Main Hall, Durham Town Hall, Market Place, Durham,  
DH1 3NJ

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### 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 18 November 2015 (Pages 1 - 4)
3. Declarations of interest

#### **Key Decision:**

4. Medium Term Financial Plan (6) 2016-17 - 2019/20 and 2016/17 Budget Update - Joint Report of Corporate Director, Resources and Assistant Chief Executive [**Key Decision: CORP/R/15/02**] (Pages 5 - 44)

#### **Ordinary Decisions:**

5. Update on the delivery of the Medium Term Financial Plan 5 - Report of Assistant Chief Executive (Pages 45 - 48)
6. Quarter Two 2015/16 Performance Management Report - Report of Assistant Chief Executive (Pages 49 - 122)
7. Corporate Issues Overview and Scrutiny Committee - Attendance Management Working Group Review - Report of Assistant Chief Executive (Pages 123 - 154)
8. Implications for Durham County Council of the Government's policy programme - Report of Assistant Chief Executive (Pages 155 - 192)
9. Children's Services Update - Report of Corporate Director, Children and Adults Services (Pages 193 - 204)
10. Care Leavers Strategy - Report of Corporate Director, Children and Adults Services (Pages 205 - 248)
11. Durham Humanitarian Support Partnership - Report of Assistant Chief Executive (Pages 249 - 256)

12. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration.
13. Any resolution relating to the exclusion of the public during the discussion of items containing exempt information.

**Part B**

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

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

**Colette Longbottom**  
Head of Legal and Democratic Services

County Hall  
Durham  
8 December 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

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**DURHAM COUNTY COUNCIL**

At a Meeting of **Cabinet** held in Committee Room 2, County Hall, Durham on **Wednesday 18 November 2015 at 10.00 am**

**Present:**

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

**Members of the Cabinet:**

Councillors J Allen, L Hovvells, A Napier, M Plews, B Stephens and E Tomlinson

**Apologies:**

Apologies for absence were received from Councillors J Brown, N Foster, and O Johnson

**Also Present:**

Councillors P Conway, I Geldard, P Stradling and M Williams

**1 Public Questions**

There were no questions received from members of the public.

**2 Minutes**

The minutes of the meeting held on 21 October 2015 were confirmed as a correct record.

**3 Declarations of interest**

There were no declarations of interest.

**4 Council Tax Base 2016/17 and Forecast Surplus on the Council Tax Collection Fund as 31 March 2016 [Key Decision: CORP/R/15/03]**

The Cabinet considered a report of the Corporate Director, Resources which determined the Council's Council Tax Base for all domestic properties liable to pay council tax and reported on the estimated collection fund surplus as at 31 March 2016, which will need to be distributed to the principal precepting authorities in 2016/17 (for copy see file of minutes).

Cabinet members commented on the excellent position the council was in terms of its estimated council tax collection fund surplus of £7m, and increase in Band D equivalent tax base of 2.5% for next year, which was due to good financial management arrangements, and congratulated all those involved.

**Resolved:**

That the recommendations contained in the report be approved.

**5 Review of Council Plan [Key Decision: CORP/A/03/15/1]**

The Cabinet considered a report of the Assistant Chief Executive which presented the draft Council Plan objectives and outcomes for each Altogether priority theme (for copy see file of minutes).

**Resolved:**

That the recommendations contained in the report be approved.

**6 Mid-Year Report for the Period to 30 September 2015 on Treasury Management Service**

The Cabinet considered a report of the Corporate Director, Resources which required the Council to receive a mid-year treasury review in addition to the forward looking annual treasury strategy and backward looking performance against the previous strategy. The report also incorporated the needs of the 'Prudential Code' (for copy see file of minutes).

Cabinet congratulated all those involved in recovering £7.036m against the original £7m that had been deposited across the Icelandic banks which had gone into administration.

**Resolved:**

That the recommendations contained in the report be approved.

**7 Forecast of Revenue and Capital Outturn 2015/16 for General Fund and Housing Revenue Account - Period to 30 September 2015**

The Cabinet considered a report of the Corporate Director, Resources which provided Cabinet with a forecast of 2015/16 revenue and capital outturn based on the period to 30 September 2015 for the Council's General Fund and Housing Revenue Account. The report also included the forecasts for the Council Tax Collection Fund and Business Rates Collection Fund (for copy see file of minutes).

Councillor Napier advised that the council was in the best position it could be despite the cuts that had been made, however it was anticipated that the cuts would deepen over the next few years which would impact on all services including front line services. He advised of the business support reserve which would enable the continuation of the protection of front line services for a period, and the position with the replenishment of both the ER/VR reserve, and the office accommodation capital reserve.

**Resolved:**

That the recommendations contained in the report be approved.

**8 Durham Local Safeguarding Children Board Annual Report 2014-15**

The Cabinet considered a report of the Corporate Director, Children and Adults Services which presented the Durham Local Safeguarding Children Board Annual Report 2014-15 (for copy see file of minutes).

**Resolved:**

That the recommendation contained in the report be approved.

**9 Adult Safeguarding Board Annual Report**

The Cabinet considered a report of the Corporate Director, Children and Adults Services which presented the Adult Safeguarding Board Annual Report, and provided information on the current position of the Board and outlined achievements during the year 2014/15 (for copy see file of minutes).

**Resolved:**

That the recommendation contained in the report be approved.

**10 Contaminated Land Inspection Strategy**

The Cabinet considered a report of the Corporate Director, Neighbourhood Services which considered the revised draft Contaminated Land Inspection Strategy (CLIS) dated September 2015 (for copy see file of minutes).

**Resolved:**

That the recommendation contained in the report be approved.

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**Cabinet**

**16 December 2015**

**Medium Term Financial Plan (6) 2016/17-  
2019/20 and 2016/17 Budget Update**



**CORP/R/15/02**

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**Report of Corporate Management Team**

**Don McLure, Corporate Director Resources**

**Lorraine O'Donnell, Assistant Chief Executive**

**Councillor Alan Napier, Cabinet Portfolio Holder for Finance**

**Councillor Simon Henig, Leader of the Council**

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**Purpose of the Report**

- 1 To provide an update on the development of the 2016/17 budget and the Medium Term Financial Plan 2016/17 to 2019/20 (MTFP(6)) that takes into account forecasts from the Chancellor of the Exchequer's Spending Review published on 25 November 2015.

**Executive Summary**

- 2 The MTFP (6) report to Cabinet on 15 July 2015 provided details of the Chancellor of the Exchequer's Summer Budget published on 8 July 2015. Although the size of funding reductions faced by local government were still severe, the pace of funding reductions appeared to be eased in 2016/17 with savings spread over a four year period to 2019/20.
- 3 Further clarity was expected in relation to the size of government funding reductions when the Spending Review was published on 25 November 2015 and when the Local Government Finance Settlement was received in December 2015.
- 4 It was forecast in July that the council would face funding reductions of £78m over the 2016/17 to 2019/20 period. When known budget pressures were taken into account at that time, savings targets for the three years 2016/17 to 2018/19 were forecast to be £103m bringing the total savings since 2011/12 to £256m.
- 5 The Chancellor of the Exchequer published the government's Spending Review on 25 November 2015. Our early analysis of the impact of the Review on local government is that it will be far reaching in terms of future funding levels and the overall functions being provided by local government in the long run.

- 6 The Chancellor announced an improvement in the public finance forecasts, which has enabled the government to withdraw previously planned tax credit cuts, protect Police budgets and ease the pressure on the majority of unprotected government departments. Unfortunately this protection has not been afforded to local government and in cash terms the average reduction in budgets for unprotected departments over the 2016/17 to 2019/20 period is circa 6% whereas the cash reduction for local government over the same period is circa 53%.
- 7 Our initial interpretation of the Spending Review implications show the amount of funding reductions for the four year period 2016/17 to 2019/20 could be less than the £78m reported to Cabinet in July 2015 at circa £70m but could also be as high as circa £85m. The position will become clearer when the council receives its actual finance settlement in mid-December 2015, but at this point it is prudent to forecast a reduction in Revenue Support Grant (RSG) across the four year period of £85m in total, with a £25m reduction anticipated in 2016/17 compared to a £15m reduction that we were forecasting in July.
- 8 The Spending Review also announced further changes to local government grants which will have a detrimental impact on service provision. Reductions of 3.9% per annum in real terms were announced in Public Health grant whilst the remainder of the NHS budget is to annual receive real terms increases. In addition, the government announced a 60% reduction in the Education Services Grant (ESG) on the back of a review of all statutory duties provided by local authorities to schools. The council presently receives ESG of £6m and a significant proportion of this grant could be at risk, but the position is not clear at this stage.
- 9 In recognition of unitary and upper tier local authorities experiencing financial pressures in their adult social care services, the Spending Review has given them powers to increase council tax by a further 2% over the current 2% council tax referendum level to invest specifically in Adult Social Care.
- 10 It would appear that the offer of ongoing 'council tax freeze' grants are to be abolished as part of the 2016/17 financial settlement.
- 11 In addition, the government also announced that an extra £1.5bn will be available to local government over the 2017/18 to 2019/20 period from the Better Care Fund to invest in social care. This funding is welcome, but at this stage there is no detail on how this new funding is to be financed, on allocations for local authorities or on any conditions which may be associated with this allocation. More detail is expected to be received over the coming weeks.
- 12 The production of DCLG Department Expenditure Limits (DEL) control totals for the period to 2019/20 has enabled the council to develop a four year MTFP. It is



forecast at this stage that 2019/20 should be the last year DCLG budgets will be cut and as such local government budgets should cease to face further funding reductions. It is also helpful to have a four year plan as the full scope of savings requirements can now be considered as part of MTFP (6)

- 13 Based on an estimated £85m RSG reduction over this period and still using an assumed Council Tax increase of 2% in each of the next four years at this stage in line with previous Cabinet decisions, the savings required to balance the budget over the period 2016/17 to 2019/20 are forecast to be £134.7m.
- 14 The January 2016 MTFP (6) Cabinet report will be based upon the actual Local Government Finance settlement and will provide final clarity for 2016/17 and greater certainty for the whole MTFP (6) period.
- 15 The Council is continuing its medium term financial strategy to protect frontline services as far as possible and to engage the public and partners in developing and implementing savings. The first phase of consultation is complete and is summarised within the report. The second stage will involve further consultation through Area Action Partnership events to discuss the details of the 2016/17 savings proposals contained in Appendix 3 and described within the report. An outline approach to developing 2017/18 proposals is also described. As in previous MTFP reports, equality impact assessments are also summarised to inform the consultation and subsequent decision-making. Workforce implications arising from proposals for 16/17 savings have been analysed and the projections for the number of posts to be removed as a consequence of austerity have been increased by an estimated 400 posts.

**Background**

- 16 The 15 July 2015 report to Cabinet provided an update on the 2016/17 Budget and MTFP (6) and identified the savings targets as detailed below:

<b>Year</b>	<b>Savings Requirement</b>
	<b>£m</b>
2016/17	30.488
2017/18	37.970
2018/19	34.417
<b>Total</b>	<b>102.875</b>

- 17 At that time, the additional £102.875m of savings would have resulted in total savings across the 2011/12 to 2018/19 period of £256m. It was recognised that the achievement of savings in the future would become ever more challenging and in recognition of this, the creation of a £30m Budget Support Reserve was approved by Cabinet on 18 November 2015 to provide the council with additional flexibility when developing savings plans in order to protect front line services for as long as possible.

- 18 This report provides an updated position in relation to the 2016/17 Budget and MTFP (6) whilst also providing an update on the development of savings plans. The report also provides details on the outcome of the MTFP consultation process and on the development of Equality Impact Assessments in support of savings plans.

### **2015 Spending Review**

- 19 The Spending Review on 25 November 2015 provided updated details of the government's long term economic plan. Details were expected on which unprotected government departments would be required to achieve the government's £20bn of required savings and how their commitment to £12bn of welfare savings would be achieved.
- 20 Prior to the Spending Review, all unprotected government departments were asked to identify how savings of between 25% and 40% could be achieved to contribute to the required £20bn fiscal consolidation.
- 21 Although the Spending Review provides extensive detail on the country's finances and changes to government policy, the full detail will only become fully apparent for local government in the coming weeks and months as the details of policies are announced and consultations carried out. At this stage the following issues are worthy of consideration.

### **Departmental Expenditure Limits (DEL)**

- 22 The Spending Review provided Office of Budget Responsibility details of a forecasted improvement in public finances of £27bn since the July summer budget. The two main elements generating this improvement were:
- (i) Improvement in forecast tax receipts, especially VAT over the next four years of circa £16bn;
  - (ii) Reduction in forecast of debt repayments of £11bn due to lower than forecast interest rates.
- 23 This improvement in public finance forecasts has enabled the government to reduce the savings requirements for most unprotected government departments and to increase capital investment. The major adjustments in this regard are as follows:
- (i) Police were expected to face 10% funding reductions but will now receive real terms increases over the next four years;
  - (ii) The planned £4bn savings from Tax Credit cuts have been withdrawn. The government has identified however that the £4bn will still be saved

from Welfare but over a four year period with the introduction of Universal Credit. Tax credits are one of the welfare benefits that will be subsumed within Universal Credit.

- (iii) Ahead of the Spending Review, unprotected government departments were asked to find savings of between 25% and 40%. The actual Spending Review announcement shows how, excluding local government, unprotected government departments have only been asked to find cash savings on average of circa 6% in terms of cuts to central government funding between 2016/17 and 2019/20. The cash reduction for central government support to local government over the same period is circa 53%.

24 In relation to local government, the Department for Communities and Local Government (DCLG) presently has a budget of £11.5bn. The core element of this budget is RSG of £9.5bn. The majority of the remainder of the DCLG budget is the top slice for the New Homes Bonus (NHB). Over the next four years the Government’s forecasts show that the DCLG budget will be reduced as follows

Year	DCLG Budget	Reduction	
		£bn	%
2015/16	11.5	-	-
2016/17	9.6	1.9	16.5
2017/18	7.4	2.2	19.1
2018/19	6.1	1.3	11.3
2019/20	5.4	0.7	6.1
<b>Total Reduction</b>	<b>-</b>	<b>6.1</b>	<b>53.0</b>

25 It is expected that the £6.1bn reduction detailed above will be deducted from RSG which in 2015/16 amounts to £9.5bn, therefore on a straight line basis this would result in a 65% reduction in RSG over the four year period.

26 The council’s RSG is presently £100.2m, therefore a 65% reduction would amount to £65m less grant. The government however also top slices RSG on an annual basis for the following:

- (i) Additional annual New Homes Bonus;
- (ii) Inflationary uplift in Business Rates and Top Up Grant;
- (iii) To finance the business rate safety net.

- 27 At this stage, it is not possible to accurately forecast what the value of the top slices will be. Similarly there is no clarity on the breakdown of the £5.4bn DCLG DEL total in 2019/20. At this stage it is forecast that the RSG funding cut the Council will face over the 2016/17 to 2019/20 period will be between £70m and £85m. At this stage for modelling purposes the most prudent scenario of a £85m cut is being utilised in this report. The January 2016 MTFP (6) report to Cabinet will provide details of the local government finance settlement which should provide more accurate and greater certainty in relation to the funding reductions faced by the council.
- 28 The table below highlights the amount forecast of RSG funding reductions over the next four years compared with the figures reported to Cabinet in July 2015:

<b>Year</b>	<b>July Cabinet</b>	<b>Spending Review</b>	<b>Difference</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
2016/17	15.0	25.0	+10.0
2017/18	30.0	30.0	0
2018/19	25.0	20.0	-5.0
2019/20	8.0	10.0	+2.0
<b>Total</b>	<b>78.0</b>	<b>85.0</b>	<b>+7.0</b>

- 29 The main issue of note from the table above is that the council is forecasting a £10m higher RSG reduction in 2016/17 than reported to Cabinet in July. The majority of unprotected government departments do not face a significant funding reduction in 2016/17 as reported in the Chancellor of the Exchequer's Summer Budget but the Spending Review would indicate that RSG will be reduced by £1.9bn (20%) in 2016/17.

## **Council Tax**

- 30 The Spending Review has recognised the financial pressures facing single tier local authorities providing social care services and has created the option to charge a social care council tax precept to raise additional income to spend exclusively on adult social care. The precept will work by giving local authorities the flexibility to raise council tax in their area by up to 2% above the existing 2% council tax referendum threshold. An additional 2% council tax per annum for the Council could raise additional income of £3.5m per annum. For financial modelling purposes we are still using an assumed Council Tax increase of 2% in each of the next four years at this stage in line with previous Cabinet decisions, until a final decision is taken on the option to increase by a further 2% to help pay for social care pressures,
- 31 It is expected that additional detail on the requirement to invest any funding in adult social care will be received as part of the financial settlement. If the Council

were to agree to exercise this new flexibility to increase council tax by a further 2%, we do not foresee any government compliance issues as the council is currently investing at least an additional £4m per annum in relation to demographic pressures, price inflation and to finance the impact of the National Living Wage for adult services over the next four years.

- 32 Although the flexibility to increase council tax by a further 2% can raise additional income there will be varying impacts across the country due to the disparate size of council tax bases for different local authorities and therefore the amount of council tax they can raise. Authorities in affluent areas have larger council tax bases due to the value of properties being higher in these areas and as such are much less reliant upon government grant. Authorities in less affluent areas like County Durham have lower council tax bases and are therefore much more reliant on government grants. This is the main reason why authorities from less affluent areas have faced significantly higher government grant reductions since 2011/12.
- 33 The table below provides an analysis of the increase in Spending Power a range of local authorities would receive by increasing council tax by an additional 2%.

Local Authority	Increase in Spending Power
	%
Wokingham	1.31
Surrey	1.26
Buckinghamshire	1.25
North Yorkshire	1.11
Northumberland	0.90
<b>Durham</b>	<b>0.70</b>
Newcastle	0.58
Sunderland	0.55

- 34 Although the Council will receive a lower increase in Spending Power from a 2% increase in council tax the Council actually faces significantly higher demand for Social Care Services than more affluent areas. For example, In 2014/15 the Council provided long term care to 2,776 clients per 100,000 population. On a similar basis, Surrey County Council only provided services to 1,785 clients per 100,000 population.

### Better Care Fund

- 35 From April 2017 the Spending Review makes available social care funds for local government, rising nationally to £1.5 billion by 2019-20, to be included in an improved Better Care Fund. At this stage no additional detail is provided in this regard and on this basis, no additional funding is assumed from the Better Care

Fund in our financial modelling at this stage. It is expected that additional detail will be received during 2016.

## Public Health Grant

- 36 Public Health was formerly funded within the NHS ring-fence. Public Health transferred into local government in 2013/14 with the council receiving a ring fenced specific grant of £45m. This grant increased with the transfer of responsibility for public health for 0 to 5 year olds from October 2015 to a forecast £55.6m for 2016/17. The government announced in the July Summer budget, that the 2015/16 Public Health grant would be reduced in year. The council has now received confirmation that the reduction in funding in 2015/16 is £3.1m.
- 37 Although the NHS budget is to receive real terms increases in funding over the next four years, the Spending Review has announced that there will be average real-terms annual reductions of 3.9% over the next five years for Public Health funding. Initial information would indicate that the cash reductions over the next four years, in addition to the £3.1m in 2015/16 will be as follows:

Year	£m	%
2016/17	1.153	2.2
2017/18	1.311	2.5
2018/19	1.363	2.6
2019/20	1.363	2.6

- 38 In total this will amount to a total Public Health grant reduction of £8.327m (15%). In addition however the government has also announced that the formula for how the Public Health grant is apportioned is also being reviewed. The move to the proposed new formula could result in the council losing £19m (38%) of the Public Health grant in addition to any reduction resulting from the 3.9% real terms annual funding cut. Any reduction of this scale would have a massive impact on public health investment in the county. At this stage for financial modelling purposes, we are using the lower forecasted £8.327m figure over the four year period.

## Schools and Education

- 39 Core schools budgets are to be protected in real terms, enabling the per pupil rate for the Dedicated Schools Grant (DSG) to be protected in cash terms, including £390m of additional funding given to the least fairly funded areas in 2015/16. The pupil premium will also be protected at current rates. The Council currently receives DSG funding per pupil (primary and secondary funding) of £4,640.88, compared to a national average of £4,612.11. The current allocations take into account deprivation and area cost adjustments.

- 40 The Spending Review has also announced the government's aim of ending local authorities' role in running schools and their aim for all schools to become academies by the end of this Parliament. Savings of around £600 million will be made on the Education Schools Grant (ESG), including phasing out altogether the additional funding the Council receives for schools through the ESG. The government's aim is to reduce the local authority role in running schools and remove a number of statutory duties. The government will consult on their policy and funding proposals in 2016.

### **Apprentice Levy**

- 41 The apprentice levy on larger employers announced in the Summer Budget will be introduced in April 2017. It will be set at a rate of 0.5% of an employer's paybill.
- 42 Each employer will receive an allowance of £15,000 to offset against their levy payment. This means that the levy will only be paid on any paybill in excess of £3m. The levy will be paid through 'Pay As You Earn' and this requirement will place an additional 'tax' on local authorities with the cost to the council being circa £1.2m in 2017 dependent upon the definition of 'paybill'.
- 43 The Local Government Association (LGA) has already pushed the government to remove local authorities from this proposed statutory requirement, but we await full details of this scheme to confirm how this will impact on the MTFP. At this stage we have built in a new budget pressure of £1.2m into 2017/18.

### **100% Business Rate Retention**

- 44 During 2016, the government will consult on changes to the local government finance system to pave the way for the implementation of 100% business rate retention rather than the current 50% by the end of the parliament.
- 45 The consultation will take into account the main resources currently available to councils, including council tax and business rates. As part of these reforms, the main local government grant being RSG will be phased out and additional responsibilities devolved to local authorities. For example, the government will consider transferring responsibility for funding the administration of Housing Benefit for pensioners and will also consult on options to transfer responsibility for funding public health. The government will consult on these and other additional responsibilities in 2016.
- 46 The introduction of 100% business rate retention will be significant providing additional incentive to the council to attract business but also transferring significant risk to local authorities in relation to business failure but particularly for business rate appeals. The transfer of additional responsibilities to local authorities will also require careful analysis and consideration, with statements

being made about linking the 100% retention of business rates to new responsibilities around Public Health.

### **New Homes Bonus**

- 47 The government will be consulting on changes to the local government finance system to rebalance support including to those authorities with social care responsibilities by taking into account the main resources available to councils, including council tax and business rates. The consultation will include reforms to the New Homes Bonus (NHB), including means of sharpening the incentive to reward communities for increasing the numbers of available homes and reducing the length of payments from 6 years to 4 years. This will include a preferred option for savings of at least £800m, which could be used to support social care services via the Better Care Fund. Details of both reforms will be set out as part of the local government finance settlement consultation, which will include consideration of proposals to introduce a 'floor' to ensure that no authority loses out disproportionately.

### **Capital Receipts**

- 48 The government will allow local authorities to spend up to 100% of their fixed asset capital receipts on the revenue costs of approved "reform projects". The flexibility to use asset receipts for reform projects will be subject to a number of conditions, including limits on the years in which the flexibility will be offered and the qualifying criteria for reform projects.
- 49 The detail will be set out by DCLG alongside the Local Government settlement and at this stage it is not clear what flexibility will be offered to the council in this regard and therefore no utilisation of receipts to fund revenue costs are built into the updated MTFP at this stage.

### **2016/17 Budget Update**

- 50 Subsequent to the 15 July 2015 MTFP (6) Cabinet report, the following updates are required to the 2016/17 budget model as shown at Appendix 2 as a result of government announcements and updated financial information.

#### **(i) September Retail Price Inflation (RPI)**

The September RPI figure is utilised by the government to set the Business Rates multiplier uplift i.e. the amount by which Business Rate bills will increase the following year. The council had been forecasting that the September 2015 RPI figure would be 1%. The actual figure was 0.8% which is slightly lower than forecast. The 2016/17 forecast increase in both Business Rate income and 'Top Up' Grant will need to be reduced by £97k and £121k respectively.



**(ii) Council Tax**

For modelling purposes, at this stage it is assumed that council tax could be increased by 2% in each of the next four years at this stage in line with previous Cabinet decisions.

**(iii) New Homes Bonus**

The council should receive notification of the 2016/17 New Homes Bonus grant figure as part of the local government finance settlement. This additional sum is calculated based upon the council's forecasted Council Tax Base (CTB1) return to government which was submitted in October 2015. Based upon analysis of the CTB1 it is forecast that the council will receive £1.75m NHB which is a £0.5m increase over the July forecast. This assumption is based upon the methodology for calculating NHB remaining unchanged in 2016/17.

**(iv) Council Tax/Business Rate Tax Base**

The July MTFP (6) Cabinet report included a forecast of a net £4.14m increase in income from higher tax bases in relation to Council Tax and Business Rate. Although there has been an improvement in the tax base for Council Tax in the intervening period the forecast tax base for Business Rates has deteriorated significantly. This relates to the significant number of business rate appeals received by the Valuation Office late in 2015/16 and reported to the council during the summer. On this basis it is now forecast that the net tax base will increase by £3.4m, a £740k reduction when compared to the July forecast.

**(v) Corporate Risk Contingency Budget**

To provide additional assurance and budget protection, it was originally planned to reduce this budget by £3m in 2017/18. The 2016/17 position has now deteriorated and this budget reduction has been moved into 2016/17 to help the financial shortfall position in this year.

**(vi) Costs Associated with the National Living Wage**

The introduction of the National Living Wage will have a significant impact upon the council's budget. A rate of £7.20 per hour will be implemented in 2016/17 with the rate expected to increase to £9.35 per hour in 2019/20. There will be no additional costs in relation to the council's workforce in 2016/17 as the Durham Living Wage is higher than £7.20 per hour. In the following years however additional costs will manifest with additional costs of circa £1m per annum by 2019/20.

The Council will however face significant pressure from service providers to increase contract prices. In the short term this is especially the case in relation to care providers. In July it was forecast that an additional £3m would be required to increase contract prices for care providers. Negotiations in this regard are ongoing but at this point it would be prudent to increase this sum to £4m in 2016/17 and maintain a further £4m per annum cost pressure in each of the following three years.

**(vii) Employee Increments**

The new grading structure implemented as part of the Single Status agreement in January 2013 included five increments in each grade. As part of the financial modelling for Single Status it was agreed that the cost of incremental movement up to 2015/16 would be financed corporately. After this point however it was forecast that normal levels of staff turnover would result in additional incremental costs being negated by new employees being employed on the bottom of the grade. Unfortunately the council is generally experiencing low levels of staff turnover with incremental movement therefore manifesting as a base budget pressure. On this basis the £2.5m cost of incremental movement has been introduced as a base budget pressure in 2016/17 with Service Groupings becoming responsible for any budget impact from 2017/18 where any additional costs will have to be met from within their own budget cash limit.

**(viii) Prudential Borrowing**

Initial MTFP (6) planning included additional capital financing budgets of £2m per annum. This budget enables the council to continue to replace the vehicle fleet and to prudentially borrow to finance new capital expenditure projects. The forecast of interest rates assumed when developing this budget in recent years has been between 4.5% and 5% and has been based upon agreed forecasts of Public Works Loans Board (PWL) interest rates provided by the council's treasury management consultants. Against all expectation however interest rates are remaining at historically low levels which is one of the main reasons how the government itself has reported a £11bn saving on its debt payment budget.

Based upon current forecasts of borrowing costs it is estimated that the current capital financing budget could be reduced by £2m and on this basis the additional £2m budget for 2016/17 will not be required and has been withdrawn from the budget model.

- 51 The July MTFP (6) report to Cabinet identified a 2016/17 savings requirement of £27.188m in addition to the forecast £3.1m saving in Public Health. Over the intervening period, Service Groupings have been finalising savings plans. Savings for 2016/17 have been identified of £28.169m and are detailed in Appendix 3. This level of saving is not sufficient to cover the full forecasted budget shortfall however of £40.567m. At this stage it is therefore forecast that £8.108m of the Budget Support Reserve established by Cabinet on 18 November 2015 will be utilised to cover the shortfall with a corresponding increase to the savings target for 2017/18 by the same £8.108m.
- 52 The £4.3m forecast saving in Public Health in 2016/17 is an estimate at this stage and is based upon the in year cut experienced of £3.1m in 2015/16 and the 2.2% cash reduction for 2016/17. It is expected that further detail on Public Health allocations will be received as part of the local government finance settlement. The table below sets out the savings position for 2016/17 and the forecast utilisation of the Budget Support Reserve:

<b>2016/17 Budget Savings Forecast</b>	<b>£m</b>
Variance in Resource Base	15.599
Base Budget Pressures	24.968
<b>Savings Required</b>	<b>40.567</b>
Savings Plans in place	28.169
Public Health Savings	4.290
Utilisation of Budget Support Reserve	8.108
<b>Savings and BSR Utilisation</b>	<b>40.567</b>

### **Saving Proposals for 2016/17 and 2017/18**

- 53 A list of the detailed saving proposals for 2016/17 is presented at Appendix 3. These are summarised for each service grouping in the next section of the report. Also included within Appendix 3 are outline proposals for savings in 2017/18. These proposals however are at an early stage of planning and further work is underway to scope out the full detail.
- 54 The strong programme management approach to the delivery of the savings and the continued focus on delivering early wherever possible means that many of the proposals planned for 2016/17 that affect frontline services are already or have been subject to detailed consultation in order to shape how the savings can be delivered. These include:
- (i) Home to School Transport
  - (ii) Care Connect
  - (iii) Refuse and Recycling Collections

(iv) Day Care

**2016/17 Savings**

**Assistant Chief Executive**

- 55 To date spending reductions of just over £4m have been achieved over the course of MTFP (1) – (5). In 2016/17 a further £0.8m is required and in 2017/18 £1m bringing the total amount of savings since 2011 to nearly £6m.
- 56 The service grouping continues to identify opportunities to work more efficiently whilst providing support to the Council through a period of ongoing and considerable change as well as meeting increasing service demands arising for example from welfare reforms, co-ordinating our approach to migration, information management and freedom of information requests.
- 57 Since 2011 much of the service grouping's savings have been realised through reduction of management and support services. For 2016/17, whilst the majority of savings will come from these areas including the reduced salary for the new Chief Executive, we are proposing further reductions to AAP budgets of £20,000 to reduce allocations to £100,000 for each AAP and grants to community groups including Durham Community Action and Gay Advice in Durham and Darlington.
- 58 To mitigate these reductions we will be seeking to maximise other funding that is available to continue to support the priorities identified through the AAPs and those groups affected by the reduction in grants.
- 59 Even with these reductions these service areas have still had a lower percentage reduction than the overall reduction for the service grouping and the Council as a whole which is in line with the feedback received through the several public consultations undertaken on the MTFP.
- 60 For 2017/18 a full review of the service grouping is proposed in order to identify the savings required. All service areas will be considered including front line areas such as AAPs.

**Children and Adults Services**

- 61 Spending reductions of over £71m have been achieved over the course of MTFP (1) – (5). In 2016/17 additional savings of £17.7m are required together with £24.3m in 2017/18 which will bring the total savings requirement since 2011 up to circa £113m.
- 62 The service continues to be faced with a significant amount of change both internally and externally include the continuing demographic changes, ongoing NHS changes, social care reforms and changes in funding for schools and inspection frameworks.

- 63 In 2016/17 efficiency savings will be made through a restructure of Adult Care Services to meet the requirements of the Care Act, the delivery of the Looked after Children Reduction Strategy reducing the need for residential care, further improvements to the commissioning of services including transport, reviewing the fostering service and reviewing support services.
- 64 In addition the service will be looking to increase the income received across a number of areas including secure services welfare and step down beds, surplus adoptive or foster care places, through the provision of learning and skills to young people and a review of the adult social care charging policy.
- 65 Some of the 2016/17 proposals that affect frontline services are savings arising from policy changes made in previous years, such as changes to day care provision, plus the continued focus on a consistent and effective use of the existing eligibility criteria. A major transformation programme is currently underway in the Children's Service to reduce the cost and incidence of children being looked after and taken into care.
- 66 In 2017/18 savings proposals being considered include building on the improvements already made to commissioning by developing a more integrated approach, further savings from efficiencies in the provision of children's care and continued savings from the consistent application of eligibility criteria for social care services to adults. A review of the in-house County Durham Care and Support is also being considered for 2017/18.
- 67 Whilst it is clear that savings proposals in this area affect vulnerable people, all efforts continue to be made to minimise the impact as far as possible in line with the views expressed by the public. This involves reviewing and changing operating models and working practices alongside the development of opportunities to work in a more integrated way with external partners.

### **Neighbourhood Services**

- 68 Spending reductions of £25.3m have been achieved over the course of MTFP (1) - (5) with a further £3.5m required in 2016/17 and £2.9m in 2017/18. Since 2011 the total amount saved by 2017 will be £31.7m.
- 69 Throughout the previous MTFP's, Neighbourhood Services has focused on delivering its savings through more efficient delivery of services and whilst it is continuing to focus on this strategy it is becoming increasingly difficult to avoid changes to front line services that will not result in some impact in local communities.
- 70 Areas where further efficiency reviews will be carried out in 2016/17 include Fleet Management, Technical Services and Environmental Health. In addition there

are further savings associated with rationalising office accommodation and from recycling credits.

- 71 Proposals for 2016/17 are also included which will affect both Leisure Centres and Libraries but the changes proposed will ensure there are no closures of each. In addition the Council is continuing to promote the Durham Ask to explore the potential for services such as Libraries to continue to be provided through the involvement of local organisations and groups, securing their long term future.
- 72 Areas where there will be changes in services currently offered include relocating the DLI collection, changes to the collection of refuse and recycling, a review of street wardens and reviewing customer services. However all of these areas are about changes to how the service is delivered rather than removing the service, for example whilst the number of street wardens is going to reduce the service will continue to be provided seven days a week.
- 73 For 2017/18 areas being considered include further efficiency reviews and additional savings from the street lighting energy reduction programme.

### **Regeneration and Economic Development**

- 74 Spending reductions of £20.4m have been achieved over the course of MTFP (1) – (5). In 2016/17 additional savings of £1.1m are required together with £2.2m in 2017/18 resulting in a total reduction since 2011 of £23.7m.
- 75 During 2015 the in-house housing provider Durham City Homes together with the two ALMOs Dale and Valley Homes and East Durham Homes were transferred to a new social housing company County Durham Housing. This afforded further opportunities to deliver efficiencies within the existing RED structure. In addition, contract and price renegotiations with transport providers have provided further reductions in costs. Further future opportunities for savings will materialise with the conclusion of the County Durham Plan.
- 76 This, together with further staffing reductions through vacancy management and restructuring activity alongside a further reduction in supplies and services will provide the majority of savings for both 2016/17 and 2017/18.
- 77 However some front line service areas will be affected for example the Care Connect team who provide a 24 hour service for vulnerable residents. Whilst the emergency on call service provision will still be provided the costs and nature of the service is being reviewed.
- 78 Consultations held previously have consistently identified job prospects as a priority and whilst there has been a significant reduction in the Government funding available for this activity, the service grouping continues to support this area as far as possible by working with a range of interested parties. In 2015 a number of successful capital schemes were established to delivery employment

growth. The service works in conjunction with others including the AAPs to support local residents into employment and training.

## **Resources**

- 79 In line with the views of the public the Council has consistently prioritised higher savings targets from Resources, which has resulted in savings since 2011 of £11.8m. In 2016/17 a further £1.5m is required together with £3.2m in 2017/18. This will mean from 2011 to 2017 reductions totalling £16.5m will have been made.
- 80 The service grouping are also managing a range of additional savings for 2016/17 from corporate areas and changes in financial policies including a review of business support functions, additional dividends and reductions in fees and charges. These proposals will deliver a further £3.5m of savings for MTFP (6).
- 81 All areas of the service grouping will be undergoing further reviews and restructuring during 2016/17 and 2017/18 in order to deliver the savings required in these areas.
- 82 In addition in 2017/18 it is proposed that the front facing revenues and benefits service be reviewed to identify efficiency savings. Impact on customers in terms of benefit processing times, invoice payment performance and recovery rates will be carefully balanced and mitigated as far as possible.

## **MTFP (6) 2016/17 to 2019/20 Update**

- 83 The production of DCLG Department Expenditure Limits (DEL) control totals for the period to 2019/20 has enabled the council to develop a four year MTFP. It is forecast at this stage that 2019/20 should be the last year DCLG budgets will be cut and as such local government budgets should cease to face further funding reductions. It is useful therefore to have a four year plan as the full scope of savings requirements can be considered as part of MTFP (6).
- 84 In addition to the inclusion of a fourth year into MTFP (6) the model at Appendix 2 has been amended for the following:

### **(i) Retail Price Inflation (RPI)**

The forecast uplift in Business Rates and Top Up grant in 2017/18 had been forecast to be 2% based upon September 2016 RPI. At the present time RPI is at 1% and it is felt prudent at this stage to reduce the forecast of RPI uplift from 2% to 1.5% in 2017/18.

**(ii) Council Tax**

For forecasting purposes our financial model at Appendix 2 is still predicated on the same 2% council tax increase that was included in the July 2015 Cabinet report.

**(iii) Apprentices Levy**

The forecast additional cost of the levy in 2017/18 of £1.2m is included as a base budget pressure.

- 85 In addition to finalising plans for 2016/17 savings, service groupings have also been developing plans for 2017/18. These plans are yet to be finalised but at this stage high level plans for achieving £33.7m of savings have been developed. These are detailed in Appendix 3. This level of saving would not be sufficient to cover the budget shortfall and at this stage it is forecast that £17.029m of the Budget Support Reserve would need to be utilised should the outline plans be firmed up and delivered. This would result in £25.137m of the £30m Budget Support Reserve having to be utilised by the end of 2017/18.
- 86 After taking into account required MTFP (6) adjustments and considering the savings plans developed by service groupings, including the outline plans for 2017/18 which still need to be finalised, the table below provides a summary of the MTFP (6) position. Full detail in this regard is included in the MTFP (6) model in Appendix 2.

<b>MTFP(6) Plans</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>Total</b>
	£m	£m	£m	£m	£m
Savings Plans	28.169	33.664	0	0	<b>61.833</b>
Savings to be Identified	0	0	46.226	18.380	<b>64.606</b>
Public Health Saving	4.290	1.311	1.363	1.363	<b>8.327</b>
Previous years shortfall	0	(8.108)	(17.029)	0	<b>(25.137)</b>
Utilisation of BSR	8.108	17.029	0	0	<b>25.137</b>
<b>Total</b>	<b>40.567</b>	<b>43.896</b>	<b>30.560</b>	<b>19.743</b>	<b>134.776</b>

- 87 The table above highlights the total savings required over the 2016/17 to 2019/20 period amount to £134.776m. It is recognised that this is a dynamic position could change significantly based upon the following:
- (i) Actual level of RSG reductions
  - (ii) Actual level of Public Health grant reductions
  - (iii) Actual level of ESG reductions



- (iv) Actual level of Benefit Admin grant reduction
- (v) Possible restrictions in utilisation of additional 2% council tax
- (vi) Opportunity from additional Better Care Fund allocations
- (vii) Opportunity from additional flexibility in relation to capital receipts
- (viii) Impact of any changes to New Homes Bonus funding
- (ix) Timing of and impact of introduction of 100% Business Rate retention

88 At this stage there are significant uncertainties in the short term. Some of these uncertainties will be resolved when the council receives the local government finance settlement in mid-December. The impact of this will be reported to Cabinet in January.

### **Budget Consultation Process**

89 The budget consultation for 2016/17 builds on the major MTFP consultation exercise carried out in 2013, which involved more than 4,000 people and provided a clear steer on which services should be prioritised for a standard, larger or smaller reduction.

90 The 2016/17 consultation is being carried out in two phases. Phase one of the consultations was completed in October 2015 and was primarily aimed at seeking views from the Area Action Partnerships on the service priorities identified in 2013 and whether they continued to be relevant.

91 An opportunity was also made available for individuals to comment online however, given the lack of clarity regarding the Council's budget position in advance of the Comprehensive Spending Review and the limitations that imposed on highlighting specific budget proposals, a high public response rate was not anticipated.

92 In addition to seeking views on service priorities, the consultation also sought views on what more the Council could do to encourage people to get involved in the Durham Ask.

### **Service Priorities**

93 None of the AAPs consulted suggested any changes to the service priorities identified by the 4,000 participants in the 2013 Consultation

94 However a number of suggestions were made by respondents for the Council to note when agreeing future budget reductions. These are set out below:

- (i) Future reductions must take account of partner agency budget proposals;
- (ii) Identify opportunities for collaboration, sharing and co-location of services with police, fire and other partners;
- (iii) Reviewing budgets in the public sector can offer opportunities for community and social enterprises;
- (iv) Continue to offer support to communities to build skills and encourage increased take-up of asset transfers.
- (v) Future reductions should take account of the impact of change on rural communities.

95 As expected, very few online responses were received to the consultation, however a majority of those who did respond highlighted that they had begun to notice changes to service provision since 2013. These included a broad range of services, a number of which had been subject to changes as a consequence of earlier MTFP budget decisions. There was very little consensus between respondents as to the areas of change and no single service was identified by more than two people.

### **Durham Ask**

96 When asked what would encourage take-up of the Durham Ask, to help maintain valued services as resources are reduced, respondents highlighted the following:

- (i) Increasing publicity and awareness about the Durham Ask, through case studies, sharing of good practice, explaining that this is about retaining valued services and highlighting the benefits;
- (ii) Ensuring access to regular support during asset transfer, including financial assistance to assess feasibility and assisting with recruitment of volunteers, particularly management group members;
- (iii) Ensuring clear information about the aims, how to apply, the support available and the roles and expectations for groups engaging in asset transfer;
- (iv) Providing a list of potential buildings, land, services for asset transfer;
- (v) Considering transfers that would achieve savings in the long term, if not immediately, and considering freehold transfers;

(vi) Providing clear advice on HR issues, including TUPE and dealing with redundancies;

(vii) Providing clear and realistic timescales.

97 Respondents also identified a range of organisations that could become more involved in asset transfer, either directly or in partnership. In particular, suggesting an increased role for the voluntary sector and Town and Parish Councils, with opportunities to generate additional funding. However, concerns were raised about reduced funding and a lack of resources. Discussions about the role of the private sector and conditions for their involvement also took place.

### **Next Steps**

98 The second phase of the consultation will commence on 16 December 2015 and continue until 12 January 2016. It will consist of three public events as detailed below, seeking views on the budget proposals set out in this report.

99 In addition to the three events, responses to the Council's budget proposals will be sought from the key partners that make up the wider County Durham Partnership, including local councils and members of the Partnership's thematic partnerships.

100 The three events are:

16 December – St John's RC School, Bishop Auckland, 6:00 p.m. – 7.30 p.m.

17 December – Shotton Hall, Peterlee, 1.00 p.m. – 2.30 p.m.

17 December – County Hall, 6:00 p.m – 7.30 p.m.

### **Council Plan and Service Plans**

101 A report to Cabinet on 18 November 2015 considered the approach to the refresh of the Council Plan this year, which is being done alongside the work on the MTFP. The high level approach agreed was that as the Council Plan and associated service plans are three year plans, they would be rolled forward this year to reflect agreed MTFP (6) changes and any other policy changes required. It was agreed that the six Altogether Better themes of the current plan be maintained, but with some limited adjustments to objectives and outcomes. A more fundamental review is to be conducted in 2016, linked to the refresh of the Sustainable Community Strategy. The draft Council Plan is scheduled to be submitted to the March 2016 Cabinet and April 2016 Council meeting for approval, following approval of MTFP (6).

## **Workforce Implications**

- 102 MTFP (1) which covered the period from 2011 to 2015 originally forecast a reduction in posts of 1,950 against a savings target of £123.5m. Since then the savings required to date have grown to over £153m yet through careful management of the workforce the impact on the workforce has remained around the same level as was originally predicted.
- 103 Looking ahead with the significant savings requirements over the next two years we are expecting to see further reductions in our workforce. For 2016/17 the forecast is a further reduction of around 400 posts including the deletion of an anticipated 60 vacant posts.
- 104 In 2017/18 as the savings plans are still in development at this stage there isn't a forecast available on the number of posts likely to be affected.
- 105 Management of change policies and HR support have ensured that this degree of change has been managed effectively since 2011 and these practices will continue including the use of a redeployment programme to minimise the number of redundancies.

## **Equality Impact Assessments**

- 106 Consideration of equality analysis and impacts is an essential element that members must consider in making the budget decisions at Appendix 3. This section updates members on the outcomes of the equality impact assessment of the MTFP (6) to date, and summarises the potential cumulative impact of the 2016/17 proposals.
- 107 Equality impact assessments are an essential part of decision-making, building them into the MTFP process supports decisions which are both fair and lawful. The aim of the assessments is to:
- (i) Identify any disproportionate impact on service users or staff based on the protected characteristics of age, gender (including pregnancy/maternity and transgender), disability, race, religion or belief and sexual orientation.
  - (ii) Identify any mitigating actions which can be taken to reduce negative impact where possible.
  - (iii) Ensure that we avoid unlawful discrimination as a result of MTFP decisions.
- 108 The Council is subject to the legal responsibilities of the Equality Act 2010 which, amongst other things, make discrimination unlawful in relation to the protected

characteristics listed above and require us to make reasonable adjustments for disabled people. In addition, as a public authority, we are subject to legal equality duties in relation to the protected characteristics.

- 109 The public sector equality duties require us to:-
- (i) Eliminate unlawful discrimination, harassment and victimisation.
  - (ii) Advance equality of opportunity.
  - (iii) Foster good relations between those who share a protected characteristic and those who do not.
- 110 The Equality and Human Rights Commission (EHRC) issued 'Using the equality duties to make fair financial decisions: a guide for decision makers' in September 2010. The guidance states that "equality duties do not prevent you from making difficult decisions such as reorganisations and relocations, redundancies and service reductions nor do they stop you making decisions which may affect one group more than another. What the equality duties do is enable you to demonstrate that you are making financial decisions in a fair, transparent and accountable way, considering the needs and the rights of different members of your community."
- 111 A number of successful judicial reviews have reinforced the need for robust consideration of the public sector equality duties and the impact on protected characteristics in the decision making process. Members must take full account of the duties and accompanying evidence when considering the MTFP proposals.
- 112 In terms of the ongoing programme of budget decisions the Council has taken steps to ensure that impact assessments:
- (i) Are built in at the formative stages so that they form an integral part of developing proposals with sufficient time for completion ahead of decision-making.
  - (ii) Are based on relevant evidence, including consultation where appropriate, to provide a robust assessment.
  - (iii) Objectively consider any negative impacts and alternatives or mitigating actions so that they support fair and lawful decision making.
  - (iv) Are closely linked to the wider MTFP decision-making process.
  - (v) Build on previous assessments to provide an ongoing picture of cumulative impact.

- 113 The process for identifying and completing impact assessments in relation to the MTFP is consistent with previous years. Services, with support from corporate equalities, were asked to consider all proposals to identify the level of assessment required – either ‘screening’ or ‘full’ depending on the extent of impact and the deadline for the final decision.
- 114 Where proposals are subject to further consultation and further decisions, the relevant impact assessments will be updated as further information becomes available. Final assessments will be considered in the decision making process.

### **Impact Assessments for 2016/17 Savings Proposals**

- 115 A total of 35 assessments are available for Members to inform their decisions on individual proposals. Some are existing assessments from previous years where there is a residual saving or a continuation of a savings proposal. Some are new assessments and a number of proposals do not require an assessment, for example those involving use of cash limits or savings in supplies and services.

### **Equality Impact Assessments by Service Grouping:**

<b>Service</b>	<b>EIAs</b>
ACE	3
CAS	15
Neighbourhoods	11
RED	1
Resources	4
Corporate	1
<b>Total</b>	<b>35</b>

- 116 The documentation has been made available for Members via the Member Support team ahead of this Cabinet meeting.

### **Summary of Equality Impacts of 2016/17 MTFP Proposals**

- 117 Services were required to identify potential impacts likely to arise from implementing each savings proposal. The main equalities impacts in relation to new and continuing savings proposals are summarised below for each service grouping.
- 118 ACE proposals include a service review with a potential impact on staff, a proposed reduction in AAP revenue which will be attempted to be mitigated by third party funding, and reduction and withdrawal of grant funding. Specifically, this involves removal of residual budgets relating to community buildings grant, reduction in grant for Durham Community Action and removal of the remaining grant funding to Gay Advice in Durham and Darlington (GADD). At this stage, prior to consultation, none of these proposals are thought to have specific

disproportionate impacts on groups with protected characteristics except the GADD reduction which has impacts in relation to sexual orientation, age and gender including transgender. Proposals could be mitigated through third party funding.

119 CAS proposals include potential impacts on age, disability and gender:

- (i) Some savings relate to changes from previous years which continue to produce savings in 2016/17. These include consistent and effective use of existing eligibility criteria and changes to management of in house social care provision, which have potential to impact on service users who are older people, women and disabled people. Further efficiencies in relation to management and support services are also proposed, which will impact primarily on staff.
- (ii) Some savings proposals have positive impacts for service users: vulnerable children will be better supported through secure services welfare and step down beds which will generate income, and our early help approach for families will allow income to be generated by other councils using our surplus foster care places. The increased use of the Intermediate Care Plus service will reduce costs for care through more service users regaining independence.
- (iii) A further review of in-house day care services is underway, with a potential impact on services users, many of whom are older and/or disabled. It is proposed that the in-house service refocuses provision to support service users with more complex needs. The needs of other users will be met through the independent sector and community based services. A proposed re-structure of Adult Care Services to meet the requirements of the Care Act will ensure service users continue to receive a high quality service, though there will be staff reductions and changes to job descriptions which would impact on staff. Staff changes would affect a predominantly female workforce but implications for other protected characteristics have been considered to ensure fair treatment of staff throughout this process.
- (iv) Review of our charging policy in respect of adult care provision has the potential to affect service users receiving a service disability premium (SPD) who could be required to pay up to £22.93 more per week for their social care provision. As well as having some form of disability, this group of service users is more likely to be female and older. This brings the Council's policy in-line with other local authorities and complies with the Government's Care Act Guidance which ensures no-one is asked to pay more than they can afford.

This saving is subject to further consultation. The equality impacts of this policy change will be considered as part of this decision making process.

- (v) The delivery of a new youth support strategy will impact mainly on young people with a key objective to increase the proportion of youth service spend on targeted support and achieve a more equitable balance between universal provision delivered through open access evening youth provision and targeted youth support. This saving will be subject to further decision making and consultation in early 2016.
- (vi) A review of non-assessed services is proposing changes to charging for Care Connect, the council's community alarm and telecare/healthcare provider which has impacts on older people, particularly women and those with a disability. The review also proposes de-commissioning some Prevention Services for over 50s which has potential impacts for women, older people, those with a disability and LGBT people; however some of the current demand will be met by Wellbeing for Life and other statutory or VCS provision. The needs of older people will be considered in any future commissioning of preventative services.
- (vii) Consultation is underway on proposed changes to non-statutory home to school or college transport which have the potential to affect some children and young people including those aged 16-19 with a medical condition. These changes will apply to new applicants and measures will be put in place to mitigate against the negative impacts.
- (viii) The cost of Children's Care will be reduced through the delivery of the Looked After Children Reduction Strategy reducing the need for residential care, which is a positive impact for children. It is also proposed that a small number of young people with a disability access alternative support or provision for short term activity breaks.

120 Neighbourhood Services proposals include potential impacts across all characteristics in relation to staffing whilst there are potential service impacts on age, gender and disability. Specific impacts of savings proposals include;

- (i) Staffing reviews are proposed in a number of services including Fleet Management and Grounds Maintenance. These proposals are not thought to have impacts on service delivery. Fair treatment of staff will be ensured through agreed corporate HR procedures contained within the Change Management Toolkit.



- (ii) Staffing reviews in other services have various potential service impacts though mitigating actions are also being proposed to lessen the negative effects. For example proposed changes in technical services (to share a Road Safety Manager with Hartlepool BC and remove direct funding for Child Pedestrian Training could have impacts on children and families, but to mitigate the impacts funding will be sought from alternative sources. A review of refuse and recycling collection rounds may lead to a change in collection days for some households. While the impact of these changes are largely on the workforce, there may also be impacts for householders with a disability. Proposed changes to Environmental Health and Consumer Protection will reduce the number of staff and change some responsibilities, any potential impacts will be mitigated through wherever possible by better use of resources.
- (iii) A structural review of Customer Relations and Performance and Planning teams will impact on staff in terms of an overall reduction in numbers and changes to responsibilities. While there are potential impacts to service delivery in these areas the review aims to improve resource planning and provide a better mix of frontline staff.
- (iv) Proposed changes to Neighbourhood Protection have the potential to affect groups with protected characteristics, particularly young people. This is due to reducing the number of street wardens, but the service will aim to maintain a seven day-a-week service.
- (v) Changes to the DLI collection arrangements, whilst removing the current base, have the potential for positive impacts for visitors, especially those who are elderly and/or with young families because of better public transport access. Other changes include reviewing the contributions made to museums and theatres. The reductions are not thought to have specific disproportional impact on groups with protected characteristics.
- (vi) Proposals to reduce the book fund will reduce the number of titles across all categories. This has the potential to impact older and disabled library users who may rely more than other groups on public services provision of special formats such as larger print sizes. However, the mix of future book purchasing will be driven by user demand so no specific library user group should be disproportionately affected by this change.

