

23 March 2011

Report from the Cabinet



Purpose of the Report

To provide information to the Council on issues considered by the Cabinet on 2 and 9 March 2011 and to enable Members to ask related questions. Members are asked to table any questions on items in this report by 2 pm on 22 March in order for them to be displayed on the screens in the Council Chamber.

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1. Future Delivery of Waste Collection Services
Key Decision NH/NS/17/10
MTFP NS 5
Cabinet Portfolio Holders – Councillors Bob Young and Brian Stephens
Contact – Oliver Sharratt- 0191 3725205

We have considered a report of the Corporate Director, Neighbourhood Services that set out the implementation of a wide range of efficiency measures to improve value for money in waste collection services, consider the feedback from a recent residents and stakeholders survey on waste identifying ways in which the service might be further improved, and building on this survey and the need to reduce costs and improve performance, and to seek approval to the development of plans to introduce a twin bin collections service countywide.

Refuse and recycling collection services are high performing and well valued by residents. The recent countywide resident survey (BMG Research 2010) highlighted 92% and 90% satisfaction from residents in refuse and recycling respectively which is amongst the highest levels for Council services. The Association of Public Service Excellence award of Waste Team of the Year

2010 was a reflection of the Council's commitment to improvement in this area which has seen a revised waste strategy, new countywide policies, new green waste services for over 90,000 residents, plastics collection now countywide, improvement to Household Waste Recycling Centres and a very smooth transition to direct operation of recycling services following the collapse of a major contractor.

The Council currently spends £15.7M a year on waste collection services. From the outset of Local Government Reorganisation these were services recognised for an opportunity to improve value for money through economies of scale, and a holistic approach to waste management that unitary status affords. This work has been well underway for example through the reduction of spare vehicles, closure of Sacriston Depot, securing improved prices for recyclate income, ceasing separate glass collection in Derwentside and a move to split bodied recycling vehicles allowing a further reduction of 4 vehicles and 24 agency staff. Combined, these bring a saving of over £816,000 that has already been factored into 2010/11 budgets.

Over and above this work, the implementation of the Medium Term Financial Plan arising from the Government settlement clearly brings challenges for all services, including those for waste collection where the highest proportion of respondents in the recent budgetary consultation (46.8%), opted for a standard budgetary reduction of 25%. In responding to these challenges operational measures are currently being discussed with Trade Unions and staff:

- *Route rationalisation.* Utilising vehicle tracking technology new routes (ignoring former artificial District boundaries) have been devised allowing a reduction in rounds, fuel costs and tip runs. As part of this it is proposed 4 refuse vehicles and twelve agency staff are to be reduced.
- *Four day week.* Four out of seven of the former Districts already operate on a four day week, which saves money by reducing fuel and allowing weekday vehicle maintenance. Subject to a successful ballot it is proposed that Chester-le-Street, Teesdale and Wear Valley adopt this system.
- *Recycling of street sweepings.* Rather than taking these directly to landfill, an innovative practice has been developed, with advice from the Environment Agency whereby the street sweepings