121 RED, Resources and Corporate proposals relate to further staffing restructures, residual savings as a result of previous staffing restructures and efficiencies from supplies and services. These changes are not thought to impact on service users. Fair treatment of staff will be ensured through agreed corporate HR procedures contained within the Change Management Toolkit.

## Impacts of Previous Proposed Savings and Cumulative Impacts of 2016/17 Proposals

- 122 Carrying out equality impact assessments on MTFP proposals helps us to understand the cumulative impact across a range of savings proposals. Throughout the last five years of austerity, the approach of the Council has been to keep the impact of savings on front line services to a minimum, and this has greatly reduced equalities impacts on those with a protected characteristic. For example our successful transfer to local community groups of leisure centres and community facilities, the ongoing work on the Durham Ask, positive shifts to preventative work in our children's services and increases in income generated are all ways in which Durham County Council is reducing equalities impacts of Government budget cuts. Where service reductions have been unavoidable, impacts in relation to previous proposals generally related to loss of, or reduced access to, a particular service or venue, travel to alternative provision, increased costs or charges and service re-modelling including reductions in staff. These changes had the potential to affect all protected characteristics however because it is more likely to affect those on low income, people without access to personal transport and those reliant on others for support there were particular potential impacts in relation to people with a disability, age and gender.
- 123 Generally, changes to universal services such as street lighting or bin collection are less likely to have a disproportionate impact on any one group. However, there are exceptions such as reductions in contracted public bus services, changes to libraries' opening hours and changes to leisure centres. Dedicated services such as social care, day care and home to school transport sometimes have disproportionate impacts for particular groups such as people with a disability and women, particularly those with a caring responsibility, and we have taken steps to monitor the impact and mitigate it where possible.
- 124 While the specific list of proposed savings in the 2016/17 MTFP are different from previous years the impacts are similar. There are potential impacts for older people, particularly those with a disability receiving social care, although some savings are the result of more older and disabled people living independently which is a positive outcome. Older social care users are also more likely to be female. Children and young people, including some with a disability are potentially affected through changes to home to school transport policy and through a new youth support strategy.
- 125 There are also potential impacts for community groups with a proposed reduction in grant funding, with a specific impacts this year for LBGT groups. However, generally there are limited impacts identified in relation to race, religion or belief and no specific impacts on transgender status or sexual orientation, although there is also less data and evidence available to show potential impact on these groups.

- 126 Mitigating actions are considered where the assessments have identified negative impacts on protected groups. These generally include ensuring service users can make informed choices or find alternatives (including finding funding from other sources), implementing new or improved ways of working, working with partners and providing transition or more flexible arrangements to reduce the initial impact.
- 127 There are a number of 2016/17 proposals relating to staffing restructures and changes, the impacts are comparable to those reported in previous years. Services are required to follow corporate HR procedures to ensure fair and consistent treatment, for example, by making reasonable adjustments for disabled employees. In many cases negative impact can be minimised by progressing requests for early retirement, voluntary redundancy and through redeployment.
- 128 In summary the potential impacts on staff can relate to any of the protected characteristics. In terms of age, employees over 55 may feel at greater risk of redundancy or younger staff who may be more likely to have significant financial burdens in terms of mortgages or young families. There are potential gender impacts on both men and women, for example where reviews relate to senior posts or particular technical roles they are more likely to affect male employees whilst a number of proposals relate to areas with more female employees.
- 129 Overall, the staffing profile still shows significantly more women employed across the council so women are inevitably more likely to be affected by change. There are some disabled staff and staff from black or ethnic minority backgrounds included in the reviews and restructures but the overall numbers of those affected are low which reflects the broader workforce profile data. Data on the religion or belief and sexual orientation of staff is collected through Resourcelink but the reporting rates are still very low so this information is not routinely included in equality impact assessments in order that people cannot be identified. Transgender status is not currently monitored.

### **High Level Summary of Equality Impact of 2017/18 Proposals**

- 130 A list of proposals contributing savings to the 2017/18 MTFP is included as Appendix 3. It is likely that the key service user impacts will relate to age, gender and disability, as for previous years. Many savings areas represent continuing savings from 2017/18, including the ACE service review, CAS application of eligibility criteria, review of care connect charging and review of home to school transport. The equalities impacts are already summarised at paragraphs 83 and 84 and supported by impact assessments. Other proposals are at an earlier stage. As these proposals are developed, services, with support from the corporate equalities team, will be asked to identify the level of equalities assessment required. This will mean either a 'screening' or 'full' equality impact

assessment will be developed depending on the extent of impact to support the decision making process.

- 131 Where proposals are subject to multi-stage decision making, or subject to consultation, the relevant impact assessments will be updated as further information becomes available. Final assessments will be considered in the decision making process.

### **Key Findings and Next Steps**

- 132 The equality impact assessments are vital in order to understand potential outcomes for protected groups and mitigate these where possible. Details of the impacts identified at this stage will be updated for the final Cabinet and Council decision-making meetings.

- 133 The main equalities impacts of the 2016/17 MTFP proposals relate to age, disability and gender. There will be continued focus on equalities issues as we move into future years of this MTFP, with equality impacts revisited and reviewed each year as appropriate. In many cases impact assessments are initial screenings with a full impact assessment to follow at the point of decision, once all necessary stakeholder consultation has been completed.

### **Recommendations and Reasons**

- 134 Cabinet is asked to:

- (i) Note the impact of the Spending Review detailed in the report.
- (ii) Note that at this stage there is significant uncertainty in relation to the impact on the Council. Further clarity will be received when the Council receives the local government financial settlement in mid-December and receives details of all specific grants.
- (iii) Note the adjustments to the 2016/17 Budget model and the revised savings target of £40.567m.
- (iv) Note the revised savings target for the 2016/17 to 2019/20 period of £134.7m.
- (v) Note the forecast utilisation of £25.1m of Budget Support Reserve.
- (vi) Note the savings detailed in Appendix 3 to achieve £61.833m of savings in 2016/17 and 2017/18.

- (vii) Consider the equality impacts identified and mitigating actions both in the report and in the individual equality impact assessments which have been made available in the Members' Resource Centre.
- (viii) Note the programme of future work to ensure full impact assessments are available, where appropriate, at the point of decision-making, once all necessary consultations have been completed.
- (ix) Note the ongoing work to assess cumulative impacts over the MTFP period which is regularly reported to Cabinet.
- (x) Agree to consult on the savings proposals in Appendix 3.

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## Appendix 1: Implications

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**Finance** – The content of the Spending Review has been analysed. At this stage reduction in RSG as forecast to be between £70m and £85m. For modelling purposes at this stage the reduction is assumed to be £85m. Based upon the revised analysis the savings target for 2016/17 is £40.567m and the four year forecast savings target for 2016/17 to 2019/20 to £134.7m.

**Staffing** – The savings proposals in MTFP (6) will impact upon employees. HR processes will be followed at all times.

**Risk** – In terms of planning at this stage there are significant risk as there is significant uncertainty in relation to funding allocation across the MTFP (6) period. The uncertainty will reduce as government departments provide medium term settlement allocations. In terms of service provision the Council will face significant risk in achieving savings of the magnitude requested.

**Equality and Diversity/Public Sector Equality Duty** – The report details the process followed.

**Accommodation** – None specific within this report.

**Crime and Disorder** – None specific within this report.

**Human Rights** – Any human rights issues will be considered for any detailed MTFP (6) and Council Plan proposals as they are developed and decisions made to take these forward.

**Consultation** – The approach to consultation on MTFP (6) is detailed in the report.

**Procurement** – None specific within this report.

**Disability Issues** – All requirements will be considered as part of the equalities considerations outlined in the main body of the report.

**Legal Implications** – Section 47 of the Local Government Finance Act 1988 and subsequent amending legislation provides the provisions and criteria for awarding discretionary rate relief. The Localism Act 2011 amended Section 47 Clause 69, of the Local Government Finance Act 1988 to allow local authorities to reduce the business rates of any local ratepayer (not just those who can currently be granted discretionary relief), via a local discount scheme.

Statutory guidance states that any discretionary rate relief or local discount scheme must be in the interests of the wider council taxpayer.

The proposals set out in this report only seek to amend/extend current policy arrangements to take account of changes in Government policy/funding arrangements. The amendments have been actioned under a delegated decision by the Corporate Director of Resources, in consultation with the Deputy Leader and Cabinet Portfolio Holder for Finance but requires Cabinet approval.

## Appendix 2 Medium Term Financial Plan - MTFP (6) 2016/17 - 2018/19 Model

	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000
<b>Government Funding</b>				
Government RSG Funding Reduction	25,000	30,000	20,000	10,000
Reduction in Public Health Grant *	4,290	1,311	1,363	1,363
Reduction in Education Services Grant (Presently £6m)	0	0	0	0
Reduction in Benefit Admin Grant (Presently £3.7m)	0	0	0	0
Town and Parish Council RSG Adjustment	-131	-190	-173	-90
Business Rates - RPI increase (0.8%/1.5%/2%)	-438	-820	-1,110	-1,130
Top Up Grant - RPI increase (0.8%/1.5%/2%)	-484	-930	-1,270	-1,300
<b>Other Funding Sources</b>				
Council Tax Increase (2% per annum) **	-3,556	-3,675	-3,800	-3,900
New Homes Bonus ***	-1,750	0	0	0
Council Tax/Business Rate Tax Base net increase	-3,400	-750	0	0
Bus. Rates 2014/15 Collection Fund Surplus - Adjustment	500	0	0	0
Better Care Fund ****	0	0	0	0
NHS Funding - Social Care Transformation	-4,432	0	0	0
<b>Estimated Variance in Resource Base</b>	<b>15,599</b>	<b>24,946</b>	<b>15,010</b>	<b>4,943</b>
Pay inflation (1.5% - 1.5% - 1.5%)	3,300	3,200	3,100	3,000
Price Inflation (1.5% - 1.5% - 1.5%)	2,500	2,400	2,300	2,200
Corporate Risk Contingency Budget	-3,000	0	0	0
<b>Base Budget Pressures</b>				
Employer Nat. Insurance increase - State Pension changes	4,700	0	0	0
Costs Associated with National Living Wage	4,000	5,000	5,000	5,000
Single Status Implementation	4,537	0	0	0
Additional Employer Pension Contributions	900	3,000	1,000	1,000
Employee Increments	2,581	0	0	0
Energy Price Increases	0	500	500	500
Concessionary Fares	0	100	100	100
Pension Fund Auto Enrolment	100	550	550	0
Climate Change Levy - Impact upon Landfill income	200	0	0	0
Apprentice Levy	0	1,200	0	0
CAS Demographic and Hyper Inflationary Pressures	1,000	1,000	1,000	1,000
Use of Earmarked Reserve in CAS	4,150	0	0	0
Prudential Borrowing to fund new Capital Projects	0	2,000	2,000	2,000
<b>TOTAL PRESSURES</b>	<b>24,968</b>	<b>18,950</b>	<b>15,550</b>	<b>14,800</b>
<b>SUM REQUIRED TO BALANCE BUDGET</b>	<b>40,567</b>	<b>43,896</b>	<b>30,560</b>	<b>19,743</b>
<b>Savings Plans</b>				
Savings to be Identified	-28,169	-33,664	0	0
Public Health Savings	0	0	-46,226	-18,380
Public Health Savings	-4,290	-1,311	-1,363	-1,363
Previous Years Shortfall	0	8,108	17,029	0
Utilisation of Budget Support Reserve	-8,108	-17,029	0	0
<b>TOTAL SAVINGS REQUIRED</b>	<b>-40,567</b>	<b>-43,896</b>	<b>-30,560</b>	<b>-19,743</b>

\* - Subject to further information being received with the settlement

\*\* - For forecasting purposes, our financial model is still predicated on the same 2% increase that was included in the July 2015 Cabinet report.

\*\*\* - Subject to further information being received with the settlement

\*\*\*\* - Subject to further information being received with the settlement



**MTFP (6) SAVINGS OPTIONS**

<b>Service Grouping</b>	<b>2016/17</b>	<b>2017/18</b>
ACE Total Savings	832,314	979,393
CAS Total Savings	17,658,887	24,289,826
NS Total Savings	3,488,000	2,897,400
RED Total Savings	1,118,176	2,282,202
RES Total Savings	1,493,281	3,215,861
COR Total Savings	3,578,352	0
<b>TOTAL</b>	<b>28,169,010</b>	<b>33,664,682</b>

**Assistant Chief Executive's Savings**

<b>REF</b>	<b>Description</b>	<b>2016/17</b>
		<b>£</b>
ACE 21	AAP revenue reduction	280,000
ACE 22	ACE service review	381,314
ACE 23	Review of grants to external bodies	171,000
	<b>ACE Total Savings</b>	<b>832,314</b>

<b>REF</b>	<b>Description</b>	<b>2017/18</b>
		<b>£</b>
ACE 22	ACE service review	979,393
	<b>ACE Total Savings</b>	<b>979,393</b>

## Children and Adult Services Savings

REF	Description	2016/17
		£
CAS01.03	Review of County Durham Care and Support in-house services	235,000
CAS02.01	Eligibility Criteria – Continuation of previous changes to improve effective use of eligibility criteria	3,000,000
CAS03.01	Increased charging income in respect of adult care provision	500,000
CAS05.01	Service review of Policy, Planning & Performance	737,691
CAS05.03	Day Care Review	1,590,000
CAS05.07	Service review within Children's Services	382,712
CAS05.08	Increased use of Intermediate Care Services	725,000
CAS05.15	Review of youth support	250,000
CAS05.16	Review of Education Services	406,472
CAS05.18	Review of County Durham Youth Offending Service	60,000
CAS05.19	Transformational change in Adult Care	1,540,000
CAS05.21	Increased Income Generation	1,170,000
CAS05.22	Transformational change in Children's Services	950,000
CAS05.23	Re-negotiation of contributions to Children's Services providers	250,000
CAS06.01	Review of non-assessed services – including community alarms, commissioning and service level agreements	3,816,996
CAS09.03	Children's Care Efficiencies; Payment for Skills Review	300,000
CAS09.04	Children's Care Efficiencies: LAC Reduction Strategy	1,505,016
CAS10.0	Review Home to School / College Transport Policies	427,000
CAS11.0	Repayment of Cash Limit Reserve	-187,000
<b>CAS Total Savings</b>		<b>17,658,887</b>

REF	Description	2017/18
		£
CAS1	Review of social care provision	6,000,000
CAS2	Eligibility Criteria - Consistent and effective use of existing criteria and reablement	4,575,000
CAS3	Increased charging income in respect of adult care provision	500,000
CAS5	Management and Support Services, staffing structures and service reviews/rationalisation service reviews/rationalisation	7,100,826
CAS6	Review of non-assessed services	1,500,000
CAS9	Review of Children's Care Services	3,500,000
CAS10	Review Home to School / College Transport Policies	295,000
CAS11	Cash Limit	819,000
<b>CAS Total Savings</b>		<b>24,289,826</b>

## Neighbourhood Services Savings

REF	Description	2016/17
		£
NS01.17	Review of support areas for Leisure Centres	325,000
NS03.74	Review of the Fleet Service	400,000
NS03.75	Efficiencies with the catering service	33,000
NS03.87	Review of recycling credits	61,000
NS04.04	Review of support for Grounds Maintenance	150,000
NS05.17	Review of refuse and recycling collections	225,000
NS07.03	Rationalisation of Office Accommodation	723,000
NS11.16	Review of Technical Services	183,000
NS17.11	Increased Income from Building and Design Services	100,000
NS24.06	Review of Museum & Theatre service,	402,000
NS25.05	Review of Library Book Fund	150,000
NS32.01	Review of Customer Relations, Policy and Performance	251,000
NS33.03	Review of EHCP	225,000
NS35.01	Review of Neighbourhood Protection	340,000
NS29.02	Adjustment for previous years use of Cash Limit	-80,000
<b>NS Total Savings</b>		<b>3,488,000</b>

REF	Description	2017/18
		£
NS3	Structural reviews and more efficient ways of working	718,400
NS11	Street Lighting Energy Savings	400,000
NS25	Service Reviews with Neighbourhood Services	1,779,000
<b>NS Total Savings</b>		<b>2,897,400</b>

### Regeneration and Economic Development Savings

REF	Description	2016/17
		£
RED01	RED service review	400,000
RED12	Review of Contracted Bus Services	400,000
RED14	Review of supplies and services across RED	318,176
<b>RED Total Savings</b>		<b>1,118,176</b>

REF	Description	2017/18
		£
RED01	RED service review	1,800,000
RED14	Review of supplies and services across RED	482,202
<b>RED Total Savings</b>		<b>2,282,202</b>

### Resources Savings

REF	Description	2016/17
		£
RES07	Review of Human Resources	289,627
RES13	Review of Legal and Democratic Services	289,971
RES15	Review of Finance	407,561
RES16	Review of ICT	413,036
RES21	Review of Internal Audit and Risk	93,086
<b>RES Total Savings</b>		<b>1,493,281</b>

REF	Description	2017/18
		£
RES07	Review of Human Resources	648,422
RES13	Review of Legal and Democratic Services	565,774
RES16	Review of ICT	698,342
RES19	Review of Revenues and Benefits	1,138,708
RES21	Review of Internal Audit and Risk	164,615
<b>RES Total Savings</b>		<b>3,215,861</b>

## Corporate Savings

REF	Description	2016/17
		£
COR19	Review of Back Office Functions	1,050,352
COR21	Fleet Review Savings	478,000
COR22	Freemans Reach Rental Income	250,000
COR23	DVLR Dividend	100,000
COR24	Capital Receipts – Income from Sales below £10k	50,000
COR25	Self Financing Capital Schemes	1,130,000
COR26	External Audit Fees	70,000
COR27	Bank Charges	50,000
COR28	Carbon Reduction Commitment	150,000
COR29	Concessionary Fares	250,000
	<b>Corporate Total Savings</b>	<b>3,578,352</b>

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**Cabinet**

**15<sup>th</sup> December 2015**



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

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**Report of Corporate Management Team**

**Lorraine O'Donnell, Assistant Chief Executive**

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

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**Purpose of the Report**

- 1 This report provides an update on the progress made at the end of September 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 As Members are aware we have developed a robust managed approach to the delivery of the savings and seek to deliver these early where we can. Through this approach by the end of September over 86% of the savings target for MTFP5 has already been met totalling £14m. This brings our total savings delivered since April 2011 to over £151m.
- 4 The areas where the additional savings for MTFP5 have been made in this quarter are mainly from proposals already introduced where further savings have been realised including changes to adult and childrens care. Further savings have come from proposals that have restructured service teams.

**Consultation**

- 5 Consultation with the public and other stakeholders remains an important element in the MTFP programme. During the second quarter of MTFP5

consultations which began or finished including changes to the provision of childrens services, adult day care and home to school transport.

## **HR implications**

- 6 In the second quarter of 2015/16 as part of the MTFP programme we accepted a further 16 ER/VR applications, deleted 1.85 vacant posts and made 3 employees redundant. This brings the totals for MTFP5 to 53 staff leaving via ER/VR or VR, 58.36 vacant posts deleted and 14 employees being made redundant.
- 7 Since 2011 a total of 1,081 ER/VR applications have been accepted, over 502 vacant posts have been deleted and 527 compulsory redundancies made as part of MTFP savings.
- 8 Data relating to staff leaving through voluntary redundancy and early retirement during this quarter showed that 74% were female and 26% were male, 93% of leavers were white British and the remaining 7% had not disclosed their ethnicity. In terms of disability, 2% said they were disabled and the remaining 98% of leavers said they did not have a disability or preferred not to say. While the number of leavers is relatively small these proportions are broadly comparable with the overall workforce profile.
- 9 Figures are too low to report on those leaving through compulsory redundancies to distinguish trends.
- 10 The Council continues to support employees affected by the MTFP savings plans and to date we have found over 420 employees alternative employment through the Council's redeployment process.
- 11 Employees are also continuing to apply for ER/VR and to date we have 226 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**

- 12 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.
- 13 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.



## **Conclusion**

- 14 Work has begun on planning for future savings as a result of the Government's Comprehensive Spending Review which was announced last month. Details of this are on the same Cabinet agenda as this update report.
- 15 With regard to the current MTFP the Council has already delivered £14m of the savings required (over 86%) and in total has now delivered over £151m in savings since 2011.

## **Recommendations**

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

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**Tel: 03000 268050**

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## Appendix 1: Implications

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**Finance** – The delivery of the MTFP involves cumulative saving of approximately £260m over the period from 2011 to 2020 of which over £151m has been delivered to date. For MTFP5 £14m of savings have been delivered (86% 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 December 2015****Quarter Two 2015/16****Performance Management Report**

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

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**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 second quarter of the 2015/16 financial year, covering the period July to September 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 provides 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](mailto:performance@durham.gov.uk).

## Executive Summary

### Overview

5. During the second quarter period 68% of our target indicators have shown either an improvement or have maintained current performance and 62% are approaching, meeting or exceeding target. For tracker indicators, 67% improved or maintained performance. 94% of Council Plan actions have been achieved or are on target to be achieved by the deadline.
6. Overall there continues to be good progress made this quarter. Housing development and homelessness continue to improve. Child safeguarding has generally improved and good adult care provision continues. Crime and anti-social behaviour levels are decreasing following a slight increase last year. The employee appraisal rate has improved and achieved target for the first time. However challenges continue in the level of unemployment and the GCSE attainment rate is worse than national levels. Planning applications and benefit claims processing have got slightly worse and sickness levels remain higher than target.
7. Over the past year there have been significant improvements to the numbers of Job Seeker's Allowance (JSA) claimants (including long term and youth claimants) and a slight improvement in the employment rate. However, despite the UK employment rate for June to August 2015 (73.6%) being at its highest since records began in July 1971, the County Durham rate of 68.1% (July 2014 to June 2015) decreased again compared to last period when this was 68.5%.
8. Apprenticeship schemes are working well with increases in 16 to 18 year olds in apprenticeships and local authority funded apprenticeships sustained for at least 15 months. However apprenticeship starts funded through the council reduced significantly, due to a lack of ongoing funding. The council is working with partners to attract new funding.
9. Housing development has improved when compared to the same period last year. There have been increases in new and affordable homes, together with more homes completed in or near major settlements and in Durham City. Empty properties brought back into use and private sector properties improved through local authority intervention have also increased, although private sector properties improved failed to achieve target. The numbers of overall and major planning applications received have increased however the percentages determined within deadline has dipped for this quarter and failed to achieve targets. Homeless indicators have improved with fewer statutory homelessness acceptances and increased preventions.
10. Visitor numbers to the county and the amount generated by the visitor economy have increased, although there has been a slight reduction in the number of jobs supported by the visitor economy. 522 potential jobs have been secured or created as a result of Business Durham activity although this was again below target.
11. Educational attainment shows a mixed picture. Provisional data show that 54.5% of County Durham pupils (state funded schools including academies) achieved five or more A\*-C GCSEs or equivalent including English and maths. In contrast to previous years, performance is lower than the provisional national average of 56.1%. 98.3% of pupils achieved two A levels at grade A\*-E or equivalent, slightly

better than the provisional national average. The achievement gaps between pupils eligible for pupil premium and those not eligible are widening at key stages two and four.

12. Key safeguarding measures have generally improved compared to last year, with a reduction in the rate of children with a child protection plan. Children in need referrals occurring within 12 months of a previous referral have reduced significantly, although performance is slightly worse than the target. However the rate of looked after children has increased from last quarter and last year but remains much lower than the North East average.
13. There are ongoing challenges in relation to health. Under-18 conception and breastfeeding rates have improved although remain worse than the national average. Mothers smoking at the time of delivery is significantly worse than the national average and the proportion of eligible people receiving an NHS health check remains below target.
14. Performance in adult social care in areas such as user satisfaction, self-directed support and reablement remains high. The number of people aged 65 and over supported by Durham County Council and admitted on a permanent basis to residential and nursing care has not achieved target, although the actual number of residential/nursing beds purchased has fallen. A high proportion of adult social care users say that the services have made them feel safe and secure
15. Successful completions for alcohol treatment and drug treatment for both opiates and non-opiates are not achieving target, but much of this relates to the former alcohol and drug treatment provider and not the new treatment provider, Lifeline.
16. Crime and anti-social behaviour (ASB) levels, including all categories of theft offences, are decreasing following a slight increase last year. However re-offending rates for both adults and young people continue to increase although first time entrants to the youth justice system are reducing.
17. 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 continues to decrease from its peak in quarter two last year.
18. Performance continues to improve in some corporate areas. Customer service indicators show improved telephone handling within three minutes compared to the same period last year. Invoice payment performance has improved and achieved target. Collection rates for both council tax and business rates have improved and are on target. The employee appraisal rate has improved and achieved target for the first time.
19. However housing benefit and council tax reduction claims processing times have deteriorated and are outside of targets. Sickness levels have deteriorated and remain worse than target. Freedom of Information and Environmental Information Regulations requests processed within statutory timescales has improved but remains below the national target.

## **Volume of Activity**

20. Demand for a number of key frontline services has increased. The number of looked after children cases has continued to rise steadily since 2014/15, now bringing levels to the highest since 2012/13 (Appendix 4, Chart 4). There has also been a rise in the number of children in need referrals (Appendix 4, Chart 5). The numbers of Freedom of Information (FOI) Act or Environmental Information Regulations (EIR) requests and planning applications received have increased.
21. While there has been a rise in FOI or EIR requests received, 82% of requests were responded to within deadline, an improvement of 11 percentage points from last quarter (Appendix 4, Chart 13).
22. Reductions in demand continue in child protection cases and fly-tipping incidents (Appendix 4, Chart 6). There has also been reductions in the number of new claims for housing benefit and council tax reduction (Appendix 4, Charts 7 and 8). The number of customers seen at our customer access points continues to reduce, aided by the appointments system for benefits and council tax, which is reducing repeat visits as customers, at the time of booking the appointment, are informed of the documentation they need to bring with them (Appendix 4, Chart 12).
23. Workload volume has affected performance of new benefit claims and planning applications determined within deadline.

## **Welfare Reform and Demand**

24. A report which was presented to Cabinet in October looked at a number of poverty related issues affecting residents in the county and outlined the current position on the Government's welfare reform programme. The report included an action plan which seeks to address a number of the issues identified. Voluntary groups and other organisations are being consulted on the action plan to ensure this is as complete as possible and takes into account all of the activity currently underway across the county.
25. Foodbanks continue to be a vital lifeline for many people. The County Durham foodbank fed 3,393 people (2,309 adults and 1,084 children) this quarter. This is an increase from last quarter when 2,952 people were fed (2,029 adults and 923 children), although fewer people were fed than at the same time last year (4,090 people, 2,677 adults and 923 children). As reported in quarter one, County Durham is a pilot area for a new fuel bank providing people with a voucher for £49 credit to top up their gas and electricity meter. In July the scheme reached a landmark with over 1,000 people (674 adults and 350 children) helped through 448 vouchers since April when the pilot started.
26. Turning to the indicators we use to monitor performance and track the effects of welfare reform, this quarter saw fewer new claims for both housing benefit and council tax reduction. Compared to last quarter, the employment rate has fallen and there has been a slight rise in the number of people claiming Job Seekers Allowance (JSA). The number of people claiming JSA for more than 12 months has fallen, although all JSA levels remain higher than national levels. Universal

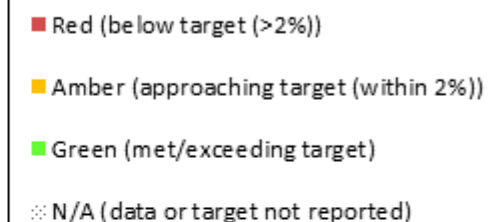
Credit was successfully introduced into County Durham in September, with only a small number of claimants during the first few weeks.

27. The most recent annual child poverty data show that 19,815 children were living in low income families in County Durham in 2013, which is equivalent to 22.5% of all 0 to 15 year-olds in the county. This is a 1.1% reduction from the previous year however, the gap between Durham and the national figures has been widening since 2007 and Durham is 3.9 percentage points higher than the equivalent figure for England (18.6%).
28. The proportion of households in fuel poverty increased slightly from 11.4% in 2012 to 11.5% in 2013 (latest released data) and is more than the national average of 10.4%. A household is considered to be fuel poor if they have required fuel costs that are above average and if were they to spend that amount on fuel, they would be left with a residual income below the official poverty line.
29. As at 30 September £286,199 of Discretionary Housing Payments had been awarded to 1,203 households that were considered to be under-occupying their properties (more commonly known as the bedroom tax). In addition £75,008 has been awarded to 176 households that have been affected by local housing allowance reforms.
30. Homeless levels show fewer statutory homelessness acceptances this quarter when compared to the previous quarter and same period last year. The number of families rehoused through the Durham Key Options system continues to reduce, mainly due to the availability of stock. 42% of new applications (742 people) 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.

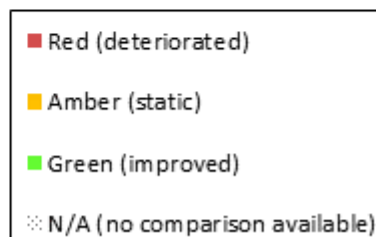
## Overall Performance of the Council

### Key Performance

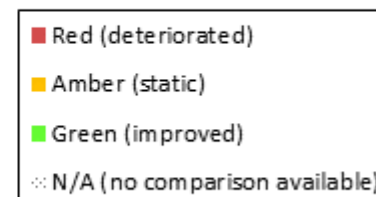
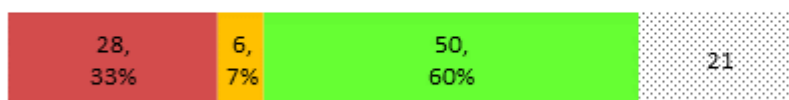
#### Performance against targets



#### Target indicators - Direction of travel



#### Tracker indicators - Direction of travel



#### Source: Service performance monitoring data

31. In quarter two 2015/16, 62% (39) of target indicators approached, met or exceeded targets and 68% (41) of target indicators improved or remained static. Performance in relation to tracker indicators, many of which reflect the local economy, showed 67% (57) improving or remaining static compared to the same period last year.

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

- i. Home completions including affordable homes, those completed in Durham City and in or near major settlements
- ii. Percentage of 16 to 18 year olds in an apprenticeship and council funded apprenticeships sustained for at least 15 months
- iii. Statutory homelessness acceptances
- iv. Children in early years foundation stage achieving a good level of development
- v. First time entrants to the youth justice system

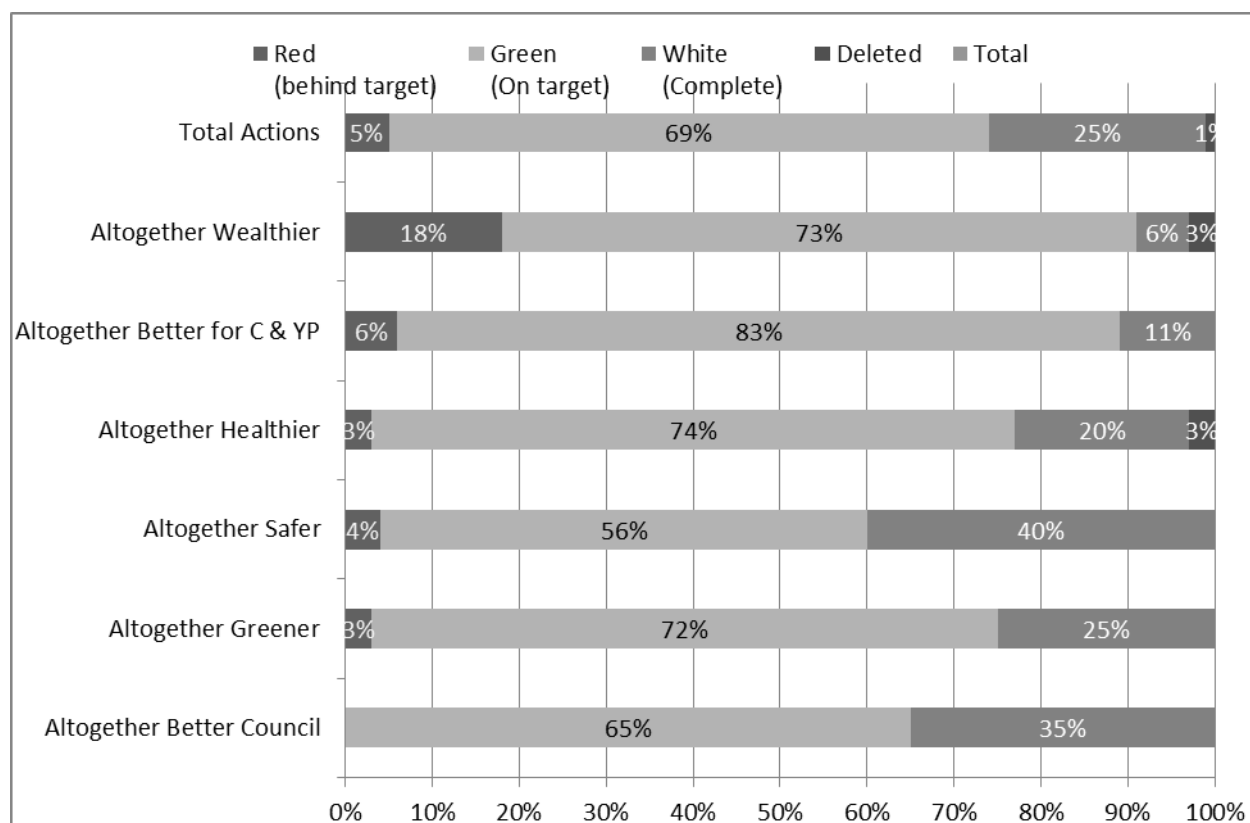


- vi. Children in need referrals within 12 months of previous referral
- vii. Children with a child protection plan
- viii. Breastfeeding at six to eight weeks from birth
- ix. Delayed transfers of care
- x. Residential /nursing care beds for over 65s commissioned by the council
- xi. Overall crime
- xii. Theft
- xiii. Police reported incidents of anti-social behaviour including those that are alcohol related
- xiv. Levels of litter and detritus
- xv. Municipal waste diverted from landfill
- xvi. Fly-tipping incidents
- xvii. Supplier invoices paid within 30 days
- xviii. Staff performance appraisals
- xix. Freedom of Information requests responded to within deadline
- xx. Collection rates for council tax and business rates

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

- i. Planning applications determined within deadline
- ii. Apprenticeships started through council funded schemes
- iii. Applications on Durham Key Options which led to the household being successfully rehoused
- iv. Achievement of five or more A\*-C GCSEs (or equivalent) including English and maths
- v. Achievement gap for pupils eligible/not eligible for pupil premium funding
- vi. Adults and young people re-offending
- vii. Rate of looked after children
- viii. Successful alcohol treatment completions
- ix. Household waste re-used, recycled or composted
- x. Employee sickness absence rates
- xi. Time taken to process benefit claims

## Progress against Council Plan Actions - Quarter Two 2015/16



34. Overall performance in the second quarter of 2015/16 shows that 25% (50 out of 202) of actions have been completed and 69% (140 actions) are on target. 5% (10 actions) did not meet target and 1% (2 actions) have been deleted. Further details of these actions are highlighted throughout the report. The Altogether Safer theme has achieved the highest percentage of actions completed (40%). 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	73	21	29%	44	60%	6	8%	2	3%
CAS	111	23	20%	84	76%	3	3%	1	1%
NS	118	32	27%	75	64%	10	8%	1	1%
RED	98	1	1%	78	80%	16	16%	3	3%
RES	108	36	33%	64	59%	5	5%	3	3%
<b>Total</b>	<b>508</b>	<b>113</b>	<b>22%</b>	<b>345</b>	<b>68%</b>	<b>40</b>	<b>8%</b>	<b>10</b>	<b>2%</b>

Source: Service monitoring data

35. 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 8%. The Children and Adults (CAS) service grouping had the highest percentage of actions achieved or on target (96%). The Regeneration and Economic Development service grouping (RED) had the highest percentage of actions behind target (16%, 16 actions). This is followed by Neighbourhood service grouping (NS) (8%, 10 actions) and the Assistant Chief Executive service grouping (ACE) (8%, 6 actions).

36. 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](mailto:performance@durham.gov.uk).

## Risk Management

37. 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.

38. 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.

39. At 30 September 2015, there were 26 strategic risks, a reduction of one since 30 June 2015. Two risks have been added and three have been removed. The following matrix categorises the strategic risks according to their net risk evaluation as at 30 September 2015. To highlight changes in each category during the last quarter, the number of risks at 30 June 2015 is shown in brackets.

### Corporate Risk Heat Map

Impact					
Critical	1 (1)	1 (1)	2 (2)		1 (1)
Major		6 (4)	3 (4)	0 (1)	
Moderate			8 (8)	4 (4)	0 (1)
Minor					
Insignificant					
Likelihood	Remote	Unlikely	Possible	Probable	Highly Probable

Key risks 

40. A review of the risk, failure to prepare for, respond to and recover from a major incident or interruption, and to provide essential services, has concluded that there should be two separately managed risks to take account of two distinct issues that impact on different council objectives.

Consequently, the existing risk has been revised to create the following two risks for inclusion in the Strategic Risk Register:

- a. Breach of duty under Civil Contingencies Act by failing to prepare for, respond to and recover from a major incident, which impacts on the objective to protect vulnerable people from harm and is managed jointly through the Local Resilience Forum. This has been evaluated as a major impact with a possible likelihood of occurrence (Assistant Chief Executives).
- b. Failure to prepare for, respond to and recover from a disruptive event, leading to a major business interruption in the provision of essential services, impacts on the objective Altogether Better Council / Effective Use of Resources and is managed internally. This has been evaluated as a major impact with an unlikely chance of occurrence (Assistant Chief Executives).

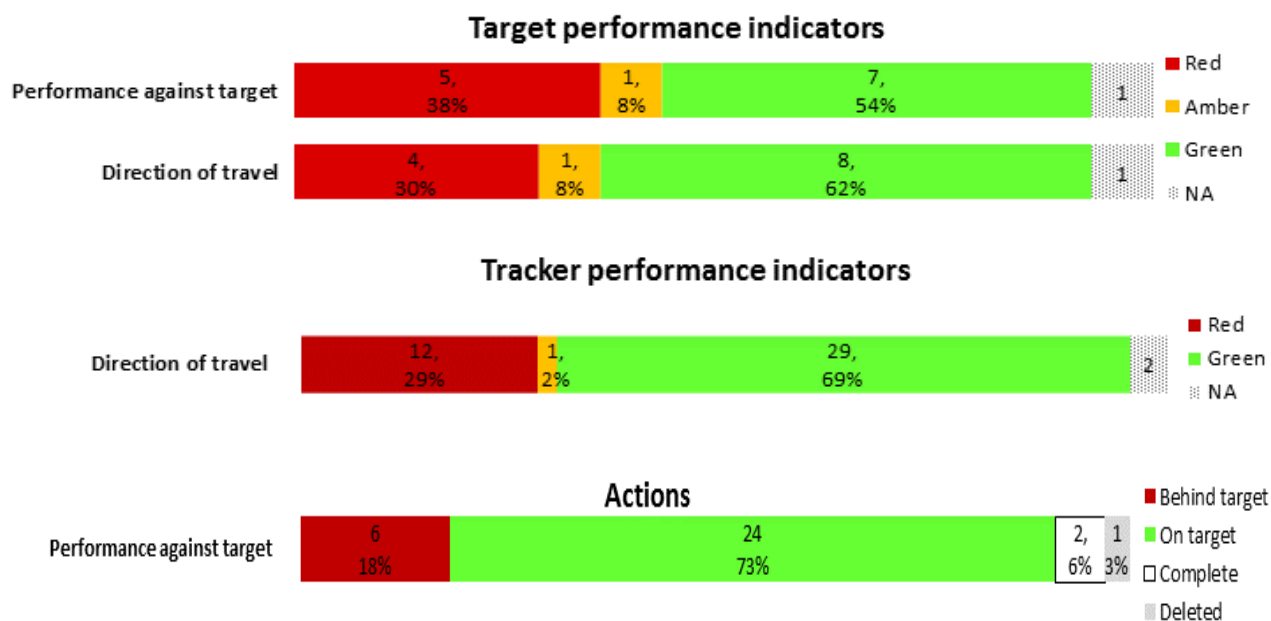
41. The new risk, the financial pressures experienced by residential/nursing and domiciliary care providers as a result of changes to the national minimum/living wage could put the continued operation of some providers at risk, has been assessed as moderate impact with a possible likelihood of occurrence (Children and Adult Services).

42. Three 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 three risks are as follows:

- a. The risk of poor implementation of the transforming rehabilitation programme leading to fragmented offender management services and a rise in re-offending has been removed as the transforming rehabilitation programme has now been completed and the project board has been stood down. The likelihood of the risk occurring has been assessed as remote (Children and Adult Services).
  - b. The risk, adverse financial and operational impact of the Care Act 2014 on adult social care services has been removed. Many of the issues were in relation to the financial reforms for 2016/17, which have since been postponed by the Government to 2020. The Social Care Reform Board, which was the accountable body for Care Act implementation, has since been stood down. The likelihood of the risk occurring has been assessed as remote (Children and Adult Services).
  - c. As a settlement has now been agreed, the potential restitution of search fees going back to 2005 risk has been removed (Resources).
43. The council has withdrawn the current County Durham Plan, following the Government's decision that the planning inspector's interim report be set aside, an amended and a refreshed version will be submitted. These issues change substantially the nature of the strategic risk, the future strategic direction of the council and the county will be adversely impacted if the County Durham Plan is not adopted. Consequently, the likelihood of the risk has been downgraded from probable to unlikely (Regeneration and Economic Development).
44. 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. 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).
45. 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

46. Key achievements this quarter include:

- a. The number of affordable homes delivered increased from 50 in quarter one to 136 in quarter two, exceeding the quarterly target (40). Of these, 89 units were classed as older person's affordable units for rent and were delivered through the National Affordable Homes Programme. The remaining 47 units were delivered through section 106 agreements with developers. Since April, 186 units have been delivered equating to 74% of the annual target and exceeding performance for the same period last year (157).
- b. The empty homes programme, which provides financial assistance to owners to bring long-term empty properties back into use, continues to perform highly with an outturn of 56 this quarter against a target of 30. Between April and September a total of 121 long term empty properties have been brought back into use, achieving the annual target of 120 and exceeding performance for the same period last year (61). The Private Sector Improvement Team will continue to use interventions such as grants/loans, engagement, encouragement, and working with registered providers to bring additional properties back into use throughout the remainder of the year.
- c. The number of private sector properties improved through local authority intervention has increased from 103 in quarter one to 130 in quarter two however this did not meet the quarterly target of 149. Between April and September 233 properties were improved, which is higher than for the same period last year (151).
- d. Provisional data for the 2014/15 academic year indicate that the overall success rate of adult learning funded through the Skills Funding Agency was 92%, exceeding the target of 88%. This is an increase from 87% last year and is higher than the provisional national average of 87.6%.
- e. Tracker indicators show:

- i. Housing development indicators have generally improved this quarter:
  - 302 net homes were completed, bringing the total for April to September to 632, which is higher than the same period last year (568).
  - 191 homes were completed in and near major settlements, which equates to 63% of total completions. This percentage is much higher than last quarter (39%) and follows a similar trend to last year when there was a significant rise from quarter one (35%) to quarter two (51%). There are a lot of ongoing sites in major towns in the south of the county and new sites in and around Durham City which are contributing to this figure.
  - There were 26 new housing completions in Durham City, which was 8.5% of the total completions in County Durham. This is slightly higher than last quarter (20) and significantly higher than quarter two 2014/15 (3). Completions in Durham City between April and September (46) have now exceeded the annual total for 2014/15 (40). A number of sites in the city with permissions are now being implemented.
- ii. Homelessness indicators have also improved this quarter with preventions increasing from 276 last quarter to 330. Performance also improved from the corresponding period last year (322). There were 32 acceptances of a statutory homelessness duty. This was an 11% decrease from quarter one (36) and a 37% decrease compared to the same period last year (51). This continuing downward trend has been seen since the Gateway service was implemented to provide specialist assessment, support and guidance to those who are homeless, threatened with homelessness or seeking housing options. Cases are dealt with at first point of contact and only the complex homeless cases are dealt with by the Homeless and Prevention Team, who have now more time to deal with these cases.
- iii. Tourism indicators have generally improved. Recently published data from a 2014 annual report on the economic impact of tourism has shown that compared to 2013:
  - The number of visitors to the county increased 1% from 17.9 million to 18.1 million, which is a positive result given the recent economic pressures.
  - The increase in visitors and staying visitors, who spend more per trip than day visitors, resulted in the amount generated by the visitor economy increasing from £728 million to £752 million.
  - There was a slight decrease in the number of jobs supported by the visitor economy from 10,899 to 10,803, indicating that the industry has maintained robustness through a difficult time.

Following issues with the launch of the new thisisdurham website and a dip in the number of unique visitors to the site at quarter one (203,089),

there has been a steady increase to 255,826 in quarter two. Levels are comparable to the average quarterly figures for 2014/15.

- f. Progress has been made with the following Council Plan actions:
- i. Last quarter we reported that adoption of the County Durham Plan had been delayed further as we had challenged the interim report from the planning inspector. Following a decision by the courts, the inspector's interim report has been quashed and a new examination will be held under a new inspector. To enable this, the current plan has been withdrawn before submitting a refreshed version for public examination in early 2016.
  - ii. Phase one of the physical regeneration improvements to Consett Town Centre was completed ahead of schedule and phase two has commenced. A draft document has been produced to develop a design concept for Middle Street linking to heritage and art within the town centre.
  - iii. The Digital Durham programme is currently building fibre infrastructure across eight council areas. (Durham, Sunderland, Gateshead, Hartlepool, Darlington, Middlesbrough, Stockton and Redcar). A total of 336 fibre cabinets have been built by BT Openreach all over the programme area to provide premises with improved broadband speeds. These cabinets will provide improved broadband speeds to in excess of 70,000 premises most getting over 24 megabits per second (mbps) download speeds, i.e. superfast broadband.

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

- a. The numbers of both major and overall planning applications received have increased this quarter. The number of major planning applications (46) is at its highest since data was recorded in 2011/12 and overall planning applications at its highest (736) since quarter two 2014/15 (Appendix 4, charts 1 and 2). Some planning applications are more complex and therefore take longer to resolve and due to the timescales for determining applications (13 weeks for major planning applications), fluctuating numbers impact on subsequent quarter's performance.

The increased numbers of applications have increased pressure on the service, with the proportions of both major and overall planning applications determined within deadline declining this quarter and failing to achieve targets. 56.8% of major planning applications were determined within deadline this quarter, below the target of 75%. Performance is below last quarter (64.7%) and quarter two 2014/15 (72.4%) and for the first time since quarter three 2011/12 performance has fallen below 63%. Performance is also below the latest available benchmarking (April to June 2015) for England (74%) and the North East (85%). 84.2% of overall planning applications were determined within deadline, below the target of 87%. Performance was the same as at quarter two 2014/15 but declined from 86.7% last quarter.

Further in-house training will be provided and an in-depth analysis is to be carried out to highlight issues that can contribute to improving performance.



- b. The number of potential jobs secured or created as a result of Business Durham activity improved from 164 last quarter to 522 this quarter. Performance is at the highest level since introduction of this indicator in 2014/15 however has yet to achieve the quarterly target (600). These jobs have been created through working with tenants and projects with existing businesses. A project can take up to 18 months to be developed.
- c. Apprenticeship schemes are working well with local authority funded apprenticeships sustained for at least 15 months increasing from 393 in quarter one to 460 in quarter two. At 30 June 2015, 11.9% of 16 to 18 year olds were in an apprenticeship, more than in the same period last year (8.7%). County Durham has a higher proportion of 16 to 18 year olds undertaking an apprenticeship pathway than the England (6.6%), North East (10.2%) and nearest statistical neighbour (9%) averages. However, apprenticeship starts funded through the council have seen an 87% reduction from the same period last year, with only 10 starts between April and June, below the target of 50, due to a lack of ongoing funding. A bid for European funds to deliver a programme until July 2018 has been made, with a decision expected soon.
- d. Tracker indicators show:
- i. Over the past year there have been significant improvements to the numbers of Job Seeker's Allowance (JSA) claimants (including long term and youth claimants). The employment rate has improved slightly, although not as much as the improvement seen nationally and the rate has declined from last quarter. Compared to last year:
- JSA claimants aged 18 to 24 have improved by 27% from quarter two 2014/15 (2,720 claimants) to 1,985 this quarter, although numbers of claimants declined from last quarter (1,890), coinciding with the end of the school year. In County Durham 3.9% of 18 to 24 year olds were claiming JSA compared to 4.2% in the North East. The overall number of JSA claimants improved from 8,765 in quarter two 2014/15 to 7,115 however increased by 54 from last quarter.
  - JSA claimants who have claimed for longer than 12 months have fallen by over 1,000 from 2,910 (33.2% of all claimants) to 1,880 (26.4%). There has also been an improvement from last quarter (1,920 claimants or 27.2%), although this is the lowest percentage decrease since quarter one 2014/15. 0.6% of the working age population in County Durham is claiming JSA for longer than 12 months compared to 0.8% for the North East.
- Since Universal Credit was introduced in County Durham in September there have only been a small number of claimants but in future this may impact on the number of JSA claimants.
- The employment rate improved 2.1% from 66.7% to 68.1% (229,100 people between July 2014 and June 2015). However despite the UK employment rate for June to August (73.6%) being at its highest since records began in July 1971, the County Durham

rate fell again compared to last period when this was 68.5% (230,800 people). The County Durham rate remains worse than the England (73.3%), North East (68.9%) and nearest statistical neighbour (71.2%) averages, which all improved.

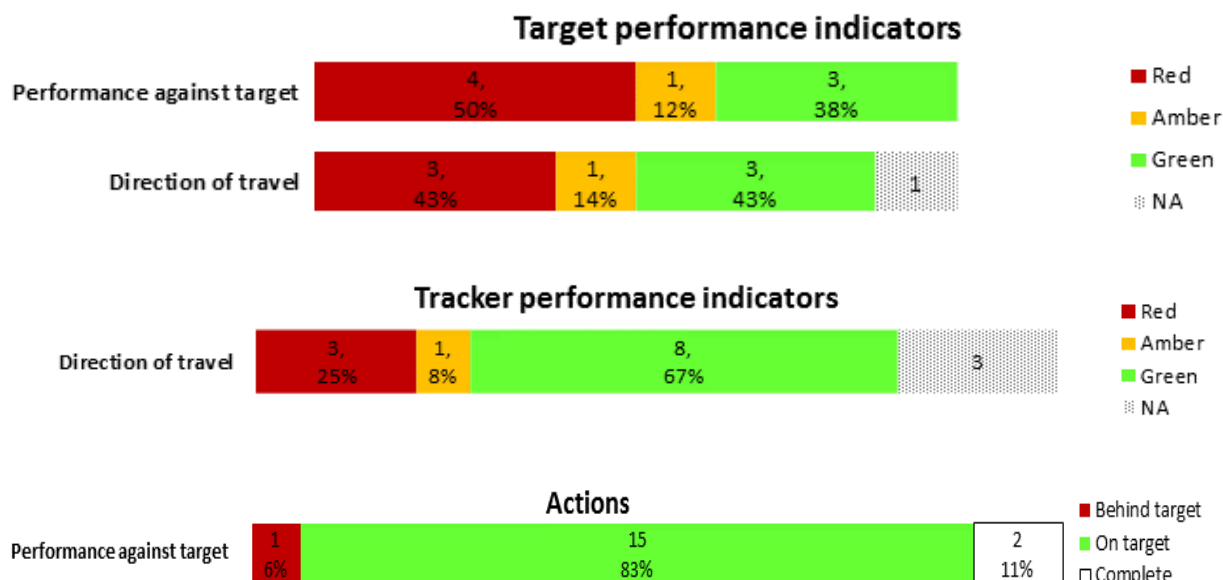
- The proportion of people out of work who want a job, improved from 13.2% equating to 42,200 people (April 2014 to March 2015) to 12.9% equating to 42,300 people (July 2014 to June 2015). The County Durham figure however remains worse than the England (9.8%), North East (12.1%) and nearest statistical neighbour (11.2%) averages.
- ii. There has been a reduction in the number of applications registered on Durham Key Options leading to the household being successfully rehoused, which has fallen from 1,217 last quarter to 1,077 this quarter (see Appendix 4, chart 3). This is the second consecutive quarter that lets have decreased, mainly due to the availability of stock, as lets begin to return to pre-welfare reform levels,. At the end of September there were 10,137 households on the housing register able to bid. The number of new applicants meeting 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, increased from 558 (41%) to 742 (42%).
- e. The key Council Plan actions which have not achieved target in this theme include:
- i. Establishing planning consent for Aykley Heads has been delayed from May 2016 to June 2016. The design guide is in progress and desktop site investigation work is feeding into the options however further specific ground investigation work will be required prior to construction works.
  - ii. The timescale for construction of a new railway station at Horden on the Durham coast railway line has been revised from August 2017 to November 2017. Further work is required on the options appraisal with the outline planning application likely to be submitted in December 2015. The draft strategic case has been completed but is subject to final site selection. Consultation with local members has taken place and a wider consultation plan will be agreed once options are narrowed.
  - iii. Supporting the development of a Heritage Lottery Fund application for funding to restore the historic quay in Seaham and improve public access to facilities has been delayed from October 2015 to January 2016, due to the time required to finalise the design.
  - iv. Implementation of the delivery plan for the Seaham Colliery site with the Homes and Communities Agency has been delayed from March 2016 following protracted negotiations leading to the appointment of the preferred developer. Planning approval is now scheduled for July 2016, with a start on site expected by January 2017.

- v. Working with the land owner to agree a programme of works for Festival Walk at Spennymoor has been delayed from October 2015 to December 2015, as negotiations are still continuing with the agents for the administrators over the proposals for the site and revisions to the anticipated development scheme.
  - f. An action has been deleted to restore the former boys' grammar school (Laurel Buildings) in Bishop Auckland back to economic use. A funding application was declined by the Heritage Lottery Fund (HLF) which means that we are unable to proceed. A meeting with HLF will be held to discuss further options.
48. A development relevant to this theme is that in October members of the North East Combined Authority and the Government signed an agreement to devolve significant powers, funding and responsibilities to the region. The move will represent a major change to the way in which decisions will be made in the future about transport, investment, funding, skills training, business support, housing and strategic planning. Subject to public consultation, the North East Combined Authority and a new mayor, elected for the first time in 2017, will take control of the new devolved powers.

The agreement is the first step which paves the way for opportunities for further devolved powers and responsibilities to the North East. Final agreement remains subject to the Government's spending review and the legislative process and is also conditional upon further public consultation and the agreement of the seven local councils which make up the combined authority.

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

## Altogether Better for Children and Young People:



## Council Performance

50. Key achievements this quarter include:

- a. Provisional data for the 2014/15 academic year indicate that 63.6% of County Durham pupils in the Early Years Foundation Stage achieved a good level of development, which is an improvement from 56.7% last year and exceeds the target of 60%. However, performance is worse than the provisional national average of 66%.
- b. In terms of A levels, provisional data for the 2014/15 academic year indicate that 98.3% of pupils achieved two A levels at grade A\*-E (level three) or equivalent. This is slightly lower than the target of 98.9% and is worse than the regional average (98.4%) but higher than national average (98%).
- c. Provisional data for April to September 2015 indicate that there were 69 (19 aged 10 to 14, 50 aged 15 to 17) first time entrants (FTEs) to the youth justice system in County Durham. This is well within the locally agreed target of 140 FTEs and is a reduction from 110 FTEs during the same period last year. This equates to a rate of 160 per 100,000 10 to 17 year old population against a target rate of 324. There has been an 82.9% reduction in FTEs; from 1,129 in 2007/08 to 193 in 2014/15.
- d. Tracker indicators show:
  - i. At 30 September 2015 there were 340 children subject to a child protection plan, which equates to a rate of 33.9 per 10,000 under 18 population and is a reduction from 38.4 at the same point last year. Performance has been improving since the first quarter of last year. The rate remains better than the March 2015 rates in England (42.9) and the North East (59.5).
  - ii. Between April and September 2015, 788 of 964 Child and Adolescent Mental Health Services patients attended an appointment within nine

weeks of their external referral date. This equates to 81.7%, which is an improvement on quarter one performance of 70.7%.

- iii. Data for April to June 2015 show that 384 of 1,259 mothers were breastfeeding at six to eight weeks from birth. This equates to 30.5%, which is an increase from last year's equivalent period (28.9%) and is better than the Durham, Darlington and Tees Area Team average of 28.4%. However, performance is worse than the England average of 45.2%.
- iv. Between July 2013 and June 2014 there were 29 conceptions per 1,000 15 to 17 year old females in County Durham. This is better than the regional average (29.8) but worse than the national average (23.4) for the same period. The North East has the highest rate of under-18 conceptions of all English regions.

51. 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 (DCLG) Troubled Families Programme Financial Framework (March 2012). Phase two of the programme is more challenging than phase one and has a broader range of outcomes to consider when claiming that a family has had a successful intervention. It runs from April 2015 to March 2020 with a target of 4,330 families. The focus during the first year of the programme is on identifying and engaging families. At 30 September 2015, there were 1,438 families engaged on the programme. For the first claim period (up to 30 September 2015) Durham identified 23 families against the new Family Outcomes Framework that have had a successful intervention. Feedback regionally and nationally indicates that this is similar to other local authorities.

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

- a. Provisional data for the 2014/15 academic year identify that 54.5% (2,784 of 5,107) of County Durham pupils (in state funded schools including academies) achieved five or more A\*-C GCSE's or equivalent including English and maths. This is below the final outturn target of 58.8%. Durham's performance is slightly worse than the provisional national (56.1%) and statistical neighbour average (55.1%) and is equivalent to the North East (54.4%) average. Durham is ranked sixth out of the 12 Local Authorities in the North East. This is in contrast to previous years when performance was better than nationally and regionally. The School Improvement Team has both targeted schools for additional support and is reviewing its own strategic response to the analysis of results, looking at outcomes at pupil-level per subject to refine advice to schools and enable them to anticipate future shortfalls. A senior Secondary Standards Advisor has been recruited this term to lead on this work.
- b. Provisional data for the 2014/15 academic year indicate that 64.6% of Durham pupils not eligible for Pupil Premium (PP) funding achieved five A\*-C GCSE's including English and maths at Key Stage 4 compared to 34.6% of pupils eligible for PP funding, which results in an achievement gap of 30 percentage points. This is a wider gap than for the 2013/14 academic year, which was 29.2 percentage points. National comparative data is not yet released,

although a widening achievement gap is generally accepted to be a national issue.

- c. The provisional Key Stage 2 results for the 2014/15 academic year show that 71.1% of those eligible for PP and 88.2% of those not eligible achieved level four in reading, writing and maths (RWM), resulting in an achievement gap of 17.1 percentage points. Achievement has improved significantly at Level four in RWM at Key Stage 2, both for pupils eligible for PP and all pupils. For those eligible for PP it has increased from 69% to 71.1% and for those not eligible from 84.9% to 88.2%. As the level of achievement has increased at a higher rate for those not eligible, the gap has widened. Narrowing the gap by working in partnership with schools remains a priority for the local authority.
- d. Data for April to September 2015 show that 715 of 3,282 children in need referrals occurred within 12 months of the previous referral, which equates to 21.8%. Performance is slightly worse than the target of 21% but is significantly better than the corresponding period of last year (26.3%). It is also better than 2014/15 rates for England (24%), the North East (22.3%) and statistical neighbours (30.5%) (Appendix 4, Chart 5). Reducing re-referral rates and working with families to achieve sustained change are a key element of the new Families First Service which went live in July 2015. Work with the voluntary and community sector is developing, to offer long-term support to families once more intensive support is no longer required, which is also designed to support a reduction in re-referrals.
- e. Between April and June 2015, 18.1% of mothers were smoking at the time of delivery. This has achieved the target of 18.2% but is slightly worse than 17.9% last year. This is significantly worse than the national average (10.7%) and also worse than the average for all North East Clinical Commissioning Groups (CCGs) (16.3%). Nationally more than 70,000 pregnancies are affected by smoking and there are big differences in regions, with rates much higher in poorer areas (national range from 2.1% to 27.2%). The range in County Durham is from 15.3% in Durham CCG to 20.4% in Durham Dales, Easington and Sedgfield CCG.
- f. Tracker indicators show:
  - i. The most recent annual child poverty data show that 19,815 children were living in low income families in County Durham in 2013, which is equivalent to 22.5% of all 0 to 15 year-olds in the county. This is 1.1% reduction from the previous year when there were 20,040 children (22.6%). Although this has been showing improvement since 2009, the national figure has been decreasing faster. As a result, the gap between Durham and the national figure has been widening since 2007, when Durham was 22.8% and 0.4 point percentage higher than the national figure. In 2013, Durham is 3.9 percentage points higher than the equivalent figure for England (18.6%).
  - ii. At 30 September 2015, there were 661 looked after children in County Durham, which equates to a rate of 65.9 per 10,000 population. This is an increase from 661 (61 per 10,000) at the same point last year. March 2015 benchmarking data show that County Durham's rate is

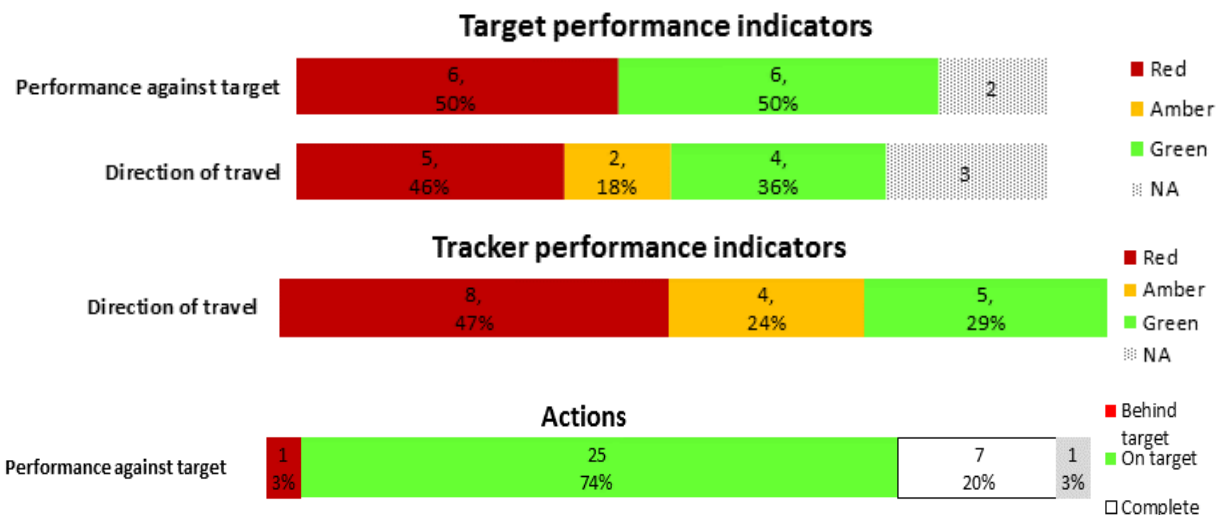
better than the North East average (82) but slightly worse than the England rate of 60 (Appendix 4, chart 4).

- iii. There has been an increase in re-offending by young people and levels are worse than nationally. Latest data show 190 of the 448 young people who offended between October 2012 and September 2013 re-offended within 12 months, which equals 42.4%, compared to 39.1% in the same period in the previous year. The rate in Durham is also higher than the national rate of 37.4%. It should be noted that the number of offenders has reduced by 75% since 2007/08; from 1,797 to 448 young people in October 2012 to September 2013. Current offenders include young people who have multiple needs and entrenched behaviours which makes the group highly complex and challenging and more likely to re-offend. A peer review of County Durham Youth Offending Service (CDYOS) took place between 20 and 22 October 2015. The focus of the review was to examine how CDYOS, with its partners, is delivering youth justice services. The review had a particular focus on those with a high risk of re-offending. The findings of the review will be considered and any areas for consideration will be progressed as part of the CDYOS Service Improvement Plan.

- g. There is one Council Plan action which has not achieved target in this theme. The action, to implement the Youth Support Strategy by reviewing youth support services and working with the voluntary and community sector to provide a targeted offer of positive activities to young people in County Durham, due March 2016 has been delayed to November 2016.

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

## Altogether Healthier: Overview



## Council Performance

54. Key achievements this quarter include:

- a. At 30 September 2015, 91% of adult social care users were in receipt of self-directed support (including direct payments and personal budgets). This is a new national adult social care outcomes framework measure for 2015/16 therefore no benchmarking data are available.
- b. Between April and August 2015, 91.9% of service users reported that the help and support they receive has made their quality of life better. This exceeds the target of 90% but has reduced from 93% in the same period last year.
- c. Between January and June 2015, 1,123 older people received a reablement service following their discharge from hospital. Of these, 988 (88%) remained living independently in their own home 91 days after their discharge. This has exceeded the target of 85.7% but is slightly worse than 89.8% for the same period last year. Performance exceeds the 2014/15 national (82.1%), regional (86.4%) and statistical neighbour (85.2%) averages.
- d. Tracker indicators show:
  - i. In the five snapshot days between April and August 2015, 103 people were reported as being delayed during their discharge from hospital, resulting in a rate of 4.9 per 100,000 population. This is significantly better than the rate of 8.3 per 100,000 over the same period in 2014/15. Performance is also better than the 2014/15 England (11.1), regional (7.4) and statistical neighbour (8.6) averages.
  - ii. Of the 103 people delayed, adult social care was reported as being responsible for the delay (either partially or entirely) of 32 people (31%). This equates to a rate of 1.5 per 100,000 population. This is better than 2014/15 England (3.7), regional (1.6) and statistical neighbour (2.5) averages.



- iii. As reported in the Altogether Better for Children and Young People theme, data for April to June 2015 show that 384 of 1,259 mothers were breastfeeding at six to eight weeks from birth. This equates to 30.5%, which is an increase from last year's equivalent period (28.9%) and is better than the Durham, Darlington and Tees Area Team average of 28.4%. However, performance is worse than the England average of 45.2%.

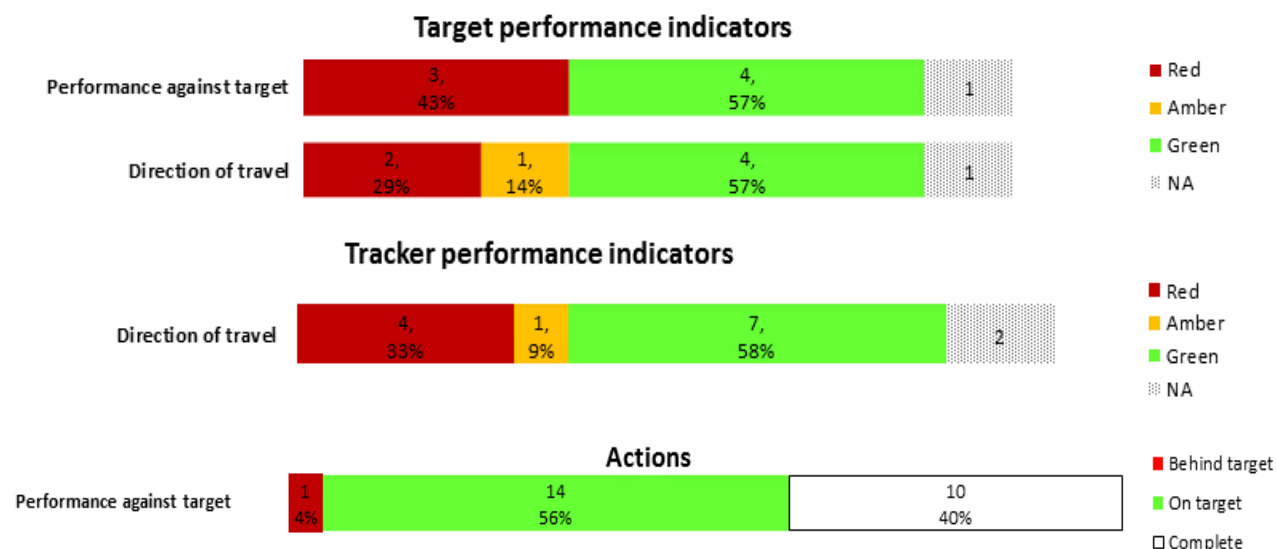
55. Underlying health issues continue to be a challenge in terms of differences in life expectancy and prevalence of a range of health conditions from the national picture. We monitor a number of health indicators across our corporate indicator set and updated annual data will be reported in subsequent quarters. The key performance improvement issues for this theme from data released this quarter are:

- a. Between April and June 2015, 1.9% of eligible people in County Durham received an NHS health check. This is slightly below the period target of 2% but is an improvement compared to 1.5% in the same period in 2014/15. Performance is similar to national (2.2%) and regional (1.9%) performance. All General Practices (GPs) signing up to the new Check4Life NHS Health Check Contract will be encouraged and incentivised to prioritise identification and invitation for patients who have a high risk of developing cardiovascular disease (CVD). GPs will receive £35 for an NHS Health Check on a patient identified as being at high risk of CVD and £25 if the CVD risk is lower.
- b. Provisional data show there were 376 older people admitted to permanent care between April and September 2015, which equates to a rate of 361 per 100,000 population aged 65 and over. This has not achieved the target of 337.8 but is lower than the rate of 396.7 per 100,000 reported in the same period last year. While demand for permanent admission to residential care for older people has increased due to increasing demographic pressure, people are being supported to live independently for longer which means that they are admitted to residential care later in life, resulting in a reduction in the total number of beds purchased. The number of residential/nursing beds purchased between July and September 2015 has decreased by 2.7% (6,501 fewer bed days) compared to the same period in the previous year. Robust panels continue to operate to ensure that only those in most need and who can no longer be cared for within their own home are admitted to permanent care.
- c. The number of people in drug treatment for opiate use between January and December 2014 was 1,448; of whom 99 successfully completed, i.e. they did not re-present between January and June 2015. This equates to a 6.8% successful completion rate, which is below the target of 8.4% and national performance of 7.4% but is the same rate as 12 months earlier (6.8%).
- d. The number of people in drug treatment for non-opiate use between January and December 2014 was 672, of whom 268 successfully completed, i.e. they did not re-present between January and June 2015. This equates to a 39.9% successful completion rate, which is below the target of 40.8% but better than 37.7% reported at the same period last year. It is also slightly better than national performance of 39.2%.

Lifeline was appointed to provide the drug and alcohol treatment service across County Durham from 1st April 2015. The data reported therefore relates to the former drug and alcohol treatment provider. The new recovery model is aimed at providing consistent, high quality, recovery focused interventions, irrespective of age or substance used. Experience from other regions is that it will take six months for the Lifeline service to become embedded. The data included in this report pre-dates the Lifeline service, with the first official Lifeline data on drug treatment available in early 2016.

- e. The number of people in alcohol treatment between July 2014 and June 2015 was 1,117, of whom 363 successfully completed. This equates to a 32.5% successful completion rate, below the target of 37.6%. Performance is worse than the same period in 2013/14 (36.5%) and latest national performance for 2014/15 (39.1%). Data for nine months of this indicator to 31 March 2015 relates to the former treatment provider. The final three months (April to June 2015) relates to the Lifeline Service.
  - f. There is one Council Plan action which has not achieved target in this theme which is to implement an integrated transitions team due September 2015. This Care Act project milestone has been revised by the Social Care Reform Board. The target date for the new Integrated Transitions Team to go live is April 2016.
  - g. An action has been deleted which was to review the assessment process to take into account additional demand from self-funders. The Government has announced their decision to postpone phase two reforms of the Care Act until 2020, which this action was part of.
56. There are no key risks which require any mitigating action in delivering the objectives of this theme.

## Altogether Safer: Overview



## Council Performance

57. Key achievements this quarter include:

- a. Between April and August 2015, 94.4% of adult social care service users reported that the services they use have made them feel safe and secure. This exceeded the target of 90% and is a slight increase on last year when it was 93.6%.
- b. The proportion of emergency response Care Connect calls where the response warden arrived at the property within 45 minutes of the call was 98% between July and September 2015, against a target of 90%. The total number of emergency calls attended in the quarter was 8,427. The new tracking system, which identifies the location of response wardens, is working successfully and has had a positive effect on the response times.
- c. As reported in the Altogether Better for Children and Young People theme, provisional data for April to September 2015 indicate that there were 69 (19 aged 10-14, 50 aged 15-17) first time entrants (FTEs) to the youth justice system in County Durham. This is well within the locally agreed target of 140 FTEs and is a reduction from 110 FTEs during the same period last year. This equates to a rate of 160 per 100,000 10-17 year old population against a target rate of 324. There has been an 82.9% reduction in FTEs; from 1,129 in 2007/08 to 193 in 2014/15.
- d. Tracker indicators show:
  - i. Between April and September 2015 there were 12,652 crimes. This has reduced from 12,796 crimes in the equivalent period of 2014 and is a 1.1% reduction in overall crime. Analysis has highlighted that the reduction is primarily due to a fall in theft offences of 5.8% (all theft categories, except burglary showing a reduction against the previous year). However, this was partially offset by crimes categorised as violence against the person which have increased by 9.9% against the

equivalent period last year. Based on current figures Durham Constabulary is forecasting a 1.4% reduction in total crime by the end of 2015/16. The County Durham Community Safety Partnership (CSP) area continues to see the lowest level of crime per 1,000 population for April to September 2015 (24.4) when compared to its most similar CSPs average (35.9).

- ii. In the period April to September 2015 there were 5,324 theft offences. This is a 5.8% reduction from 5,652 offences during the same period in 2014. Durham Constabulary is forecasting a 5.1% reduction in theft offences by the end of 2015/16. The Durham CSP area has the second lowest rates of theft occurrences per 1,000 population (10.3) when compared to the most similar CSPs average (14.8) for the period of April to September 2015.
- iii. In the period April to September 2015 there were 11,725 incidents of anti-social behaviour (ASB) reported to the police compared to 13,214 incidents in the same period in 2014. This is an 11.3% reduction. Durham Constabulary is forecasting a 10.1% reduction in ASB incidents by the end of 2015/16.
- iv. Of these incidents, 1,385 were alcohol related. This equates to 11.8% of total ASB reported to the police. This has reduced from 1,789 incidents (13.6%) in the same period in 2014. Durham Constabulary is forecasting an overall decrease of 20.8% in alcohol related ASB by the end of 2015/16.

58. 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 (DCLG) Troubled Families Programme Financial Framework (March 2012). Phase two of the programme is more challenging than phase one and has a broader range of outcomes to consider when claiming that a family has had a successful intervention. It runs from April 2015 to March 2020 with a target of 4,330 families. The focus during the first year of the programme is on identifying and engaging families. At 30 September 2015, there were 1,438 families engaged on the programme. For the first claim period (up to 30 September 2015) Durham identified 23 families against the new Family Outcomes Framework that have had a successful intervention. Feedback regionally and nationally indicates that this is similar to other local authorities.

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

As reported in the Altogether Healthier theme:

- a. The number of people in drug treatment for opiate use between January and December 2014 was 1,448; of whom 99 successfully completed, i.e. they did not re-present between January and June 2015. This equates to a 6.8% successful completion rate, which is below the target of 8.4% and national performance of 7.4% but is the same rate as 12 months earlier (6.8%).

- b. The number of people in drug treatment for non-opiate use between January and December 2014 was 672, of whom 268 successfully completed, i.e. they did not re-present between January and June 2015. This equates to a 39.9% successful completion rate, which is below the target of 40.8% but better than 37.7% reported at the same period last year. It is also slightly better than national performance of 39.2%.

Lifeline was appointed to provide the drug and alcohol treatment service across County Durham from 1st April 2015. The data reported therefore relates to the former drug and alcohol treatment provider. The new recovery model is aimed at providing consistent, high quality, recovery focused interventions, irrespective of age or substance used. Experience from other regions is that it will take six months for the Lifeline service to become embedded. The data included in this report pre-dates the Lifeline service, with the first official Lifeline data on drug treatment available in early 2016.

- c. The number of people in alcohol treatment between July 2014 and June 2015 was 1,117, of whom 363 successfully completed. This equates to a 32.5% successful completion rate, below the target of 37.6%. Performance is worse than the same period in 2013/14 (36.5%) and latest national performance for 2014/15 (39.1%). Data for nine months of this indicator to 31 March 2015 relates to the former treatment provider. The final three months (April to June 2015) relates to the Lifeline Service.
- d. Tracker indicators show:

- i. In relation to offender management, latest data show 1,491 of the 5,300 adult and young offenders in the October 2012 to September 2013 cohort re-offended within 12 months of inclusion in the cohort, which equates to 28.1%. This is higher than the same period in the previous year, when 27.3% of the cohort re-offended. It is also higher than the national rate of 26.4%. In County Durham, 26.8% of adults re-offended (1,301 of 4,852) and 42.4% of young people (190 of 448), both of which are above the England and Wales re-offending averages of 25.3% and 37.4% respectively. There have been 241 referrals to the Checkpoint programme between April and August 2015. If the offender successfully completes the contract and does not reoffend, no further action will be taken against them. However, if they reoffend or fail to complete the contract they will be prosecuted and the courts will be informed of the circumstances of their failure to complete the contract. There are 33 offenders voluntarily wearing GPS tracker tags, which enable the police to monitor their whereabouts 24/7. This means police can identify the wearer against the location of any crimes and incidents which have taken place. Many offenders have asked to wear a tag as a means of breaking the cycle of reoffending. This initiative has reduced the level of police resource required to check on offenders.
- ii. As reported in the Altogether Better for Children and Young People theme, there has been an increase in re-offending by young people and levels are worse than nationally. Current offenders include young people who have multiple needs and entrenched behaviours which makes the group highly complex and challenging and more likely to re-offend. Latest data show 190 of the 448 young people who offended

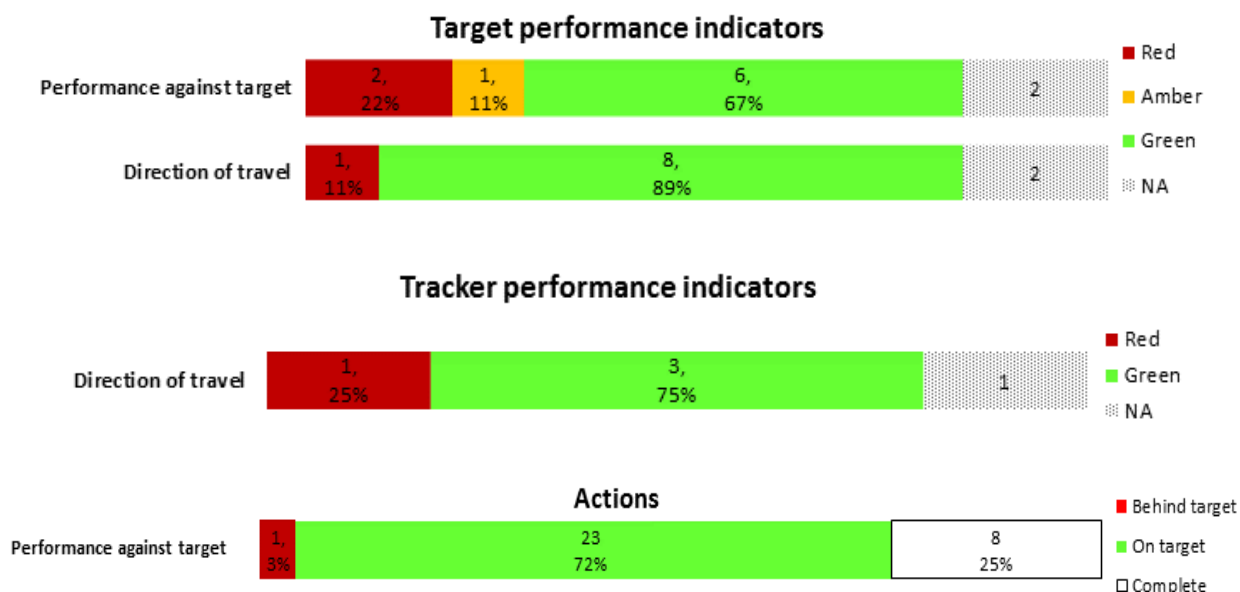
between October 2012 and September 2013 re-offended within 12 months, which equals 42.4%, compared to 39.1% in the same period in the previous year. The rate in Durham is also higher than the national rate of 37.4%. It should be noted that the number of offenders has reduced by 75% since 2007/08; from 1,797 to 448 young people in October 2012 to September 2013. A peer review of County Durham Youth Offending Service (CDYOS) took place on 20 to 22 October 2015. The focus of the review was to examine how CDYOS, with its partners, is delivering youth justice services. The review had a particular focus on those with a high risk of re-offending. The findings of the review will be considered and any areas for consideration will be progressed as part of the CDYOS Service Improvement Plan.

iii. For the year so far (January to June) there has been a 2% increase in the number of people killed or seriously injured in road traffic accidents from 104 in 2014 to 106 casualties in 2015. There has been a significant increase from 35 between January and March 2015 to 71 between April and June 2015. 9 of these were fatalities (compared to 2 last quarter). Between April and June 2015, 7 of these casualties were children. One of these children was a fatality and 4 of the 7 casualties were cycling. For the year so far (January to June) there has been a fall in child casualty numbers from 13 in 2014 to 11 in 2015.

e. There is one Council Plan action which has not achieved target in this theme; to strengthen the effectiveness of the Joint Partnership Team (Durham County Council and the police) by enhancing the problem solving model and integrating the work of the safer neighbourhood units with other community safety operations due July 2015. This has been delayed due to resources being utilised to deliver other priorities such as the Multi-Agency Intervention Service. The new target date for this action is now March 2016.

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

## Altogether Greener: Overview



## Council Performance

61. Key achievements this quarter include:

- a. During the 12 months ending August 2015, 96.6% of municipal waste was diverted from landfill. Performance exceeded the target of 95%, increased by 0.8% from the same period last year (95.8%) and was close to the previous quarter (96.7%). A total of 66,756 megawatt hours (MWh) of energy were generated from municipal waste sent to the SITA UK plant during the 12 months ending August 2015, an increase of 71.5% from the same period last year (38,930 MWh) and 0.8% from the previous quarter (66,206 MWh).
- b. Three times a year the condition of our local environment in relation to litter, detritus and dog fouling is assessed using a survey. The results of the first survey relate to the period April to July 2015 and indicate that:
  - i. Of relevant land and highways assessed as having deposits of litter, 4.9% fell below an acceptable level. Performance was better than the target of 7% and improved from 5.8% reported in the same period last year.
  - ii. Of relevant land and highways assessed as having deposits of detritus, 6.6% fell below an acceptable level. Performance was better than the target of 10% and improved from 12.1% reported in the same period last year.
  - iii. Of relevant land and highways assessed as having deposits of dog fouling, 0.8% fell below an acceptable level. Performance deteriorated from 0.3% reported in the same period last year.

There was great recognition for the quality of our environment during quarter two. In the regional Royal Horticultural Society Northumbria in Bloom competition, Chester-le-Street won silver gilt in the large town category and Stanley scooped silver as a first time entrant in the town category. Durham

City won gold in the large town category and as the overall category winner, progressed to the National Britain in Bloom awards where it won gold.

- c. During quarter two 2015/16, there were 422 renewable energy feed in tariff installations registered and approved and the target of 225 installations was exceeded. All 422 installations were solar photovoltaic. The feed in tariff installations have contributed 213.6 megawatts of energy as at the end of September 2015.
- d. A key tracker indicator on dealing with fly-tipping shows the multi-agency taskforce approach is continuing to show significant results. There were 6,911 fly-tipping incidents during the 12 months ending September 2015, 763 fewer incidents compared to the previous quarter and 3,011 fewer incidents compared to quarter two 2014/15 (see Appendix 4, Chart 6). The number of fly-tipping incidents increased by 5.6% across England and 1% across North East in 2014/15 compared to 2013/14. Performance improved in 2014/15 in three of the 12 North East authorities which included Durham County Council.

During quarter two, CCTV cameras were deployed to a further 67 locations across the county and captured 23 fly-tipping incidents. 55 stop and search operations resulted in the issuing of five duty of care warning letters, 19 requests to produce driving and vehicle documentation and 16 Fixed Penalty Notices. 31 people attended an interview under caution (Police and Criminal Evidence Act 1984) and 16 cases reached court. Since operation Stop It began in November 2014, the number of reported fly-tipping incidents has fallen by 31%. There have been 47 prosecutions and a total of £21,170 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 Banning Orders to stop them dealing scrap metal for two years and eight waste carrier prosecutions were undertaken.

- e. Latest data (December 2013) show that carbon dioxide (CO<sub>2</sub>) emissions in County Durham have reduced by 42% since 1990, achieving the Government's target of 40% reduction by 2020.

62. The key performance improvement issue for this theme is that during the 12 months ending August 2015, the percentage of household waste that was re-used, recycled or composted fell to 40.8%. This was a decrease compared to the same period last year (42.2%) and the previous quarter (42.2%), although performance exceeded the 38% target. This reduction can mainly be attributed to changes to our garden waste scheme. Between the start of the garden waste collections in March 2015 and 30 September 2015 almost 7,500 fewer tonnes of garden waste were collected compared to the same period last year.

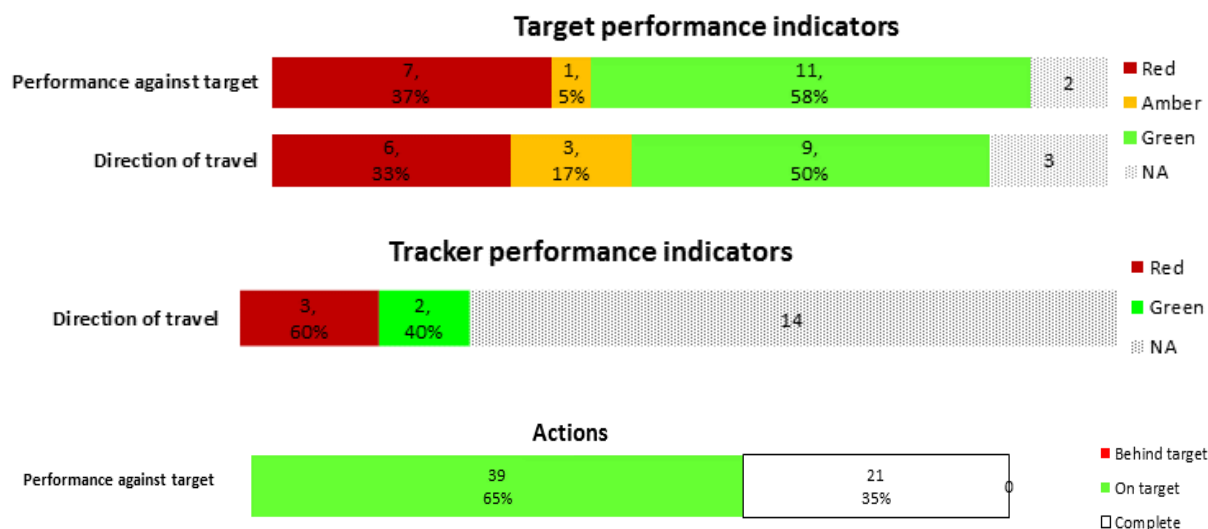
63. A key Council Plan action which has not achieved target in this theme is the development and improvement of three specific elements of the strategic cycle route network across County Durham. This was due to be completed by March 2016 but has been delayed until October 2016. Highways design works are underway for Sunderland Bridge and Croxdale schemes and investigation works are being undertaken for the Riverside to Hermitage scheme. These schemes have been delayed due to additional complexities such as tree surveys and insufficient highway verge/footway to provide a suitable width of route). The



phase two design for improvements to the cycle route on the A690 West Rainton is underway with works to be completed in March 2016.

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

## Altogether Better Council: Overview



## Council Performance

65. Key achievements this quarter include:

- a. During the 12 months ending September 2015, 93% of the telephone calls were answered within three minutes, exceeding the target of 80% and improving by 1% on the same period last year (92%) and the previous quarter (92%) (Appendix 4, Chart 11). 6% of overall telephone calls were abandoned, better than the target of 12% and in line with the same period last year and the previous quarter. Ongoing improvements include the addition of more telephone lines from more areas to the automated call systems, which allow for monitoring.
- b. Footfall in our customer access points (CAPs) has been steadily falling for the past five quarters, from 263,689 during the 12 months ending June 2014 to 185,581 during the 12 months ending September 2015 (Appendix 4, Chart 12). The appointments system for benefits and council tax is reducing repeat visits as customers, at the time of booking the appointment, are informed of the documentation they need to bring with them. The current measure relating to the percentage of customers seen within 15 minutes at a CAP will continue to be reported until configuration work enables data to be provided regarding both the take up of appointments and the percentage of customers with an appointment seen on time. 99% of customers were seen within 15 minutes between July and September 2015.

The current data reported in relation to web contact captures the enquiries which are forwarded to the Customer Services Team via the contact us web enquiry form. An approach is currently being developed to enable the capture of wider online customer contact data in relation to using the web and self-service for information, payments and transactions. A fully revised measure(s) is expected to be reported as part of the year-end report. In the interim, data for quarters two and three will include the existing web forms which integrate into the Customer Relationship Management system. 15,035 of these were received between July and September 2015.

- c. During quarter two 2015/16, almost 84,000 supplier invoices were paid, 93.6% of which were paid within 30 days. Performance exceeded the 92%

target, improved 4% on the same period last year (90%) and is in line with the previous quarter (93.7%). Performance exceeded the 92% target for nine of the last ten successive months.

English councils have been praised by the Forum of Private Business for paying suppliers promptly through the recession. Overall, during 2014/15 councils took an average of 16.7 days to settle bills, with 55% of suppliers paid within ten days and 92% within 30 days. Durham's year to date performance to 30 September 2015 compares favourably in both cases with 68% of suppliers paid within ten days and 94% of suppliers paid within 30 days.

Invoice payment performance is now available to all Business Intelligence users on desktops enabling each service area and individual budget holder to proactively monitor and manage it.

- d. Between April and September, 56.5% council tax was collected, exceeding the 56% target and improving by 1% from the same period last year (55.9%). Over the same period, 58.7% business rates were collected, exceeding the 58% target and improving by 1% from the same period last year (58%).
- e. The employee appraisal rate was 88.2% in the 12 months to September 2015, an improvement on the previous quarter (84.5%) and from the same period last year (65.6%). The target, presently 87.5% was achieved for the first time. The recently sustained management effort, raised profile within management teams and automated prompts has contributed to this on target performance.

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

- a. Processing performance for housing benefit and council tax reduction claims has not achieved targets in quarter two.
  - i. New Housing Benefit (HB) claims were processed in 21.1 days on average, outside the 20.33 day target and 0.82 days slower than during quarter two 2014/15 (20.28 days). The volume of new HB claims processed decreased from 3,429 in quarter two 2014/15 to 3,056 this quarter (Appendix 4, Chart 7).
  - ii. New Council Tax Reduction (CTR) claims were processed in 22.32 days on average, outside the 20.33 day target and two days slower than during quarter two 2014/15 (20.31 days). The volume of new CTR claims processed decreased from 3,798 in quarter two 2014/15 to 3,385 this quarter (Appendix 4, Chart 8).
  - iii. Changes to HB were processed in 10.74 days on average, outside the 8.33 day target and 1.5 days slower than during quarter two 2014/15 (9.24 days). 27,126 change of circumstances for HB claims were processed this quarter (Appendix 4, Chart 9).
  - iv. Changes to CTR were processed in 10.23 days on average, outside the 8.33 day target and 0.8 days slower than during quarter two 2014/15 (9.43 days). 30,439 change of circumstances for CTR claims were processed this quarter (Appendix 4, Chart 10).

The processing performance in quarter two was impacted by preparations for the introduction of universal credit, requiring over 400 reviews to be undertaken on behalf of the Department of Work and Pensions each month as part of the real time initiative. However, with new members of staff now fully trained as assessment officers and with the implementation of further automation to processing, we are confident that the overall target will be achieved in 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.
  - i. The average days lost to sickness absence per full time equivalent (FTE) employee (including school based employees) for the rolling year to September 2015 was 9.85 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 9.2% from the same period last year (9.02 days) but decreased by 1.2% on the previous quarter (9.97 days).
  - ii. The average number of days lost to sickness absence per FTE (when excluding schools based employees) for the rolling year to September 2015 was 12.35 days. The current levels are outside the target of 11.5 days and remain in line with the previous quarter (12.3 days). The 0.05% difference can be accounted for by a definition change to allow real time reporting which uses the number of FTE staff at the end of the reporting period, rather than those at the beginning and end of the reporting period. The number of days lost to sickness increased from the same period last year (11.97 days).
  - iii. During the rolling year to September 2015, 45.2% of posts (excluding school based employees) had no sickness absence. Performance deteriorated by 3% from the same period last year (46.6%) and by 4.8% on the previous quarter (47.5%).
  - iv. The percentage time lost to sickness absence (excluding schools) was 4.9% for the rolling year to September 2015. Performance deteriorated by 4.3% from the same period last year (4.7%) and remains in line with the previous quarter (4.9%).

The Corporate Issues Overview and Scrutiny Committee has recently completed its Attendance Management Review which examined council policies and procedures for managing attendance, including the role of Occupational Health as well as key statistical information identifying trends and opportunities for improvement. The review report sets out the key findings and makes a series of recommendations aimed at delivering improved performance in terms of attendance and staff wellbeing. The report will be considered by Cabinet on 16 December 2015.

- c. The percentage of Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests responded to within 20 days was 82% this quarter, an improvement of 11 percentage points from the previous quarter (71%) and three percentage points from the same period last year

(79%). Performance remains below the national target of 85%. The number of FOI/EIR requests was 322 this quarter, an increase from 283 in the previous quarter and from 313 in quarter two 2014/15 (see Appendix 4, Chart 13).

- d. There are no key Council Plan actions which have not achieved target in this theme.

67. 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. 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. The Government set criteria for the Public Services Network Code of Connection compliance has changed again, one of the requirements being the need to submit a risk register. A meeting has been arranged between the Risk Officer and ICT to commence work on compiling the register to comply with the Public Services Network Code of Connection format.

## **Conclusions**

68. There continues to be good progress made this quarter. Housing development continues to improve with an increase in the number of new and affordable homes built, the number of empty properties brought back into use and private sector properties improved through local authority intervention. Homeless indicators have improved with fewer statutory acceptances and more preventions. Child safeguarding has 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 still failing to achieve target. Crime and anti-social behaviour levels, including most categories of theft offences, are decreasing following a slight increase last year. Low levels of street and environmental cleanliness continue and the number of fly-tipping incidents has again reduced. The employee appraisal rate has improved and achieved target for the first time.

69. Challenges continue in the level of unemployment. Provisional data indicate that GCSE rates are worse than national levels and the educational achievement gap has widened for key stage two and four. Planning applications determined in deadline continue to deteriorate and benefit claims processing times are slightly worse. Sickness levels remain higher than acceptable.
70. Reductions in demand for some key areas continue in child protection cases, fly-tipping incidents, the number of customers seen at our customer access points and new claims for housing benefit and council tax reduction.
71. Increased demand has been evident in the number of looked after children cases and the number of children in need referrals. Freedom of Information (FOI) Act or Environmental Information Regulations (EIR) requests and planning applications received have all increased.

### **Recommendations and Reasons**

72. Cabinet is recommended to:

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

### **Amendments**

#### **Altogether Wealthier**

- i. Establishing planning consent for Aykley Heads due May 2016. Revised date: June 2016.
- ii. Construction of a new Railway Station at Horden on the Durham Coast Railway Line due August 2017. Revised date: November 2017.
- iii. Supporting the development of a Heritage Lottery application to secure funding to restore the historic quay in Seaham and improve public access to facilities due October 2015. Revised date: January 2016.
- iv. Implementation of the delivery plan for the Seaham Colliery site with the Homes and Communities Agency due March 2016. Revised date: January 2017.
- v. Work with the land owner to agree a programme of works for Festival Walk at Spennymoor due October 2015. Revised date: December 2015.

#### **Altogether Better for Children and Young People**

- i. Implement the Youth Support Strategy, by reviewing youth support services to provide a clear focus on delivering targeted support to young people vulnerable to poor outcomes; and working with the voluntary and community sector to provide a targeted offer of positive

activities to young people in County Durham due March 2016. Revised date: November 2016.

### **Altogether Healthier**

- i. Implement the specific requirements of the Care Act 2014 for adult social care by implementing an integrated transitions team due September 2015. Revised date: April 2016.

### **Altogether Safer**

- i. Strengthen the effectiveness of the Joint Partnership Team (Durham County Council and the Police) by enhancing the Problem Solving Model and integrating the work of the Safer Neighbourhood Units with other community safety operations due July 2015. Revised date: March 2016.

### **Altogether Greener**

- i. Develop and improve the strategic cycle route network across County Durham due March 2016. Revised date: October 2016.

### **Deletions**

- i. Restore the former boys grammar school (Laurel Buildings) in Bishop Auckland back to economic use.
- ii. Reviewing the assessment process to take into account additional demand from self-funders (Care Act, phase two)

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## Appendix 1: Implications

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**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



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## Appendix 2: Key to symbols used within the report

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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](mailto: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
<b>Altogether Wealthier</b>											
1	REDPI106	Percentage of properties let from Durham County Council's retail, commercial and investment portfolio	79.00	As at Sep 2015	80.00	AMBER	82.00	RED			
2	REDPI33	Percentage of Business Durham floor space that is occupied	84.12	As at Sep 2015	79.00	GREEN	77.38	GREEN			
3	REDPI76	Income generated from Business Durham owned business space (£)	835,000	Jul - Sep 2015	770,000	GREEN	811,000	GREEN			
4	REDPI64	Number of passenger journeys made on the Link2 service	8,141	Jul - Sep 2015	7,500	GREEN	8,574	RED			
5	REDPI75	Overall proportion of planning applications determined within deadline	84.2	Jul - Sep 2015	87.0	RED	84.2	AMBER			
6	REDPI10a	Number of affordable homes delivered	136	Jul - Sep 2016	40	GREEN	120	GREEN			
7	REDPI29	Number of private sector properties improved as a direct consequence of local authority intervention	130	Jul - Sep 2015	149	RED	80	GREEN			
8	REDPI30	Number of empty properties brought back into use as a result of local authority intervention	56	Jul - Sep 2015	30	GREEN	42	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	10	Apr - Jun 2015	50	RED	77	RED			
10	CASAW2	Overall success rate of adult skills funded provision	92.0	2014/15 ac yr (provisional)	88.0	GREEN	87.0	GREEN	87.6 GREEN	83.6** GREEN	2014/15 ac yr (provisional)
11	REDPI81	Percentage of timetabled bus services that are on time	94.0	Jul - Sep 2015	88.0	GREEN	91.0	GREEN			
12	REDPI41b	Percentage of major planning applications determined within 13 weeks	56.8	Jul - Sep 2015	75.0	RED	72.4	RED	74.0 RED	86** RED	Apr - Jun 2015
13	REDPI92	Number of gross potential jobs created or safeguarded as a result of Business Durham activity	522	Jul - Sep 2015	600	RED	346	GREEN			
14	REDPI104	Number of businesses supported through business improvement grants	Reported Q4	NA	52	NA	New indicator	NA			
<b>Altogether Better for Children and Young People</b>											
15	CASCYP 15	Percentage of children in the early years foundation stage achieving a good level of development	63.6	2014/15 ac yr (provisional)	60.0	GREEN	56.7	GREEN	66.0 RED		2014/15 ac yr (provisional)
16	CASCYP4	Percentage of pupils achieving five or more A*-C grades at GCSE or equivalent including English and maths	54.5	2014/15 ac yr (provisional)	58.8	RED	57.6	NA [1]	56.1 RED	54.4* GREEN	2014/15 ac yr (provisional)

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	30.0	2014/15 ac yr (provisional)	28.0	RED	29.2	RED	27.5 RED		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	17.1	2014/15 ac yr (provisional)	13	RED	15.9	RED	16.0 RED		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	98.3	2014/15 ac yr (provisional)	98.9	AMBER	98.7	AMBER	98.0 GREEN	98.4* RED	2014/15 ac yr (provisional)
20	CASAS5	First time entrants to the youth justice system aged 10 to 17 (per 100,000 population of 10 to 17 year olds) <b>(Also in Altogether Safer)</b>	160	Apr - Sep 2015	324	GREEN	251	GREEN			
21	CASCYP9	Percentage of children in need referrals occurring within 12 months of previous referral	21.8	Apr - Sep 2015	21.0	RED	26.3	GREEN	24 GREEN	22.3* GREEN	2014/15

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	CASCYP8	Percentage of mothers smoking at time of delivery <b>(Also in Altogether Healthier)</b>	18.1	Apr - Jun 2015	18.2	GREEN	17.9	RED	10.7	16.3*	Apr - Jun 15 (NE - Durham, Darlington and Tees area team)
<b>Altogether Healthier</b>											
23	CASAH2	Percentage of eligible people who receive an NHS health check	1.9	Apr - Jun 2015	2.0	RED	1.5	GREEN	2.2	1.9*	Apr - Jun 2015
24	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			
25	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	77.1*	2014
26	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	76.1*	2014
27	CASAS23	Percentage of successful completions of those in alcohol treatment <b>(Also in Altogether Safer)</b>	32.5	Jul 2014 - Jun 2015	37.6	RED	36.5	RED	39.1		Jul 2014 - Jun 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
28	CASAS7	Percentage of successful completions of those in drug treatment - opiates <b>(Also in Altogether Safer)</b>	6.8	2014 (Representations to Jun 2015)	8.4	RED	6.8	AMBER	7.4 RED		2014 (Representations to Jun 2015)
29	CASAS8	Percentage of successful completions of those in drug treatment - non-opiates <b>(Also in Altogether Safer)</b>	39.9	2014 (representations to Jun 2015)	40.8	RED	37.7	GREEN	39.2 GREEN		2014 (representations to Jun 2015)
30	CASCYP8	Percentage of mothers smoking at time of delivery <b>(Also in Altogether Better for Children and Young People)</b>	18.1	Apr - Jun 2015	18.2	GREEN	17.9	RED	10.7 RED	16.3*	Apr - Jun 15 (NE - Durham, Darlington and Tees area team)
31	CASAH1	Four week smoking quitters per 100,000 smoking population	712	Apr - Jun 2015	706	GREEN	New definition	NA [1]			
32	CASAH11	Adults aged 65+ per 100,000 population admitted on a permanent basis in the year to residential or nursing care	361.0	Apr - Sep 2015	337.8	RED	396.7	GREEN			
33	CASAH12	Percentage of adult social care service users that receive self-directed support such as a direct payment or personal budget	91.0	As at Sep 2015	90.0	GREEN	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
34	CASAH13	Percentage of service users reporting that the help and support they receive has made their quality of life better	91.9	Apr - Aug 2015	90.0	GREEN	93.0	RED	91.9 AMBER	93.4* RED	2014/15
35	CASAH14	Proportion of older people who were still at home 91 days after discharge from hospital into reablement/ rehabilitation services	88.0	Jan - Jun 2015	85.7	GREEN	89.8	RED	82.1 GREEN	85.2** GREEN	2014/15
36	CASAH24	Percentage of people who use services who have as much social contact as they want with people they like	48.7	2014/15	Not set	NA	51.0	RED	44.8 GREEN	47.6* GREEN	2014/15
<b>Altogether Safer</b>											
37	CASAS9	Building resilience to terrorism (self assessment). Scored on level 1 (low) to 5 (high)	4	2013/14	3	GREEN	3	GREEN			
38	CASAS3	Proportion of people who use adult social care services who say that those services have made them feel safe and secure	94.4	Apr - Aug 2015	90.0	GREEN	93.6	GREEN	84.5 GREEN	88.8* GREEN	2014/15
39	CASAS1	Percentage of domestic abuse victims who present at the Multi-Agency Risk Assessment Conference (MARAC) and are repeat victims	14.9	Apr - Sep 2015	25.0	NA [2]	14.7	NA [2]	25.0 NA	29* NA	Jul 2014 - Jun 2015
40	REDPI98	Percentage of emergency response Care Connect calls arrived at the property within 45 minutes	98.0	Jul - Sep 2015	90.0	GREEN	99.0	RED			

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
41	CASAS5	First time entrants to the Youth Justice System aged 10 to 17 (per 100,000 population of 10 to 17 year olds) <b>(Also in Altogether better for Children and Young People)</b>	160	Apr - Sep 2015	324	GREEN	251	GREEN			
42	CASAS23	Percentage of successful completions of those in alcohol treatment <b>(Also in Altogether Healthier)</b>	32.5	Jul 2014 - Jun 2015	37.6	RED	36.5	RED	39.1 RED		Jul 2014 - Jun 2015
43	CASAS7	Percentage of successful completions of those in drug treatment - opiates <b>(Also in Altogether Healthier)</b>	6.8	2014 (Representations to Jun 2015)	8.4	RED	6.8	AMBER	7.4 RED		2014 (Representations to Jun 2015)
44	CASAS8	Percentage of successful completions of those in drug treatment - non-opiates <b>(Also in Altogether Healthier)</b>	39.9	2014 (representations to Jun 2015)	40.8	RED	37.7	GREEN	39.2 GREEN		2014 (representations to Jun 2015)
<b>Altogether Greener</b>											
45	NS14a	Percentage of relevant land and highways assessed (LEQSPRO survey) as having deposits of litter that fall below an acceptable level	4.89	Apr - Jul 2015	7.00	GREEN	5.80	GREEN	11.00 GREEN		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
46	NS14b	Percentage of relevant land and highways assessed (LEQSPRO survey) as having deposits of detritus that fall below an acceptable level	6.58	Apr - Jul 2015	10.00	GREEN	12.14	GREEN	31.00 GREEN		2013/14
47	NS10	Percentage of municipal waste diverted from landfill	96.6	Sep 2014 - Aug 2015	95.0	GREEN	95.8	GREEN			
48	NS19	Percentage of household waste that is re-used, recycled or composted	40.8	Sep 2014 - Aug 2015	38.0	GREEN	42.2	RED	43.5 RED	37* GREEN	2013/14
49	REDPI53	Percentage of conservation areas in the county that have an up to date character appraisal <a href="#">[3]</a>	41.0	As at Sep 2014	42.0	RED	39.0	GREEN			
50	REDPI48	Percentage change in CO <sub>2</sub> emissions from local authority operations	-10.40	2014/15	-4.00	GREEN	-9.00	GREEN			
51	NS08	Percentage change in CO <sub>2</sub> emissions from the DCC fleet	-14.54	2014/15	Not set	NA	0.07	GREEN			
52	REDPI49	Number of new registered and approved new feed in tariff installations	422	Jul - Sep 2015	225	GREEN	353	GREEN			
53	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			

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
54	NS04	Percentage of recorded actionable defects on carriageways and footways repaired within 24 hours (category 1)	94	Oct 2014 - Sep 2015	95	AMBER	93	GREEN			
55	NS05	Percentage of recorded actionable defects repaired within target time (category 2) <a href="#">[4]</a>	68	Jul - Sep 2015	95	RED	New indicator	NA			
<b>Altogether Better Council</b>											
56	NS20	Percentage of abandoned calls	6	Oct 2014 - Sep 2015	12	GREEN	6	AMBER			
57	NS22	Percentage of telephone calls answered within three minutes	93	Oct 2014 - Sep 2015	80	GREEN	92	GREEN			
58	NS24	Percentage of customers seen within 15 minutes at a customer access point	99	Jul - Sep 2015	95	GREEN	NA	NA			
59	NS25	Percentage of customers with an appointment at a customer access point who are seen on time	Indicator under development	NA	95	NA	NA	NA			
60	RES/038	Percentage all ICT service desk incidents resolved on time	94	Jul - Sep 2015	90	GREEN	94	AMBER			
61	RES/NI/181a1	Average time taken to process new housing benefit claims (days)	21.1	Jul - Sep 2015	20.33	RED	20.28	RED	24.00 Not comparable	26** Not comparable	Apr - Jun 2015
62	RES/NI/181a2	Average time taken to process new council tax reduction claims (days)	22.32	Jul - Sep 2015	20.33	RED	20.31	RED			

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/181b1	Average time taken to process change of circumstances for housing benefit claims (days)	10.74	Jul - Sep 2015	8.33	RED	9.24	RED	9.00 Not comparable	10** Not comparable	Apr - Jun 2015
64	RES/NI/181b2	Average time taken to process change of circumstances for council tax reduction claims (days)	10.23	Jul - Sep 2015	8.33	RED	9.43	RED			
65	RES/001	Savings delivered against the Medium Term Financial Plan (MTFP) (£m)	14.1	As at Sep 2015	16.3	Not comparable [5]	18.9	NA			
66	RES/002	Percentage of council tax collected in-year	56.47	Apr - Sep 2015	56.00	GREEN	55.91	GREEN	97.00 Not comparable	95.89* Not comparable	2014/15
67	RES/003	Percentage of business rates collected in-year	58.65	Apr - Sep 2015	58.00	GREEN	58.00	GREEN	98.11 Not comparable	98* Not comparable	2014/15
68	RES/129	Percentage of council tax recovered for all years excluding the current year	99.02	Jul - Sep 2015	98.50	GREEN	99.02	AMBER			
69	RES/130	Percentage of business rates recovered for all years excluding the current year	99.45	Jul - Sep 2015	98.50	GREEN	99.15	GREEN			
70	REDPI49b	Total of income and savings from solar installations on council owned buildings (£)	261,210	2014/15	242,000	GREEN	214,000	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
71	REDPI68	Average asset rating of Display Energy Certificates in county council buildings	98.0	Jul - Sep 2015	97.0	AMBER	99.4	GREEN			
72	RES/LPI/010	Percentage of undisputed invoices paid within 30 days to our suppliers	93.6	Jul - Sep 2015	92.0	GREEN	90.0	GREEN			
73	ACE006	Percentage of Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests responded to within statutory deadlines	82	Jul - Sep 2015	85	RED	79	GREEN			
74	RES/LPI/012	Days / shifts lost to sickness absence – all services including school staff	9.85	Oct 2014 - Sep 2015	8.50	RED	9.02	RED			
75	RES/LPI/012a	Days / shifts lost to sickness absence – all services excluding school staff	12.35	Oct 2014 - Sep 2015	11.50	RED	11.97	RED			
76	RES/011	Percentage of performance appraisals completed in current post in rolling year period (excluding schools)	88.16	Oct 2014 - Sep 2015	87.50	GREEN	65.64	GREEN			

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

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

[3] Indicator deleted. Will be monitored through an action plan as approach to completing conservation area appraisal has changed to a targeted approach as and when required

[4] Target is for 12m rolling data. Quarterly discrete data has been reported for category 2.1 (14 working day target) and 2.2 (3 month target) however data is not available for category 2.3 (12 month target) this period.

[5] 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
<b>Altogether Wealthier</b>											
77	REDPI3	Number of net new homes completed in Durham City	26	Jul - Sep 2015	20	GREEN	3	GREEN			
78	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	74.50	As at Sep 2015	Not reported	NA [6]	76.75	RED			
79	REDPI38	Number of passenger journeys recorded by the operator of the three Durham City Park and Ride sites	281,359	Jul - Sep 2015	263,432	GREEN	278,845	GREEN			
80	REDPI80	Percentage annual change in the traffic flow through Durham City	-13.43	Jul - Sep 2015	Not reported	NA [7]	5.44	RED			
81	REDPI100	Number of visitors to County Durham (million)	18.1	Jan - Dec 2014	17.9	GREEN	17.9	GREEN			
82	REDPI101	Number of jobs supported by the visitor economy	10,803	Jan - Dec 2014	10,899	RED	10,899	RED			
Page 99	REDPI102	Amount (£million) generated by the visitor economy	752	Jan - Dec 2014	728	GREEN	728	GREEN			
84	REDPI103	Occupancy rates for	91	As at Mar	89	GREEN	89	GREEN	90		As at Jan



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
		passenger journeys on the bus network		2015							
97	REDPI 10b	Number of net homes completed	302	Jul - Sep 2015	330	RED	207	GREEN			
98	REDPI24	All homes completed in and near all major settlements, as defined in the County Durham Plan, as a proportion of total completions	63.00	Jul - Sep 2015	39.00	GREEN	51.00	GREEN			
99	REDPI34	Total number of applications registered on the Durham Key Options system which led to the household being successfully rehoused	1,077	Jul - Sep 2015	1,217	RED	1,290	RED			
100	REDPI 36d	Number of clients accessing the Housing Solutions Service	Not reported [8]	NA	2,096	NA	2,496	RED			
101	REDPI 36c	Number of clients who have accessed the Housing Solutions Service where there has been an acceptance of a statutory homelessness duty	32	Jul - Sep 2015	36	GREEN	51	GREEN			
102	REDPI 36a	Number of clients who have accessed the Housing Solutions Service and for whom homelessness has been prevented	330	Jul - Sep 2015	276	GREEN	322	GREEN			

Page 102	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
103	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	742	Jul - Sep 2015	558	RED	New indicator	NA			
104	REDPI40	Proportion of the working age population defined as in employment	68.1	Jul 2014 - Jun 2015	68.5	RED	66.7	GREEN	73.3	68.9*	Jul 2014 - Jun 2015
105	REDPI73	Proportion of the working age population currently not in work who want a job	12.9	Jul 2014 - Jun 2015	13.2	GREEN	13.3	GREEN	9.8	12.08*	Jul 2014 - Jun 2015
106	REDPI8b	Proportion of all Jobseeker's Allowance (JSA) claimants that have claimed for one year or more	26.40	As at Sep 2015	27.20	GREEN	33.20	GREEN	27.57	28.79*	As at Sep 2015
107	REDPI7a	Number of Jobseeker's Allowance (JSA) claimants aged 18 to 24	1,985	As at Sep 2015	1,890	RED	2,720	GREEN			
108	CASCYP 16	Percentage of 16 to 18 year olds who are not in education, employment or training (NEET) <b>(Also in Altogether Better for Children and Young People)</b>	7.7	Jul – Sep 2015	6.3	N/A [15]	14.2	GREEN			
109	CAS AW3	Percentage of 16 to 18 year olds in an	11.9	As at Jun 2015	11.5	GREEN	8.7	GREEN	6.6	10.2*	At at Jun 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
		apprenticeship							GREEN	GREEN	
110	REDPI 105	Number of local authority funded apprenticeships sustained at 15 months	460	As at Sep 2015	393	GREEN	177	GREEN			
111	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
									RED	RED	
112	REDPI 103	Number of full time equivalent jobs created through business improvement grants	Reported Q4	NA	New indicator	NA	New indicator	NA			
113	REDPI87	Gross Value Added (GVA) per capita in County Durham (£)	12,875	2012	12,661	GREEN	12,661	GREEN	21,937	16091*	2012
									RED	RED	
114	REDPI88	Per capita household disposable income (£)	14,659	2013	14,151	GREEN	14,151	GREEN	17,842	14927*	2013
									RED	RED	
115	REDPI89	Number of registered businesses in County Durham	15,155	2014/15	14,785	GREEN	14,785	GREEN			
116	REDPI66	Number of businesses engaged with Business Durham	1,134	2014/15	581	GREEN	581	GREEN			
117	REDPI93	Number of business enquiries handled by Business Durham	1,202	2014/15	1,151	GREEN	1,151	GREEN			
Page 1 of 103	REDPI 32a	Percentage of tourism businesses actively engaged with Visit County Durham <a href="#">[9]</a>	65	As at Mar 2015	81	RED	81	RED			

Page 104	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
119	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			
120	REDPI91	Number of unique visitors to the thisisdurham website [10]	255,826	Jul - Sep 2015	203,089	GREEN	272,960	RED			
<b>Altogether Better for Children and Young People</b>											
121	CASCYP 16	Percentage of 16 to 18 year olds who are not in education, employment or training (NEET) <b>(Also in Altogether Wealthier)</b>	7.7	Jul – Sep 2015	6.3	N/A [15]	14.2	GREEN			
122	ACE016	Percentage of children in poverty (quarterly proxy measure) <b>(Also in Altogether Better Council)</b>	22.5	As at May 2015	22.7	AMBER	23.3	GREEN	16.3	23.0*	As at May 2015
123	ACE017	Percentage of children in poverty (national annual measure) <b>(Also in Altogether Better Council)</b>	22.5	2013	22.6	GREEN	22.6	GREEN	18.6	23.3*	2013
124	CASCYP 18	Percentage of children aged 4 to 5 years classified as overweight	23.8	2013/14 ac yr	21.9	RED	21.9	RED	22.5	24.4*	2013/14 ac yr

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
		or obese ( <b>Also in Altogether Healthier</b> )							RED	GREEN	
125	CASCYP 19	Percentage of children aged 10 to 11 years classified as overweight or obese ( <b>Also in Altogether Healthier</b> )	36.1	2013/14 ac yr	35.9	AMBER	35.9	AMBER	33.5 RED	36.1* AMBER	2013/14 ac yr
126	CASCYP 29	Proven re-offending by young people (who offend) in a 12 month period (%) ( <b>Also in Altogether Safer</b> )	42.4	Oct 12 - Sep 13	40.9	RED	37.1	RED	37.4 RED	39.7* RED	England - Oct 2012 - Sep 2013 NE - 2012/13
127	CASCYP 20	Under 18 conception rate per 1,000 girls aged 15 to 17	29.0	Jul 2013 - Jun 2014	30.9	GREEN	NA [11]	NA	23.4 RED	29.8* GREEN	Jul 2013 - Jun 2014
128	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
129	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 105 130	CASCYP 20	Percentage of Community and Adolescent Mental Health Services (CAMHS) patients who	81.7	Apr - Sep 2015	70.7	GREEN	New indicator	NA			

Page 106	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
		have attended a first appointment within nine weeks of their external referral date									
131	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
132	CASCYP 28	Rate of children with a child protection plan per 10,000 population	33.9	As at Sep 2015	35.1	GREEN	38.4	GREEN	42.9	59.5*	As at Mar 2015
133	CASCYP 14	Number of successful interventions (families turned around) via the Stronger Families Programme ( <b>Also in Altogether Safer</b> )	23.0	Sep 14 - Sep 15	NA	NA	NA	<a href="#">Not comparable [12]</a>			
134	CASCYP 24	Rate of looked after children per 10,000 population aged under 18	65.9	As at Sep 2015	63.9	RED	61.0	RED	60.0	82*	As at Mar 2015
135	CASCYP 25	Prevalence of breastfeeding at 6 to 8 weeks from birth ( <b>Also in Altogether Healthier</b> )	30.5	Apr - Jun 2015	28.8	GREEN	28.9	GREEN	45.2	28.4*	Apr - Jun 2015 (NE - Durham, Darlington and Tees area team)
<b>Altogether Healthier</b>											
	CASCYP	Percentage of children aged 4 to 5 years classified as overweight	23.8	2013/14 ac yr	21.9	RED	21.9	RED	22.5	24.4*	2013/14 ac yr

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
		or obese ( <b>Also in Altogether Better for Children and Young People</b> )							RED	GREEN	
137	CASCYP 19	Percentage of children aged 10 to 11 years classified as overweight or obese ( <b>Also in Altogether Better for Children and Young People</b> )	36.1	2013/14 ac yr	35.9	AMBER	35.9	AMBER	33.5	36.1*	2013/14 ac yr
									RED	AMBER	
138	CASCYP 25	Prevalence of breastfeeding at 6 to 8 weeks from birth ( <b>Also in Altogether Better for Children and Young People</b> )	30.5	Apr - Jun 2015	28.8	GREEN	28.9	GREEN	45.2	28.4*	Apr - Jun 2015 (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	
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	42.6*	2011-13
									RED	RED	
		Under 75 mortality rate	21.9	2011-13	21.7	RED	21.7	RED	17.9	22.3*	2011-13

Page 108	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
		from liver disease per 100,000 population							RED	GREEN	
145	CASAH 23	Percentage of registered GP patients aged 17 and over with a diagnosis of diabetes	6.9	2013/14	6.8	RED	6.8	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	233,130	Jul - Sep 2015	228,868	AMBER	239,631	GREEN			
149	CASAH 20i	Delayed transfers of care from hospital per 100,000 population	4.9	Apr - Aug 2015	4.5	RED	8.3	GREEN	11.1 GREEN	7.4* GREEN	2014/15
150	CASAH 20ii	Delayed transfers of care from hospital, which are attributable to adult social care, per 100,000 population	1.5	Apr - Aug 2015	1.1	RED	1.5	AMBER	3.7 GREEN	1.6* GREEN	2014/15
151	CASAH 21	Suicide rate (deaths from suicide and injury of undetermined intent) per 100,000 population <b>(Also in Altogether Safer)</b>	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			
<b>Altogether Safer</b>											
153	CASAS 12	Overall crime rate (per 1,000 population)	24.4	Apr - Sep 2015	12.3	Not comparable [13]	24.9	GREEN	30	35.9**	Apr - Sep 2015
									GREEN	GREEN	
154	CASAS 24	Rate of theft offences (per 1,000 population)	10.3	Apr - Sep 2015	5.1	Not comparable [13]	11.0	GREEN	15.2	14.8**	Apr - Sep 2015
									GREEN	GREEN	
155	CASAS 10	Recorded level of victim based crimes per 1,000 population	22.0	Apr - Sep 2015	11.0	Not comparable [13]	22.2	GREEN	30	31.8**	Apr - Sep 2015
									GREEN	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	62.2	Jul 2014 - Jun 2015	63.2	RED	62.1	GREEN		59**	Jul 2014 - Jun 2015
										GREEN	
157	CASAS 15	Number of police reported incidents of anti-social behaviour	11,725	Apr - Sep 2015	5,761	Not comparable [13]	13,214	GREEN			
158	CASAS 22	Number of hate incidents	179	Apr - Sep 2015	74	Not comparable [13]	203	NA			

Page 110	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	28.1	Oct 2012 - Sep 2013	28.2	GREEN	27.3	RED	26.4 RED		Oct 2012 - Sep 2013
160	CASCYP 29	Proven re-offending by young people (who offend) in a 12 month period (%) <b>(Also in Altogether Better for Children and Young People)</b>	42.4	Oct 12 - Sep 13	40.9	RED	37.1	RED	37.4 RED	39.7* RED	England - Oct 2012 - Sep 2013 NE - 2012/13
161	CASAS 19	Percentage of anti-social behaviour incidents that are alcohol related	11.8	Apr - Sep 2015	13.2	GREEN	13.6	GREEN			
162	CASAS 20	Percentage of violent crime that is alcohol related	30.2	Apr - Sep 2015	30.8	GREEN	30.4	AMBER			
163	REDPI44	Number of people killed or seriously injured in road traffic accidents	106	Jan - Jun 2015	35	Not comparable [13]	104	RED			
		Number of fatalities	11				6				
		Number of seriously injured	95				98				
164	REDPI45	Number of children killed or seriously injured in road traffic accidents	11	Jan - Jun 2015	4	Not comparable [13]	13	GREEN			
		Number of fatalities	1				0				
		Number of seriously	10				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
		injured									
165	CASAH2 1	Suicide rate (deaths from suicide and injury of undetermined intent) per 100,000 population <b>(Also in Altogether Healthier)</b>	13.4	2011-13	11.3	RED	11.3	RED	8.8	10.6*	2011-13
166	CASCYP 14	Number of successful interventions (families turned around) via the Stronger Families Programme <b>(Also in Altogether Better for Children and Young People)</b>	23.0	Sep 14 - Sep 15	NA	NA	NA	<a href="#">Not comparable [12]</a>			
<b>Altogether Greener</b>											
167	NS14c	Percentage of relevant land and highways assessed as having deposits of dog fouling that fall below an acceptable level	0.78	Apr - Jul 2015	0.33	RED	0.33	RED	8.10		2013/14
168	NS15	Number of fly-tipping incidents	6,911	Oct 2014 - Sep 2015	7,674	GREEN	9,922	GREEN			
169	NS09	Megawatt hours (MWh) of energy produced from municipal waste sent to Sita's 'Energy from Waste' plant	66,756	Sep 2014 - Aug 2015	66,206	GREEN	38,930	GREEN			
170	REDPI46	Percentage reduction in CO <sub>2</sub> emissions in County Durham	42.0	As at Dec 2013	39.0	GREEN	39.0	GREEN			

Page 112	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
171	REDPI47	Amount of renewable energy generation - megawatts equivalent (MWe) installed or installed/approved capacity within County Durham	213.6	As at Sep 2015	215.72	Not comparable [14]	213.46	Not comparable [14]			
<b>Altogether Better Council</b>											
172	NS43a	Number of customer contacts - face to face	185,581	Oct 2014 - Sep 2015	202,511	Not comparable [1]	250,583	Not comparable [1]			
173	NS43b	Number of customer contacts -telephone	1,004,186	Oct 2014 - Sep 2015	1,004,109	NA	976,609	NA			
174	NS43c	Number of customer contacts - web forms	17,213	Jul 2014 - Jun 2015	16,886	NA	18,274	NA			
175	NS43d	Number of customer contacts - emails	27,127	Apr - Sep 2015	15,775	NA [1]	NA	NA [1]			
176	RES/013	Staff aged under 25 as a percentage of post count	5.06	As at Sep 2015	5.54	NA	5.63	NA			
177	RES/014	Staff aged over 50 as a percentage of post count	40.16	As at Sep 2015	39.27	NA	38.16	NA			
178	RES/LPI/011a	Women in the top five percent of earners	52.72	As at Sep 2015	52.36	NA	52.30	NA			
179	RES/LPI/011bi	Black and minority ethnic (BME) as a percentage of post count	1.54	As at Sep 2015	1.53	NA	1.53	NA			
180	RES/LPI/011ci	Staff with a recorded disability as a percentage of post count	2.82	As at Sep 2015	2.97	NA	2.75	NA			

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
181	RES028	Discretionary Housing Payments - value (£) for customers affected by social sector size criteria	286,199.40	Apr - Sep 2015	123,019.79	NA	628,656.36	NA			
182	RES029	Discretionary Housing Payments - value (£) for customers affected by local housing allowance reforms	75,008.48	Apr - Sep 2015	38,091.06	NA	84,430.00	NA			
183	ACE016	Percentage of children in poverty (quarterly proxy measure) <b>(Also in Altogether Better for Children and Young People)</b>	22.5	As at May 2015	22.7	AMBER	23.3	GREEN	16.3	23.0*	As at May 2015
184	ACE017	Percentage of children in poverty (national annual measure) <b>(Also in Altogether Better for Children and Young People)</b>	22.5	2013	22.6	GREEN	22.6	GREEN	18.6	23.3*	2013
185	ACE019 a	Proportion of Households in Fuel Poverty (Low Income/High Cost rule)	11.5	2013	11.4	RED	11.4	RED	10.4	11.8*	2013
186	RES/034 b	Staff - total headcount (excluding schools)	8,569	As at Sep 2015	8,668	NA	9,033	NA			
187	RES/035 b	Staff - total full time equivalent (excluding schools)	7,086	As at Sep 2015	7,099	NA	7,518	NA			
188	RES/020	Percentage of time lost to sickness in rolling year (excluding schools)	4.88	Oct 2014 - Sep 2015	4.86	RED	4.73	RED			

Page 114	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
189	RES/052	Percentage of posts with no absence in rolling year (excluding schools)	45.22	Oct 2014 - Sep 2015	47.51	RED	46.58	RED			
190	RES/036	Number of RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) incidents reported to the Health and Safety Executive (HSE)	5	Jul - Sep 2015	16	N/A	18	NA			

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

[6] [Unable to calculate due to IT software issues](#)

[7] [2 traffic loop detectors were broken - repaired during Milburngate Bridge works](#)

[8] [Discussions are taking place over the indicator definition](#)

[9] [Although the number of businesses engaged has not fallen, the number of businesses Visit County Durham can engage with has increased by approximately 250 compared to 2013/14, which has caused the percentage to drop](#)

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

[11] [Now reported as a rolling 12 months and published data unavailable for this period](#)

[12] [New definition. This has been amended to track the number for 2015/16 and will be reported as a % target PI again 2016/17](#)

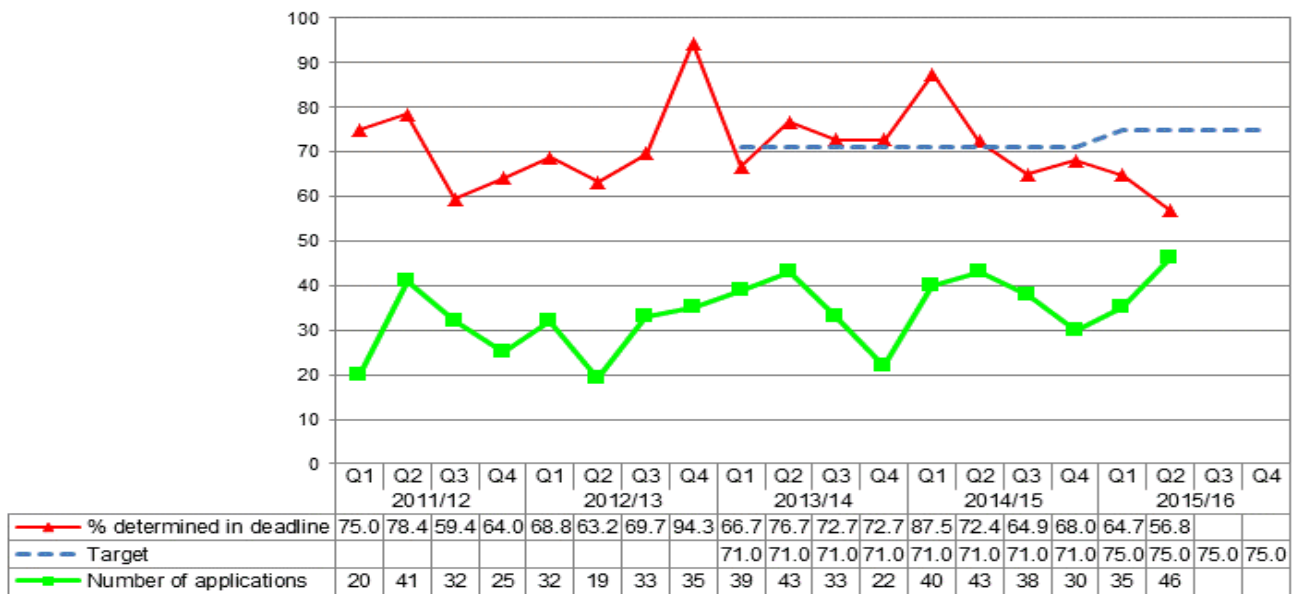
[13] [Data cumulative so comparisons are not applicable](#)

[14] [Data cumulative year on year so comparisons are not applicable. Figure reduced in Q1 as an approved application at Eastgate for 5MW of Bio Energy was over 5 years old and not installed therefore was withdrawn from the statistics.](#)

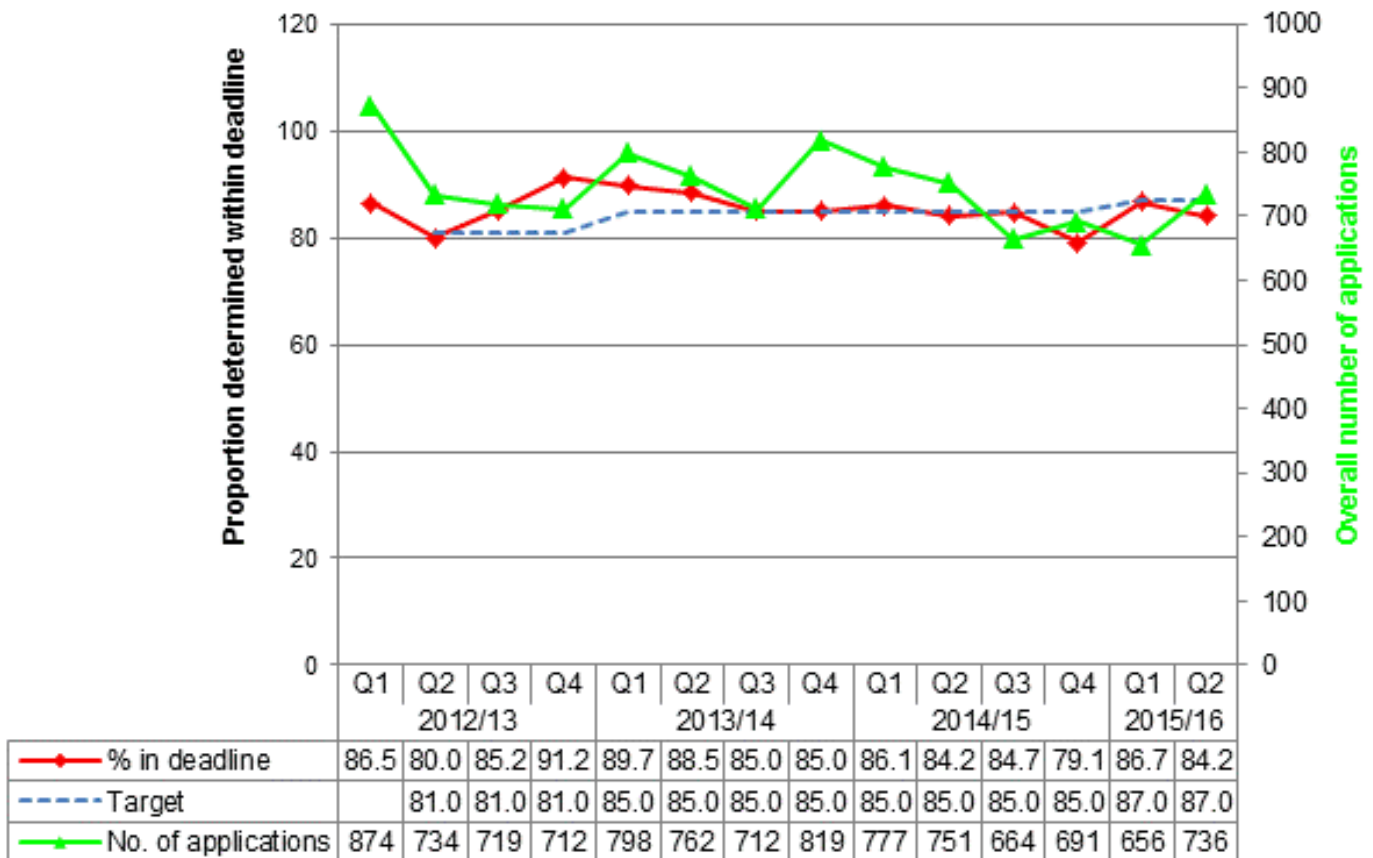
[15] [Data not comparable due to the high number of school leavers whose status is 'not known' which impacts significantly on this indicator](#)

## Appendix 4: Volume Measures

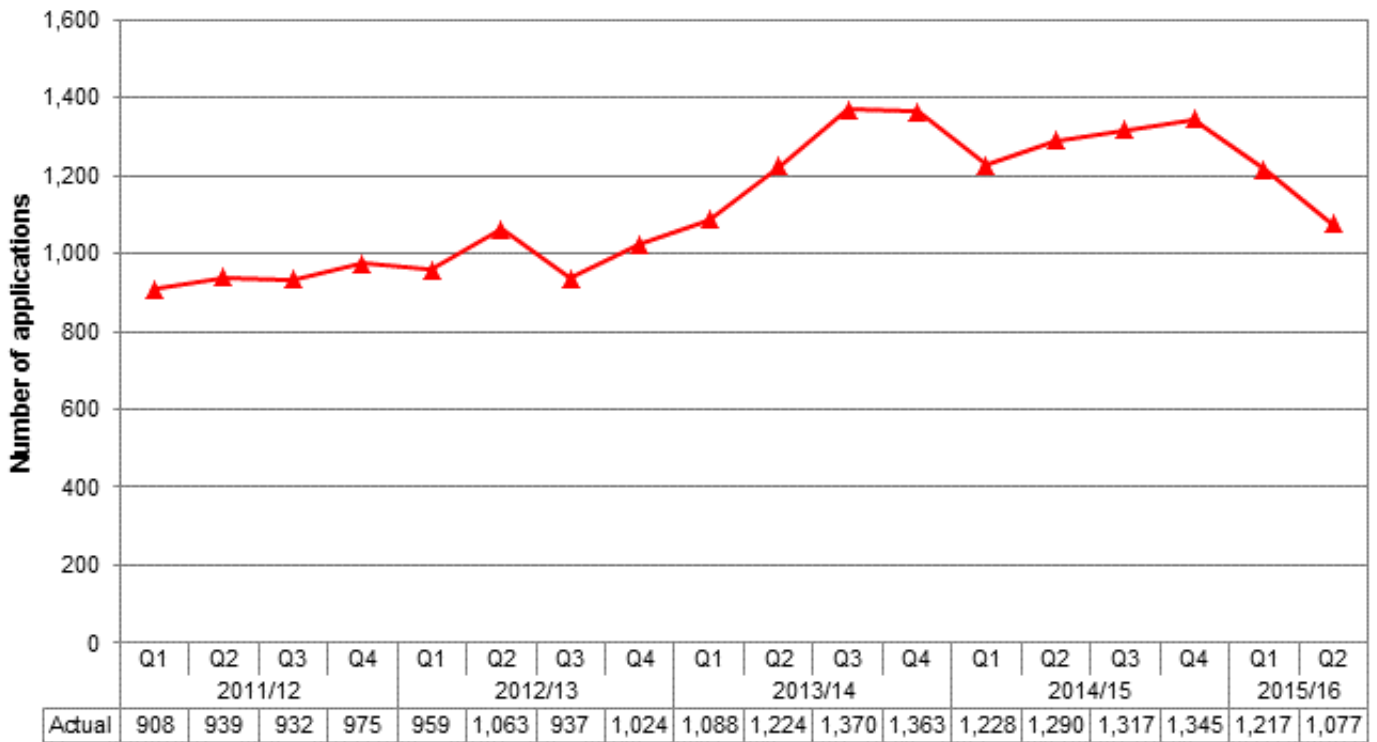
### Chart 1 – Major planning applications



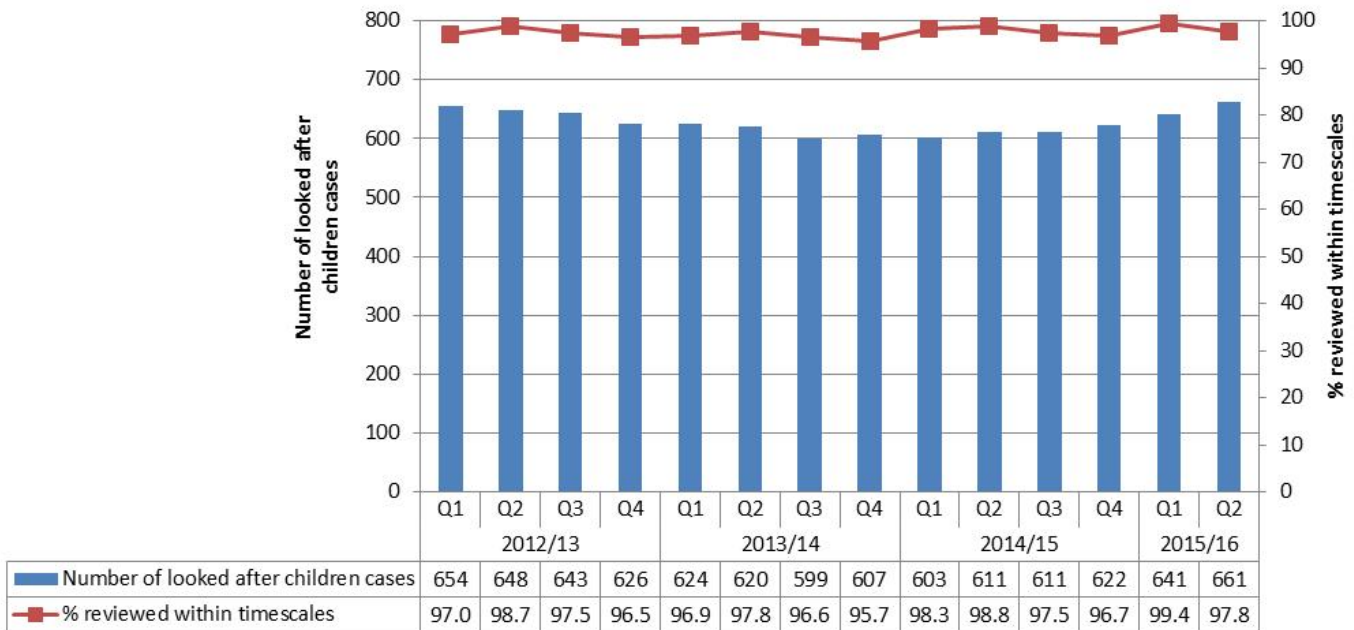
### Chart 2 – Overall planning applications



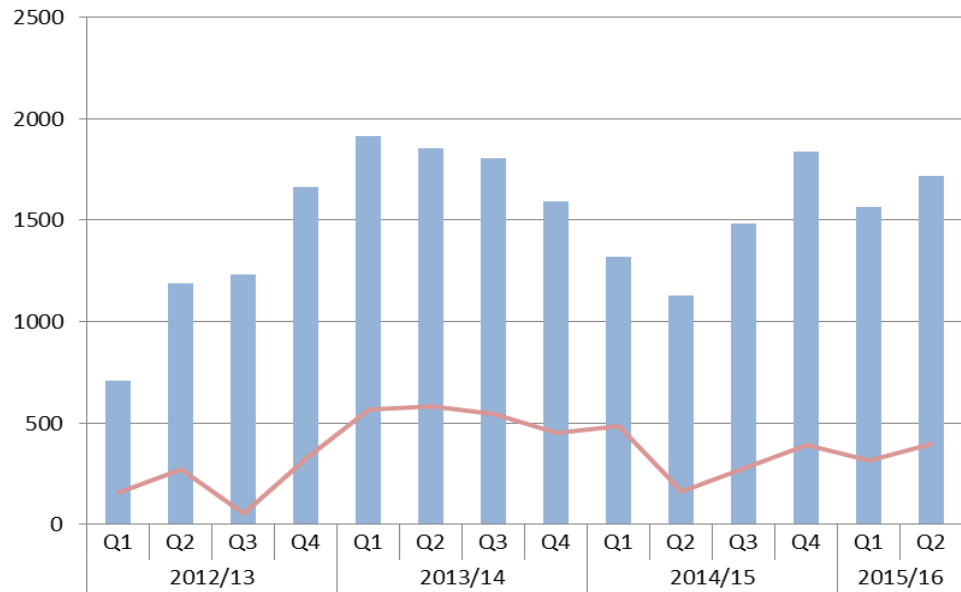
**Chart 3 – Durham Key Options - total number of applications registered on the Durham Key Options system which led to the household being successfully rehoused**



**Chart 4 - Number of looked after children cases**

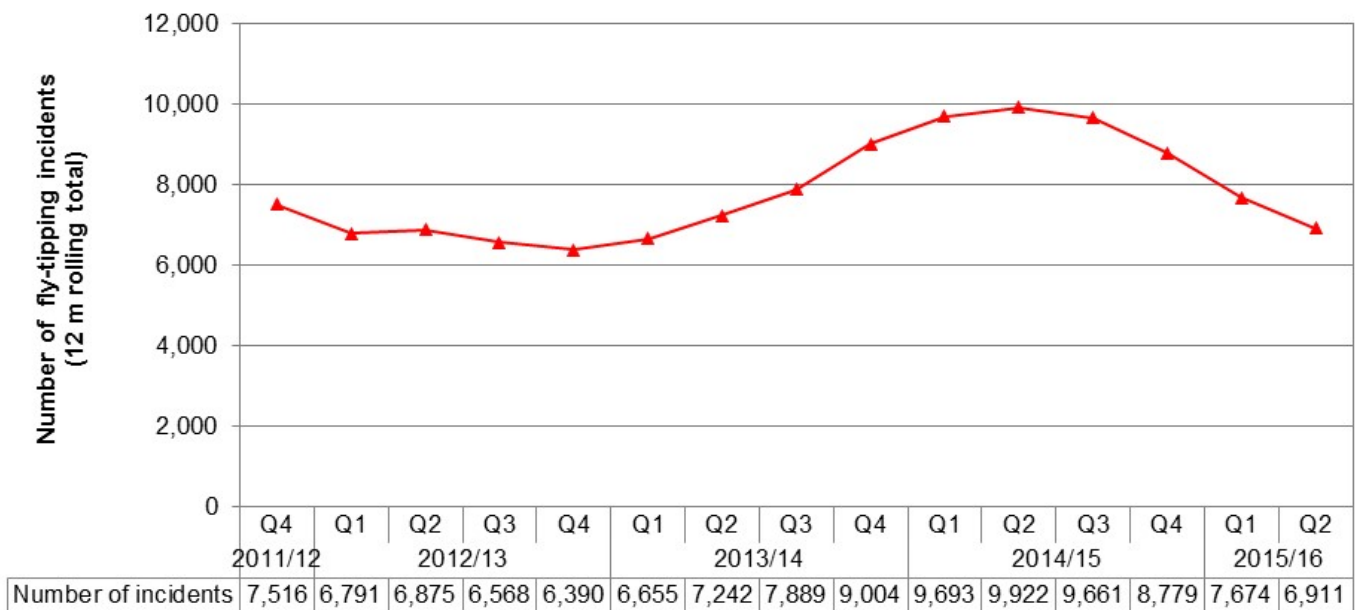


**Chart 5 - Children in need referrals within 12 months of previous referral**

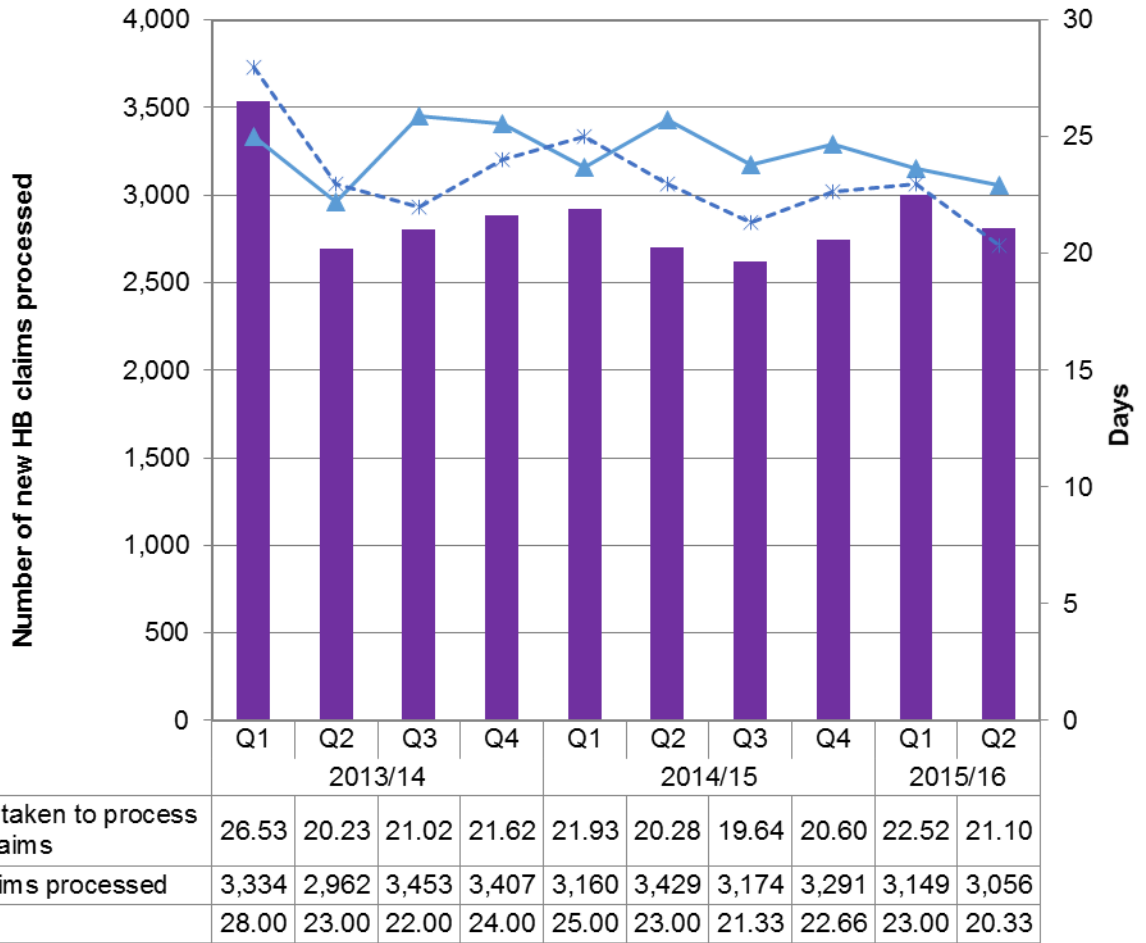


Number of children in need referrals (quarterly)	710	1187	1232	1663	1911	1855	1807	1,590	1318	1130	1481	1835	1566	1716
Number of Children in Need (CIN) referrals occurring within 12 months of previous referral (quarterly)	155	269	55	326	567	585	543	450	482	161	279	390	317	398

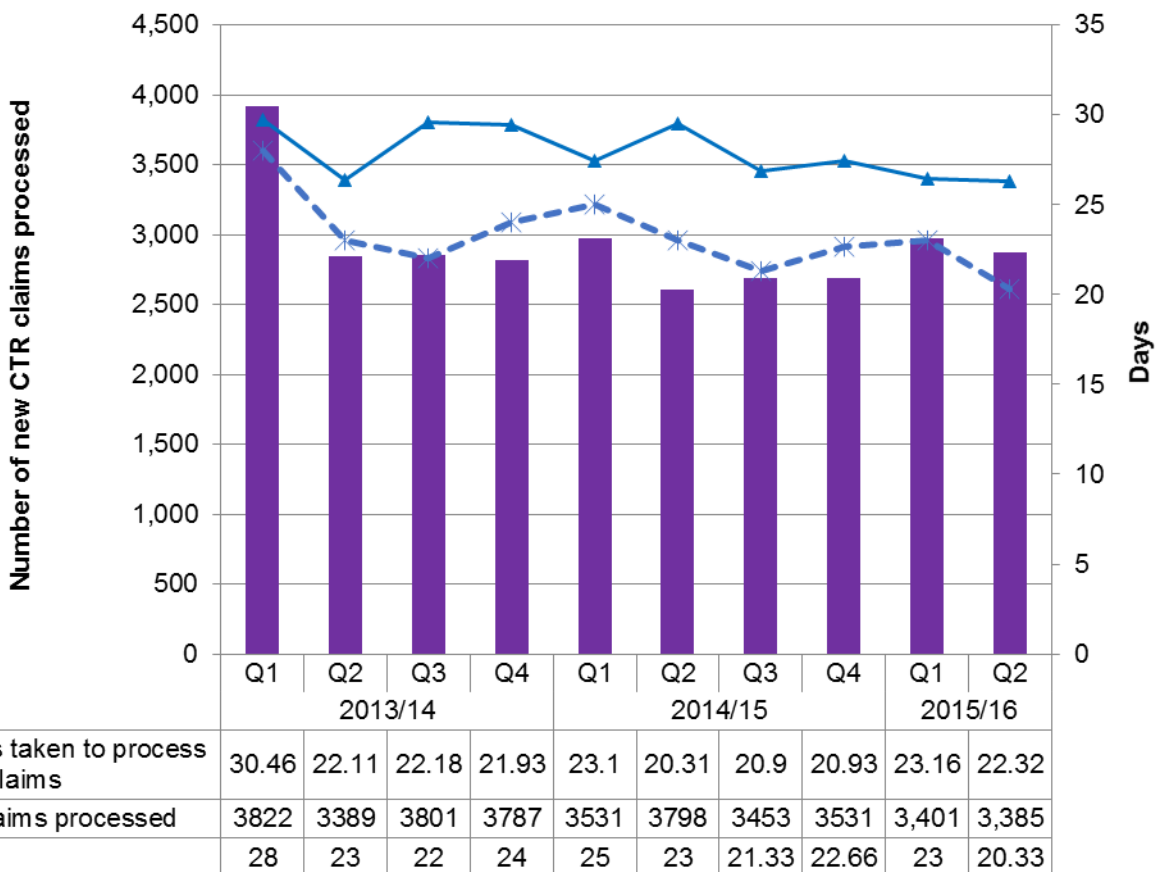
**Chart 6 – Fly-tipping incidents**



**Chart 7 – Housing Benefits – new claims**

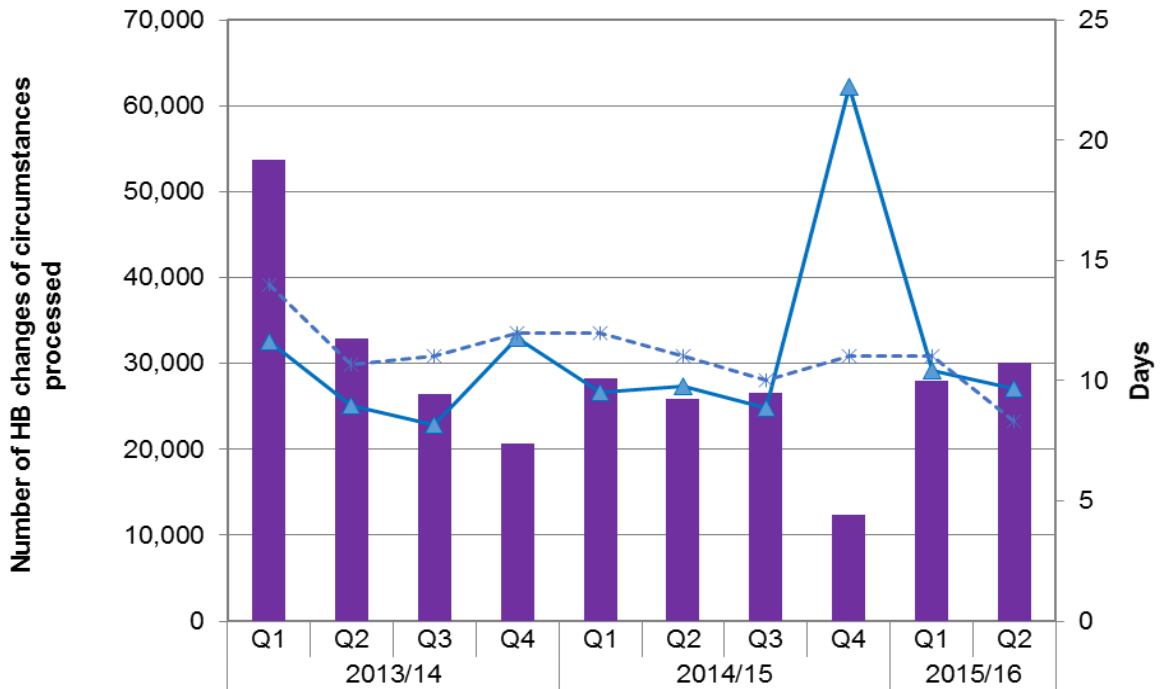


**Chart 8 – Council Tax Reduction – new claims**





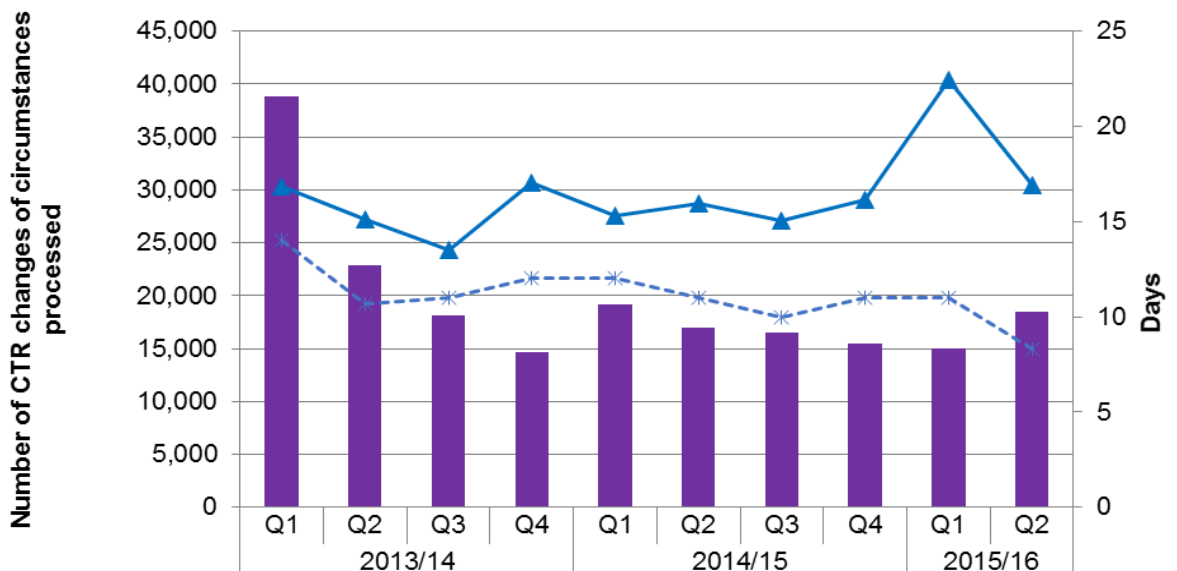
**Chart 9 – Housing Benefits – changes of circumstances**



■ Average days taken to process	19.18	11.74	9.45	7.36	10.11	9.24	9.47	4.43	10.01	10.74
▲ Number of changes of circumstances processed	32,574	25,152	22,873	33,015	26,679	27,308	24,881	62,175	29,207	27,126
---*--- Target (days)	14.00	10.66	11.00	12.00	12.00	11.00	10.00	11.00	11.00	8.33

The way in which the change of circumstance is processed changed in quarter one 2015/16, which means that some multi-changes are now counted more than once where previously it would have been counted as just one change. Volume data for 2015/16 is therefore not comparable with previous data.

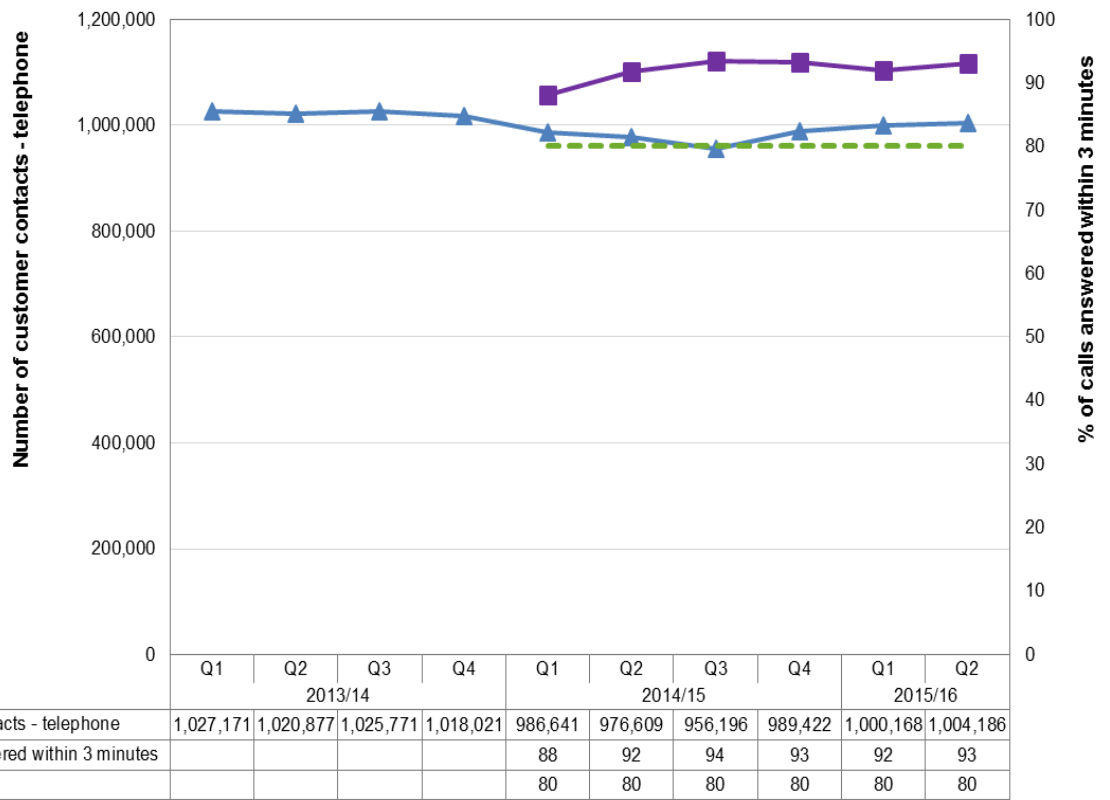
**Chart 10 – Council Tax Reduction – changes of circumstances**



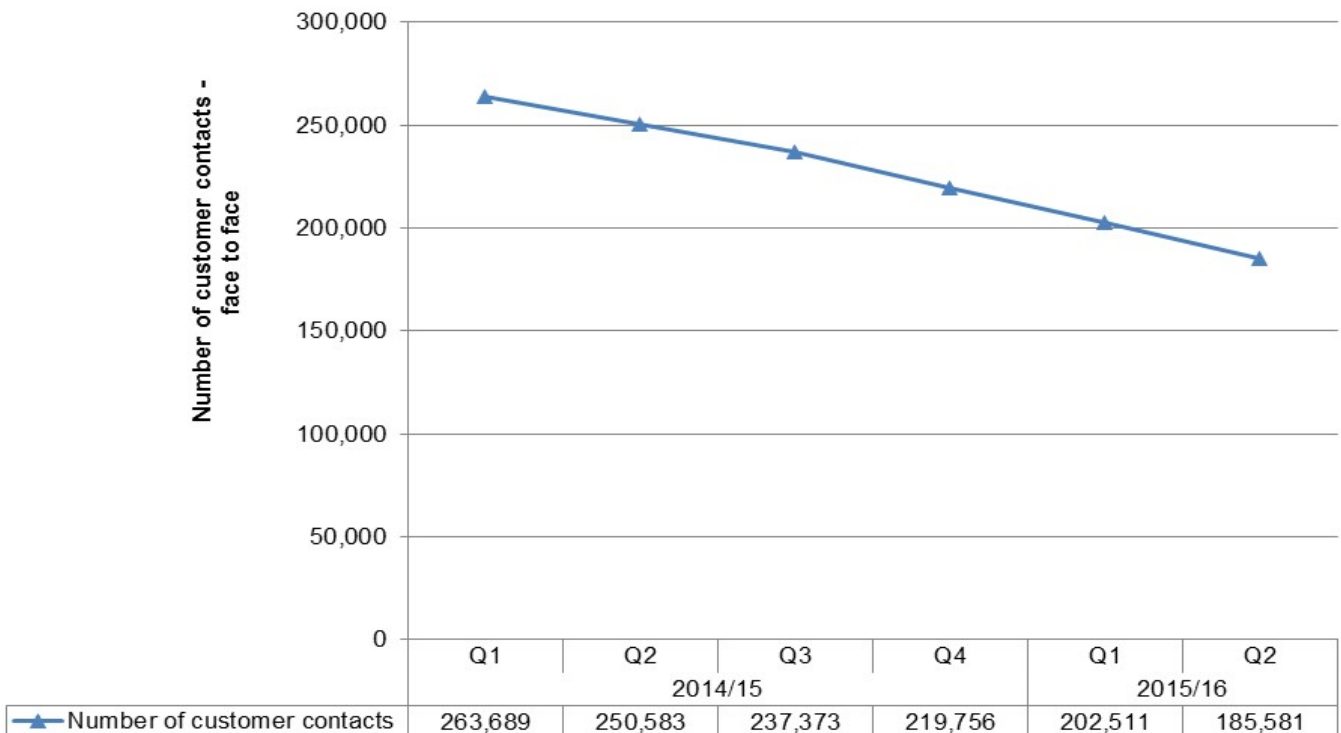
■ Average days taken to process	21.59	12.68	10.05	8.17	10.65	9.43	9.20	8.62	8.34	10.23
▲ Number of changes of circumstances processed	30,326	27,215	24,319	30,707	27,570	28,732	27,090	29,043	40,416	30,439
---*--- Target (days)	14.00	10.66	11.00	12.00	12.00	11.00	10.00	11.00	11.00	8.33

The way in which the change of circumstance is processed changed in quarter one 2015/16, which means that some multi-changes are now counted more than once where previously it would have been counted as just one change. Volume data for 2015/16 is therefore not comparable with previous data.

**Chart 11 - Telephone calls**

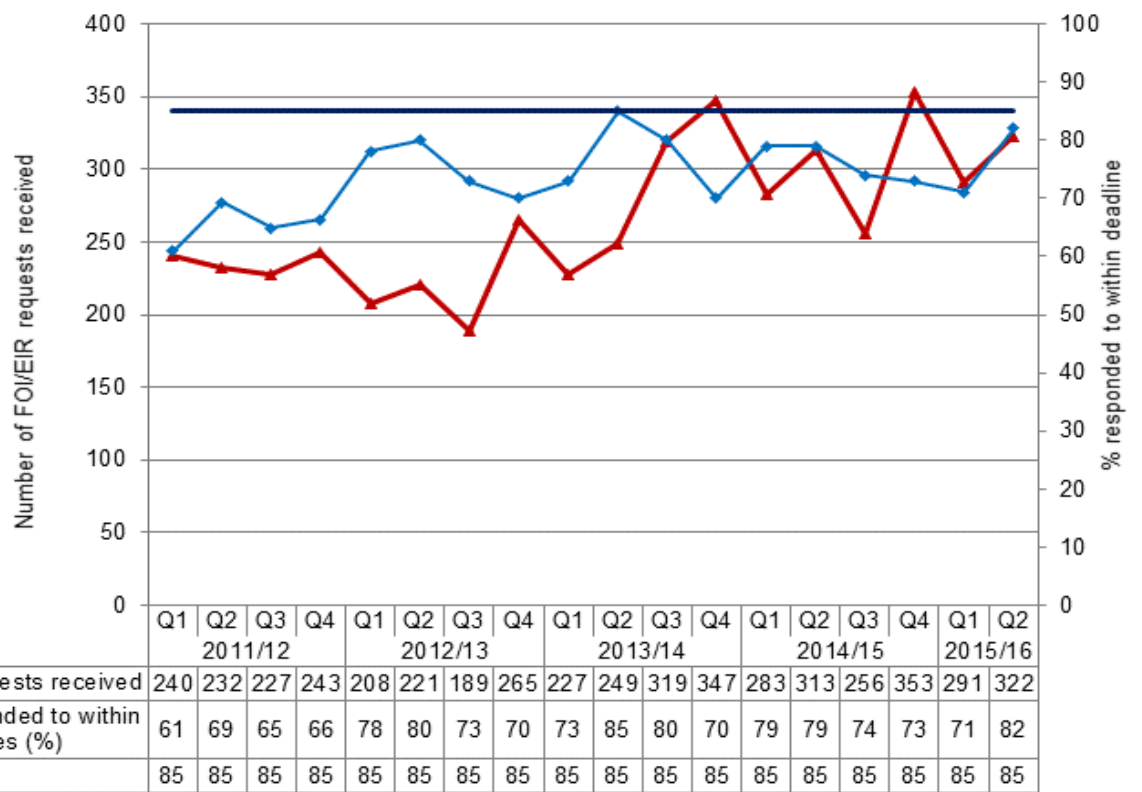


**Chart 12 – Face to face contacts**



# Chart 13 – Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests

requests



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**Cabinet**

**16 December 2015**

**Corporate Issues Overview and Scrutiny  
Committee – Attendance Management  
Working Group Review**



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**Report of Lorraine O'Donnell, Assistant Chief Executive**

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**Purpose of the Report**

- 1 To present to Cabinet the Corporate Issues Overview and Scrutiny Committee Attendance Management Working Group review report.

**Background**

- 2 At the Corporate Issues Overview and Scrutiny Committee meeting held on 27<sup>th</sup> March 2014, during consideration of the Quarter 3 Performance Management report, reference was made to performance in respect of sickness absence targets not being met within Durham County Council. At this time questions were raised regarding the sickness absence management policy, the process of recording and managing sickness absence, the role of line managers in reducing sickness levels and the training available to staff. There was also interest in the link between appraisal completion and absence levels.
- 3 The Committee resolved that once the Committee's work on the Medium Term Financial Plan and budget was concluded, a working group would be set up to examine the sickness absence policy.
- 4 At the Corporate Issues OSC meeting on 20 April 2015, agreement was given to the establishment of a Working Group to examine attendance management issues including sickness absence. The Committee agreed that the working group would:-
  - receive an overview of the current policies and procedures including the role of occupational health;
  - Examine statistics relating to attendance management across the Council to gain an insight into trends and opportunities for improvement;
  - consider examples of best practice and research in respect of sickness absence management, and
  - receive information on staff, manager and Trade Union opinions and experiences of the sickness policy and management.
- 5 Evidence was gathered over a series of 5 meetings culminating in a presentation to the group on 28 September 2015 which highlighted key

findings from the review and at Corporate Issues Overview and Scrutiny Committee held on 17 November 2015 agreed the review report and the following recommendations:-

### **Recommendation 1**

The Working Group recommends the adoption of the draft Attendance Management Policy subject to those comments identified within paragraph 11 of this review report being considered for inclusion therein.

### **Recommendation 2**

The Working Group recommends that the Council continues to target long-term sickness absence as the key cause of below target sickness absence performance.

### **Recommendation 3**

The Working Group recommends that upon approval of the draft Attendance Management Policy, compulsory training be given to all DCC managers on the application of the new policy and associated procedures, making the links to such training as stress awareness, manual handling, workstation assessment and annual appraisal awareness; that this is incorporated into the Durham Managers' Programme and that the percentage of managers trained be reported to Scrutiny at appropriate intervals.

### **Recommendation 4**

The Working Group recommends that the current automated "reminder triggers" within the My View system be amended to send a reminder to managers after 20 calendar days that a Sickness Absence interview needs to be undertaken in the event that this has not already occurred and the escalation to senior manager e-mail after a further 7 days.

### **Recommendation 5**

The Working Group recommends that a review of the current OHS referral process be undertaken to include establishing a target for referral into the OHS service of 30 calendar days; an analysis of the impact upon OHS of implementing this target and an immediate referral into OHS for those employees whose absence has been due to mental wellbeing.

### **Recommendation 6**

The Working Group recommends that staff, managers and Trade Unions be engaged in the examination of suggested changes to the Attendance Management policy arising from this review in respect of My View Sickness Absence Interview reminders and the development of OHS referral targets.

### **Recommendation 7**

The Working Group recommends that a more comprehensive Council-wide staff survey be undertaken to inform organisational development, which would gather staff opinions on such issues as Health and wellbeing; attendance

management; appraisals; council policy; training and development and organisational culture with Councillors having direct input into the content of the questions via scrutiny.

### **Recommendation 8**

The Working Group recommends that that the Council review its current provision for the promotion of “Better Health at Work” and examine the potential to develop a more proactive and targeted approach to health and wellbeing promotion amongst its workforce.

### **Recommendation 9**

The Working Group recommends that following implementation of the Attendance Management Policy and in the event that attendance management performance has not shown improvement following sustained monitoring, a review of all trigger points within the policy be undertaken.

It is further recommended that a systematic review of the report and progress made against recommendations should be undertaken after consideration of this report by Cabinet, within six months.

- 6 A copy of the review report is attached at Appendix 2 for members’ information.

### **Service Grouping Response**

- 7 Resources Service grouping welcome the analysis and conclusions contained within the report, and will closely monitor the impact of these once implemented, with reporting back through the established channels.
- 8 ACE Service Grouping welcomes the conclusions of the report. In relation to staff engagement (recommendation 7), we are happy to share the overall approach to the staff survey with scrutiny.

### **Recommendation**

- 9 Cabinet is asked to note the report and recommendations and formulate a response within the six month period identified in the report for the systematic review of recommendations.

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**Contact: Stephen Gwilym Tel. 03000 268140**

**Email: [stephen.gwilym@durham.gov.uk](mailto:stephen.gwilym@durham.gov.uk)**

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## **Appendix 1: Implications**

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**Finance – N/A**

**Staffing –** Recommendations within the review report are aimed at improving attendance management, the overall wellbeing of the Council's workforce as well as providing appropriate support, training and guidance to managers and staff in respect of the Attendance Management policy and its implementation

**Risk – N/A**

**Equality and Diversity / Public Sector Equality Duty –** The review report takes into consideration Equality and Diversity, an Equality Impact Assessment having been undertaken.

**Accommodation – N/A**

**Crime and Disorder – N/A**

**Human Rights – N/A**

**Consultation –** The report recommends that staff, Trade Unions and manager's be engaged in consideration of the review report and recommendations as part of the implementation of the revised Attendance Management policy.

**Procurement – N/A**

**Disability Issues – N/A**

**Legal Implications – N/A**





# Corporate Issues Overview and Scrutiny Committee

## Scrutiny Review of Attendance Management

October 2015

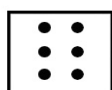
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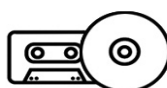
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## Chair's Foreword

There is clear evidence that working can be good for your health, well-being, and recovery from illness. A 2009 report ([Fit for Work](#)) released by The Work Foundation, found that well-designed work environments and flexible working arrangements can help people to stay in work or gradually return to work after illness. As well as improving your income, employment can boost your confidence and self-esteem. This applies to adults of all ages, including people with health conditions and disabled people. Our health and well-being affect the people around us, so work can benefit our families and communities as well.



That said, the Council has experienced below target performance when examination of sickness absence figures has been undertaken via the Corporate Issues OSC to an extent that a review of the Council's approach to Attendance Management was agreed as a review topic for the Committee.

As part of its evidence gathering process the Attendance Management Working Group has examined and commented upon the draft attendance management policy including the Mental Wellbeing in the Workplace Policy ; considered a range of attendance management performance information setting out trends; considered the role of managers in managing sickness absence including associated training; reviewed the role of Occupational Health and the promotion of better health at work initiatives.

This report sets a series of recommendations which aim to deliver improvements in workforce attendance whilst also acknowledging the incredible job that our workforce does in ensuring that services continue to be delivered to our customers against continuing pressures being placed upon local government, particularly in respect of funding. The working group has also noted the prevailing health inequalities facing the North East Region and the challenges that they bring in terms of the health and wellbeing of its workforce.

I would like to thank fellow members of the working group and officers from Durham County Council for their valuable time and assistance in providing evidence and supporting the review as well as the contribution to the review from staff, managers and Trade Union representatives.

**Councillor John Lethbridge**  
**Chairman**  
**Corporate Issues Overview and Scrutiny Committee**

# Executive Summary

1. At the Corporate Issues Overview and Scrutiny Committee meeting held on 27<sup>th</sup> March 2014, during consideration of the Quarter 3 Performance Management report, reference was made to performance in respect of sickness absence targets not being met within Durham County Council. At this time questions were raised regarding the sickness absence management policy, the process or recording and managing sickness absence, the role of line managers in reducing sickness levels and the training available to staff. There was also interest in the link between appraisal completion and absence levels.
2. The Committee resolved that once the Committee's work on the Medium Term Financial Plan and budget was concluded, a working group would be set up to examine the sickness absence policy.
3. At the Corporate Issues OSC meeting on 20 April 2015, agreement was given to the establishment of a Working Group to examine attendance management issues including sickness absence. The Committee agreed that the working group would:-
  - receive an overview of the current policies and procedures including the role of occupational health;
  - examine statistics relating to attendance management across the Council to gain an insight into trends and opportunities for improvement;
  - consider examples of best practice and research in respect of sickness absence management, and
  - receive information on staff, manager and Trade Union opinions and experiences of the sickness policy and management.

## Focus of the Review

4. The aim of the review was to seek outcomes to improve sickness absence levels and management practices within Durham County Council.
5. The Review Group consisted of Councillors:
  - John Lethbridge
  - Katherine Henig
  - Joe Armstrong
  - Paul Stradling
  - Mark Wilkes
  - Jimmy Alvey
  - Eunice Huntington
  - Jed Hillary.

6. The Review Group gathered evidence over 5 meetings between June and September 2015 with evidence provided via presentations and reports from the following officers:

Kim Jobson – Head of Human Resources and Organisational Development, Resources Directorate

Joanne Kemp – Human Resources Advice and Support Manager, Resources Directorate

Suzanne Weston – Human Resources Business Lead (ACE/RED), Resources Directorate

Bev Stobbart – Policy, Planning and Performance Manager, Resources Directorate

Sanjeev Sangary – Senior Human Resources Officer, Resources Directorate

Dr Phil Wynn, Senior Occupational Health Physician, Resources Directorate

Henk Geertsema – Internal Communications Manager, Policy and Communications, Assistant Chief Executive's

Jenny Haworth - Head of Planning and Performance, Assistant Chief Executive's

Tom Gorman - Corporate Improvement Manager, Assistant Chief Executive's

Stephen Gwilym – Principal Overview and Scrutiny Officer, Assistant Chief Executive's

7. The Review group received evidence in respect of:

- The emerging draft attendance management policy and procedures including :
  - Associated timescales and management practices in relation to both short term and long term absence;
  - The role of Occupational Health and the services that it provides to managers and employees including Counselling, physiotherapy, early intervention;
  - Examples of attendance management policies from other sources to baseline best practice;
  - Information on management and employee awareness and training in this area, and
  - Management of attendance associated with protected characteristics identified in the Equality Act 2010, i.e. disability, pregnancy and maternity.
- Attendance management breakdowns of sickness absence including :

- Information regarding the profile of sickness absence across age, gender, seniority and how this compares with other organisations
- Trends in types of sickness absence and length of absence in the short and long terms
- Whether any correlation between appraisal rates and sickness absence exists
- Information on the frequency, timeframes and uptake of return to work interviews that are conducted.
- Information from employees, managers and Trade Unions and their experiences in respect of the Council's attendance management policy, procedures and management thereof.

### **Key findings and conclusions**

8. The working group examined the draft Attendance Management Policy and whilst recommending adoption of the proposed policy put forward a number of suggested amendments for consideration at paragraph 37. The current notification of absence arrangements and existing trigger points for sickness absence interviews, whilst considered fit for purpose, should be reviewed if the implementation of the new Attendance Management Policy does not deliver the expected improvements in employee attendance.
9. Performance information in respect of attendance management should be examined against the context of the austerity measures placed upon the Council since 2010. The County Council's Medium Term Financial Plan (MTFP) and service planning processes adopted have identified the need to deliver significant reductions/savings whilst trying to ensure that the quality of service delivery is maintained. Since 2011, a total of 1065 ER/VR applications have been accepted, 501 vacant posts deleted and 524 compulsory redundancies made as part of MTFP savings.
10. Against the backdrop of reducing numbers of employees, the Council's workforce has continued to deliver effective and efficient services and the Council has sought to ensure that it has policies, procedures and programmes in place which contribute to staff wellbeing.
11. Attendance management performance information including trend analysis at a national and council level was considered. Nationally whilst the private sector has seen lower sickness rates than the public sector, this gap has narrowed in the last 20 years. In considering how Durham performs against the national picture, the working group noted that:-
  - The Council has an ageing workforce and that sickness absence increases amongst those employees aged 50+;

- The Council's workforce is predominantly female (62.9%) and, as identified in Office for National Statistics (ONS) research into sickness absence in the Labour Market, sickness absence is higher amongst female workers (12.7 FTE days lost for female and 10.2 FTE days lost for male);
  - The two highest reasons for sickness absence are mental health and fatigue (25.8%) and musculo-skeletal (23.8%) again in line with the public sector nationally;
  - The Council experiences a lower number of long-term sickness absences than short term but that long-term absences account for over 60% of FTE days lost
12. These statistics should be considered against the prevailing health inequalities facing the North East in that it has the lowest life expectancy in England, the highest levels of smoking prevalence, 2<sup>nd</sup> highest levels of alcohol consumption, low levels of participation in physical activity (lowest percentage of women meeting government recommendations in the country) and the 2<sup>nd</sup> highest obesity rate.
  13. The draft Attendance Management Policy encapsulates the fundamental principle that managers have access to support and training in respect of the policy and associated sickness management procedures and toolkit. Having examined the support provided to managers through HR and the OHS, the group emphasised that, in light of the identification of the 2 highest causes of sickness absence being mental health and musculo-skeletal injury, HR/OHS training should include stress awareness, manual handling, workstation assessment and annual appraisal awareness. It is also essential that this training be systematically delivered to all managers.
  14. All sickness absence in the Council is managed by the 'My View' computer system. The current automated "reminder triggers" within the system send a reminder to managers after 30 calendar days that a Sickness Absence interview needs to be undertaken in the event that this has not already occurred. Thereafter, further reminders are sent after two further 7 day periods following which it is escalated to a senior manager. Members consider that this is too lengthy and have suggested that the initial reminder be sent after 20 days and the escalation e-mail after a further 7 days.
  15. A range of services are provided by the Council's OH service which support attendance at work. Evidence confirmed the benefits of early referral into the OH service as a key mechanism in facilitating early return to work, particularly for those cases that develop into long-term absences. In acknowledging the 2 highest causes of sickness absence being mental health and musculo-skeletal injury, the working group supported the early referral into OH particularly for such absences. To this end, the group also supported the establishment of a benchmark/target for OHS referrals and asked that HR work with OH to

try to forecast any impact from such changes in terms of service capacity.

16. The existing mechanisms for employee, manager and trade union engagement were found to be fit for purpose. Members were encouraged in particular by the results of the Internal Communications survey of employees. However, the working group noted the opportunity to extend this into a comprehensive Council-wide staff survey which would gather staff opinions on such issues as health and wellbeing; attendance management; appraisals; council policy; training and development and organisational culture. The group feel that this would provide a richer source of information and a good “barometer” against which to gauge the organisational wellbeing of the Council.
17. The working group have noted the manager and trade union feedback in respect of the draft Attendance Management Policy and would like them to be engaged in the consideration of the proposed suggestions made by the working group, particularly in respect of the sickness absence interview reminders and the development of OH referral targets.
18. The Council has a comprehensive approach to promoting better health at work with numerous excellent initiatives being cited including health and wellbeing policies, physical and mental wellbeing programmes and discounted health and leisure offers within the Council and other employers. The Council has invested significantly to ensure that the promotion of better health and wellbeing of employees is incorporated into core Council policies and procedures.
19. The transfer of public health into the Council in 2012 brought a range of expertise within the organisation in respect of health improvement and wellbeing initiatives which has been utilised to promote better health at work and there remain further opportunities to explore this key area.
20. It now needs to consider whether a more targeted series of campaigns and initiatives would encourage take up amongst members of the workforce less likely to participate in such initiatives.

## **Recommendations**

### **Recommendation 1**

21. The Working Group recommends the adoption of the draft Attendance Management Policy subject to those comments identified within paragraph 37 of this review report being considered for inclusion therein.



### **Recommendation 2**

22. The Working Group recommends that the Council continues to target long-term sickness absence as the key cause of below target sickness absence performance.

### **Recommendation 3**

23. The Working Group recommends that upon approval of the draft Attendance Management Policy, compulsory training be given to all DCC managers on the application of the new policy and associated procedures, making the links to such training as stress awareness, manual handling, workstation assessment and annual appraisal awareness; that this is incorporated into the Durham Managers' Programme and that the percentage of managers trained be reported to Scrutiny at appropriate intervals.

### **Recommendation 4**

24. The Working Group recommends that the current automated "reminder triggers" within the My View system be amended to send a reminder to managers after 20 calendar days that a Sickness Absence interview needs to be undertaken in the event that this has not already occurred and the escalation to senior manager e-mail after a further 7 days.

### **Recommendation 5**

25. The Working Group recommends that a review of the current OHS referral process be undertaken to include establishing a target for referral into the OHS service of 30 calendar days; an analysis of the impact upon OHS of implementing this target and an immediate referral into OHS for those employees whose absence has been due to mental wellbeing.

### **Recommendation 6**

26. The Working Group recommends that staff, managers and Trade Unions be engaged in the examination of suggested changes to the Attendance Management policy arising from this review in respect of My View Sickness Absence Interview reminders and the development of OHS referral targets.

### **Recommendation 7**

27. The Working Group recommends that a more comprehensive Council-wide staff survey be undertaken to inform organisational development, which would gather staff opinions on such issues as Health and wellbeing; attendance management; appraisals; council policy; training and development and organisational culture with Councillors having direct input into the content of the questions via scrutiny.

### **Recommendation 8**

28. The Working Group recommends that that the Council review its current provision for the promotion of “Better Health at Work” and examine the potential to develop a more proactive and targeted approach to health and wellbeing promotion amongst its workforce.

### **Recommendation 9**

29. The Working Group recommends that following implementation of the Attendance Management Policy and in the event that attendance management performance has not shown improvement following sustained monitoring, a review of all trigger points within the policy be undertaken.
30. It is further recommended that a systematic review of the report and progress made against recommendations should be undertaken after consideration of this report by Cabinet, within six months.

## **Detailed Report**

### **Draft Attendance Management Policy**

31. The draft Attendance Management Policy is intended to set out a procedural framework and standards of practice which enable Durham County Council to consistently manage attendance, taking account of business needs, support for absent employees and equalities, in conjunction with the Attendance Management Guidance for Managers.
32. The policy covers all employees except for school-based employees, where schools need to give consideration to their own procedures. Employees absent through industrial injury or disease are subject to this policy. It is not the purpose of the policy to deal with abuse of the self-certification procedure. This should be investigated under the council’s Disciplinary Policy.
33. The following principles are to apply to the Council’s policy for dealing with attendance management:
  - Sickness absence will be dealt with in a way that is non-discriminatory and in accordance with the Equalities Act 2010;
  - Good attendance is valued and all opportunities should be taken to acknowledge and recognise such attendance;
  - Attendance will be managed consistently and the policy will be fairly applied across the Council;
  - Confidentiality will be respected at all times;
  - Open communication between managers and employees will be encouraged and promoted.

34. The draft Attendance Management Policy will be monitored and reviewed to ensure that it continues to meet the Council's aims and complies with these principles.
35. The draft Attendance Management Policy provides a procedural framework and standards of practice which supports managers to more effectively manage attendance. Key proposals within the draft policy examined by the working group include:-
- Better definitions of short term and long term absence;
  - Mandatory targets to manage short term recurrent absences;
  - No requirement for employees to be referred to Occupational Health Service (OHS) before a hearing for Short Term absence where there is no underlying medical conditions confirmed by the employee;
  - Shorter timescales for meetings with management (5 days rather than the previous 7);
  - Rehabilitation encouraged at an early stage and Managers to notify HR of all phased returns for recording purposes and to improve consistency of application of this element of the policy.
36. The working group has considered the process adopted by employees for the initial notification of absence with the majority of members agreeing that this initial contact should be with the immediate line manager.
37. The working group examined the proposed triggers for sickness absence interviews within the draft Attendance Management Policy within the context of the Council's corporate target for sickness absence. Whilst the group were advised that there was no evidence of a causal relationship between the trigger points and sickness targets, it was the Group's view that such triggers could be reviewed after an agreed period following implementation of the new Attendance Management Policy should the desired and expected improvements in attendance management not be realised.
38. During examination of the draft Attendance Management Policy the working group commented (relevant Policy references in brackets) that:-
- Return to work interviews should be delegated in the manager's absence (Para 3.1)
  - Reference to holding sickness absence interviews where the employee is absent should be the last bullet (Para 3.3)
  - Referral to OHS for short term absence only where an underlying medical condition - concern about this although managers can refer to OHS if they have concerns about the workplace impact on health or employee health which affects performance (Para 4)

- Where fit notes suggest absence due to Mental Health and Wellbeing then OHS need to be involved early (Para 4.1)
- Include explicit reference to the use of Stress Risk Assessments when managing stress related absence – Use of stress management toolkit (Section 5).

### Recommendation 1

39. The Working Group recommends the adoption of the draft Attendance Management Policy subject to those comments identified within paragraph 37 of this review report being considered for inclusion therein.

### Recommendation 9

40. The Working Group recommends that following implementation of the Attendance Management Policy and in the event that attendance management performance has not shown improvement following sustained monitoring, a review of all trigger points within the policy be undertaken.

## Attendance Management Performance Information

### National Trend

41. The general trend across the United Kingdom (UK) economy is that sickness absence has been falling. The average sickness per worker across all sectors in 1993 was 7.2 days. This has fallen to 4.4 days per worker in 2013. Whilst the private sector has always enjoyed lower sickness rates than the public sector, the gap has narrowed over the last 20 years.

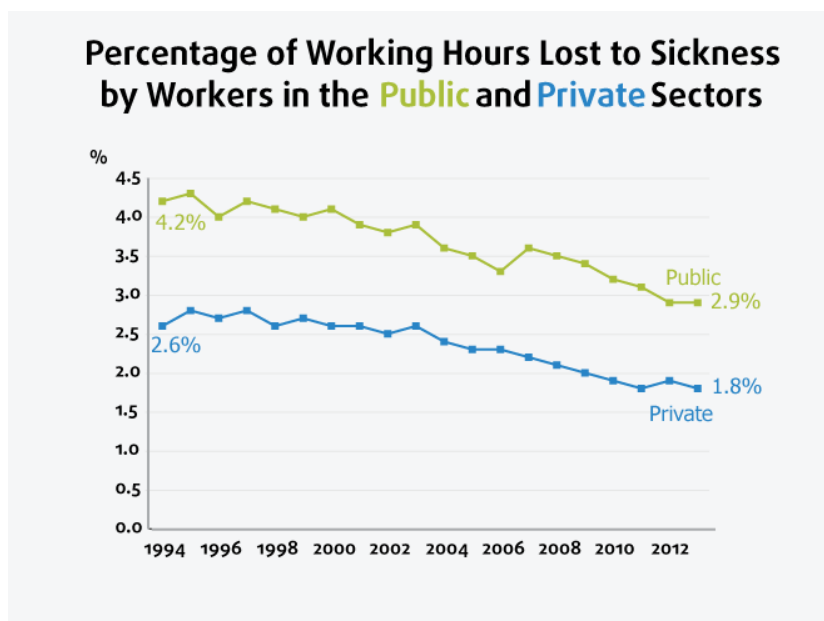


Figure 1: Source: Labour Force Survey - Office for National Statistics (2014)

42. The council's headline sickness measure of days lost per full-time equivalent is presented both including and excluding school based staff. The former Best Value Performance Indicator included sickness absence of schools based staff and remains the basis of the measure used by the Local Government Association (LGA) and the Chartered Institute of Public Finance and Accountancy (CIPFA) for benchmarking purposes, and as such is the only existing comparable measure available for local government. However, the council has no management control over schools based staff so the reporting of both measures was introduced at the beginning of 2014/15.

**Table 1: Sickness absence days per FTE - some comparisons**

	<b>DCC 14/15</b>	<b>CIPD 2013</b>	<b>CBI 2013</b>	<b>LGA 12/13</b>	<b>CIPFA 12/13</b>	<b>Civil Service 2013</b>	<b>ONS 2014</b>
<b>Sickness per FTE</b>							
• All sectors		<b>6.6</b>	<b>5.3</b>		-	-	<b>4.4</b>
• Public sector		<b>7.9</b>	<b>6.9</b>		-	<b>7.4</b>	-
• Local government	<b>9.58</b>	<b>8.2</b>	-	<b>8.8</b>	-	-	-
• Single/upper tier		-	-	<b>9.4</b>	<b>9.2</b>	-	-
<b>Long-term sick as a % of total sickness absence</b>							
• All sectors	-	<b>19%</b>	<b>30%</b>	-	-		
• Public sector	-	<b>28%</b>	<b>39%</b>	-	-		
• Local government	<b>61%</b>	-	-	<b>57%</b>	-		
• Single/upper tier		-	-	<b>56%</b>	<b>55%</b>		
<b>Organisation</b>	<b>Source</b>	<b>Frequency</b>		<b>Base</b>			
Office for National Statistics (ONS)	Sickness Absence in the Labour Market 2014	Annual		Quarterly Labour Force Survey datasets and Annual Population Survey			
Chartered Institute of Personnel and Development (CIPD)	Absence Management Annual Survey Report 2014	Annual		518 respondents including 123 public sector organisations of which 16 were local authorities in the 2014 survey			
Confederation of British Industry (CBI)	Healthy Returns? Absence and workplace health survey 2013	Annual		153 organisations including 29 public sector organisations in the 2013 survey			

Organisation	Source	Frequency	Base
Civil Service	Civil service transparency data	Quarterly	All Government departments
Local Government Association (LGA)	Local Government Workforce Survey 2012/13	Annual	151 local authorities responded to the 2012/13 survey
Chartered Institute of Public Finance and Accountancy	Corporate Services Benchmarking Club – Human Resources	Annual - by subscription (every 2 years in Durham)	36 participating unitary authorities and police forces

### Durham County Council Trend

43. Performance information in respect of attendance management should be examined against the context of the austerity measures placed upon the Council since 2010. The Council's MTFP and service planning processes adopted have identified the need to deliver significant reductions/savings whilst ensuring that the quality of service delivery is maintained. Since 2011, a total of 1065 ER/VR applications have been accepted, 501 vacant posts deleted and 524 compulsory redundancies made as part of MTFP savings.
44. Against the backdrop of reducing numbers of staff, the Council's workforce has continued to deliver effective and efficient services and the Council has sought to ensure that it has policies, procedures and programmes in place which contribute to staff wellbeing.
45. Whilst sickness excluding schools is significantly worse than the measure including schools based staff, the trend is more positive, reducing from a high of almost 13 days at the end of 2010/11, to just over 12 days currently.
46. Three years of improvement targets were set for the current planning period, with the 'including schools' target aspiring to achieve the current CIPD benchmark average for local government by 2016/17.

**Table 2: DCC Sickness Absence Targets**

Year	Corporate sickness absence target (per FTE)	
	Including schools	Excluding schools
2014/15	8.7	11.8
2015/16	8.5	11.5
2016/17	8.2	11.2

### Nationally – age / gender /occupational category

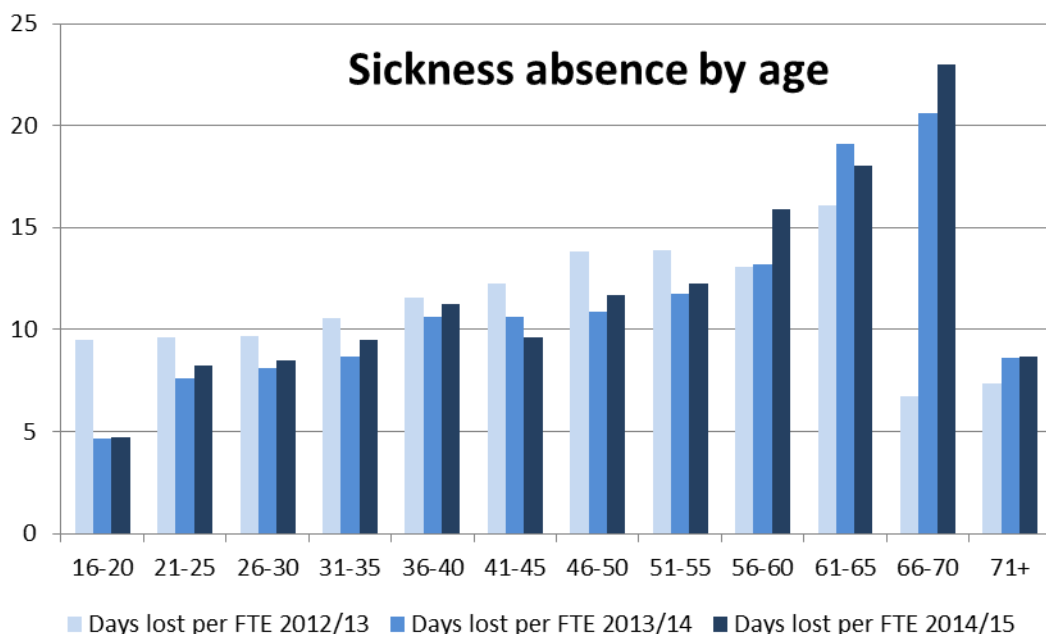
47. Variations in sickness absence across different services may be partly explained by the profile of the workforce. An annual report into sickness

absence in the UK labour market from the Office for National Statistics (ONS) shows a number of trends against which we can compare the profile of our sickness absence to determine whether there are any significant variations.

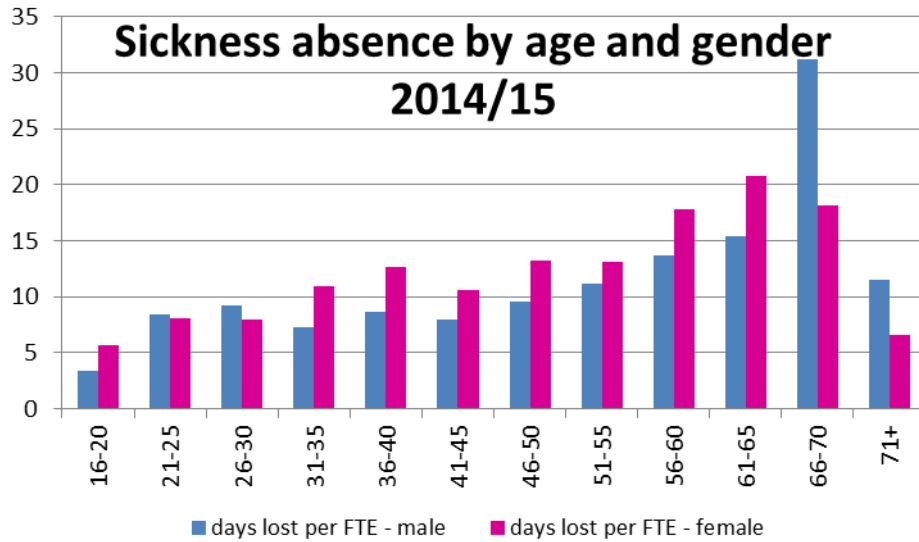
- 48. Sickness absence increases with age, reflecting that people develop more health problems at older ages and sickness absence is more prevalent amongst lower graded employees. The ONS reports that workers aged 16-24 are 46% less likely to be off work due to sickness than those aged between 50 and the state pension age.
- 49. The national trend is that female employees have higher sickness with women being 42% more likely to be off work due to sickness than men nationally. The ONS also reports that sickness is lowest for managers, directors and senior occupational group classifications.

### Durham compared to national picture

- 50. Datasets of all sickness absence for both 2012/13 and 2013/14 excluding schools based staff have been analysed against these variables. In particular analysis has been carried out to establish whether any patterns emerge, how these compare with the national picture, and whether any relevant variations can be identified between different occupational groups; the patterns that emerged are all reflective of the national picture.
- 51. The picture in the Council is that sickness generally increases with age. The Council has an ageing workforce and in the current financial climate, there is little active recruitment taking place which would naturally see the introduction of younger employees into the workforce.



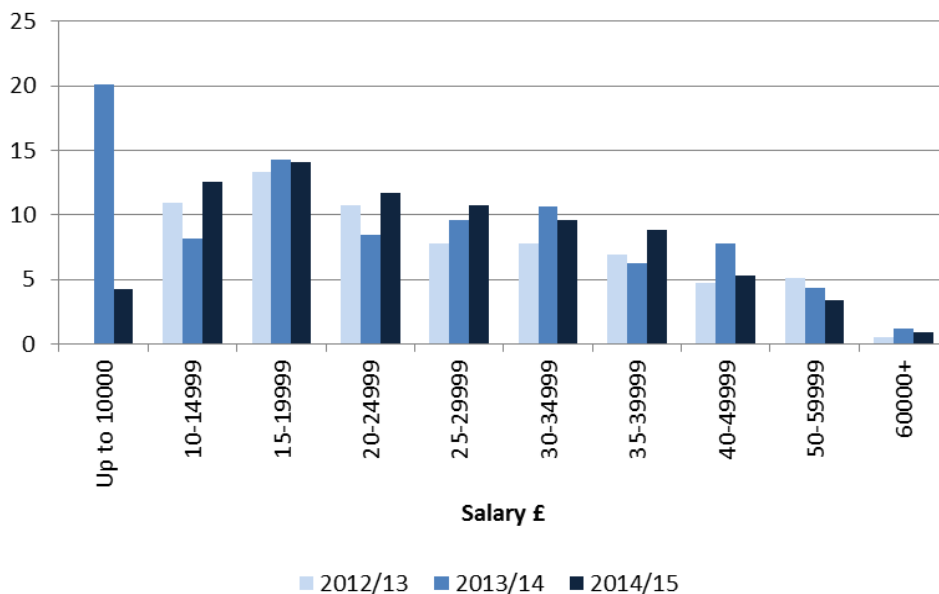
52. Sickness among female workers is higher across almost all age groups and the council's workforce is predominantly female (62.9 of non-schools based staff).



53. You can see from this analysis that female employees have more sickness absence on average than male employees and that sickness absence tends to increase with age. Please note that we have only 48 employees over the age of 65. Data from both 2012/13 and 2013/14 in DCC shows a similar pattern in terms of greater sickness absence for women and sickness absence tending to increase with age.

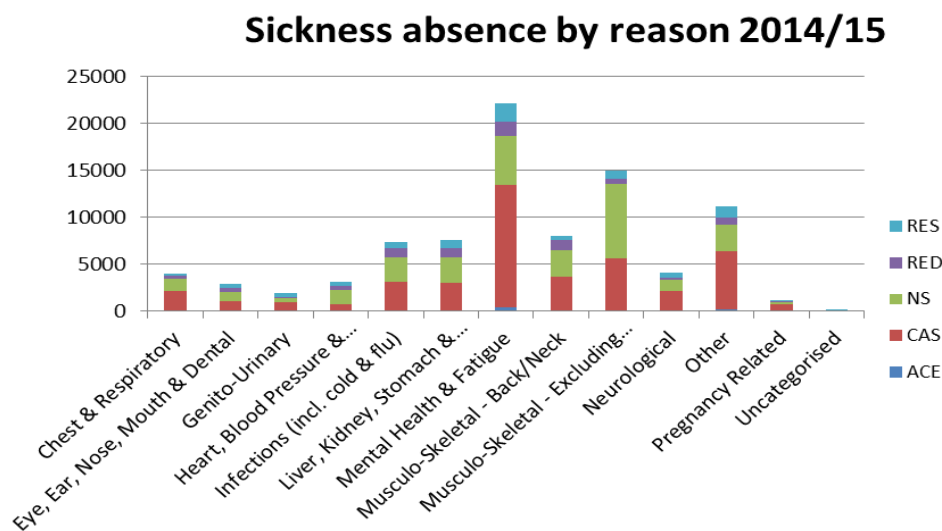
54. Comparing sickness absence with remuneration levels indicates that lower paid workers tend to incur more sickness absence.

### Sickness by FTE salary





55. All of the patterns within the UK labour market are observed in the DCC workforce. The age profile and predominantly female makeup of the workforce is typical of other public sector organisations and is one of the reasons public sector sickness is higher than those of the private sector.
56. Regions within the country with the greatest deprivation and poverty also have higher sickness absence rates. The North East together with Wales and the East Midlands have the highest sickness rates in the country (2.4%) whereas London has the lowest (1.8%).
57. An analysis of sickness by reason in DCC shows that the two most common categories of sickness are mental health and musculo-skeletal injury which is likewise common to the public sector. <sup>1</sup>

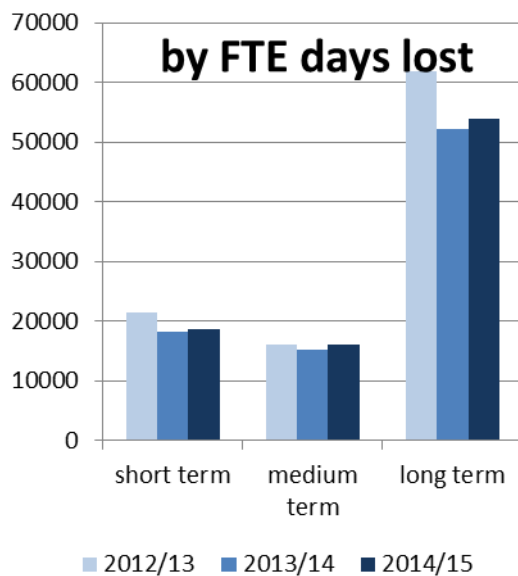
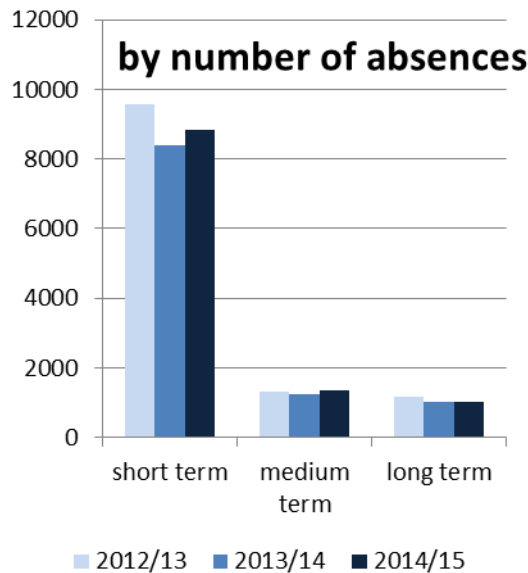


58. One trend where DCC differs from the national picture is the proportion of overall sickness which is considered long-term (>20 days).
59. In common with all industry sectors the council categorises a period of sickness absence as short-term where it is up to seven days in length and sickness is categorised as long-term when the absence period is greater than 20 days.
60. A breakdown of sickness absence within the Council by absence period indicates that the majority of days lost arise from a small number

<sup>1</sup> Note that sickness absence which is pregnancy-related is recorded separately in line with the EHRC guidance on applying the Equalities Act, which requires that the Council does this so that it does not count towards someone's total sickness record.

of long-term absences. However, further analysis reveals that the proportion of total sickness absence defined as long-term, whilst remaining the largest category in terms of days lost to sickness, is actually improving.

## Length of Sickness Absence



61. Long-term sickness absence accounted for >61% of total sickness in 2013/14. At 2014/15, the proportion reduced slightly to 60.8%. This is higher than the average of approximately 55-57% for local government (CIPFA and LGA). This is despite the fact that there has been an increase from 17 in 2013 to 40 in 2014, in the number of terminations of non-school based employee's contracts on grounds of ill health capability.

<b>Period</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
Short-term (<7 days)	21.7%	21.3%	21.0%
Medium-term (7-20 days)	16.1%	17.7%	18.2%
Long-term (>20 days)	62.2%	61.0%	60.8%

62. The North East region has one of the highest sickness absence rates in Great Britain although this should be set in the context of the prevailing health inequalities facing the region also. The North East has the lowest life expectancy in England, the highest levels of smoking prevalence, 2<sup>nd</sup> highest levels of alcohol consumption, low levels of participation in physical activity (lowest percentage of women meeting government recommendations in the country) and the 2<sup>nd</sup> highest obesity rate.

### **Recommendation 2**

63. The Working Group recommends that the Council continues to target long-term sickness absence as the key cause of below target sickness absence performance.

### **Attendance Management – Training for Managers**

64. One of the fundamental principles enshrined within the draft attendance management policy is the importance of ensuring that all managers have access to support and training in respect of the Council's attendance management policy and associated sickness management toolkit.
65. In order to better understand the extent of training and support provided to managers, the working group have examined the training provided to managers including the presentation slides which set out:-
- Employee and manager responsibilities within the relevant policies and procedures;
  - My view recording and reporting requirements;
  - Supporting policies covering Mental Health and Wellbeing;
  - Management procedures including triggers and interview processes for both short and long term absences;
  - Support available to employees including phased returns; light duties; modified workloads and redeployment.
66. Human resources provide 1 to 1 training and support to managers that require it including support available from the Occupational Health Service.
67. In light of the identification of the 2 highest causes of sickness absence being mental health and musculo-skeletal injury, the working group recognised the importance of HR/OHS training including stress

awareness, manual handling, workstation assessment and annual appraisal awareness.

68. In 2013/14 578 managers received sickness absence training and a further 436 in 2014/15.

### **Recommendation 3**

69. The Working Group recommends that upon approval of the draft Attendance Management Policy, compulsory training be given to all DCC managers on the application of the new policy and associated procedures, making the links to such training as stress awareness, manual handling, workstation assessment and annual appraisal awareness; that this is incorporated into the Durham Managers' Programme and that the percentage of managers trained be reported to Scrutiny at appropriate intervals.

### **My View IT System**

70. The working group examined the Council's corporate MyView IT system which enables managers to capture data when employees telephoned to inform they were ill. The system also removes the need for paper administration and the forwarding of such information to HR/Payroll now sits with line managers feeding directly into payroll from MyView.
71. MyView system functionality includes employees being able to access their payslips online (effecting a reduction in the expense of producing and mailing paper copies); an ability for staff to update their personal details, such as name, contact and bank details; the submission of expenses and mileage claims (with managers to then authorise as appropriate); the ability for managers to record appraisal information and training requests; and for managers to record absence.
72. The attendance management module within MyView allows for the recording of start and end dates for absences, and the reasons for the absence. It also has the facility to upload copies of fit-notes and to record return to work (RTW) interviews, sickness absence interviews and to set dates for actions thus ensuring that the system is fully auditable.
73. The working group examined the current automated "reminder triggers" within the My View system which sends a reminder to managers after 30 calendar days that a Sickness Absence interview needs to be undertaken in the event that this has not already occurred. Thereafter, further reminders are sent after two further 7 day periods following which it is escalated to a senior manager. Members consider that this is too lengthy and have suggested that the initial reminder be sent after 20 days and the escalation e-mail after a further 7 days.
74. Given the necessity of ensuring synergy between the draft Attendance Management Policy and the existing My View system, the working group considers that, as the draft Attendance Management policy is

agreed and implemented, further training must be provided to managers and appropriate consideration given to updating the My View/Workforce training where necessary.

#### **Recommendation 4**

75. The Working Group recommends that the current automated “reminder triggers” within the My View system be amended to send a reminder to managers after 20 calendar days that a Sickness Absence interview needs to be undertaken in the event that this has not already occurred and the escalation to senior manager e-mail after a further 7 days.

#### **Occupational Health Services**

76. A wide range of services are provided by the Council’s Occupational Health (OH) service to support, assist and encourage employees’ attendance at work. These include pre-employment assessments; disability and reasonable adjustments advice, management concern referrals to OHS and a telephone access point for OH advice. OH provide evidence based interventions to support and enable the management of sickness absence including early intervention for long term sickness and the promotion of early referral into the OHS.
77. Additional OH support services include employee support telephone service; face to face counselling; musculo-skeletal advice/physiotherapy work place assessments, management training, policy advice and guidance, provision of data and trend analysis reports.
78. In examining sickness absence durations, the Working Group found that 92% of sickness was short or medium-term (up to 20 days) which accounted for around 40% of the total sickness absence at the Authority. Whilst only 8% of sickness was classed as long-term, this accounted for around 60% of sickness absence within the Council although this pattern was prevalent across the public sector.
79. OH provide early intervention support and guidance in long-term sickness cases, with evidence of the effectiveness of this being set out in the guidance document from the National Institute for Health and Care Excellence (NICE) on managing long term sickness and incapacity for work. This guidance identified a “window of opportunity” of around 2-6 weeks for referral to OHS where this could prevent longer-term absence.
80. As part of the benchmarking information provided to the working group, comparator information was provided in respect of 8 local authorities including Durham and 3 private sector organisations (Northumbrian Water, Gentoo and Axa.) This showed that amongst local authorities, the Council compared favourably with other peer Councils when examining trigger points for sickness absence interviews, policies to deal with long term sickness absence, phased return to work and occupational health referral timescales.

81. An analysis of work undertaken involving OH and the Council's Adult Service highlighted that Sickness absence rates (% of working days lost) in 2001/2 were 9% working days lost and that it took an average of 100 days to OHS referral whereas in 2010/11 this had reduced to 5.5% working days lost and an average of 50 days to OHS referral. This evidence led members to examine the merit of early referral into OH as a key measure in tackling long term sickness absence.
82. The Working Group identified concerns around the length of time taken to refer into the OH service with evidence indicating some cases to referral being over 300 days, again prompting members to consider the need for earlier and more timely referral into OH.
83. Given that some key interventions available through OH were aimed at tackling the top 2 causes of sickness absence (mental wellbeing and musculo-skeletal), the Working Group were of the opinion that earlier referral into the OH service was essential and that a target or benchmark be set for OH referrals.
84. In view of the Working Group's desire to examine the establishment of benchmarks /targets for referral into OHS, it was also anticipated that this might require HR to work with the Senior OH Physician in order to try and forecast any impact from such a change to policy upon capacity within the service, and therefore help inform Members in their consideration of this.

#### **Recommendation 5**

85. The Working Group recommends that a review of the current OHS referral process be undertaken to include establishing a target for referral into the OHS service of 30 calendar days; an analysis of the impact upon OHS of implementing this target and an immediate referral into OHS for those employees whose absence has been due to mental wellbeing.

#### **Staff, manager and Trade Union feedback**

86. The Council has well-established and robust mechanisms for employee, manager and trade union engagement. Extensive employee engagement includes senior management roadshows; Open Doors corporate suggestions and queries scheme; Great Staff Great Stuff employee recognition scheme and formal communications mechanisms through corporate print and digital platforms.
87. The Council holds annual and seasonal senior management roadshows with 16 events having been held in summer 2015 across 11 venues. Questions and answers are invited both prior to and at events with post-event feedback provided. Over 850 employees attended the latest round of meetings.

88. The Council also hosts its corporate suggestions and queries scheme “Open Doors” which enables employees to ask questions and make suggestions via the intranet, phone, email or post with feedback on issues raised published. To date over 500 questions and suggestions have been processed since roll-out.
89. Over 1,500 employees have been recognised for their efforts through the Council’s “Great Staff Great Stuff” awards which were launched 3 years ago. The 2014 awards received over 150 nominations across categories which included Excellent service; Working Together; Innovation, Apprentice of the Year, Team of the Year and Employee of the Year.
90. The Council uses various digital and print publications with which to communicate and engage with employees. This is not only about transmitting corporate messages, but also sign-posting employees to engagement mechanisms and opportunities, both formal and informal. Examples include the Intranet, Emails to all PC users, Buzz employee magazine, the Employee Update and E-newsletters.
91. The use of social media also features strongly in disseminating information to our staff and the wider community via Facebook (11,758 likes); Twitter (13,535 followers); LinkedIn (3,450 followers of which 1,865 are employees) and Instagram which has been recently launched particularly to engage with young people.
92. Feedback from staff from the 2014 Internal Communications survey indicates that 71% of respondents would speak highly of Council outside work; 77% attended at least 1 team meeting per month; 88% feel recognised and valued at work and 94% feel free to express their views to managers.
93. Whilst acknowledging the positive outcomes from the Internal Communications survey, the Working Group noted the absence of a comprehensive Council-wide staff survey which would gather staff opinions on such issues as health and wellbeing; attendance management; appraisals; council policy; training and development and organisational culture. The group feel that this would provide a richer source of information and a good “barometer” against which to gauge the organisational wellbeing of the Council.
94. Managers and Trade Unions have also been engaged in the production of the draft Attendance Management Policy and have submitted their comments on the emerging policy which were examined by the working group as part of its evidence gathering. It was noted that the Trade Unions had stated that they will work within the proposed Draft Attendance Management Framework but will not signal agreement to it. Trade Unions have also stated that they acknowledge the role of managers in managing attendance as well as the role of HR in informing, supporting and developing managerial skills and competencies in applying the attendance management framework.

95. Trade Unions have proffered views that Management should acknowledge that, with a predominantly female workforce, and with CIPD Research showing women have more incidence of sickness than men, it is unreasonable to try to draw sickness absence comparisons with the Private Sector which has a different workforce make up.
96. Trade Unions are supportive of appropriate and early referral to OHS.

### **Recommendation 6**

97. The Working Group recommends that staff, managers and Trade Unions be engaged in the examination of suggested changes to the Attendance Management policy arising from this review in respect of My View Sickness Absence Interview reminders and the development of OHS referral targets.

### **Recommendation 7**

98. The Working Group recommends that a comprehensive Council-wide staff survey be undertaken to inform organisational development, which would gather staff opinions on such issues as health and wellbeing; attendance management; appraisals; council policy; training and development and organisational culture with Councillors having direct input into the content of the questions via scrutiny.

### **The Council's approach to better health at work**

99. During consideration of attendance management performance statistics across the Council, members of the working group felt that a key contributory factor to improving sickness absence would be for the Council to promote better health at work amongst its workforce. Reference was made to a number of initiatives adopted by the Council to promote better health and a report summarising these initiatives was brought to the Working Group.
100. Health and wellbeing of employees is currently incorporated into many Council policies and procedures in addition to a number of provisions and initiatives including:
  - Provision of a broad range of Occupational Health Services (OHS) with referral pathways to 'face to face' psychological support sessions such as Cognitive Behavioural Therapy;
  - Provision of an Employee Care Programme providing 24 hour 365 days a year telephone support on a range of issues both work related and personal;
  - Employee access to a Musculo-skeletal Advisory Service, provided via the OHS by qualified physiotherapists with 'fast track' access to focused advice, support and treatment;



- A number of targeted health campaigns are arranged throughout the year led by Health and Safety and OHS, such as ‘Sun and skin cancer awareness’ for outdoor workers and ‘Hand Arm Vibration Syndrome’ awareness.

101. The Council’s corporate intranet includes a dedicated page entitled “Better Health at Work” and this includes:-

### ***Physical wellbeing***

- Lunchtime Walks from County Hall Reception – Walk4life;
- Corporate Health and Fitness Membership Scheme – 18% discount on standard membership at DCC Leisure centres;
- Change4life weight management programme promotion including healthy eating, fitness and weight loss advice.

### ***Mental Wellbeing***

- Access to counselling and psychological support services including the Council’s employee care assistance programme First Assist;
- The “tackle mental health” website developed by the Shaw Trust and which aims to provide information and easy solutions to help staff deal with mental health issues;
- Promotion of the “Five ways to Wellbeing” campaign offering useful tips on improving mental wellbeing.

### ***Cycling***

#### ***Accessing a Bicycle***

102. The Council offers access to the Cycle to Work Scheme. This is currently provided by Halfords via their Cycle2work scheme. The salary sacrifice scheme offers employees the use of a brand new bicycle, whilst saving money on the cost of the hire. (Actual savings depend on the personal tax situation of the individual).
103. The salary sacrifice is where an employee gives up part of their pay due under their contract of employment. In the case of the Cycle2work Scheme the employee agrees to sacrifice a portion of their salary in return for the employer providing the loan of a bicycle. The monthly gross salary reductions will be made direct from salary through payroll.
104. The Council also offers a cycle loan scheme, which gives employees the opportunity to buy a bicycle using a loan provided by the council.

This loan is then paid back through the employee's salary, normally over 12 months.

105. The Council's intranet also includes regular news items related to better health such as promotion of change4life health checks in County Hall for employees; time for sugar swaps via change4life; promotion of No smoking day and the NHS County Durham's Stop Smoking service.
106. The Council's Buzz publication also promotes better health initiatives across the Council's workforce.

### **Promotion of Employee Wellbeing**

107. The business case linking investment in workplace health and wellbeing to reduced absence costs and improved productivity and performance, is now well established, in addition to the strong moral case for such actions. There is currently a plethora of Government sponsored and private industry publications describing effective health and wellbeing initiatives in the workplace. In reviewing this literature the recurring themes appear to be
  - Organisational commitment - Making health and wellbeing a core priority for senior management and ensuring line managers have appropriate training (NICE Guideline June 2015)
  - Robust systems in place to facilitate early intervention, effective management of sickness absence and return to work
  - Employee engagement – this is very closely linked to health and wellbeing
  - Targeted initiatives - based on risk, organisational aims and workforce demographics, such as the 'ageing workforce'
  - Centrally planned, branded and marketed health promotion campaigns aimed at empowering employees to make healthier lifestyle choices with specific initiatives aimed at different worker groups.
108. Sandwell Council reported a reduction in sickness absence from an average of 11.8 days per fte in 2008 to 8.5 in 2013 by running a strategic branded campaign, 'Taking Control – your health'. This included modernising sickness absence processes, ensuring early intervention, and a series of health promotion campaigns.
109. A recent article on the BBC Website entitled "Do you want your company to know how fit you are" showcases the growing number of companies that are using mobile fitness technology to promote healthier lifestyles and wellbeing amongst their workforces.
110. In 2013, about 2,000 companies offered their employees fitness trackers, according to technology research company Gartner. In 2014, this rose to around 10,000. By 2016, the firm predicts that most large

companies - those with more than 500 employees - in both the US and Western Europe will offer fitness trackers with their programmes.

111. The article highlights that a lot of companies view [these schemes] as giving them a competitive advantage,...in that they can improve overall employee wellness through data collection. They're not just making workplaces better, but decreasing unplanned leaves of absence.
112. Another article on the BBC Website explains how five years ago, Liverpool's Walton Centre, a specialist NHS hospital treating injuries to the brain, spine and nervous system, had a problem with staff sickness levels.
113. In order to tackle the issue, the hospital utilised one of its patient rehabilitation gyms to offer netball/exercise sessions for its workforce. One participant explained that "keeping fit and exercising, I think it helps you to eat healthily, just to be physically healthy, mentally healthy. So that definitely contributes to a healthy lifestyle and cutting sickness rates."
114. A netball team was set up a couple of years ago as part of the hospital's response to the high level of staff sickness. With a workforce of around 1,300, sickness rates were running at an average of more than 7% a year. At times, that figure could be much higher, for example during an outbreak of winter flu.
115. Managers and unions decided something needed to be done and the idea of activity and exercise classes took off. Now, as well as netball, there is a staff football team, a running club, pilates classes, massage and aromatherapy, weight management programmes and a host of other schemes and activities. All are designed to increase physical activity, relieve stress and improve the health and wellbeing - physical and mental - of staff.
116. The Walton Centre's success has been reflected in a string of workplace awards and that figure of 7% sickness from 2010 is now just around 4%, on a par with the rest of the NHS in England.
117. The County Council has invested significantly in to ensure that the promotion of better health and wellbeing of employees is incorporated into core Council policies and procedures including the development and delivery of a wide range of County Council promoted better health at work initiatives. It has long since acknowledged the importance of promoting and maintaining a healthy workforce.
118. The transfer of public health into the Council in 2012 brought a range of expertise within the organisation in respect of health improvement and wellbeing initiatives which has been utilised to promote better health at work and there remain further opportunities to explore this key area.

119. The task facing the Council is whether it needs to consider a more targeted series of campaigns and initiatives which would encourage members of the workforce less likely to participate in such initiatives.

**Recommendation 8**

120. The Working Group recommends that that the Council review its current provision for the promotion of “Better Health at Work” and examine the potential to develop a more proactive and targeted approach to health and wellbeing promotion amongst its workforce.

**Cabinet****16 December 2015****Implications for Durham County Council  
of the Government's policy programme**

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

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**Purpose of the Report**

- 1 On 14 January 2015, Cabinet considered the most recent report on the implications of the government's policy programme. This report provides Cabinet with an update on the major policy developments and announcements since then and analyses the implications for the council and County Durham.

**Executive Summary**

- 2 Since the last report to Cabinet, the General Election took place and a new Conservative administration has been formed. The new government has outlined its initial legislative programme in the Queen's Speech and published an in-year budget to set out its financial priorities, prior to the recent publication of its spending review for 2016 to 2020.
- 3 The most significant announcements since the last report to Members relate to the following, outlined in more detail below:
  - Budget 2015;
  - Queen's speech;
  - Summer budget 2015;
  - Northern Powerhouse and devolution
  - Productivity Plan;
  - Youth Employment Initiative;
  - European Union membership;
  - Welfare reform and tax credit changes;
  - Counter terrorism;
  - Spending Review 2015.
- 4 The coalition government which was formed in 2010, embarked on a major programme of public service reform to rebalance the relationship between communities, individuals and the state and to reduce the structural deficit.
- 5 The pace of change was significant, particularly in relation to the government's austerity measures, with a wide range of public services from health, education, policing and welfare, all experiencing some of the most profound change in a generation.

- 6 The new government has maintained some major elements of the coalition policy programme, with financial austerity, welfare reform and decentralisation emerging as initial policy priorities for the government.
- 7 In addition, in line with the Conservative Party's manifesto pledge, the government has committed to a referendum on the United Kingdom's continuing membership of the European Union, alongside attempting to re-negotiate the terms of the country's relationship with Europe.
- 8 Clearly, this and the continuation of austerity and the policy reforms proposed in the legislative programme, will have major implications for the council and the steps it is taking to develop an 'altogether better Durham'.
- 9 The council and its partners are continuing to analyse the impact that government policy will have on local communities and on our ability to deliver the sustainable community strategy and are responding accordingly. Wherever possible, the council and its partners are working together to respond proactively to the government's policy changes, which will be taken into account as we develop the County Durham Sustainable Community Strategy and the council plan and supporting service plans.

## **Background**

- 10 Cabinet has considered a number of reports on government policy since the general election in 2010, the most recent of which was on 14 January 2015. Where necessary, Cabinet has also received further policy reports on specific topics, such as changes to the NHS, health and social care and welfare reform. This report builds upon these previous briefings.
- 11 Since its formation in 2010, the coalition government embarked on a major programme of public service reform, which included the following:
  - a) Deficit reduction measures across all government departments, but particularly local government;
  - b) Changes to welfare to reduce spending and encourage more people to be independent;
  - c) NHS and public health reforms including the introduction of clinical commissioning groups and the transfer of public health to local government;
  - d) Social care reforms which brought together existing, complex legislation into a single law;
  - e) Police reforms including the introduction of directly elected police and crime commissioners;
  - f) Expansion of the academy programme and the introduction of free schools;
  - g) Major reform of the planning system with new national planning policy guidance and the revocation of regional spatial planning;

- h) Abolition of the regional development agencies and the introduction of the national Regional Growth Fund and local enterprise partnerships;
- i) Initiatives to open up public services to greater transparency and more diverse and local patterns of control.

## **Budget 2015**

- 12 On 18 March 2015, the Chancellor of the Exchequer delivered his final budget as a coalition chancellor.
- 13 Whilst this included a number of policy announcements, the most notable related to his forecasts for government borrowing and public spending reductions which would be taken forward by the incoming administration.
- 14 He forecast that government borrowing was set to fall as follows:
  - £97.5bn in 2013/14;
  - £90.2bn in 2014/15;
  - £75.3bn in 2015/16;
  - £39.4bn in 2016/17;
  - £12.8bn in 2017/18;
  - £5.2bn surplus in 2018/19.
- 15 This compares with his initial policy pledge when the coalition was first formed to eliminate the structural deficit by 2015.
- 16 However, compared with the 2014 budget which suggested that spending cuts would be maintained until 2020, he now suggested that the squeeze on public spending would end a year earlier than planned in 2019-2020, with spending in 2019-2020 allowed to grow in line with the growth of the economy.
- 17 Nevertheless a further £30bn of savings would need to be achieved by 2017-18, including £13bn of savings from government departments, £12bn from welfare savings and £5bn from tackling tax avoidance and evasion.

## **Policy changes since the general election**

- 18 On 5 May 2015, the general election returned a Conservative majority, which has gone on to form the first Conservative administration since 1997.

## **Queen's speech**

- 19 On 27 May 2015, the Queen presided over the State Opening of Parliament and delivered a speech which outlined the incoming government's legislative programme.
- 20 Twenty six bills were announced:
  - a) Trade Unions Bill;
  - b) Full Employment and Welfare Benefits Bill;

- c) Cities and Local Government Devolution Bill;
- d) Immigration Bill;
- e) Policing and Criminal Justice Bill;
- f) European Union Referendum Bill;
- g) Education and Adoption Bill;
- h) Housing Bill;
- i) Extremism Bill;
- j) Buses Bill;
- k) European Union (Finance) Bill;
- l) Armed Forces Bill;
- m) Childcare Bill;
- n) Bank of England Bill;
- o) Investigatory Powers Bill;
- p) Energy Bill;
- q) HS2 Bill;
- r) Charities (Protection and Social Investment) Bill;
- s) Enterprise Bill;
- t) Psychoactive Substances Bill;
- u) Draft Public Service Ombudsman Bill;
- v) Scotland Bill;
- w) Wales Bill;
- x) Votes for Life Bill;
- y) Tax Lock-National Insurance Contributions / Finance Bill;
- z) Northern Ireland (Stormont House Agreement) Bill.

21 Appendix 2 provides more detail on the main bills included in the legislative programme.

### **Summer budget 2015**

22 Following the general election, the Chancellor of the Exchequer delivered a summer budget on 8 July 2015. The government presented this as the first 'all Conservative budget' since 1997.

#### ***Public spending***

23 The Chancellor revised his forecast for public sector net borrowing as follows:

- £69.5bn in 2015/16;
- £43.1bn in 2016/17;
- £24.3bn in 2017/18;
- £6.4bn in 2018/19;



- £10bn surplus in 2019/20;
- £11.6bn surplus in 2020/21.

- 24 In effect, this extended deficit reduction by a further year, compared with the last coalition government budget in March 2015, when the government expected to achieve a £5.2bn surplus by 2018/19.
- 25 In relation to departmental spending, he announced that £37bn of further spending reductions would be made by 2020, including £12bn of welfare cuts, £5bn from tax avoidance and a £20bn reduction in departmental budgets.
- 26 Public sector pay constraint is expected to continue with public sector pay limited to one percent per year over the next four years.
- 27 Overall, by the end of the parliament in 2020, spending on public services will be reduced by just under £18bn a year, compared with £42bn a year reduction previously proposed to be achieved by 2019/20.

### ***Benefits and welfare reform***

- 28 The Chancellor announced that £12bn less would be spent on welfare over the next four years and the day after the budget a Welfare Reform and Work Bill was published to legislate for the main measures to achieve this reduction.
- 29 In addition, the government confirmed that the BBC is to take on the funding of TV licences for over 75 year olds, which is seen as one of the main pensioner benefits.
- 30 The government subsequently published a new Employment and Welfare Bill, which was considered in more detail in a report to Cabinet on welfare reform and poverty issues on 21 October 2015.

### ***Business***

- 31 Amongst a range of announcements on business, the government confirmed that a 'Business Tax roadmap' is to be published by April 2016 to make tax changes clear to businesses and that changes are to be made to the administration of business rates to tackle avoidance and improve the appeals system.
- 32 The Chancellor also announced his intention to consult on granting the power to decide whether to extend Sunday trading hours in an area to city mayors and local authorities.

### ***Wages, jobs and training***

- 33 A compulsory national living wage will be introduced at £7.20 from April 2016 rising to £9.00 by 2020. Future rises will be recommended by the Low Pay Commission and the intention is that the National Living Wage will be at least 60 percent of median earnings by 2020.

- 34 For small and medium sized enterprises (SMEs), the employment allowance is to rise to £3,000, which will allow small firms to employ four people on the national living wage without paying any national insurance.
- 35 The government also announced its intention to consult on the introduction of an 'apprenticeship levy' on all large firms, which will provide an incentive to firms to offer apprenticeships. The move is intended to support the government's pledge to create three million additional apprenticeships by 2020. The consultation ran from 21 August to 2 October 2015.

### ***Local growth and devolution***

- 36 The Chancellor announced that agreement had been reached with the 10 authorities of Greater Manchester for more powers over fire services, land commission, children's services and employment programmes to be devolved.
- 37 To realise the 'Northern Powerhouse', he also announced that devolution deals were being prepared with Sheffield, Leeds, Liverpool and West Yorkshire and the first 'county' devolution deal with Cornwall was being negotiated.
- 38 Devolution deals with other areas will be considered and a bidding round will be introduced for more Enterprise Zones in smaller cities, towns and rural areas.
- 39 Transport for the North was also to be established as a statutory body with £30m being invested in an Oyster-style smart ticketing system across the North.

### ***Planning and housing***

- 40 In relation to planning and housing, the government confirmed its intention to further reform the planning system, most notably simplifying the process for developing on previously developed 'brownfield' land.
- 41 On housing, mortgage relief on 'buy to let' rental property will be restricted to the basic rate of income tax and from April 2017, and the system that allows Buy-to-Let landlords to offset mortgage interest payments against their income will be phased out.
- 42 Rent a Room relief, which has been frozen for 18 years will be raised from £4,250 to £7,500.
- 43 A number of changes to housing related benefits are to be made.
- 44 Local Housing Allowance, which is a benefit that helps pay the rent for people who rent from a private landlord, is to be frozen for the next four years.
- 45 The automatic entitlement for housing benefit for 18 to 21 year olds will be abolished and there will be no extra tax credit, Universal Credit, or housing benefit support for a third child after 2017.

- 46 Rents paid in social housing will be reduced by one per cent a year for the next four years, but higher earners in social housing will be required to pay market rates.

### ***Health and social care***

- 47 On health, the government confirmed that health spending will continue to be protected and that the NHS will receive a further £8bn in addition to the £2bn already pledged by 2020.
- 48 £30m will be made available to speed up adoption for 3,000 children awaiting adoption, whilst paving the way for regional adoption agencies.
- 49 Subsequent to the budget, the government confirmed that the £72,000 cap on social care costs to be met by people over 65 and younger adults with disabilities, would not now be introduced until 2020, compared with April 2016 as initially proposed. This is to allow more time to plan for the introduction of the cap and discussion with local government around how the associated increase in state support for social care will be met.
- 50 On 16 October 2015 The Rt. Hon Alistair Burt MP, Minister of State for Community and Social Care confirmed that the Better Care Fund would continue into the 2016-17 financial year. The local flexibility to pool more than the mandatory amount will remain; however, detail about the minimum size of the Fund will not be confirmed until after the Spending Review, when greater clarity on the policy framework that will underpin the Better Care Fund next year will be provided. Confirmation that the Fund will continue next year should allow local authorities to start planning for 2016-17.
- 51 As part of wider government action on deficit reduction, a consultation was carried out in August 2015, setting out options for in-year savings to 2015/16 local authority public health allocations, amounting to £200 million. After considering consultation responses including Durham's, the government confirmed on 5 November 2015 that the Department of Health will proceed with its preferred option of reducing every local authority's allocation by a standard, flat rate percentage.
- 52 The government is also currently consulting on the methodology for the public health grant allocation for 2016. The proposed formula is complex and includes five elements related to standard mortality ratio, weighting, substance misuse modelled activity, sexual health treatment services modelled activity and 0-5 years based on population, poverty and sparsity. The council has submitted a response to the consultation, which ended on 6 November 2015; further information is awaited following the comprehensive spending review.

### ***Education***

- 53 The cap on student numbers in universities is to be removed and universities will be able to increase tuition fees in line with inflation, if they reach certain teaching standards.

- 54 From 2016/17 maintenance grants, which are paid to disadvantaged students will be replaced with new maintenance loans, which would only get paid back when the person earns over £21,000. The value of the maintenance loans compared with the grant is to be increased to £8,200.
- 55 A network of national colleges is to be established to provide professional and technical routes into employment.
- 56 This will coincide with the introduction of a 'Youth Obligation' for 18 to 21 year olds to ensure that they are in education if they are receiving unemployment benefits.
- 57 Appendix 3 contains a comprehensive list of the other main announcements in the budget statement.

### **Northern powerhouse and devolution**

- 58 In the lead-up to the March 2015 budget, the Chancellor made various announcements concerning the development of a 'Northern powerhouse', based on promoting economic growth across the major cities of the north of England, in order to counter-balance the concentration of economic growth, investment and employment in the south, principally London and the greater south east.
- 59 Following the general election, on 12 May 2015, Stockton South MP, James Wharton was appointed Parliamentary Under Secretary of State for Communities and Local Government (Northern Powerhouse). The following day, the Prime Minister made Stockton-on-Tees, the location for his first post-election visit, where he announced that the new Minister, along with Greg Clark MP, the newly appointed Secretary of State for Communities and Local Government, would be focusing on 'empowering our great northern cities and making sure we drive power out of London, out of Westminster, out of Whitehall'.
- 60 On 14 May 2015, the Chancellor of the Exchequer announced plans to devolve more powers to major cities in northern England. He outlined plans to give English cities powers over housing, transport, planning and policing, in line with his plans to create a 'Northern Powerhouse'.
- 61 Initial devolution deals were proposed for Sheffield, Leeds, Liverpool, West Yorkshire and Cornwall and the Cities and Local Government Devolution Bill which would enact these deals was introduced to parliament on 21 July 2015.
- 62 Since then, two further deals have been negotiated and agreed for the North East covering the North East Combined Authority (NECA) area and the Tees Valley area.
- 63 The proposed agreement for the NECA area includes:
- a) Up to £1.5bn pumped into a new North East Investment Fund. This will be targeted towards boosting economic growth and supporting the region to compete in international markets. It will include an initial funding allocation of £30m a year over 30 years;

- b) The creation of an Employment and Skills Board to manage an overhaul of post-16 skills training and employment support in order to get more people into work, increase productivity, improve the life chances of young people and address the skill shortages experienced by North East employers;
- c) From 2017, a new devolved approach to business support, which will simplify and strengthen the support available for business growth, innovation and global trade in the North East in order to deliver the ambition set out in the North East Strategic Economic Plan to create 100,000 jobs;
- d) The establishment, in partnership with the NHS, of a Commission for Health and Social Care Integration. This will look at the potential for further integration of health services – including acute and primary care, community services, mental health services, social care and public health – in order to strengthen services, improve outcomes and reduce health inequalities;
- e) An ambitious target to increase the number of new homes in the region. This will include the creation of a North East Land Board to identify potentially suitable locations for housing or economic development and the devolution of some statutory planning powers;
- f) Devolved responsibility for the region’s transport budget along with responsibility for transport delivery, including infrastructure improvements and the development of smart ticketing across public transport networks in the area.

64 A more detailed report on the proposed devolution deal and the public consultation the council intends to undertake on the agreement was considered by Full Council at its meeting of 9 December 2015.

### **Productivity Plan**

65 On 10 July 2015, the government published *Fixing the Foundations: Creating a more prosperous nation*, its ‘productivity plan’ to speed-up economic growth.

66 The plan illustrated how the government thinks that a number of its existing commitments and policy pledges will encourage long-term investment in economic capital, including infrastructure, skills and knowledge; and promote a dynamic economy that encourages innovation and helps resources flow to their most productive use.

67 As part of the plan, the government outlined a number of new reforms intended to introduce more planning freedoms and to encourage more housebuilding:

- a) The introduction of a ‘zonal system’ to enable automatic planning permission on suitable brownfield sites;
- b) Powers to allow government to intervene and draft Local Plans to address housing need;

- c) Penalties for local authorities that fail to make 50 percent or fewer planning decisions on time;
- d) Any major infrastructure project which has “elements of housing development” will be fast-tracked under the Nationally Significant Infrastructure Regime (NSIP);
- e) Requiring higher-density development around key commuter hubs;
- f) Working with the Mayor of London, proposals to end the need for planning permission for upwards extensions for a limited number of storeys up to the height of the adjoining building in the capital;
- g) Stronger compulsory purchase powers to bring forward more brownfield land, and devolution of planning powers to the Mayors of London and Manchester;
- h) A major package to support for SME housebuilders, including new sanctions for local authorities not processing smaller planning applications on time, with earlier fee refunds.

### **Youth Employment Initiative**

- 68 In January 2013, the European Council created the Youth Employment Initiative (YEI) in order to tackle the high levels of youth unemployment across member states. The initiative is directed at young people aged 15-24 years old who are unemployed or inactive.
- 69 In the United Kingdom, County Durham was identified as an eligible area for YEI with a provisional allocation of £17.87m. The council submitted an initial application for funding in May 2015, which progressed to full application, which has been assessed by the Department for Work and Pensions (DWP) with the results submitted to the European Structural and Investment Funds (ESIF) sub-committee. At the time of writing, the outcome of the full application is expected shortly.

### **European Union membership**

- 70 In its general election manifesto, the Conservative Party committed to holding an ‘in – out’ referendum on the United Kingdom’s continuing membership of the European Union.
- 71 In the Queen’s Speech, the government included a proposed EU Referendum Bill, which would allow for a referendum to take place by the end of 2017, after the government has attempted to re-negotiate the terms of the UK’s relationship with the EU.
- 72 Although the date of the referendum has yet to be confirmed, the Electoral Commission has recommended that the question and response options should be:

*Should the United Kingdom remain a member of the European union or leave the European Union?*

- *Leave the European Union*
- *Remain a member of the European Union*

- 73 In an amendment to the EU Referendum Bill, the government sought to suspend the usual publicity restrictions in the run-up to a referendum, so that it would be able to comment and campaign on the issue during the 28 day period in advance of the poll.
- 74 However, on 9 September 2015, the government experienced its first parliamentary defeat when MPs voted against the amendment.

### **Welfare reform and tax credit changes**

- 75 On 9 July 2015, the government published the Welfare Reform and Work Bill to legislate for the reforms it wants to make. The bill makes provision for:
- a) reporting on progress towards full employment and the apprenticeships target, child poverty measures and the effect of certain support for troubled families;
  - b) reform of the social mobility and child poverty commission;
  - c) the benefit cap;
  - d) freezing social security and tax credits;
  - e) loans for mortgage interest;
  - f) social housing rents.
- 76 The bill passed its second reading in the House of Commons on 20 July 2015.
- 77 MPs also agreed a programme motion which scheduled the bill to be considered in a public bill committee, where they could consider the bill in detail and make amendments to it. The first meetings of the public bill committee took place on 15 and 17 September 2015 and proceedings concluded on 15 October 2015.
- 78 Alongside the bill, the government proposed changes to eligibility and the rate of payment from tax credits.
- 79 These are a series of benefits introduced to help low-paid families. Working Tax Credit (WTC) helps those in work, and Child Tax Credit (CTC) helps those with children.
- 80 The government proposed that from April 2016, the income threshold for Working Tax Credits - £6,420 – should be cut to £3,850 a year and that the threshold for those only claiming CTCs should be cut from £16,105 to £12,125 a year.
- 81 In addition, the government proposed that the rate at which tax credit payments are reduced should increase. The current ‘taper rate’ is based on 41p reduction for every £1 claimants earn above the threshold. From April 2016, the government proposed that the taper rate should accelerate to 48p.
- 82 Overall the changes were forecast to achieve spending reductions of £4.4bn.

- 83 However, on 26 October 2015, the government's proposals were defeated in the House of Lords, with peers backing two motions for 'full financial redress' for those affected by the proposed cut, and for the implementation of the change to be delayed until a full impact assessment had been undertaken.
- 84 Following the defeat, the government announced that it would introduce some form of 'transitional help', with the details confirmed in the autumn statement on 25 November 2015, alongside the spending review.
- 85 Further detail on the welfare changes is contained in the report considered by Cabinet on 21 October 2015.

## **Counter terrorism**

### ***Counter Terrorism and Security Act 2015***

- 86 The Counter Terrorism and Security Act 2015, places a general duty on specified authorities, including local authorities, police, prisons, probation, further and higher education, NHS Trusts/Foundation Trusts and clinical commissioning groups, who must, in the exercise of their functions, have due regard to the need to prevent people from being drawn into terrorism.
- 87 In March 2015, Parliament approved guidance issued under section 29 of the Act about how specified authorities are to comply with the Prevent duty. Specified authorities must have regard to this guidance when complying with the Prevent duty. The 'Prevent Duty Guidance' will require specified authorities to understand the terrorist ideology and the threat and risk this represents to the local area.
- 88 Following the terrorist attacks in Paris last month, the Prime Minister announced that as part of the Strategic Defence and Security Review, the government is to appoint over 1,900 additional security and intelligence staff and invest more in increasing the network of counter-terrorism experts in the Middle East, North Africa, South Asia and Sub-Saharan Africa. He also pledged to at least double spending on aviation security.

### ***Counter Extremism Bill***

- 89 In May 2015 a Counter Extremism Bill was included in the Queen's Speech. The bill, which is still to be published, will include:
- Banning Orders: a new power for the Home Secretary to ban extremist groups;
  - Extremism Disruption Orders: a new power for law enforcement to stop individuals engaging in extremist behaviour;
  - Closure Orders: a new power for law enforcement and local authorities to close down premises used to support extremism.



## **Counter Extremism Strategy**

- 90 On 20 October 2015, the government published its Counter-Extremism Strategy, which builds upon the new 'Prevent' duty, and is aimed at countering all forms of extremism: violent and non-violent. The purpose of the strategy is to improve understanding of the causes and impacts of extremism and to do more to counter the extremist ideology, build partnerships with those opposed to extremism, disrupt extremists and build more cohesive communities.
- 91 To ensure all institutions are safeguarded from the risk posed by 'entryism', (the term used to describe infiltration by extremists) and to improve the way institutions can protect themselves from being targeted by extremists, a full review across the public sector will need to take place. The review will clearly set out the risk posed and advise on measures to guard against entryism, for example, by improving governance, inspection and whistle-blowing mechanisms.
- 92 To help raise concerns about extremism and to prompt local action, a new 'Extremism Community Trigger' will be introduced to guarantee that concerns about local extremism will be taken seriously.
- 93 A review, conducted by Louise Casey, into how to boost opportunity and integration in the most isolated communities is to be undertaken, which will inform funding for a major new Cohesive Communities Programme in 2016.

## **Spending review 2015**

- 94 On 22 July 2015, the government published a paper on its approach to the spending review.
- 95 In line with the Summer budget, the government plans to reduce departmental spending by a further £20bn by 2018/19 in order to help to eliminate the deficit by 2019/20.
- 96 Welfare spending will also be reduced by £12bn and the government expects to raise £5bn by clamping down on tax avoidance.
- 97 Spending on the NHS, defence, overseas development and education will continue to be protected, which means that the spending reductions will be borne by 'unprotected' departments.
- 98 Ministers were consequently asked to identify how they would achieve spending reductions of 25 per cent and 40 percent, for discussion and negotiation with the Treasury before the spending review was published.
- 99 On 9 November 2015, it was announced that the government departments for Transport, Communities and Local Government and Environment had provisionally agreed to 30 percent spending reductions over the next four years, through a combination of efficiency savings and closing low value programmes.
- 100 On 25 November 2015, the government published the review alongside the Autumn statement.

- 101 The forecast for government borrowing was updated as follows:
- £73.5bn deficit in 2015/16;
  - £49.9bn deficit in 2016/17;
  - £24.8bn deficit in 2017/18;
  - £4.6bn deficit in 2018/19;
  - £10.1bn surplus in 2019/20;
  - £14.7bn surplus in 2020/21.
- 102 Overall day-to-day departmental spending is to be reduced by £20bn by 2020, with a further £12bn to be saved from spending on welfare.
- 103 On average, the government expects that departmental spending will be reduced by 0.8 percent per year, however spending on defence, the NHS, international development, education and policing is to be protected and in some instances, increased.
- 104 Spending on the main departments which affect local government are to be reduced as follows:
- |                                     |             |
|-------------------------------------|-------------|
| • Transport                         | 37 percent; |
| • Communities & Local Government    | 29 percent; |
| • Energy & Climate Change           | 22 percent; |
| • Business, Innovation & Science    | 17 percent; |
| • Environment, Food & Rural Affairs | 15 percent. |
- 105 Local government grant expenditure is to be reduced by £6.1 billion by 2019/2020. However, the government claims that when forecast increases to other sources of local government income are taken into account, overall local government spending will be higher in cash terms by 2019/20 than in it is 2015/16.
- 106 Further detail on the spending review is included in the report on the council's medium term financial plan, also being considered at today's meeting of Cabinet.
- 107 A more detailed analysis of the implications for the council will be included in the next report on the council's medium term financial plan to be considered by Cabinet at its meeting on 13 January 2016. However, for now a summary of the main policy announcements in the spending review is attached as Appendix 4.

## Implications

- 108 The government's policy proposals have many implications for the county and the council, its role and function and the way it works with and relates to local communities and strategic partners. Below, we provide a commentary against the strategic themes of the Council Plan and County Durham Sustainable Community Strategy.

## **Altogether better council**

- 109 The government appears to be maintaining and extending a number of policies developed by the previous administration, for example the academies and free school programmes, welfare changes and trade union reform.
- 110 However, it should be noted that the current make-up of parliament is such that the government cannot expect smooth passage for its policy reforms and it has already suffered parliamentary defeats and been forced into making concessions around key policy reforms, for example mitigation around the proposed changes to tax credits.
- 111 Clearly, from the budget and spending review announcements made by the Chancellor since the last report to Members, there will be little let-up in the spending reductions the council has to face. The prospect of the austerity programme being eased in 2019/20, as indicated in the March 2015 budget, now seems more uncertain. The forecast in March that public sector net borrowing would achieve a £5.2bn surplus in 2019/20, was revised down in the summer budget to a £6.4bn deficit in 2019/20, with a surplus being achieved the following year.
- 112 In effect, the government has extended the deficit reduction programme by a further year to allow it more time to make the spending reductions which it wants to make.
- 113 The council will also need to take into account the impact of the introduction of the National Living Wage, not just on its own wage bill, but more so on third parties, from which we commission services.
- 114 The council is still in the process of assessing the impact of the announcements made in the Spending Review. However, the significant reductions in spending accepted by the departments for Communities and Local Government, Transport, and Environment, Food and Rural Affairs are likely to have significant impacts on the council and its partners, as they are three of the most important government departments, which fund and influence our work.
- 115 Whilst the government maintains that local government spending in 2020 will be at the same level as it is in 2015/16, this relies on increases in alternative sources of income other than government grant, a number of which – such as greater reliance on Business Rates revenue – have yet to be set out in detail or fully explained.
- 116 In addition, it should be noted that the government is looking towards increased local taxation via a 2 percent increase on council tax to meet the escalating costs of social care.
- 117 Given on-going austerity and the significant changes to how public services are to be funded, the council and its partners will therefore be undertaking a fundamental review of the council plan and the sustainable community strategy for the county in the coming year.

## **Altogether wealthier**

- 118 Clearly, the outcome of European Union membership referendum will have profound economic implications for the county, and the council in terms of the legal framework it operates within and the funding of its work.
- 119 One of the main areas of reform which the government has chosen to maintain and extend is welfare reform. A more detailed analysis of the most recent changes to welfare was considered by Cabinet at its meeting of 21 October 2015.
- 120 Since the general election, the government has sought to progress its agenda for devolution, particularly around economic planning and growth.
- 121 Whilst this is to be welcomed, it should be noted that the government has required local areas to work to very tight timescales, particularly in relation to considering and consulting on proposals. For example, following the summer budget on 8 July 2015, the government confirmed that it would entertain a proposal from the North East Combined Authority (NECA) for increased devolution, but required NECA to submit its proposals by 4 September 2015. This was a very tight timescale and required the NECA authorities to consult and engage local stakeholders and communities for a limited period over the summer months, which tends to be a difficult time to consult and engage.
- 122 That said, the Northern powerhouse announcements and subsequent proposed devolution agreements for the NECA local authorities, and those in Tees Valley, offer the prospect for parts of the North East including the county to be better able to plan for and realise economic growth. The proposed agreement for NECA area is subject to parliamentary approval, the spending review and further consultation with local stakeholders and communities. As Members will be aware, in line with our commitment to consult and engage local communities, the council has been consulting local stakeholders on the agreement and will be polling local residents in the new year.
- 123 The government's 'productivity plan' included a number of further reforms to the planning system, including penalties for local authorities around poor performance on determining planning applications including those from smaller housebuilders.
- 124 Given the increase in housing numbers to meet current and anticipated demand proposed in the draft County Durham Plan, and the new regime of sanctions and penalties around performance on determining planning applications, it will be important to progress and conclude the County Durham Plan, so that the council and developers have clarity around the planning policy framework within the county.
- 125 The announcement in the summer budget that the government intends to introduce an 'apprenticeship levy' – confirmed at 0.5 percent for larger employers in the Spending Review - is to be welcomed as it should provide an incentive to firms to offer apprenticeships, increasing the overall number of places available to young people. As a large employer, it would have a financial implication on the council, but it is hoped that we would be allowed to invest what we would be expected to pay via the levy, into our own post-16

apprenticeship programme, which we have sought to develop and expand over recent years.

### **Altogether healthier**

- 126 The decision to delay the introduction of the £72,000 cap on meeting social care costs by people over 65 or young adults with disabilities, by four years will allow councils more time to discuss with government how the associated increase in state support for social care will be met, and more time to plan for the introduction of the change.
- 127 Similarly, the confirmation that the Better Care Fund is to continue into next year, allows council to start to plan ahead for 2016/17, although we are still waiting confirmation for how much funding we are to receive.
- 128 However, the in-year cut to the council's public health grant for 2015/16 is over £3.1m and equates to 6.2 percent of the grant. The cut will be made by reducing the fourth quarterly instalment of the grant, which will be brought forward from January 2016 to November 2015.

### **Altogether safer**

- 129 Under the Counter Terrorism and Security Act 2015, specified authorities will need to ensure front-line staff understand 'Prevent' and are able to recognise when an individual shows potential signs of being vulnerable to radicalisation and what to do about it. They will also need to provide early intervention so that those most at risk are given support at an early stage.
- 130 Local authorities are expected to use the existing counter-terrorism local profiles (CTLPs), produced by the police, to assess the risk of individuals being drawn into terrorism. This includes not just violent extremism but also non-violent extremism, which can create an atmosphere conducive to terrorism and can popularise views which terrorists exploit.
- 131 Section 36 of the Act requires local authorities to put in place, chair and manage a multi-agency panel, called Channel, that will receive referrals about people suspected of being vulnerable to radicalisation. The council's panel is chaired by the Strategic Manager of the Youth Offending Service and has representation from Durham Constabulary. Local Channel guidance and procedures are currently being finalised and will be communicated to staff and partners, as appropriate.
- 132 The council has a comprehensive action plan in place for implementing the 'Prevent' duty. In addition, the Safe Durham Partnership is carrying out a review of the collective response of all relevant partner authorities.
- 133 The Counter Extremism Bill is expected to be introduced by the end of the year and we will assess the impact and implications for the council and its partners when it is published.
- 134 With regards to the Counter Extremism Strategy, further information for local authorities and partners is expected to be issued by the Home Office next year, which will provide clear guidance on the full range of tools available to

tackle extremism including clarity of the types of groups that will be viewed extremist and information on the new community trigger. At the same time, a review will be undertaken of the powers available to enable government to intervene where councils fail.

- 135 The new 'Extremism Community Trigger' will require the police and local authorities to fully review any complaints about extremism and work in partnership to tackle local extremist issues, and keep the public informed about their actions.
- 136 The government is giving the council a £10,000 one-off payment to help cover the costs of its additional responsibilities and has also introduced a Project Innovation Fund for Prevent which offers the prospect of funding for project proposals up to the value of £100,000 including VAT. As with all 'challenge' type funds, applications will be considered on a competitive basis.
- 137 The council is also awaiting the outcome of the spending review to see whether it is to receive New Burdens funding to help meet the costs of its additional duties.
- 138 The proposed criminalisation of psychoactive, so-called 'legal high' substances is to be welcomed, as it will have community safety and health benefits for the county.

### **Altogether Better for children and young people**

- 139 The government has confirmed that it intends to continue and extend its academy and free schools programmes, which means that further funding will be re-directed from the council to schools. This will affect the sustainability of core school support and improvement functions and will require the council to extend the trading model which it has already established for a number of school support functions and services.
- 140 The potential to expand university student numbers offers the prospect of increasing access to higher education for people in the county, if local higher education institutions respond. However, the decision to replace maintenance grants for disadvantaged students with loans may discourage people from poorer backgrounds from considering higher education as an option.
- 141 Although a welfare reform, the new Youth Obligation, which requires 18 to 21 year olds to ensure that they are in education (or training) if they are receiving unemployment benefits will have implications for youth employment and participation services in the county. It is also another example of where the government is extending the principle that society expects benefit support to be earned as opposed to a natural entitlement.
- 142 It is therefore positive that the county has received a provisional allocation from the European Council of nearly £18m under the Youth Employment Initiative with an allocation of £17.87m. The funding will help to improve the immediate and longer term economic, social and health benefits for approximately 5,500 young people in the county.

## **Implications for partnership working**

- 143 Given the scope of government reforms, the council continues to work with partners to ensure that we achieve the aims of the sustainable community strategy.
- 144 The County Durham Partnership considers these policy implications reports alongside Cabinet and Corporate Issues Overview and Scrutiny Committee. Emerging government policy and legislation will be taken into consideration, as the partnership reviews the sustainable community strategy for the county.
- 145 Given the continuation of austerity and the new policy programme outlined by government, the partnership will undertake a more fundamental review of the sustainable community strategy in the coming year. As a result, the council will also need to review its council plan and service plans, in order to determine its priorities and actions and contributions towards achieving the sustainable community strategy.

## **Conclusions**

- 146 The coalition government presided over an unprecedented period of public service reform and the first austerity programme since the 1930s.
- 147 The new Conservative government has maintained some major elements of the coalition policy programme, with financial austerity, welfare reform and decentralisation emerging as initial policy priorities for the government, alongside its commitment to hold a referendum on the United Kingdom's continuing membership of the European Union.
- 148 Clearly, this and the continuation of austerity and the policy reforms proposed in the legislative programme, will have major implications for the council and the steps it is taking to develop an 'altogether better Durham'.
- 149 The council and its partners are continuing to analyse the impact that government policy will have on local communities and on our ability to deliver the sustainable community strategy and are responding accordingly. Wherever possible, the council and its partners are working together to respond proactively to the government's policy changes, which will be taken into account in as we develop the County Durham Sustainable Community Strategy and the council plan and supporting service plans.

## **Recommendations**

- 150 Members are recommended to note the contents of this report and the actions taken to anticipate and respond to the government's reforms.

## **Background papers**

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## Appendix 1: Implications

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**Finance** – The government’s decision to continue with its austerity programme will have on-going financial implications for the council, which will have to continue to reduce spending within its medium term financial plan.

**Staffing** – No specific implications have been identified.

**Risk** – Individual assessments of the risks associated with specific policy proposals are undertaken as a matter of course in council project planning and management.

**Equality and Diversity** – Equality impact assessments will be undertaken on individual policy proposals the council develops in response to the government’s reforms.

**Accommodation** – No specific implications have been identified.

**Crime and Disorder** – No specific implications have been identified beyond those discussed in the section on counter terrorism.

**Human Rights** – No specific implications have been identified.

**Consultation** – No specific implications have been identified.

**Procurement** – No specific implications have been identified.

**Disability Discrimination Act** – No specific implications have been identified.

**Legal Implications** – A number of the government policy changes outlined above, place new statutory duties on the council and change the regulatory framework in which it operates. The council considers the legal implications of all decisions it takes.



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## **Appendix 2: Legislative programme outlined in the Queen's Speech, May 2015**

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### **EU Referendum Bill**

This will pave the way for an in/out referendum on Britain's membership of the European Union by 2017 at the latest.

### **Full Employment and Welfare Benefits Bill**

This bill is designed to achieve full employment "and provide more people with the security of a job". The aim is for two million more jobs and three million new apprenticeships to be created. Ministers will be required to report annually to Parliament on their progress. The legislation will also implement a planned reduction in the welfare cap - from £26,000 to £23,000, and freeze working-age benefits, tax credit and child benefit for two years. As part of the government's welfare reforms, young people will be required to "earn or learn", with automatic entitlement to housing benefit for 18-21-year-olds scrapped.

### **Enterprise Bill**

This bill will include measures to reduce regulation on small businesses in a bid to boost job creation. It will seek to cut red tape for British business by at least £10bn and, for the first time, require independent regulators to contribute to that target. In addition, it proposes to create a new Small Business Conciliation Service, to help settle disputes between small and large businesses, especially over late payment practices. The government also aims to improve the business rates system ahead of the 2017 revaluation, including by modernising the appeals system. It also proposes to introduce a cap on public sector redundancy payments to six figures for the highest earners.

### **National Insurance Contributions and Finance Bill**

This bill is designed to enact a series of tax pledges made by the Conservatives during the general election campaign to "reward those who work hard and do the right thing". Specifically that there would be no rise in income tax rates, VAT or national insurance before 2020 and that "no one working 30 hours on the minimum wage pays any income tax at all". It will also enact a commitment to raise the threshold before which people pay income tax to £12,500.

### **Childcare Bill**

The bill will include measures to help working people "by greatly increasing the provision of free childcare". Under the proposals, parents in England would be entitled to 30 hours a week of free childcare for their three- and four-year-olds, for 38 weeks of the year. Currently, they are entitled to 570 hours of free early education or childcare a year, which works out as 15 hours each week over the 38-week period.

## **Housing Bill**

The bill is intended to support home ownership and extend the right-to-buy scheme to 1.3 million social housing tenants in England. Under the plans, housing association tenants will be able to buy the homes they rent at a discount. There will also be help for first-time buyers, with 200,000 starter homes made available to under-40s at a 20 percent discount. Both are commitments which were included in the Conservatives' general election manifesto. The government says the bill will increase the housing supply and ensure local people have more control over planning.

## **Energy Bill**

Measures will be introduced to "increase energy security" and ensure there will be "affordable and reliable energy for businesses and families". The government proposes to establish the Oil and Gas Authority as an independent regulator, charged with regulation of domestic oil and gas recovery. It would transfer responsibility for giving consent for any large onshore wind farms in England and Wales from Whitehall to local planning authorities.

## **Immigration Bill**

The government is promising to "control immigration" and put "hard-working British families first". This bill is designed to support working people, clamp down on illegal immigration and protect public services. Specifically, it will include a new offence of illegal working - with police given the power to seize the wages paid to illegal workers as the "proceeds of crime". There are also proposals to deal with unscrupulous landlords and to evict illegal migrants more quickly, while all foreign criminals awaiting deportation will be fitted with satellite tracking tags. It will also become an offence for businesses and recruitment agencies to hire abroad without first advertising in the UK and a new enforcement agency will be set up to tackle the worst cases of exploitation.

## **Cities and Local Government Devolution Bill**

This paves the way for powers over housing, transport, planning and policing to be devolved to England's cities as part of government plans for "a balanced economic recovery". Cities that want them will be able to have elected mayors.

## **HS2 Bill**

The government is pressing ahead with legislation that will eventually enable work to start on the £50bn HS2 high-speed rail link. Legislation which will give the government the legal powers to construct and operate the London to Birmingham first phase of HS2 is going through Parliament. If it progresses smoothly, it should receive Royal Assent around the end of 2016, with work beginning on the project in 2017, with a finishing date of 2026.

## **Scotland Bill**

The government will press ahead with further Scottish devolution as part of plans to deliver "a strong and lasting constitutional settlement". The Scottish Parliament will be given new tax and welfare powers, under the proposals. It follows the recommendations of the Smith Commission on Scottish devolution.

## **Wales Bill**

There will also be further devolution of powers to Wales, including a new reserved powers model to clarify the division of powers between the Welsh Assembly and Parliament. The assembly will also be given more powers over energy, transport and local government elections in Wales.

## **Northern Ireland Bill**

There will be a bill to give effect to the Stormont House Agreement in Northern Ireland. It will provide for full and independent investigations into unsolved Troubles-related deaths.

## **Psychoactive Substance Bill**

This bill introduced legislation for a blanket ban on so-called legal highs "protect UK citizens from the risks posed by untested, unknown and potentially harmful drugs". It would be an offence to produce, supply, offer to supply, possess, import or export psychoactive substances.

## **Extremism Bill**

This includes measures to tackle broadcasting of extremist material. The government wants to strengthen the watchdog Ofcom so that it can take action against channels that transmit extremist content. The legislation will also propose the introduction of banning orders for extremist organisations who use hate speech in public places, but whose activities fall short of proscription. A new power to allow police and local authorities to close down premises used to support extremism will also feature. Employers will also be able to check whether an individual is an extremist and barring them from working with children.

## **Investigatory Powers Bill**

A bill which revives plans to give intelligence agencies new tools to target communications data. The government says it will equip the police intelligence agencies with the tools to keep people safe.

## **Policing and Criminal Justice Bill**

The bill includes plans to reform pre-charge bail in England and Wales - with an initial 28-day limit, and to ban the use of police cells for the emergency detention of mentally ill people under the Mental Health Act. There are also proposals to reform the Police Federation in England and Wales, and plans to extend police-led prosecutions and overhaul the complaints system. Measures to strengthen child protection also feature.

## **Trade Unions Bill**

The main elements of the Bill are a 50 percent voting threshold for union strike ballot turnouts, and a requirement that 40 percent of those entitled to vote must back action in essential public services - health, education, fire and transport. Time limits will also be introduced on a mandate following a ballot for industrial action. There will also be the introduction of "a transparent opt-in process for the political fund element of trade union subscriptions".

## **Education and Adoption Bill**

This bill is designed to raise standards in schools. Under the plans, new powers would be brought forward to speed up the process of changing a failing school's leadership and turning it into an academy. Those considered to be "coasting" would also face being taken over. The bill will also give the education secretary new powers to force local councils to hand over their responsibilities for adoption to another authority or agency.

## **Armed Forces Bill**

This bill is designed to continue in force the legislation governing the Armed Forces. It would also make provision for other defence matters.

## **Bank of England Bill**

This piece of legislation is designed to "further strengthen" the governance and accountability of the Bank of England. It will include measures working towards aligning monetary policy, macro prudential policy and micro prudential regulation.

## **(Protection and Social Investment) Bill**

Measures to protect charities from abuse and to strengthen the powers of the Charity Commission for England and Wales feature in this bill. It is also designed to enable charities to more easily undertake social investments.

## **Votes for Life Bill**

The speech set out plans for legislation to scrap the current 15-year time limit on UK citizens living abroad voting in Westminster and European elections. The government says it would make it easier for overseas electors to cast their votes in time to be counted, and encourage larger numbers of British citizens living abroad to register to vote in UK elections.

## **European Union (Finance) Bill**

The purpose of this bill is to give UK approval to the financing aspect of the seven year EU Budget deal agreed in 2013, which saw a real-terms cut in EU spending. It would preserve the UK's rebate, and prevent new EU-wide taxes to finance EU spending.

## **Buses Bill**

This bill would provide the option for combined authority areas with directly-elected mayors to be responsible for the running of their local bus services, which would help them to promote an integrated transport system.

## **Draft Public Service Ombudsman Bill**

This draft bill proposes to reform and modernise the Public Service Ombudsman sector to provide "a more effective and accessible final tier of complaints redress within the public sector". It would absorb the functions of the Parliamentary Ombudsman, the Health Ombudsman, and the Local Government Ombudsman and potentially the Housing Ombudsman.

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## Appendix 3: Main announcements in Summer Budget 2015

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### Economic outlook

- UK growth in 2014 adjusted up from 2.7 percent to 3 percent.
- Growth forecast to be:
  - 2.4 percent in 2015
  - 2.3 percent in 2016
  - 2.4 percent in 2017 and each year thereafter to 2020
- One million new jobs to be created by 2020.

### Government borrowing

- Public sector net borrowing (as a proportion of GDP):
  - 3.7 percent in 2015/16
  - 2.2 percent in 2016/17
  - 1.2 percent in 2017/18
  - 0.3 percent in 2018/19
  - 0.5 percent in 2019/20
  - 0.4 percent in 2020/21
- Net borrowing is forecast to be:
  - £69.5bn in 2015/16
  - £43.1bn in 2016/17
  - £24.3bn in 2017/18
  - £6.4bn in 2018/19
  - £10bn surplus in 2019/20
  - £11.6bn surplus in 2020/21
- In effect, deficit reduction extended for a further year, because in the March 2015 budget it was forecast that a £5.2bn surplus would be achieved by 2018/19.
- Net debt forecasts (as a proportion of GDP) is forecast to be:
  - 80.3 percent in 2015/16
  - 79.1 percent in 2016/17
  - 77.2 percent in 2017/18
  - 74.7 percent in 2018/19
  - 71.5 percent in 2019/20
  - 68.5 percent in 2020/21

### Departmental spending

- £37bn of further spending reductions by 2020, including £12bn of welfare cuts, £5bn from tax avoidance and a £20bn reduction in departmental budgets.
- One percent public sector pay rise to continue for next four years.
- By the end of the parliament, spending on public services will be reduced by just under £18bn a year, compared with £42bn a year reduction previously proposed to be achieved by 2019/20.

## **Taxes and allowances**

- Personal allowance will rise to £11,000 next year, from £10,600 at the moment.
- Once the £12,500 goal is met, the threshold will be tied to the minimum wage.
- The 40p threshold will be £43,000 from next year, up from £42,385 - set to reach £50,000 by 2020.
- Inherited non-domestic status to be abolished with an end to 'non-doms' being allowed to shift residences in the UK offshore to avoid inheritance tax and a time limit on 'non-dom' status for anyone resident in the UK for 15 of the last 20 years.
- Up to £1m can be passed on without inheritance tax.
- Investment fund managers will pay the full capital gains tax rate on their carried interest.
- Taxation on dividends to be simplified, with dividend tax credit to be replaced with a tax-free allowance of £5,000 of dividend income for all taxpayers.
- New legislation will be introduced to refund to eligible public bodies the VAT incurred on specified shared services.

## **Benefits and welfare reform**

- £12bn less to be spent on welfare over the next four years.
- A Welfare Reform and Work Bill will be published on Thursday, 9 July 2015.
- Legislation to freeze working age benefits for four years, with the exception of maternity pay, personal independence payments, disability pay and Employment and Support Allowance.
- Youth obligation for 18-21 year olds to "earn or learn".
- Abolishing automatic entitlement for housing benefit for 18-21 year olds.
- Employment and Support Allowance will be cut to the level of Jobseeker's Allowance for those deemed fit to work - for future claimants only.
- Increasing child care for up to 30 hours per week.
- Rents paid in social housing will be reduced by one percent a year for next four years.
- The use of lifetime tenancies in social housing will be reviewed.
- £800m of funding for Discretionary Housing Payments will be provided over the next five years.
- Technical cuts to tax credits: Universal Credit work allowances will be similarly reduced – and will no longer be awarded to non-disabled claimants without children.
- The rate at which a household's Tax Credit award is reduced as they earn more will be increased, by raising the taper rate to 48 percent. The income rise disregard will be reduced from £5,000 to £2,500 – the same level at which it was originally set in 2003.
- The benefits cap will be reduced to £20,000 (£23,000 in London) from £26,000 a year.
- There will be no extra tax credit, Universal Credit, or housing benefit support for a third child after 2017.

- There will be provisions for exceptional circumstances like "multiple births".
- From September 2017, all working parents will receive up to 30 hours a week free childcare.
- The income threshold in tax credits will be reduced, from £6,420 to £3,850.

### **Pensions and savings**

- A Green Paper will be published to consult on taxing pensions like ISAs.
- Dividend tax: will be a tax-free allowance of £5,000.
- Pension tax relief annual allowance tapered away to a minimum of £10,000.
- The state pension will be maintained via a triple lock.
- The BBC has agreed to take on the funding of TV licenses for over 75 year olds.

### **Business**

- Rise in Insurance Premium Tax to 9.5 percent with effect from November 2015.
- Corporation tax rate reduced to 19 percent in 2017 and 18 percent in 2020.
- Corporations will be prevented from artificially increasing the value of stock for tax purposes.
- Annual Investment Allowance set at £200,000 for investment in plant and machinery from January 2016 to the end of the parliament (it was due to move back to £10,000).
- The rates of dividend tax will be set at 7.5 percent, 32.5 percent and 38.1 percent.
- National Insurance Contributions (NICs) allowance to be raised from £2,000 to £3,000 from April 2016 (meaning fewer small businesses pay NICs).
- Office of Tax Simplification to be permanently established – a review of reforming income tax, NICs and small business taxes due in coming months followed by a consultation.
- Venture Capital - changes will be introduced to improve the tax advantages of investing in growing and innovative small and medium sized firms.
- Business Tax Roadmap to be published by April 2016 to make tax changes clear to businesses.
- Business rates – changes to be made to the administration of business rates to tackle avoidance and improve the appeals system.
- Bank levy rate to be reduced from 0.21 percent to 0.1 percent in 2021 whilst there will be an 8 percent surcharge on bank profits above £25m.
- Insurance premium tax to increase by 3.5 percent to 9.5 percent from November 2015.
- Claims Management Companies – a review will be undertaken to cap customer charges.
- Productivity Plan to be published on Friday, 10 July 2015.
- Consultation on granting the power to decide whether to extend Sunday trading hours to city mayors and local authorities.

## **Wages, jobs and training**

- A compulsory national living wage will be introduced at £7.20 from April 2016 rising to £9.00 by 2020.
- Low Pay Commission will recommend future rises. The National Living Wage will be at least 60 percent of median earnings by 2020.
- For SMEs - employment allowance is rising to £3,000 which will allow small firms to employ four people on the national living wage without paying any national insurance.
- Effect on corporate profits is offset by announcement that corporation tax is going down to £18,000 by 2020.
- Reaffirmation of the promise for three million additional apprenticeships by 2020.
- Apprenticeship levy to be introduced on all large firms (following consultation). Firms that offer apprenticeships will get more back than they put in.

## **Local growth and devolution**

- Another agreement has been reached with the 10 authorities of Greater Manchester for more powers over fire services, land commission, children's services and employment programmes to be devolved.
- Negotiations are ongoing with Sheffield, Leeds, Liverpool and Cornwall on their own deals.
- New mayors to be able to set Sunday trading hours across their areas.

## **Northern Powerhouse**

- Devolution deals being prepared with Sheffield, Leeds, Liverpool and West Yorkshire.
- Greater Manchester – new powers for fire services, children's services, employment programmes, and a land commission will be devolved to the Mayor.
- Establishing Transport for the North as a statutory body and £30m of investment in an Oyster-style smart ticketing system across the North.
- A bidding round will be introduced for more Enterprise Zones in smaller cities, towns and rural areas.
- Dualling of the A1 up to Ellingham in Northumberland.

## **Planning and housing**

- Planning reforms to be announced on Friday, 10 July.
- Buy to let: restrict mortgage relief on rental property to the basic rate of income tax.
- From April 2017, the system that allows Buy-to-Let landlords to offset mortgage interest payments against their income will be phased out.
- Mortgage rate relief for Buy-to-Let landlords will be restricted to the basic rate of taxation, this will be phased in over time.
- Rent a Room relief which has been frozen for 18 years will be raised from £4,250 to £7,500.
- The automatic entitlement for housing benefit for 18-21 year olds will be abolished.



- Local Housing Allowance will be frozen for the next four years.
- Higher earners in social housing will be required to pay market rates.
- Rents paid in social housing will be reduced by one per cent a year for next four years.
- There will be no extra tax credit, Universal Credit, or housing benefit support for a third child after 2017.

### **Regeneration / Infrastructure**

- Extension of Coastal Communities Fund to at least £90m until 2020/21.
- £23m of investment in next generation Digital Economy Centres in Bath, London, Swansea, Newcastle, Nottingham, and York.
- Road Investment Strategy (published December 2014) to be revised by 2020.
- Rail Investment Strategy to be published in the autumn.
- Extension of allowances for businesses in the North Sea.
- Establishment of a fund for communities hosting shale and gas extraction activities.
- Removal of the exemption for renewable energy generation and the establishment of measures to ensure energy businesses receiving subsidies support community-based energy projects.
- The government will conduct a review into the size and provision of crematoria facilities, cremation legislation and coroner services.

### **Transport**

- £30m for Transport for the North, which will co-ordinate northern transport systems and develop an Oyster-style ticketing system.
- New Vehicle Excise Duty to be established from April 2017 for new cars, with changes to duty bands and the establishment of a Roads Fund using the receipts to fund.
- Fuel duty will remain frozen this year.
- New cars and motorbikes will not require an MOT until four years, rather than the current three years.

### **Energy**

- Fuel duty will remain frozen this year.
- Vehicle excise duty: new bands coming in from 2017, based on emissions: zero emission band, along with standard and premium bands.
- Climate Change Levy: confirmed removal of the “out-dated” exemption for renewable electricity.

### **Health, social care and community safety**

- The NHS will receive further £8bn on top of £2bn already pledged by 2020.
- The Children's Air Ambulance will receive a new helicopter.

- The funding for domestic abuse victims will be increased.
- £30m to further speed up adoption for the 3,000 children awaiting adoption, whilst paving the way for regional adoption agencies.
- A £3m fund will be set up to encourage innovative approaches including refuge provision to help those suffering from domestic abuse.

## **Education**

- Cap on student numbers in universities to be removed.
- Tuition fees to rise in line with inflation if universities reach certain teaching standards.
- From 2016/17 maintenance grants will be replaced with new loans for students, with the loans only getting paid back when the person earns over £21,000. Increase of maintenance loans to £8,200.
- Consultation on freezing loan repayment threshold of £21,000 for five years.
- New Regius professorships in universities across the country.
- Youth Obligation to be introduced for 18 to 21 year olds to ensure they are in education if they are receiving unemployment benefits.
- Establishment of a network of national colleges to provide professional and technical routes into employment.

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## Appendix 4: Main announcements in Spending Review 2015

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### Deficit/Debt/Growth

- £12bn of savings set out in Budget will be met.
- 2% more investment in defence, 0.7% increase in foreign aid.
- 1 million extra jobs over next 5 years.
- Tax receipts to improve.
- Debt interest payments to be lower.
- Borrowing £11bn above target (£80.3 rather than £69.5).
  
- Deficit / surplus – smoother path:
  - 2015/16: 3.9% / £73.5bn deficit
  - 2016/17: 2.5% / £49.9bn deficit
  - 2017/18: 1.2% / £24.8bn deficit
  - 2018/19: 0.2% / £4.6bn deficit
  - 2019/20: 0.5% / £10.1bn surplus
  - 2020/21: 0.6% / £14.7bn surplus
  
- Debt to GDP ratio:
  - 2015/16: 82.5%
  - 2016/17: 81.7%
  - 2017/18: 79.9%
  - 2018/19: 77.3%
  - 2019/20: 74.3% surplus
  - 2020/21: 71.3%
  
- Growth:
  - 2015/16: 2.4% (same as Budget)
  - 2016/17: 2.4% (same as Budget)
  - 2017/18: 2.5%
  - 2018/19: 2.4%
  - 2019/20: 2.3%
  - 2020/21: 2.3%

## **Departmental Budgets**

- Maintenance of departmental capital investment.
- Average of 0.8% annual savings compared to 2% in last 5 years.
- BIS to save 17% over next 5 years.
- DEFRA to save 15% over next 5 years.
- DECC to save 22% over next 5 years.

## **Welfare and tax credits**

- £12bn in targeted welfare savings to be delivered in full.
- Planned £4.4bn in tax credit cuts abandoned, with taper and threshold rates for working tax credits and child tax credits remaining the same.
- Housing benefit for new social tenants to be capped at same level as private sector.
- Additional Discretionary Housing Payment funding will be made available to local authorities.
- Housing benefit and pension credit payments to be stopped for people who leave the country for more than one month.
- Temporary Accommodation Management Fee will be removed from the benefits system, with local authorities taking on more responsibility in supporting homeless people.
- DWP budget to be cut by 14%.
- Job centres to be co-located in council buildings.
- Conditions for benefits to be extended to more than one million more claimants.
- Councils to receive extra £10m to help homeless people.
- The Warm Home Discount scheme will be extended to 2020-2021 - This currently gives certain low-income households a one-off reduction of £140 on their electricity bill.

## **Pensions, savings and personal taxation**

- State pension to rise by £3.35 a week to £119.30 next year.
- Income tax to reach 36.5% by 2020.
- Corporation tax in NI to be set at 12.5 per cent.
- Savings credit to be frozen at current level.
- Every individual and small business to have their own digital tax account by the end of the decade.

## **Communities and Local Government**

- DCLG budget to achieve resource savings of 29% by 2019/20.
- Local Government grant to be reduced by £6.1 billion by 2019/2020.
- Taking into account forecast increases to other sources of local government income, overall local government spending will be higher in cash terms by 2019/20 than in 2015/16. By the end of this parliament local government will be “spending the same in cash terms as it does today”.
- Consultation on changes to the local government finance system to pave the way for the implementation of 100% business rate retention.
- Revenue Support Grant, which represents less than a quarter of local government total resources, will be phased out. Other sources of income such as council tax and business rates are forecast to grow by £6.3 billion by 2019/20.
- To reform services and make them more efficient, local authorities will have new flexibilities to spend 100% of their fixed asset receipts (excluding Right to Buy receipts) on the revenue costs of reform projects.
- To further encourage local authorities to release surplus assets and invest in making their services.
- Communities’ rights to reclaim local authority land and property (the Right to Contest) will be strengthened.
- Consultation on updating the Transparency Code to require all local authorities to record details of their land and property assets in a consistent way.
- The One Public Estate programme to be extended with £31 million to support local authorities to design more efficient asset management strategies.
- New guidance to encourage local authorities to rein in excessive salaries.
- Local authorities responsible for adult social care will be able to introduce a 2% levy on council tax to fund adult social care and an additional £1.5bn of funding for the Better Care Fund by 2019-20.
- Any revenue raised from the sale of council assets will be retained at a local level, with local authorities encouraged to draw down financial reserves.
- £12bn for Local Growth Fund.
- Abolition of uniform business rates – local government will retain all revenue raised from business rates by end of parliament.
- Consultation on reforms to the New Homes Bonus, including sharpening the incentive to reward communities for additional homes and reducing the length of payments from six years to four years.

## **Police, security and justice**

- No real-terms cuts in police budgets in England and Wales, with spending to rise by £900m by 2020.
- Forces expected to make efficiency savings by sharing resources.

- From next April, police forces will be able to increase the amount they require from council tax collections by 2%.
- Holloway Women's Prison in London to close as part of modernisation of estate, including nine new prisons.
- Underused courts to be sold off, raising £700m for new technology.
- Defence budget to rise from £34bn to £40bn by 2020, with extra cash for the security services.
- Overseas aid budget to increase to £16.3bn by 2020, while Foreign Office budget protected in real terms.

## **Health**

- Health budget in England, currently £101bn, to rise to £120bn by 2020-21.
- The NHS in England to get upfront cash injection of £6bn next year as part of £10bn added funding.
- NHS in England expected to make £22bn in efficiency savings.
- An extra £600m earmarked for mental health services.
- Grants for student nurses to be scrapped and replaced by loans.
- Cap on training places for nurses scrapped, with goal of increasing numbers by 10,000.
- New social care "precept" in council tax of up to 2% to allow local councils to raise £2bn for social care.
- Better Care Social Fund to be increased by 1.9%. Local authorities will have access to an extra £1.5bn by 2019/20.
- £15m raised from charging VAT on sanitary products to be given to women's health charities.
- To make it harder for people to claim compensation for exaggerated or fraudulent whiplash claims, the government is ending the right to cash compensation.
- More injuries will also be able to go to the small claims court as the upper limit for these claims will be increased from £1,000 to £5,000.

## **Infrastructure, transport and culture**

- Capital funding of transport projects to rise by 50% by 2020.
- £250m support for motorways in Kent to relieve pressure caused by Operation Stack.
- DCMS to see funding cut by 5%.
- Extra cash for Arts Council and 29% increase to UK Sport's budget.
- Free museum entry to be maintained.

## Education

- 500 new schools and university technical colleges.
- FE / Sixth Form colleges allowed to become academies to avoid paying VAT.
- Tuition fee loans expanded to 19 to 23 year olds at levels 3 and 4, and 19+ year olds at levels 5 and 6.
- Protection of HE research budgets and the development of five National Colleges with specific industrial specialisms (Digital Skills (London); High Speed Rail (Birmingham and Doncaster); Nuclear (Somerset and Cumbria); Onshore Oil and Gas (Blackpool); Creative and Cultural Industries (Essex).
- Area reviews of adult education to improve efficiencies.
- Apprenticeship programme:
  - Retention of target of 3 million additional apprenticeships by 2020 – meaning 1 million more by 2020;
  - Establishment of a new business-led body to set standards for apprenticeships;
  - Apprenticeship levy set at 0.5% of business wage bill (for businesses with wage bills of more than £3m) – many micro and small businesses will pay no levy.
- Age cap on new loans to postgraduates to be lifted from 2016-17 so loans are available to all those under 60.
- Introduction of new part-time maintenance loans from 2018-19 to support the cost of living while studying.
- STEM subject tuition loans will be extended to students wishing to do a second degree from 2017-18.

## Science and Innovation

- A new £1.5 billion Global Challenges fund to address the problems faced by developing countries.
- Maintaining the science capital commitment of £6.9 billion between 2015 and 2021 including £150 million to launch a competition for a Dementia Institute.
- Integration of Innovate UK and Research UK with Innovate UK retaining funding but shifting from a grant-based system to business loans. Government is taking forward the recommendations of Paul Nurse's independent review and, to introduce a new body – Research UK – to work across the seven Research Councils. This will take the lead in shaping and driving a strategic approach to science funding, ensuring a focus on the big challenges and opportunities for UK research.
- A review of the Research Excellence Framework in order to examine how to simplify and strengthen funding on the basis of excellence – further details to be announced soon.

- Extension of freedoms granted to Research Institutes at Budget 2015 to all BIS sector research establishments which are not public corporations, and will also grant access to accumulated reserves of commercial income, subject to a cap.
- £130 million capital will be invested in DEFRA science facilities including £5 million for the Centre for Environment, Fisheries and Aquaculture Science to improve its headquarters in Lowestoft.
- Development of international partnerships for clean energy research.
- Shale Wealth Fund to produce communities in shale-producing regions.
- Doubling of support for renewable energy.

## **Business and Enterprise**

- Local government to keep all revenue from business rates by 2020.
- British Business Bank will retain the £400 million of additional funding for Enterprise Capital Funds.
- Small Business rate relief scheme extended for an additional year.
- Industrial strategy – Aerospace / automotive support continues.
- Increased funding for the Aerospace Technology Institute (ATI) and the Advanced Propulsion Centre (APC).
- £24 million investment in digital transformation funding for UKTI to simplify UK trade support online and join-up government services.
- National Infrastructure Delivery Plan due in spring 2016; setting out in detail how it will deliver key projects and programmes over the next 5 years.
- Energy-intensive industries to be exempt from Feed-in-Tariffs and Renewables Obligation.
- £800m additional for tax evasion – businesses to have online system by 2019.

## **Construction & Property**

- Support for housebuilders:
  - 400,000 affordable homes by 2020 (£7bn);
  - Doubling housing budget to £2bn per year;
  - Right to Buy pilots for five housing associations from 25 November 2015;
  - Reforms to planning policy to ensure the release of unused and previously undeveloped commercial, retail and industrial land for starter homes, and support regeneration of previously developed, brownfield sites in the greenbelt, by allowing them to be developed in the same way as brownfield sites elsewhere, providing it delivers starter homes. This will be subject to local consultation, such as through neighbourhood plans;
  - Stamp duty to be 3% higher on Buy-to-let and second homes from April 2016. Reinvestment in areas with affordability problems;



- Restrictions on shared ownership to be removed and planning system reformed to deliver more homes.

## **Northern Powerhouse**

- Science-based and innovative companies in the North.
- £250 million for small modular reactor development and wider nuclear R&D and a nuclear centre of excellence in Sheffield City Region, Greater Manchester and Cumbria, as well as the nuclear research base across the UK.
- £25 million for a Joint Research and Innovation Centre with China, to be based in the North West.
- £375 million over this Parliament for dedicated science and innovation facilities in the North.
- British Business Bank and LEPs in the North West, Yorkshire and the Humber and Tees Valley to create a Northern Powerhouse Investment Fund of over £400 million to invest in smaller businesses, subject to European funding arrangements.
- Together with a separate fund in the North East this will make over £500 million available across the Northern Powerhouse.
- Doubling the size of the Enterprise Zones programme in the Northern Powerhouse, creating seven new Zones and extending a further two Enterprise Zones. A new zone to be created in the NELEP area will benefit County Durham.
- Appointment of Julia King, Professor the Baroness Brown of Cambridge, as Chair of the £235 million Sir Henry Royce Institute, which will build on the North's strengths in advanced materials research and innovation.
- £50 million for two new agricultural technology centres, headquartered in York, which will support innovation and skills in the food and farming supply chain.
- providing an initial investment of £4 million to establish an Anti-Microbial Resistance Centre of Excellence in R&D at Alderley Park, subject to a business case.
- £15 million of funding to support further Northern Powerhouse trade missions including to key emerging economies.
- £7 million will fund a Northern Powerhouse Investment Taskforce, bringing the authorities and businesses of the North together to present a single internationally competitive offer to the world.
- £5 million to expand the Great Exhibition of the North, which will celebrate the great art, design and culture of the North. £15 million Great Exhibition Legacy Fund to pave the way for future cultural investment in the Northern Powerhouse. Appointment of Sir Gary Verity to take this project forward.
- £5 million to support Manchester Museum to create a new South Asia Gallery, in partnership with the British Museum.
- £1 million to create a lasting legacy for Hull's UK City of Culture 2017 and prepare for the next UK City of Culture.
- In 2017, there will be at least five new Northern Mayors, covering 54% of the population of the North, backed by over £4 billion of new funding from central government.

- £150 billion in health spending in the Northern Powerhouse across the Spending Review period, and around £46 billion in schools spending.

## Cabinet

16 December 2015

## Children's Services Update



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### Report of Corporate Management Team

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

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

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#### Purpose of the Report

- 1 The purpose of this report is to provide an update to Cabinet on the national and local developments in relation to Children's Services.

#### Background

- 2 A report was presented to Cabinet on 15 April 2015 providing information on the national and local developments which support early intervention and prevention for effective and rigorous protection of children and young people.
- 3 The report provided Cabinet with an overview of the Children's inspection regime and an update on the transformation journey that has been undertaken in Children's Services in Durham.

#### National Context

- 4 **Single Inspection Framework (SIF):** In late 2013, Ofsted introduced a new SIF for Children's Services, which covers children in need of help and protection, services for looked after children and care leavers, and the Local Safeguarding Children Board (LSCB).
- 5 The SIF operates on a three-yearly cycle and the 'overall effectiveness' is judged as either outstanding, good, requires improvement or inadequate, as will each of the following judgements this is derived from:
  - The experiences and progress of children who need help and protection
  - The experiences and progress of children looked after and achieving permanence, including two graded judgements:
    - Adoption
    - The experiences and progress of care leavers
  - Leadership, management and governance.
- 6 Benchmarking and learning from other Local Authorities who have already been subject to inspection by Ofsted under this framework continues in the service.

To date, 69 Local Authorities have been inspected and had reports published. Of these, 16 (23%) have received an overall effectiveness judgement of 'good'. Over three-quarters are rated below Ofsted's benchmark of 'good', with 36 (52%) judged to 'require improvement' and 17 (25%) as 'inadequate'. No local authorities have been judged as 'outstanding' under the SIF.

- 7 With regard to reviews of the LSCBs in 69 of the local authorities inspected under SIF, 20 have been judged to be 'good' (29%), 36 (52%) as 'requires improvement' and 13 (19%) as 'inadequate'. No LSCBs have been judged to be 'outstanding' under the SIF.
- 8 The overall effectiveness judgement has decreased in 25 (36%) of all Local Authorities inspected and remained the same in 29 (42%). The overall judgement has improved in 15 (22%) of all Local Authorities inspected.
- 9 Ofsted announced on 26 February 2015, that the proposed integrated inspection framework would not be implemented from April 2015, instead 'joint' inspections of Children's Services will begin in the autumn. The inspections will have a tight focus on how well agencies work together to protect children and address specific areas of concern, such as sexual exploitation of children and young people. It is anticipated that six inspections will take place before March 2016.
- 10 [Ofsted](#), the [Care Quality Commission](#) as well as [Her Majesty's Inspectorate of Constabulary](#) and [Her Majesty's Inspectorate of Probation](#) released a consultation on the framework for joint area inspections on 15 July 2015; the outcome of the consultation is awaited.

### **Children's Centre inspections**

- 11 The Minister for Childcare and Education announced in July 2015 a consultation on the future of children's centres. This included a discussion of what accountability framework is needed to best demonstrate their effect. In light of this, the Department for Education (DfE) has agreed with Ofsted to pause the children's centre inspection cycle, pending the outcome of the consultation.
- 12 This means that any children's centre inspections due in the 2015/2016 academic year as prescribed by the Children's Centre (Inspections) Regulations 2010 will not now take place until after the consultation.
- 13 Children's centres are expected to continue their work as usual during this pause, including collecting and monitoring of data in preparation for inspection. Ofsted will continue inspection of early years provision on the site of children's centres as part of the new common inspection framework implemented from September 2015. Ofsted will also continue to respond swiftly to any complaints or safeguarding concerns in children's centres.

### **Child Protection Taskforce**

- 14 In June 2015 the Prime Minister announced a new taskforce to drive forward fundamental reforms to transform child protection.

- 15 Chaired by the Secretary of State for Education the taskforce will focus on transforming social work and children's services, improving inspection and tackling child sexual exploitation. It will join the 10 other implementation taskforces, including the [digital taskforce](#), already established across government to monitor and drive delivery of the government's cross-cutting priorities.
- 16 The taskforce's terms of reference are to drive improvements in the protection of vulnerable children by extending and accelerating reforms to the quality of children's social work practice and leadership; promoting innovative models of delivery; and overhauling the way that police, social services and other agencies work together locally.

## **Youth Justice**

- 17 The Lord Chancellor and Secretary of State for Justice announced the national review of the Youth Justice System, on 11 September 2015. The Youth Justice Board (YJB) has welcomed the review.
- 18 Led by Charlie Taylor, the former Chief Executive of the National College of Teaching and Leadership, the review will look at evidence, current practice and governance arrangements in preventing youth crime and rehabilitating young people who offend and explore how the youth justice system can most effectively interact with wider partner services for children and young people. The results of the review will be reported in summer 2016.
- 19 Following an announcement by the Secretary of State for Justice, the YJB issued a consultation in August 2015 in respect of the proposed 10.6% in year cut to the Youth Justice grant to Youth Offending Teams (YOTs). The County Durham Youth Offending Service Management Board and the Association of Directors of Children's Services (ACDS) responded and the outcome is due in mid-November 2015.

## **Regional Context**

### **Child Sexual Exploitation (CSE)**

- 20 The region continues its commitment to addressing CSE and has established a North East Tackling Exploitation Board which includes senior representatives from local authorities, the three police forces in the region, NHS England and a local academic. The Board seeks to progress actions from a regional workshop held on 4<sup>th</sup> September 2015 on Lessons Learnt from Operation Sanctuary around tackling the exploitation of children and vulnerable adults.

### **Training**

- 21 A regional website is also being developed to bring together all the new workforce initiatives within the region including participation in Frontline, Step Up to Social Work, Think Ahead and to promote our regional masterclass programme.

- 22 In September 2015 The Association of Directors of Children's Services (ADCS) commenced recruitment to Cohort 1 of the North East Aspirant DCS programme in partnership with the Virtual Staff College, this involved 25 participants from local authorities across the region currently working at second and third tier level (Assistant Director / Head of Service).
- 23 Discussions are underway with all 12 local authorities and the universities in the region (plus York University) about the future of social work training within the region in the context of the Teaching Partnerships paper published by the Department for Education. The Chief Executive of the Virtual Staff College will facilitate a session later in 2015 between all parties around scenario planning of the different models possible within the region.

### **Regional Adoption agencies**

- 24 In June, 2015 the Department of Education (DfE) set out proposals to move to regional adoption agencies to help speed up matching and markedly improve the life chances of neglected and damaged children; improve adopter recruitment and adoption support; and reduce costs.
- 25 The Government are providing £4.5m of support to early adopters of regional adoption agencies to accelerate their development and early implementation in 2015-16. The overall aim of this funding is to stimulate initial change in the sector. Therefore, the Government are looking to work with local authorities, voluntary adoption agencies and other organisations who wish to redesign radically their approach to adoption in 2015/16. Decisions on funding for 2016-17 and beyond will be subject to the Spending Review.
- 26 Two bids covering Tees, Northumberland, Newcastle, North Tyneside and Gateshead have been submitted in the first round to the DfE.
- 27 DfE has made clear their expectations that regional proposals will proceed although Durham currently sits outside these bids, the regional ACDS group has agreed to establish a task and finish group to develop a regional response in a future round.

### **Local Context**

#### **Child Sexual Exploitation (CSE)**

- 28 The Durham Local Safeguarding Children Board (LSCB) has prioritised work on Child Sexual Exploitation (CSE) since 2011. Child Sexual Exploitation was identified as a strategic policing requirement in March 2015. CSE is also a community safety priority as outlined in Louise Casey's inspection report of Rotherham Metropolitan Borough Council.

29 The LSCB Missing and Exploited Sub-Group (MEG) carried out an analysis of Child Sexual Exploitation in County Durham in 2014 and this has recently been updated to cover the period April 2014 to March 2015. The analysis found that:

- Online CSE continues as the most common model of sexual exploitation. The prevalence of this has increased (from 25% to 37%).
- There were 230 young people identified as at risk of CSE.
- Little community intelligence is being gathered or submitted.
- The online model of CSE continues to be the most common.
- Most victims are female with the most common age being between 13-16 years.
- Most common nationality of perpetrators is British, people from the Middle East make up only 3%.
- Perpetrators of online CSE can reside anywhere in the world and can be difficult to identify and convict. Online vigilantes are an emerging trend identified in the data.

30 The majority of young people identified as “at risk of sexual exploitation” will not have been the victim of actual abuse. Each of these young people has been referred to the First Contact Service, where an initial risk assessment has been undertaken, using a CSE risk matrix, to ascertain whether the child was at low, medium or high risk. For those assessed at low risk, the referral has been passed to the One Point service for early help. Medium and high risk cases are allocated to the locality team manager of the Children’s Services Assessment and Intervention teams to coordinate multi-agency support for each young person.

31 Seen in historical operations into CSE, ‘Position of Trust’ is a newly considered model which was not presented in previous profiles. This involves a perpetrator employed or volunteering in a position where the young person would be expected to trust that person who then goes on to sexually exploit the victim.

32 There are strong links between sexual exploitation and those young people who are reported missing from home. LSCB audits for both CSE and missing children incidents have highlighted a range of risks associated with those young people who go missing including sexual exploitation, mental health, alcohol or drugs. The offender profile is one of ‘street grooming’ and use of social media to exploit children.

33 The LSCB Child Sexual Exploitation Strategy and action plan 2014-2017 outlines the key actions to be progressed to achieve the strategic aims of:

- Prevent – making it more difficult to exploit children
- Protect – identifying and safeguarding children who are at risk
- Pursue – the offenders, disrupt and where possible prosecute their activity

34 Progress against actions over the last six months includes:

- Intervene to Protect a Child’ (IPC) training - a new and proactive training tactic to identify and disrupt offenders.

- Developing stronger relationships with communities through Area Action Partnerships (AAP), raising awareness of CSE and how to report concerns or intelligence of CSE.
- Working with primary and secondary schools to advise on internet eSafety, utilising Sexual Relationships Education (SRE) to deliver messages on consent and healthy relationships and through the ChildLine Schools Service using workshops and assemblies delivered by specialist trained volunteers, to educate primary school children, aged nine to 11 years old to understand abuse and help them stay safe.
- Widening our CSE training and awareness to those services not traditionally associated with safeguarding.

- 35 This has led to a programme of voluntary training for taxi drivers with over 600 taxi drivers trained and further sessions planned for later in the year. The sessions have been delivered by police and LSCB trainers with a CSE expert on hand at each session. The sessions have been coordinated by the LSCB Business Unit and Environment Health and Consumer Protection (EHCP). The sessions have also enabled police to gain intelligence from taxi drivers prompted by the training received.
- 36 The MEG plan to continue the training in 2016 and to widen the invitation to other external services such as Hotels, Take Away outlets, Off-licence trade and internally to staff such as Waste and Recycle Teams, Environmental Services, and Neighbourhood Wardens.
- 37 The 'ERASE' brand (Educate and Raise Awareness of Sexual Exploitation) has been created to tackle child sexual exploitation (ERASE offers parents and carers advice on how to communicate with their children about who they speak to on-line and off-line)
- 38 A dedicated multi-agency ERASE team was launched in August 2015 focusing on early identification of young people at risk and suspected offenders to prevent further missing / absent episodes and further improve our response to child sexual exploitation.
- 39 The ERASE website was launched in November 2015. The front page has links for younger children, older children, parents/carers and professionals and also links to the LSCB website.
- 40 A CSE Disruption Toolkit has also been developed to enable practitioners to highlight to the police risk factor behaviour around potential perpetrators. The use of this toolkit continues to be promoted in presentations and awareness raising events.
- 41 Durham County Council has undertaken and completed an internal review of CSE to provide assurance on the activity and governance in place the findings of which were considered by Corporate Management Team on 14<sup>th</sup> October.



## Multi Agency Safeguarding Hub (MASH)

42 Launched on 2<sup>nd</sup> March 2015 the MASH consists of a multi-disciplinary team which works together as part of the First Contact Service to screen, gather, analyse and share information relating to concerns about children in County Durham who may be at risk of harm, or who need support services. The team also has access to information via single point of access (SPOC) across a range of organisations who specialise in mental health (Tees Esk and Wear Valleys NHS Foundation Trust) and drugs and alcohol (through the new provider, Lifeline).

43 The MASH team is made up of a MASH Co-ordinator, Social Workers and School Attendance Enforcement Officer (from Children's Services), a Detective Sergeant and Detective Constable, a Senior Safeguarding Nurse and a Harbour Domestic Abuse Service Co-coordinator. Single points of contact are in place for children and adolescent mental health services (CAMHS), assessment and intervention, the substance misuse service and the community rehabilitation company.

44 Since their launch the MASH has dealt with 3,623 concerns about children and young people. Further achievements include:

- Information shared at the point of referral has led to quicker and better informed decisions about risk.
- Information is more easily accessible and has resulted in more timely referrals to the right services
- A collective understanding of thresholds has improved consistency of families referred to the appropriate service.

## Serious Case Reviews

43 The Local Safeguarding Children's Board (LSCB) has initiated six serious case reviews since 2014 where a child has been seriously harmed and/or there are concerns about how organisations or professionals worked together to protect the child. Two serious case reviews have been published and action plans put in place to ensure lessons learnt are put into practice.

## Local Inspection activity

44 Inspected annually, the overall position at 1 October 2015 with regard to Durham County Council (DCC) children's homes is shown below

Name	Full inspection date	Full inspection overall judgement	Interim inspection date	Interim inspection overall outcome
Blackgate East	11.08.14	Good	21.10.14	Sustained effectiveness
Aycliffe Secure	17.09.14	Good	27.01.14	Good progress
Park House	07.10.14	Good	05.03.15	Improved effectiveness
Cedar Drive	17.11.14	Good	25.03.15	Improved effectiveness

Attlee Estate	25.11.14	<b>Adequate</b>	27.03.15	Improved effectiveness
New Lea House	25.11.14	<b>Good</b>	10.02.15	Sustained effectiveness
12 Brough Close*	02.12.14	<b>Adequate</b>	26.03.15	Improved effectiveness
Moorside	02.12.14	<b>Good</b>	10.03.15	Improved effectiveness
Newton Drive	05.01.15	<b>Good</b>	25.03.15	Improved effectiveness
West Rainton	09.01.15	<b>Good</b>	04.08.15	Improved effectiveness
High Etherley	21.07.15	<b>Outstanding</b>	28.01.15	Improved effectiveness

\* 12 Brough Close closed on 31 August 2015.

### Children's Social Care Innovation Programme

45 Durham was successful in two bids to the Children's Social Care Innovation Fund.

46 The first was for £496,000 for a therapeutic support programme at Aycliffe secure centre for children that have been sexually exploited. This offers targeted support in helping young people deal with trauma and in making the transition from the secure setting into more independent living. The Durham Unit team became operational from 18 May 2015 and the service is being delivered in partnership with Barnardos and Odysseus Mentoring Project.

47 The funding allows for a three pronged approach:

- Therapeutic and mentoring services are being offered within a secure unit for a minimum of 3 months and then up to 3 months as part of resettlement into the community (up to 18 months for the mentoring services). A step down facility is available as part of the transition.
- New training programme for Aycliffe staff in CSE and trauma to prioritise more effective interventions.
- Clinical supervision for staff to embed the training and provide increased awareness and learning so that a therapeutic culture is developed on the unit.

48 The Durham Unit is 6 months into its support programme and is awaiting its midway evaluation report, which will be carried out by Oxford University in November 2015.

49 The second successful bid was for £3.26 million to deliver on a large scale a new approach to social work and to work with families, building on the learning from past initiatives in Durham and elsewhere.

50 Progress on the main innovative elements of Durham's programme are as follows:

- (a) **Creation of Families First Teams** - all three first stage integrated early help and social work teams achieved 'go-live' week commencing 20<sup>th</sup> July 2015, with the teams adopting flexible ways of working.
- (b) **Third sector alliances have been strengthened** with positive regional interest in Durham's developments. A memorandum of understanding (MOU) has been finalised, which underpins the voluntary community

sector (VCS) Alliance Model, the model provides long-term and sustainable help and support for children, young people and families.

- (c) **An intensive workforce development programme has commenced** - all staff in stage 1 teams received induction training prior to go-live with further staff events held in September and November 2015. The pilot reflective practice model which promotes integrated working has been agreed and commenced in November 2015.
- (d) **Enhanced service user engagement** is a key feature of the Innovations Programme and ongoing staff and partner engagement and briefings held regularly. Stage 1 Go Live area was launched on 29<sup>th</sup> September 2015 at Shotton Hall Conference Centre. The event was opened by Councillor Tracie Smith, Cabinet Support Member for Children and Young People's Services and was well attended with over 180 participants from across all partnership agencies.

- 51 The evaluation of the programme is ongoing and an interim report has been produced and submitted to the Department for Education (DfE). A Service User Survey and Staff Survey took place during October to November 2015 and the results are awaited. Dedicated research staff have been appointed and trained to progress future evaluation of the programme
- 52 Work is on target with phased implementation of the remaining seven Families First teams between January and February 2016.

### **Stronger Families**

- 53 Durham successfully implemented and delivered Phase 1 and met its full target of 'turning around' 1,320 families by March 2015.
- 54 Following Durham's invitation in August 2014 to be one of the of the Troubled Families programme's Early Starters Durham will work with 4,330 families and deliver Phase 2 over a 5 year time period.
- 55 This new phase includes much broader eligibility criteria enabling the majority of families worked with by social care services to be part of the programme and to achieve results payments. There is a very clear need to shift our focus to ensuring families are worked with in such a way that supports significant and sustained change.
- 56 All programmes are required to develop a local Family Outcome Framework (FOF), describing the programme's identification criteria and outcomes.
- 57 The key actions for phase 2 include:
- Embedding the use of the FOF and development of outcome-focused care plans.
  - Coordination of the workforce development with the Service Transformation and Innovations Programme and LSCB.

- A range of ICT developments to help manage the information requirements of the expanded programme, including Family Progress Data and outcomes evidence collection for payment-by-results.
- Revise the payment-by-result methodology and grant terms of reference with our Internal Audit service.
- Carry out a 'refresh' of the cost saving calculator data once data is available and investigate the cases where there is a particular increase in the costs associated with fostering and residential care.

58 The Stronger Families programme has informed the development of the Children's Services Innovations programme. Stronger Families will cease to be identifiable as a separate programme, and will become the core of new Families First teams. This will make best use of the learning and expertise built during the programme, but also the resources generated through the programme, in order to achieve improved outcomes for all vulnerable families in County Durham.

### **Youth Offending Service (YOS)**

59 A peer review of County Durham (CDYOS) took place in October 2015 following a request by the Senior Leadership Team and approval by the Chair of the Management Board in late 2014.

60 Youth Justice Peer Reviews are part of the sector-led improvement process and are designed to be collaborative an opportunity at no cost for CDYOS and the Management Board to gain a fresh perspective on the service from critical friends.

61 The scope of the peer review and specific key lines of enquiry (KLOE) were agreed at a scoping meeting in August 2015. The focus of the review was to examine how CDYOS, with its partners, is delivering youth justice services. The overarching aim was to review the developments put in place since the Short Quality Screening (SQS) inspection (July 2014) and the effectiveness of the restructure (February 2014). Specific KLOEs included reviewing restorative justice practice and the young person's pathway through the service.

62 Initial findings of the review have been shared on 16 November 2015 with the Management Board and CDYOS Management Team and the report has been received. The review found a high partnering service, but has made some recommendations for further focus and improvement which will form the basis of an improvement action plan.

63 Additionally CDYOS gave evidence to the All Party Parliamentary Group on Speech and Language Difficulties on 19 October 2015. The CDYOS presentation showcased the progress and key learning from the Service's Speech, Language and Communication Needs (SLCN) Strategy, which commenced in March 2014.

## Performance

- 64 Improvement in performance is shown across a range of key indicators. As at the end of September 2015 reductions and favourable benchmarking comparison are shown in the number and rate of children in need (339.8 per 10,000) and the number and rate of children whose needs are met through a Child Protection Plan (33.9 per 10,000).
- 65 The rate of children in need re-referrals is also reducing, with 21.8% referred again within 12 months of a previous referral, and with 9.7% of children requiring a child protection plan for a second or subsequent time within 2 years of the last one (April – September 2015).
- 66 As at end of September 2015, a high proportion of our looked after children are in foster care, (82.3%) with only 8.5% in residential care. Provisional data as at 31<sup>st</sup> March 2015 shows 90.6% of our children are placed within 20 miles of home; 78.6% within the boundaries of County Durham, a much better rate than national levels.
- 67 There has been improvement in the timescales for the average number of days between a child entering care and moving in with its adoptive family (for those who have been adopted) from 533 days in 2013/14 to 449 days for 2014/15. For quarter 1 2015/16 Durham's average continues to improve (433 days) and shows a favourable position when compared to the national average of 523 days.
- 68 The work and performance outlined above has been achieved through continued budgetary pressures, the demands of possible inspection and whilst austerity measures continue. There is a continuing difficulty in recruiting social work middle managers. Additionally caseloads remain high in some teams although actions have been taken to reduce this pressure, which are beginning to have an impact Children's Services has embarked on an ambitious programme of transformation whilst ensuring existing services continue to deliver good services to children and their families.

## Recommendations

- 69 Cabinet is recommended to:
- Note the contents of this report.
  - Agree to receive further updates in relation to the transformation of Children's Services on a six monthly basis.

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**Contact: Carole Payne, Head of Children Services Tel: 03000 268657**

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## Appendix 1: Implications

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**Finance** – Substantial efficiencies have already been delivered through this approach as part of the Medium Term Financial Plan. Further efficiencies are planned. The successful bid to the Children’s Innovation Fund will result in funding of £3.26m coming in to the authority to be used to develop new approaches to children’s social care. As part of the Children’s Innovation Fund an additional £496,000 bid was successful for a therapeutic support programme at Aycliffe secure centre for children that have been sexually exploited. Plans are in place for the ending of this additional support.

**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 the protection of children remains robust and the system is not de-stabilised during transition.  
Risk to the safety of children and young people of failure to prevent CSE.  
Major reputational risk to the Council of failure to prevent and address CSE.

**Equality and Diversity / Public Sector Equality Duty** – The needs of vulnerable children and families will be better met through implementation of these changes

**Accommodation** – The innovation programme will require relocation and co-location of staff teams across the county, which will be managed within existing resources.

**Crime and Disorder** – Effective partnership working through the Safe Durham Partnership.

**Human Rights** - None

**Consultation** – Any changes to workforce will be subject to consultation with affected staff.

**Procurement** – None at this stage

**Disability Issues** – None at this stage

**Legal Implications** – There are a number of key policy developments/initiatives that have led the way and contributed to the Children’s Services Transformation agenda in County Durham. All changes must be compliant with legal requirements

**Cabinet**

**16 December 2015**



**Care Leavers Strategy**

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**Report of Corporate Management Team**

**Rachael Shimmin, Corporate Director Children & Adults Services**

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

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**Purpose of the Report**

- 1 The purpose of this report is to present a Care Leavers Strategy for Durham County Council.

**Background**

- 2 The National Care Leavers Strategy was launched in October 2013 and sets out the actions that government departments will take in order to improve the support care leavers receive during their transition to adulthood and independence. A 'one year' on progress update to the Care Leavers Strategy was launched by the Department of Education in October 2014. These documents set out clear expectations for local authorities' support for care leavers. In order to summarise how the Council will meet all expectations placed on the local authority, a three year Care Leavers Strategy has been produced and is attached.
- 3 Nationally, outcomes for care leavers are poor compared to their peers. This strategy sets out the Council's ambition and intentions for this very vulnerable group in the following areas;

**Physical Health & Mental Health**

- 4 Children often enter the care system with a poorer level of physical and mental health than their peers, and their longer-term outcomes remain worse.
- 5 Young people making the transition to adulthood may have continuing health needs that require ongoing treatment. The Department of Education Statutory Guidance – Promoting the health and wellbeing of looked-after children (2015) states that local authorities should ensure that there are effective plans in place to enable looked after children aged 16 to 17 to make a smooth transition to adulthood, and that they are able to continue to obtain the health advice and services they need.

## **Housing and Staying Put**

- 6 Care Leavers are a vulnerable group of young adults who have particular needs in relation to housing and homelessness. Nationally around a quarter of those living on the streets, have a background in care.
- 7 Securing better placement stability and increased choice will enable young people to stay safe. Young people are discouraged from leaving their final placement until they are ready to manage on their own, with ongoing support as required. We aim to secure placement stability through increased placement choice.

## **Education and Attainment**

- 8 There continues to remain a gap between the educational achievements of care leavers and their peers. In 2014, 5% of Durham's former relevant young people were in higher education (6% England average), in comparison to 31% of 'all' young people in Durham in higher education (Department of Business, Innovation and skills).
- 9 Care leavers are less likely to achieve 5 A\*-C GCSE's. In 2013, 20% of Durham's children continuously looked after for 12 months achieved 5+ A\*-C grades at GCSE and equivalent including English and Maths (15% England average), in comparison to 63.1% of all children in Durham achieving this.
- 10 It is a priority that care leavers receive the support they need from schools, colleges, universities and local authorities to maximise their educational attainment and employment opportunities.

## **Employment and Training**

- 11 Employment and training not only provides the best route out of poverty, it also delivers positive change for individuals and for communities across County Durham. Having a job or accessing appropriate training provides structure, a sense of purpose, progress, achievement, encourages self-confidence and personal responsibility for young people who are Care Leavers.
- 12 As a lower proportion of Care Leavers are participating in education, employment and training, it is essential that they receive additional support to enable to progress through learning and into sustainable employment. Therefore through focused action and support and in partnership with other agencies and Council departments, we will strive to increase the number of care leavers in Durham who are in employment, education and training.



## **Access to Ongoing Advice and Support**

- 13 Care leavers require support and guidance before and after they turn 18. The Department for Education have issued regulations and guidance, 'Transitions to Adulthood' which sets a clear expectation that local authorities continue to stay in touch and support young people when they leave care through pathway planning until the young person reaches 21 and up to 25 if he or she stays in education. As an authority we have signed up to the Care Leavers Charter which is a set of principles that capture the aspirations and needs of young people. The Charter endorses the principle of staying in touch with young people when they are no longer anybody's statutory responsibility.

## **Financial Assistance**

- 14 Having timely financial help is crucial when you do not have the support of family to fall back on. Care leavers find it difficult to navigate services and work out what financial support they are entitled to. As a local authority we are committed to ensuring that care leavers are adequately supported financially in their transition from care to adulthood to enable young people leaving care to have the same opportunities to fulfil their potential as their peers.

## **Justice System**

- 15 We recognise that young adults who have been in care can be particularly vulnerable as they transition into adulthood, particularly if they are in the criminal justice system. They are also a particularly vulnerable group that are at risk of being drawn into crime. Care leavers can also be particularly vulnerable to becoming a victim of crime, including in some cases falling victim to grooming and exploitation online or offline.

## **Consultation Process**

- 16 There has been a broad consultation, involving:
- Children in Care Council
  - Corporate Parenting Panel
  - CMT
  - LSCB
  - Children & Families Partnership
- 17 The final strategy reflects the comments provided during this process.

## **Recommendation**

- 18 Cabinet is asked to:
- Consider and approve the attached 'Care Leavers Strategy'.

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**Contact: Carole Payne, Head of Children's Services Tel: 03000 268657**

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## Appendix 1: Implications

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**Finance** – N.A

**Staffing** – N.A

**Risk** – N.A

**Equality and Diversity / Public Sector Equality Duty** - The Care Leavers Strategy highlights how we will provide care leavers with the same opportunities as their peers.

**Accommodation** - The strategy highlights the range of accommodation available to our care leavers.

**Crime and Disorder** - N.A

**Human Rights** - N.A

**Consultation** - A range of operational teams, services and CSSMT have been consulted within during the development of this strategy. The Young People's Service has consulted with young people about the strategy.

**Procurement** - N.A

**Disability Issues** - N.A

**Legal Implications** - As a local authority we have statutory obligation to provide support services to care leavers. These are reflected in the strategy.

# Care Leavers Strategy

2015 – 2018

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## 1. Introduction

As Corporate Parents we want to give Care Leavers every opportunity to be happy, healthy and safe and to achieve their full potential. It is important that their transition into adulthood is positive and that all young people have the necessary life-skills, confidence and experience to enable them to thrive.

The responsibility for meeting the needs of Care Leavers requires a multi-agency approach involving the Young People's Services within Children's Services, our partners and the council as a whole.

This Strategy is supported by a Care Leavers Action Plan (2014-2018) which outlines how the priorities within this document will be delivered.



## 2. Care Leaver Definition

The term 'care leavers' as defined in The Children (Care Leavers) Act 2000 refers to eligible, relevant and former relevant children:

- Eligible children are those young people aged 16-17 who are still in care and have been 'looked after' for a total of 13 weeks from the age of 14 and including their 16<sup>th</sup> birthday;
- Relevant children are those young people aged 16 and 17 who have already left care, and who were 'looked after' for at least 13 weeks from the age of 14 and have been 'looked after' at some time while they were 16 or 17;
- Former relevant children are those young people aged 18, 19 or 20 who have been eligible and/or relevant.

Care Leavers can also be classified as 'qualifying' care leaver. This category applies to young people who:

- Left care after 1st October 2001, after they had turned 16, but who are not 'eligible' or 'relevant' because they did not fulfil the 13 week criteria.
- Were accommodated, but in residential education, mental/health provision private fostering or Special Guardianship.

For this category of care leaver, local authority help is discretionary, but can include advice, assistance, be-friending, help with education and training costs and the provision of accommodation during college/university vacations.

### **3. Purpose**

This Strategy reflects a 'whole' system integrated approach to support Care Leavers. It provides a framework for the Council, elected members, officers and partners to fulfil our duties and responsibilities as Corporate Parents of Care Leavers.

The document outlines what we have achieved and areas that we would like to develop further.

The successful implementation of this strategy will result in the following benefits:

- Improved health and well-being of our Care Leavers;
- Emotional resilience;
- Improved placement stability, safety and quality;
- Better attainment at school / college / university for our young people;
- Young people leaving care on an educational or work route that meets their ambitions;
- The best use of available resources.

### **4. National Context and Guidance**

Around 10,000 young people leave care in England each year aged between 16-18 years old. They leave home at a younger age and have more abrupt transitions to adulthood than their peers.

The Department for Education sets out its vision and strategy for Care Leavers in the Care Leavers Strategy 2013.

Care leavers should expect the same level of care and support that other young people get from their parent(s). The strategy is based on the principles of good corporate parenting and sets out the government's commitment to remove some of the practical barriers that care leavers face as they progress into adulthood. The strategy wants to see 'holistic and quality support provided in all mainstream and specialist services; services should be integrated, simplified and should treat care leavers with respect and dignity'.

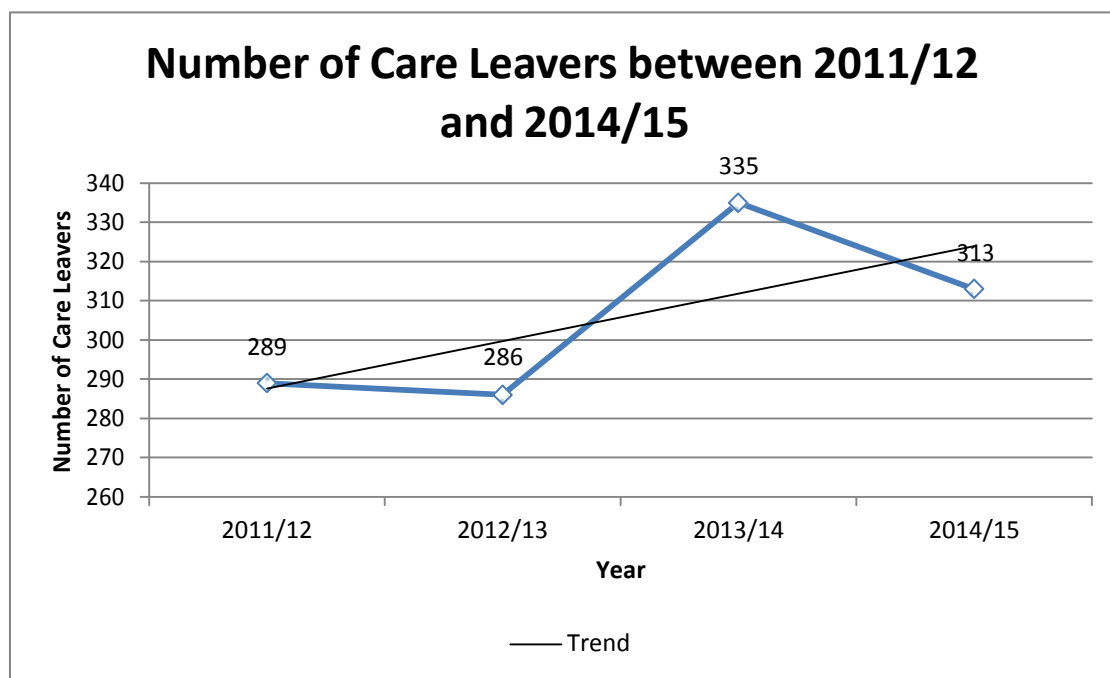
The broad areas of concern for care leavers in Durham which are also captured in the strategy are:

- Physical Health and Mental Health
- Housing and Staying Put
- Education and Attainment
- Employment and Training
- Access to ongoing advice and support
- Financial Assistance
- The Justice System

## 5. Local Context and Our Vision

Between 2011/12 and 2014/15 Durham has seen a 7.7% overall increase in the number of care leavers that it has. This upward trend is reflected in Graph 1 on page 3.

Graph 1 – Care Leaver Trend



As soon as a looked after child turns 15 years old the Young People’s Service works closely with the Looked After Service, becoming involved in the young person’s pathway plan and providing ongoing support to develop independent living skills. When the young person reaches the age of 18 they are assigned a Personal Advisor, unless the young person is a young parent or has complex needs then the case remains with the Social Worker. The Personal Advisor will support the young person in their life choices and providing practical support. If a former relevant young person chooses to remain in further education they can remain in supported lodgings until the age of 25 with the support of a Personal Advisor.

**Our vision is that:**

***“All care leavers are in appropriate accommodation, feel supported and are able to maximise their potential”***

*Durham’s Highlights:*

- 49% of our Care Leavers in 2014 were in education, employment and training (EET), in comparison to the England Average of 45% and the regional average of 50%.
- In 2014, 74% of our Care Leavers were in suitable accommodation, below national rates at 77.8% and statistical neighbour rates of 84%.

- Between 2011-2013 (a three year average), 20% of our Care Leavers looked after continuously for 12 months achieved 5+ A\* - C grades at GCSE and equivalent in English and Maths, which is greater than the England average of 15% and our statistical neighbour Wakefield at 15%.
- We were in the final of the 'Local Government Chronical (LGC) Award' for our model of holistic temporary accommodation.
- We participated in the 4 year peer research study which focuses upon 'Corporate Parenting'. Catch22 led on this study.

Please refer to Appendix 5 of this document for further performance information.

## 6. Our Promise

Children and young people that are looked after have the right to the same outcomes as every child in County Durham – to ensure that children and young people are kept safe from harm and are enabled to 'believe, achieve and succeed'.



Our 'promise' to all children and young people in care is:

- To treat you with respect and as an individual;
- To help find you the best available home where you feel safe, cared about and treated well for as long as needed;
- To help you stay in touch with family and friends like other young people not in care where it is safe and appropriate;
- To take what you say seriously by listening to you and trying to act on what you say;
- That you will have a Social Worker who will get to know you well and who will keep in contact and listen to what you say;
- To really listen to things you would like to change about the care system to make your daily life better where there are problems;
- To work in an open and honest way and share any information or changes with you;



- To involve you in any decisions, plans and changes that affect you and your future and your Social Worker, Independent Reviewing Officer and carers will make sure that this happens;
- To make sure we offer you the opportunities, guidance and support needed in placement, in education and all other areas of life;
- To help you be the best that you possible can at school, college, training and employment;
- To give you all the support and help you need to make a success of moving on from care to adult life;
- To work together and support you during every transition in your life while you are looked after, for example during placement moves, when you are leaving care and similar situations.

See appendix 2 – Our Promise

## 7. Corporate Parenting and Governance

The Corporate Parenting Panel in Durham recognise that they have a critical role in both setting the strategic direction of the council's services and in determining policy priorities. The Corporate Parenting Action Plan sets out 3 priority areas (see appendix 2). These are:

- Employment, education and training (EET);
- Care Leavers; and
- Placement Stability

**We will:**

*“Continue to be excellent parents for care leavers and wish to see every care leaver have the very best experience and chances in life, as any good parent would expect”*

## 8. Strategic Priorities

We have outlined 7 key strategic priorities for the local authority over the next 3 years. These are in line with those prioritised outlined in the National Care Leaver Strategy.

### (i) Physical Health and Mental Health

Children often enter the care system with a poorer level of physical and mental health than their peers, and their longer-term outcomes remain worse.

Young people making the transition to adulthood may have continuing health needs that require ongoing treatment. The Department of Education Statutory Guidance – Promoting the health and wellbeing of looked-after children (2015) states that local authorities should ensure that there are effective plans in place to enable looked after children aged 16 to 17 to make a smooth transition to adulthood, and that they are able to continue to obtain the health advice and services they need.

**We will continue to:**

- *Support the emotional wellbeing of care leavers so they are able to reach their full potential. Ensure that each Looked After Child and Care Leaver has an up to date statutory health assessment and a plan that outlines how their physical and emotional health needs will be met. These will be of high quality and will be timely.*
- *Make sure that health plans include personal and family health histories in order to enhance the value of health plans and facilitate better awareness of health needs, including when children return home.*
- *Ensure that all Care Leavers have access to and understand their full health history. They will have access to all key documents such as birth certificate, passport, national insurance number and NHS number.*
- *Ensure that Care Leavers receive advice and support from health services to enable the transition into adulthood.*
- *Ensure that Care Leavers have advice on health matters prior to moving onto independence or semi-independence and have ongoing support. This will provide knowledge of their health history so that Care Leavers are empowered to manage their own health needs.*
- *There will be an emphasis on partnership working between the young person and their personal advisor, and the designated doctor and nurse who will be involved in the young person's health assessment.*



- *Ensure that personal advisers have access to information and training about how to promote physical and mental health.*
- *Make sure that the last statutory health assessment before a child leaves care includes a discussion between the nurse and the young person about their overall health needs and future health prognosis, based on assessment of their health chronology and assessment that have been undertaken.*
- *Ensure that a young person health plan and pathway plan enables looked after children and care leavers to understand how they can promote their own health in the future by adopting healthy lifestyle choices e.g. diet, substance misuse, risk taking behaviours and emotional well-being, pregnancy, keeping safe, sexual health and the benefits of sport and exercise.*
- *Ensure that commissioning arrangements for health provision addresses inequality for care leavers and ensure they are a priority group.*
- *Continue to provide the Full Circle Service which is joint-funded with CAMHS that provides services to support and promote the emotional and psychological wellbeing of Looked After Children, young people and their carers.*

**We will:**

- *Explore potential options for extending referral criteria to include access for all Looked After Children and Care Leavers to emotional health and wellbeing services. This will prioritise short term placements, new placements, placements which may be at risk of breakdown and care leavers. The difficulties faced by Care Leavers in receiving mental health services has been highlighted by young people and their needs will be addressed within this review.*
- *Develop policy and guidance so that all children, young people and care leavers can have access to support and specialist services to help them understand their past and reasons why they became looked after e.g. through life-story work, revisited at key stages as they grow up.*

## **(ii) Housing and Staying Put**

Care Leavers are a vulnerable group of young adults who have particular needs in relation to housing and homelessness. Nationally around a quarter of those living on the streets, have a background in care.

Securing better placement stability and increased choice will enable young people to stay safe. Young people are discouraged from leaving their final placement until they are ready to manage on their own, with ongoing support as required. We aim to secure placement stability through increased placement choice.

In 2013/14, 74% of Care Leavers (aged 19, 20 and 21) in Durham lived in suitable accommodation, in comparison to the England average of 77.8%. In 2014/15 we have set a target of 95%. This target will be supported by our 'Staying Put Policy', which was implemented in 2014, enabling young people to leave stable and secure homes when they are ready and able to make the transition to independence. It also helps young people enter adult life with the same opportunities and life prospects as their peers.

Staying Put enables care leavers to continue living with their foster carers when they reach the age of 18. This is an 'arrangement' whereby a young person, who when they became 18 was in law an 'eligible child' placed with a foster carer, continues to live with that person. This arrangement can continue until the young person becomes 21, or stops living in the household before then. A young person who enters into a staying put arrangement is likely to view this as continuation of fostering and to refer to the person providing the care as their foster carer, in much the same way. Similarly, staying put carers will often view the arrangement as just an extension of fostering.

If a young person cannot stay within the family network or does not feel that this option is appropriate to them, our Young People's Service is able to offer tailored accommodation options that provides a pathway between care and independence. When it is appropriate for a young person to return home, we will support the young person to do this, through a package of support.

Durham is part of the 'New Belongings Project', which is led by the Care Leavers Foundation and supported by a grant from DfE. This will enable us to access resources and expertise. The aim of the project is to improve radically the lives of care leavers, not just through the initial transition, trauma and adjustment of leaving care, but by enabling care leavers to become citizens, participants, and full members of their communities and wider society. The project will support us to embed key principles and the Charter of Care Leavers into local services and communities. A project group has been established to drive forward this area of work.



**We will continue to:**

- *Take appropriate steps to increase the number of Care Leavers in suitable accommodation.*
- *Support Care Leavers to move into a Staying Put arrangement with their carer(s) if this is what the young person and carer wants.*



- *Use a 'Pathway Plan' for young people in care which provides a range of support and different types of semi-independent living accommodation which supports different levels of independence and transitions to adulthood.*
- *Commission a range of placements to meet the needs of young people who have come through the care system and are moving towards independence, including those young people who come into care as 16 or 17 year old Unaccompanied Asylum Seekers.*
- *Increase and improve the capacity for Supported Lodgings for the 16-19 year group. This will provide accommodation and support to young people who cannot 'Stay Put' or who wish to move. This will include provision of placements for vulnerable young people and young people with complex needs/behaviours that preclude them from mainstream supported accommodation options within County Durham.*
- *Apply a zero tolerance approach to the use of bed and breakfast accommodation for young people involved with our service. Only in an extreme emergency will bed and breakfast accommodation be used (for a maximum of 2 days).*

**We will:**

- *Develop a 'no eviction policy' with HTASS and Supported Housing Schemes within County Durham, which will result in improved placement stability.*
- *Implement the 'New Belongings Project' which will deliver a range of benefits and improved outcomes for Care Leavers.*

### **(iii) Education and Attainment**

There continues to remain a gap between the educational achievements of care leavers and their peers. In 2014, 5% of Durham's former relevant young people were in higher education (6% England average), in comparison to 31% of 'all' young people in Durham in higher education (Department of Business, Innovation and skills).

Care leavers are less likely to achieve 5 A\*-C GCSE's. In 2013, 20% of Durham's children continuously looked after for 12 months achieved 5+ A\*-C grades at GCSE and equivalent including English and Maths (15% England average), in comparison to 63.1% of all children in Durham achieving this.

It is a priority that care leavers receive the support they need from schools, colleges, universities and local authorities to maximise their educational attainment and employment opportunities.



**We will continue to:**

- *Ensure that Personal Advisors engage with future care leavers from Year 9.*
- *In line with Section 23 of the Children's Act 1989, ensure that young people eligible for leaving care services resume a programme of education or training after the age of 21.*
- *Provide care leavers with a Personal Advisor where they wish to resume education and training up to the age of 25.*
- *Encourage care leavers to attend further and higher education and give them specialist advice and support and careers advice when applying for further education or higher education.*
- *Support young people fully in their transition to higher education or further education, employment and training. The future life-chance of Care Leavers are dramatically improved if they can be supported effectively.*
- *Ensure that all partners are aware of a young person's potential from the end of Year 9 to enable them to receive the right support in a timely manner.*
- *Have a post 16 PEP in place for all year 11's from July 2014 in line with Improving Progression legislation.*
- *Ensure that the Virtual School Head will take on the responsibility of education for care leavers over 16 years old.*
- *Ensure that foster carers, social workers and teachers will work in partnership having an acting role in supporting transition into education, employment and training.*
- *Increase the proportion of young people aged 16 who get qualifications equivalent to 5 GCSEs (A\*-C).*

## (iv) Employment and Training

Employment and training not only provides the best route out of poverty, it also delivers positive change for individuals and for communities across County Durham. Having a job or accessing appropriate training provides structure, a sense of purpose, progress, achievement, encourages self-confidence and personal responsibility for young people who are Care Leavers. It is also important to note that young people have a statutory duty to participate in education, employment or training until at least their 18<sup>th</sup> birthday.

In 2013/14, 49% of Durham's Care Leavers aged 19-21 were in education, employment and training, in comparison to an England Average of 45% (see appendix 4 for further information). In 2014/15 38% of Durham's Care Leavers between 16-18 years old were in education, employment and training compared to a rate of 95% for all Durham 16-18 year olds. As a lower proportion of Care Leavers are participating in education, employment and training, it is essential that they receive additional support to enable to progress through learning and into sustainable employment. Therefore through focused action and support and in partnership with other agencies and Council departments, we will strive to increase the number of care leavers in Durham who are in employment, education and training. This will include targeted support to pregnant care leavers and single parents.

### **We will continue to:**

- *Work collaboratively with DCC's Regeneration Economic Development Service to sustain the work that was implemented through the 'From Care2Work' programme. This brought national and local employers and local authorities to enable care leavers to benefit from new employment opportunities by increasing internal and external career taster days, through apprenticeships, work placements, work experience and internships.*
- *Continue to build good working relationships with colleagues from One Point:*
- *To promote the EET Protocol for 16+ looked after children and 18-19 year old former relevant young people, which will support our aim to increase the number of Care Leavers in employment, education and training.*
- *Promote the Work Programme (a European Social Fund Project) to Care Leavers so that they can benefit from tailored, locally-appropriate employment support as early as possible if they are making a benefit claim and work with colleagues from across the local authority to promote any other Youth Employment Initiatives to our Care Leavers.*
- *Enhance the quality of pathway planning in relation to EET by ensuring that the Young People's Service has a greater awareness of advice, information and guidance.*

## **We will:**

- *In line with new data collection requirements we will collect data from April 2015 about care leavers who are 18+ who are not in education, employment and training.*
- *To ensure that additional advisor support is provided by One Point up until the age of 19 and then through adult learning and beyond.*

## **(v) Access to ongoing advice and support**

Care leavers require support and guidance before and after they turn 18. The Department for Education have issued regulations and guidance, 'Transitions to Adulthood' which sets a clear expectation that local authorities continue to stay in touch and support young people when they leave care through pathway planning until the young person reaches 21 and up to 25 if he or she stays in education. As an authority we have signed up to the Care Leaver Charter which is a set of principles that capture the aspirations and needs of young people. This Charter endorses the principle of staying in touch with young people when they are no longer anybody's statutory responsibility.



## **We will continue to:**

- *Provide a range of services to meet the needs of older Looked After Children aged 16 to 25 through our Young People's Service.*
- *Ensure all that Providers support young people with transition to independence in line with the young person's pathway plan e.g. providing guidance and support to find permanent housing, accessing education, employment and training, practical living skills such as financial management, budgeting and claiming benefits.*
- *Encourage care leavers to access advice and support from independent advocates when required and to continue accessing Independent Visitors until they no longer feel the need to.*
- *Offer advice and support care leavers who are pregnant or who are young parents through the Young People's Service. Additional support will be offered through the Family Nurse Partnership.*
- *Make sure that Care Leavers know how to make a complaint if they need to.*



## **We will**

- *Develop new processes to ensure that we stay in touch with care leavers aged from 16 to 25 (in line with new performance requirements).*
- *We will explore links with Stronger Families to identify where additional mentor support may be required and that care leavers are perceived as a priority group.*

## **(vi) Financial Assistance**

Having timely financial help is crucial when you do not have the support of family to fall back on. Care leavers find it difficult to navigate services and work out what financial support they are entitled to. As a local authority we are committed to ensuring that care leavers are adequately supported financially in their transition from care to adulthood to enable young people leaving care to have the same opportunities to fulfil their potential as their peers.

### **We will continue to:**

- *Provide information to Care Leavers so they understand how to access support from Durham's assigned DWP worker. DWP will ensure that Care Leavers claiming Universal Credit, who need help to manage their money and pay bills, have access to personal budgeting support.*
- *Give care leavers a Higher Education Bursary of £2,000 if they are attending a university.*
- *Support care leavers so that they can make an advance claim to DWP to ensure early release of benefits, one month prior to their 18<sup>th</sup> birthday.*
- *Provide Welfare Assistance Grant (WAG) of up to £2,000.*
- *Provide a 'Setting Up Home Allowance' of up to £2,000, where Care Leavers are not eligible for WAG.*
- *In line with DfE guidance, support care leavers aged 16-19 attending a Further Education course to access a £1,200 Further Education Bursary (Educational Maintenance Allowance replacement).*
- *Ensure that care leavers have an understanding of their rights and benefit entitlement.*

This will result in care leavers receiving financial support and guidance, so that they are able to manage their income and reduce the risks of falling into debt. The Education Bursary's will also result in care leavers attending further and higher education.

## **(vii) Justice System**

We recognise that young adults who have been in care can be particularly vulnerable as they transition into adulthood, particularly if they are in the

criminal justice system. They are also a particularly vulnerable group that are at risk of being drawn into crime. Care leavers can also be particularly vulnerable to becoming a victim of crime, including in some cases falling victim to grooming and exploitation online or offline.

**We will continue to:**

- *Ensure that all previously and current looked after children and young people in custody are recorded on the prison system as being a care leaver.*
- *Ensure that they receive the appropriate support and services from probation, Children and Adult Services, Youth Offending Service and the National Offenders Management Service upon release from custody.*
- *All looked after children and young people upon release from custody will have a release plan and a review of their pathway plan in partnership with relevant agencies.*
- *Introduce restorative approaches to reduce the likelihood of young person re-offending.*
- *Implement the Ministry of Justice guidance in partnership with the Youth Offending Service and Youth Offending Institution.*



## 9. Conclusion

This strategy sets out how we will deliver our commitment to Care Leavers and their families over the next three years. We recognise the progress that we have made as an authority and the ongoing improvement that is required, which will make a difference to the lives of Care Leavers.

Delivering this strategy requires a coordinated and sustained effort across Children's Service, other council departments and our partner agencies which will continue to improve service standards and everyday practice, and to be able to meet the challenges that the current economic climate brings.

This Strategy will be reviewed annually and an update against the key priorities within this document will be provided.

# APPENDICES

Appendix 1: Number of young people know to the Young People's Service

Appendix 2: Our Promise

Appendix 3: Corporate Parenting Panel Action Plan (2014-2016)

Appendix 4: Young People's Service Case History

Appendix 5: Performance Indicators

## APPENDIX 1

### Current number of young people known to the young people's service

As of the 18 February 2015 there were 313 young people known to the young people's service. This consisted of:

- 47.92% of young people aged 15-17 years
- 51.78% of young people aged over 18 years; and
- 0.3% of young people aged 10-14 years

Please refer to Table 1 below for a further breakdown

Table 1: Young people known to the Young People's Service, based on age.

Team & Age Group	Cases as at 18.2.15		
	Monitoring	Open	TOTAL
Young Peoples Service North	0	159	159
Aged 15 – 17	0	71	71
Aged Over 18	0	88	88
Young Peoples Service South	5	149	154
Aged 10 – 14	0	1	1
Aged 15 - 17	3	76	79
Aged Over 18	2	72	74
<b>TOTAL</b>	<b>5</b>	<b>308</b>	<b>313</b>







APPENDIX 3

# Corporate Parenting Panel Action Plan 2014 - 2016

**Young lives. Positive futures.**





## Corporate Parenting Panel Top 3 Priorities 2014 / 15

### Employment, Education & Training – Page 4

- To engage Durham County Council in providing increased opportunities for looked after children to access work, training and apprenticeships.
- To ensure looked after young people are afforded additional educational support to prepare them for work interviews within the organisation.
- To ensure the council understands it's corporate parenting responsibilities as a whole in respect of creating a level playing field for looked after children
- To engage young people from the Children in Care Council to better understand the barriers to EET

**Placement Stability – Pages 5 &6**

- Members want to understand the roles adoption, fostering and residential care placements play in the lives of looked after young
- Members want performance information on placement stability for LAC
- Members want to understand what a stable placement looks like.
- Members want to know the barriers to improving placement stability.
- Members want to know about young people living in County Durham from other local authorities.

### **Increasing Understanding of Professional Roles – Pages 7 & 8**

- Understanding the role and function of a Looked After Social Worker, Fostering Officer, Adoption Social Worker, Independent Reviewing Officer, etc
- Members want to improve their understanding of the role of adopters, foster carers, supported lodgings providers.
- Members would like to increase their understanding of all accommodation / placements utilised by Durham County Council.
- Members want to know the long-term outcome of those who leave our care.

## Employment, Education and Training

Areas to Action	Work Required (How)	Lead Person	Timescales	Outcome
<p><b>The Corporate Parenting Panel wants to engage Durham County Council in providing increased opportunities for looked after children to access work, training and apprenticeships.</b></p> <p><b>Promote support for university graduates to seek placements / employment within the council.</b></p>	<ul style="list-style-type: none"> <li>To reflect in the Care Leavers Strategy</li> <li>Report to be completed for the corporate management team, requiring the council and associated partners to provide protected work opportunities to looked after children. Including work experience in Years 10 and 11.</li> </ul>	<p>Cllr Brookes Karen Robb/Lindsey Herring Selwyn Morgans</p> <p>Gill Palin</p>	<p>April 2015</p> <p>May 2015</p>	<p>More work opportunities Increased employability. Target figures : T2W – 10 Extended T2W - 5 Apprenticeships - 16 (not necessarily solely within the council)</p> <p>Council to offer placements for university graduates e.g .law student Target figure – 16</p>
<p><b>Members want to support more creative ways of engaging the hard to reach young people in gaining employment by understanding current performance.</b></p>	<ul style="list-style-type: none"> <li>Young parents programme</li> <li>NEET protocol</li> <li>ESF provision / Youth employment provision</li> <li>Figures of current group</li> <li>Figures of emerging groups</li> </ul>	<p>Selwyn Morgans YPS Managers</p>	<p>Quarterly Updates</p>	<p>Increase knowledge of statistics and current guidance</p> <p>Champion the success of care leavers obtaining their degrees</p>

## Placement Stability

Areas to Action	Work Required (How)	Lead Person	Timescales	Outcome
<p><b>Increase understanding of the roles of adoption, fostering and residential care in the lives of looked after young people.</b></p>	<ul style="list-style-type: none"> <li>Ensure information on placement stability is regularly discussed on a quarterly basis. Monthly information preferred.</li> <li>Members want to understand what a stable placement looks like:               <ul style="list-style-type: none"> <li>- Highlighting the barriers to improving placement stability.</li> <li>- Providing information on making changes to improve placement stability.</li> </ul> </li> </ul> <p>This information is key to Members understanding placement stability. Members have not received any information yet.</p>	<p>Dorothy Alexander Karen Robb</p> <p>Selwyn Morgans</p> <p>Karen Rob Dorothy Alexander</p>	<p>6 months</p> <p>January / February 2015</p>	<p>To establish the position of County Durham performance.</p> <p>Members to be sufficiently knowledgeable to understand performance.</p>
<p><b>Statutory Education</b></p>	<ul style="list-style-type: none"> <li>Members would like an update on the changes to SEND.</li> <li>Members would like information on how the pupil premium is being spent on LAC. Members would like an analysis on how affective it is and information on the creation of the individual education plan.</li> <li>Members would like to know how young people are supported in their exams.</li> </ul>	<p>Clive Horton Jane Le Sage</p> <p>Clive Horton Jane Le Sage</p> <p>Clive Horton Jane Le Sage</p>		<p>Members to be sufficiently knowledgeable to understand performance.</p>



## Increasing Understanding of Professional Roles

Areas to Action	Work Required (How)	Lead Person	Timescales	Outcome
<p><b>Members want to improve their understanding of the role of Adopters, Foster Carers and Supported Lodgings providers.</b></p> <p>Members would like to increase their understanding of all accommodation / placements utilised by Durham County Council.</p> <p>Increasing member involvement</p>	<ul style="list-style-type: none"> <li>• Invite relevant professionals to CPP to discuss their roles.</li> <li>• Presentation to Members at Member Seminars / CPP meetings.</li> <li>• For members not engaged in Reg 45's a rota of shadow visits will be organised.</li> </ul>	<p>Dorothy Alexander Selwyn Morgans</p> <p>Sarah Thompson</p>	<p>April 2015</p>	<p>Increase Member understanding. Generate more interest in panel membership. Actively promote adoption.</p> <p>To increase Member involvement in Reg 45</p>
<p><b>Members want to know the long-term outcome of those who leave our care.</b></p>	<ul style="list-style-type: none"> <li>• YPS to attend Corporate Parenting Panel meetings each month.</li> <li>• Care Leavers Strategy to be presented at the Corporate Parenting Panel.</li> <li>• Investing in Children Council to conduct the same workshop from Corporate Parenting with social work staff from the YPS.</li> </ul>	<p>Sharron Pearson Lesley Grieveson</p> <p>Selwyn Morgans Karen Robb</p> <p>Selwyn Morgans Ellie Seed</p>	<p>Ongoing</p> <p>April 2015</p> <p>July 2015</p>	<p>To ensure young people's views are incorporated into service development</p> <p>Members informed of key points</p> <p>Increase young people's input into leave care services.</p>

<p><b>Reg 45 Visits</b></p> <p>Clarify role and expectations of Members so that everyone is confident in engaging naturally with young people and they would like to receive some guidance</p> <p>Develop handover process between Councillor to Councillor when identified leads are changed for Regulation 45 visits for each home</p>	<ul style="list-style-type: none"> <li>Members to discuss the appropriate length of attachment to homes for Regulation 45 purposes. Currently it is 3 months. Young people recommended a longer period. Increase period of time to 6 months/12 months*</li> <li>Protocol / guidance to be established for Members.</li> <li>Previous report to be sent to new Councillor prior to the 1<sup>st</sup> visit.</li> </ul>	<p>Cllr Brookes Selwyn Morgans</p> <p>Selwyn Morgans Steve Percival</p> <p>Sarah Thompson</p>	<p>April 2015 (?)</p> <p>February 2015</p> <p>January 2015</p>	<p>Councillors strengthen relationships with children and young people</p> <p>Smoother arrangements for arranging visits. Clarity of requirements for Member and Reg 45 Officer.</p> <p>Greater understanding of the needs of Looked After Children in residential care</p>
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## Underpinning Area's

Areas to Action	Work Required (How)	Lead Person	Timescales	Outcome
<p><b>Engagement with Young People</b> Corporate Parenting Panel wish to increase their engagement with children and young people. To ensure that the young person remains at the centre of policy development.</p>	<ul style="list-style-type: none"> <li>Develop regular meetings with the Children in Care Council.</li> <li>The Chair of the Corporate Parents Panel to be invited to agreed Children in Care Council meetings to provide opportunity for children/young people to question Councillors</li> <li>Ensure the Young People's Promise is promoted and ensure decisions are made in line with the promise.</li> <li>Reg 45 visits to take place at times when young people are present but not to interfere with their daily lives.</li> <li>Seek Investing in Children's status for Corporate Parenting Panel</li> </ul>	<p>Cllr Brookes Karen Robb</p> <p>Cllr Brookes</p> <p>Cllr Brookes Karen Robb</p> <p>Steve Percival</p> <p>Working on this with ICC</p>	<p>22<sup>nd</sup> May 2015 30<sup>th</sup> October 2015</p> <p>Twice per year</p> <p>Achieved, ongoing</p> <p>Achieved</p> <p>In progress</p>	<p>Increase Councillors knowledge of issues/problems from the young people's perspective</p> <p>Active participation in CPP through Children in Care Council.</p> <p>Young people's views are represented in Reg 45 feedback</p> <p>Use EET as the example, evidence of impact</p>
<p><b>Financial Understanding</b></p>	<ul style="list-style-type: none"> <li>CPP to become familiar with the financial entitlement to young people in placement i.e. comparisons between fostering and residential e.g. pocket monies, clothing allowance etc</li> </ul>	<p>Karen Robb</p>		



<p><b>Promoting the children's promise</b></p>	<ul style="list-style-type: none"> <li>• To ensure that all appropriate DCC buildings are displaying the Promise posters</li> <li>• Documentation sent out for monthly Corporate Parents meeting to include the Children's Promise</li> <li>• Members to ask staff members / young people on Regulation 45 visits on their understanding of the Promise. Document to be amended as a prompt question.</li> <li>• Members to ensure that all council members are aware of their Corporate Parenting roles and how the Promise applies to them.</li> <li>• All Councillors to made aware of Children's Residential Care Homes within their ward or locality (not just those who are on the Corporate Parents Committee). Map of homes and location including the council homes and private homes.</li> </ul>	<p>Karen Robb</p>	<p>November 2014</p>	<p>Greater understanding of the Children's Promise</p> <p>Greater awareness of all Councillors on their corporate parenting responsibilities and needs of looked after children</p>
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The Corporate Parent Panel Action Plan represents a 3 year programme of work, which identifies targets to improve the quality of life for the young people within the Looked After System of Durham County Council. The 3 year plan fits with the remaining political cycle and provides realistic opportunities to engage with young people and professionals using the political awareness of the panel to create change.

## APPENDIX 4

YPS case history 2012-2015 (snapshot at point in time)

Team	Cases as at 20-FEB-12					Cases as at 18-FEB-13					Cases as at 17-FEB-14					Cases as at 18-FEB-15				
	Monitoring	Open	Opened To Duty	Review	TOTAL	Monitoring	Open	Opened To Duty	Review	TOTAL	Monitoring	Open	Opened To Duty	Review	TOTAL	Monitoring	Open	Opened To Duty	Review	TOTAL
Young Peoples Service North	0	147	0	1	148	0	143	0	0	143	0	177	0	0	177	0	156	3	0	159
Young Peoples Service South	9	132	0	0	141	5	136	2	0	143	8	150	0	0	158	5	148	1	0	154
<b>TOTAL</b>	<b>9</b>	<b>279</b>	<b>0</b>	<b>1</b>	<b>289</b>	<b>5</b>	<b>279</b>	<b>2</b>	<b>0</b>	<b>286</b>	<b>8</b>	<b>327</b>	<b>0</b>	<b>0</b>	<b>335</b>	<b>5</b>	<b>304</b>	<b>4</b>	<b>0</b>	<b>313</b>

- 289 in 2011/12
- 286 in 2012/13 (a 1.2% reduction since 2011/12)
- 335 in 2013/14 (a 13.8% increase since 2011/12)
- 313 in 2014/15 (a 7.7% increase since 2011/12)

## APPENDIX 5 - Performance Indicators and Analysis

### (i) Number of Care Leavers in employment, education and training in 2014

Source: SSDA903

Rank	LA Code	LA Name	% three age groups combined	Percentage of former relevant young people who were in education, employment or training and who on 31 March 2014 were			Number of former relevant young people who on 31 March 2014 were			Number of former relevant young people who were in education, employment or training and who on 31 March 2014 were		
				aged 19	aged 20	aged 21	aged 19	aged 20	aged 21	aged 19	aged 20	aged 21
	<b>ENGLAND</b>		<b>45</b>	<b>52</b>	<b>45</b>	<b>39</b>	<b>9,090</b>	<b>9,210</b>	<b>8,840</b>	<b>4,740</b>	<b>4,130</b>	<b>3,440</b>
80	841	Darlington	45	42	x	55	25	10	10	10	x	5
59	840	Durham	49	47	53	48	60	45	50	30	25	25
31	390	Gateshead	57	48	64	59	35	35	30	15	20	20
104	806	Middlesbrough	40	30	56	x	35	30	15	10	20	x
80	391	Newcastle Upon Tyne	45	45	46	42	65	65	55	30	30	25
75	392	North Tyneside	46	64	58	24	25	25	35	15	15	10
47	929	Northumberland	53	68	52	33	25	30	20	15	15	5
9	807	Redcar and Cleveland	65	79	79	x	15	20	15	10	15	x
16	393	South Tyneside	63	75	58	61	25	35	35	20	20	20
91	808	Stockton-On-Tees	42	41	40	45	20	35	20	10	15	10
75	394	Sunderland	46	42	50	45	50	50	45	20	25	20
114	384	Wakefield	38	56	33	29	35	55	50	20	20	15

Percentages have been rounded to whole numbers but where the numerator was five or fewer, or the denominator was 10 or fewer, they have been suppressed and replaced by a cross (x).

- In 2014, 49% of Durham's Care Leavers were in employment, education and training. This is higher than the England average of 45% and our statistical neighbours EET rate of 38%. The average Care Leavers EET rate across the region is 50.09%

## (ii) Number of Care Leavers in suitable accommodation in 2014

Source: SSDA903

Rank	LA Code	LA Name	% three age groups combined	Percentage of former relevant young people who were in suitable accommodation			Number of former relevant young people			Number of former relevant young people who were in suitable accommodation		
				aged 19	aged 20	aged 21	aged 19	aged 20	aged 21	aged 19	aged 20	aged 21
	<b>ENGLAND</b>		<b>78</b>	<b>83</b>	<b>79</b>	<b>71</b>	<b>9,090</b>	<b>9,210</b>	<b>8,840</b>	<b>7,550</b>	<b>7,270</b>	<b>6,300</b>
117	841	Darlington	72	77	x	64	25	10	10	20	5	5
112	840	Durham	74	68	79	78	60	45	50	40	35	40
3	390	Gateshead	97	100	94	97	35	35	30	35	30	30
81	806	Middlesbrough	81	88	88	53	35	30	15	30	30	10
91	391	Newcastle Upon Tyne	78	80	78	75	65	65	55	55	50	40
35	392	North Tyneside	90	92	88	91	25	25	35	25	20	30
1	807	Redcar and Cleveland	100	100	100	100	15	20	15	15	20	15
10	808	Stockton-On-Tees	96	95	100	91	20	35	20	20	35	20
131	394	Sunderland	67	66	74	62	50	50	45	35	35	30
112	384	Wakefield	74	88	67	71	35	55	50	30	35	35

Percentages have been rounded to whole numbers but where the numerator was five or fewer, or the denominator was 10 or fewer, they have been suppressed and replaced by a cross (x).

- In 2014, 74% of Durham's care leavers were in suitable accommodation, which is on par with our statistical neighbour (Wakefield), but less than the England average of 78%.

(iii) Percentage of children looked after continuously for 12 months who achieved 5+ A\*-C grades at GCSE and equivalent in English and Maths in 2013

	LA Name	Indicator value for the 3 year average in 2011, 2012 and 2013 (%)	Percentage of children looked after continuously for 12 months who achieved 5+ A*-C grades at GCSE and equivalent including English and mathematics					Number of children looked after continuously for 12 months who were eligible to sit GCSEs					Number of children looked after continuously for 12 month who achieved 5+ A*-C grades at GCSE and equivalent including English and mathematics				
			2009	2010	2011	2012	2013	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
	<b>ENGLAND</b>	<b>15</b>	<b>11</b>	<b>12</b>	<b>14</b>	<b>15</b>	<b>15</b>	<b>4,560</b>	<b>4,960</b>	<b>5,020</b>	<b>4,850</b>	<b>4,850</b>	<b>500</b>	<b>620</b>	<b>680</b>	<b>730</b>	<b>750</b>
37	841 Darlington	18	x	x	x	x	x	x	10	15	20	15	0	x	x	x	x
46	<b>840 Durham</b>	<b>17</b>	<b>x</b>	<b>27</b>	<b>15</b>	<b>17</b>	<b>20</b>	<b>30</b>	<b>25</b>	<b>45</b>	<b>45</b>	<b>35</b>	<b>x</b>	<b>5</b>	<b>5</b>	<b>10</b>	<b>5</b>
30	390 Gateshead	19	37	x	x	x	30	20	20	30	30	20	5	x	x	x	5
122	806 Middlesbrough	10	0	20	x	x	x	15	35	20	30	30	0	5	x	x	x
113	391 Newcastle Upon Tyne	11	x	x	x	14	10	35	35	45	55	60	x	x	x	10	5
14	392 North Tyneside	23	x	x	x	x	x	20	10	15	15	20	x	x	x	x	x
26	929 Northumberland	20	x	x	43	x	x	20	20	15	25	25	x	x	5	x	x
17	807 Redcar and Cleveland	22	x	x	x	x	x	10	10	10	10	10	0	x	x	x	x
72	393 South Tyneside	14	x	x	x	x	x	25	15	20	20	15	x	x	x	x	x
30	808 Stockton-On-Tees	19	x	x	x	x	x	20	20	15	15	20	x	x	x	x	x
101	394 Sunderland	12	x	x	x	x	x	35	30	35	40	25	x	x	x	x	x
65	384 Wakefield	15	x	x	25	0	x	30	25	30	30	20	x	x	5	0	x

Percentages have been rounded to whole numbers but where the numerator was five or fewer, or the denominator was 10 or fewer, they have been suppressed and replaced by a cross (x)

- In 2013, 20% of Durham children looked after continuously for 12 months achieved 5+ A\*-C grade at GCSE and equivalent including English and Maths, in comparison to 10% of looked after children in Newcastle and 30% of looked after children in Gateshead.

## (iv) Percentage of former relevant young people who were in higher education in 2014

Rank	LA Code		% three age groups combined	Percentage of former relevant young people who were in higher education			Number of former relevant young people who were in higher education			Number of former relevant young people who were in higher education		
	LA Name			aged 19	aged 20	aged 21	aged 19	aged 20	aged 21	aged 19	aged 20	aged 21
	<b>ENGLAND</b>		<b>6</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>9,090</b>	<b>9,210</b>	<b>8,840</b>	<b>510</b>	<b>610</b>	<b>620</b>
4	841	Darlington	15	x	x	0	25	10	10	x	x	0
79	840	Durham	5	x	x	x	60	45	50	x	x	x
NA	390	Gateshead	x	0	x	0	35	35	30	0	x	0
NA	806	Middlesbrough	x	0	x	0	35	30	15	0	x	0
20	391	Newcastle Upon Tyne	10	x	19	x	65	65	55	x	10	x
NA	392	North Tyneside	x	x	x	x	25	25	35	x	x	x
NA	929	Northumberland	x	x	x	0	25	30	20	x	x	0
NA	807	Redcar and Cleveland	x	x	x	x	15	20	15	x	x	x
20	393	South Tyneside	10	x	x	x	25	35	35	x	x	x
NA	808	Stockton-On-Tees	x	x	0	x	20	35	20	x	0	x
65	394	Sunderland	6	0	x	x	50	50	45	0	x	x
48	384	Wakefield	7	x	x	x	35	55	50	x	x	x

Percentages have been rounded to whole numbers but where the numerator was five or fewer, or the denominator was 10 or fewer, they have been suppressed and replaced by a cross (x).

- In 2014, 5% of former relevant young in Durham were in higher education, in comparison to the England average of 6%. Durham's statistical neighbour, Wakefield, reported 7% of former relevant young people in higher education. The table above also provides some regional comparisons.



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**Cabinet**

**16 December 2015**



**Durham Humanitarian Support Partnership**

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**Report of Lorraine O'Donnell, Assistant Chief Executive and Councillor Eddie Tomlinson, Portfolio Holder for Assets, Strategic Housing and Rural Issues**

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**Purpose of the Report**

- 1 This report:
  - a) provides an update on the Government's response to the Syrian refugee crisis.
  - b) outlines the work of the Durham Humanitarian Support Partnership and working group to ensure Durham can effectively support Syrian refugees.
  - c) provides an update on the offers of support and assistance received.
  - d) seeks agreement for Durham to take part in the Syrian Vulnerable Persons Relocation (SVPR) scheme in line with the approach recommended by the Durham Humanitarian Support Partnership.
  - e) seeks delegated authority for the Assistant Chief Executive, in consultation with the Portfolio Holder for Assets, Strategic Housing and Rural Issues, to agree Durham's response to the accommodation of asylum seekers and refugees in the County.

**Background**

- 2 On 7 September 2015, in response to the humanitarian crisis in the region, the Government announced the UK would take an additional 20,000 refugees fleeing war in Syria by 2020. Priority will be given to those most vulnerable, including children and orphans. Refugees will be taken from border camps and nations neighbouring Syria to avoid refugees being encouraged to make dangerous journeys to central Europe; to ensure that the most vulnerable can be prioritised; and to help break the business models of criminal gangs preying on human misery.
- 3 Syrians supported under this programme will be granted a five year humanitarian protection visa. This will entitle them to access to public funds, access to the labour market and the possibility of a family reunion. Refugees will also be able to choose where they want to live in the UK, following their initial settlement into a location.

- 4 The Government confirmed that it will work intensively with local authorities to put in place the necessary arrangements to house and support the refugees who resettle in the UK. The Prime Minister confirmed that the full cost of supporting thousands of Syrian refugees in the UK will be met through the international aid budget for the first year. Subsequently, details of further financial support for years two to five have been announced by the Minister.

### **Durham Humanitarian Support Partnership**

- 5 To consider how the County can best support the UK's response to the crisis, the council established the Durham Humanitarian Support Partnership, which met for the first time on 25 September 2015.
- 6 The Partnership, which is chaired by the Cabinet Member for Assets, Strategic Housing and Rural Issues, seeks to ensure that Durham's support for refugees placed in the County is joined up and will promote cross-service and agency working, as well as engagement with communities (for membership see Appendix II).
- 7 At its first meeting, the Partnership agreed the following response to the Home Office's request to local authorities for in principle support to progress the Syrian Refugee Relocation Scheme:

“Durham County Council and partners recognise that the current crisis in Syria is a national issue and welcomes the national commitment to ensure that support is resourced. We therefore support the UK's response to the crisis and are preparing to play our part in welcoming refugees to County Durham.”

- 8 The Partnership also approved the establishment of a working group, which includes appropriate council services and partner representatives, to support the Partnership and consider the operational aspects of accommodating refugees within the County (for membership see Appendix III).
- 9 The primary focus of the working group to date has been to plan the requirements for welcoming and supporting refugees, including capacity within the County. This has involved consideration of service needs, settlement patterns and cultural and support networks. As part of this work, advice and input from other authorities which have participated in refugee resettlement schemes has been sought.

### **Offers of support and assistance**

- 10 The council continues to co-ordinate and record offers of support and assistance received from members of the public and other organisations in response to the refugee crisis.
- 11 A number of approaches have been received from individuals and families offering to provide accommodation, host a family or to provide clothes, toiletries

and bedding. Current government advice is to direct residents to aid organisations, which have developed mechanisms to offer support.

- 12 The Partnership has also received petitions urging the County Council to offer support for the Syrian refugee crisis.

### **County Durham's Proposed Response**

- 13 Durham Humanitarian Support Partnership is strongly supportive of Durham playing its part in the UK's response to the refugee crisis. It recognises however that County Durham does not have significant experience or knowledge on which to build in relocating vulnerable refugees in the area. It will therefore be important to develop effective links with religious and voluntary and community sector groups that can offer support, as well as neighbouring authorities.
- 14 The Home Office is keen for authorities to indicate their willingness to participate in phase two of the Syrian Vulnerable Persons Resettlement Scheme, scheduled to be implemented from March 2016. The Government has recently clarified decisions about funding for the scheme and initial analysis indicates this will meet the council's costs.
- 15 In response to this request, the Partnership has proposed that a considered and incremental approach be adopted to ensure refugees are able to settle, become part of our local communities and thrive in the County. There is a strong desire to assist, but to ensure that Durham, with limited experience in this area, does so in a way that effectively meets the needs of refugees and local communities. In line with this, the Partnership and working group propose that:
- a) The County should consider offering support which is in line with the Council's share of the national population (this would equate to circa 200 Syrian refugees over five years), and our offer should focus on family groups.
  - b) Within 12 months of the first group of refugees arriving in the County, an evaluation be completed into the effectiveness of the programme to determine if the number of Syrian refugees settled in County Durham could be increased.
- 16 In addition to the Syrian Vulnerable Persons Relocation Scheme, there is a range of other Government initiatives to resettle refugees and disperse asylum seekers and an approach has been received from the Home Office to discuss Durham's participation in schemes to widen asylum seeker dispersal in the region.
- 17 An asylum seeker is a person who has left their country of origin and formally applied for asylum in another country, but whose application has not yet been concluded. The majority of asylum seekers do not have the right to work in the United Kingdom and so must rely on state support. Cash support is available and housing is provided. In the government's key asylum seeker scheme, housing is provided whilst a person's case for asylum is being considered through a contract with G4S. In the UK, a person is a refugee when they have their claim for asylum accepted by the government.

18 In line with the approach set out above, Durham Humanitarian Support Partnership proposes that Durham should initially focus on helping to deliver the Government's commitment to resettle Syrian refugees, via the Syrian Vulnerable Persons Relocation Scheme. Whilst there is in principle support to engage in programmes to support asylum seekers, a decision to take part should not be taken until the evaluation outlined in paragraph 15(b) above is completed.

19 In progressing Durham's proposal, the important focus will be on co-ordinating services and developing mechanisms to deliver the support required. It is therefore proposed that the Assistant Chief Executive, in consultation with the Portfolio Holder for Assets, Strategic Housing and Rural Issues, be given delegated authority to progress Durham's offer of support.

### **Recommendation**

20 Cabinet is requested to:

- a) note and endorse the work carried out by Durham Humanitarian Support Partnership.
- b) agree the proposed response to the Syrian Vulnerable Persons Relocation Scheme and widening dispersal scheme set out in this report.
- c) agree to delegate authority to progress Durham's offer of support to the Assistant Chief Executive, in consultation with the Portfolio Holder for Assets, Strategic Housing and Rural Issues.

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**Contact: Gordon Elliott**

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**Finance** – As highlighted in the report, the government has announced that funding for local authorities engaging with the Syrian Vulnerable Persons Relocation Scheme (SVPRS) will be provided, on a tapering basis, for the 5 years Syrian refugees are accommodated under this scheme. The programme's evaluation that will be carried out within 12 months of the first refugees being resettled in the County will include a full cost analysis. Direct funding for local authorities is not generally allocated for the wider range of asylum seeker programmes operated by the government. However, this report is not proposing the Council engages in those programmes until the evaluation detailed above is completed.

**Staffing** – If the Council engages in the SVPRS, based on the experience of local authorities that currently implement the scheme, an element of the resources provided by Government to support the scheme will be used to employ a team to assist refugees to settle in the County.

**Risk** – The Government has announced the contribution that will be made to councils taking part in the scheme, along with a commitment to meet full costs in year one. There is a risk that the Government may change these funding arrangements.

**Equality and Diversity / Public Sector Equality Duty** – A significant number of refugees are likely to require language support and have medical issues. The funding provided by the government is intended to meet these costs.

**Accommodation** – Close liaison with housing providers will be central to successfully implementing a support scheme. This is ongoing and the initial response suggests the approach set out in this report will be manageable. It will also be necessary to accommodate the Refugee Support Team within the Council's estate.

**Crime and Disorder** – The Partnership involves input from the Police and they support the approach set out in this report. The Police will continue to be engaged in the implementation of a resettlement programme if approval is given for Durham to take part in the SVPR scheme.

**Human Rights** – Human Rights is a key driver for the Government's implementation of the Syrian Vulnerable Persons Relocation Scheme.

**Consultation** – Consultation with partners and neighbouring authorities is a key element of the approach set out in this report.

**Procurement** – The North East Regional Migration Partnership is leading on a co-ordinated approach to procuring services for refugees on behalf of North East local authorities.

**Disability Issues** – The SVPRS prioritises those in the greatest need who cannot be supported in the region and prioritises people requiring urgent medical treatment, survivors of torture and violence, and women and children at risk. There will be a need to ensure that accommodation meets the needs of the individuals relocated and links are made with health.

**Legal Implications** – N/A



## **DURHAM HUMANITARIAN SUPPORT PARTNERSHIP**

### **Membership**

#### **Chair**

Durham County Council, Cllr Eddie Tomlinson

#### **Core Members**

Durham County Council (Cllr Joy Allen, Cllr Anne Bonner, Cllr, David Boyes, Cllr Mike Dixon, Cllr Grenville Holland, Cllr John Lindsay, Cllr Peter May, Cllr Trish Pemberton, Cllr James Rowlandson)

North Durham and Durham Dales, Easington and Sedgefield Clinical Commissioning Groups, Nicola Bailey

County Durham Housing Forum, Geraldine Kay

Voluntary and Community Sector, Peter MacLellan

North East Regional Faiths Network, Jim Robertson

North East Churches Acting Together, Rev Joanne Thorns

## **DURHAM HUMANITARIAN SUPPORT WORKING GROUP**

### **Membership**

#### **Partners**

Durham Constabulary - Safeguarding Neighbourhoods Command  
Voluntary and Community Sector representative  
North East Churches Acting Together  
North East Regional Faiths Network  
Durham Dales, Easington and Sedgfield Clinical Commissioning Group  
Department for Work and Pensions - Jobcentre Plus Partnership Manager (County Durham)

#### **Durham County Council**

Assistant Chief Executive's Office - Policy and Communications  
Assistant Chief Executive's Office - Partnerships and Community Engagement  
Assistant Chief Executive's Office - Equalities Team  
Children and Adults Services - School Places and Admissions  
Children and Adults Services - Children's Services  
Children and Adults Services - Adult Care  
Children and Adults Services - Public Health  
Regeneration and Economic Development - Housing Solutions  
Regeneration and Economic Development - Economic Development  
Resources - Financial Services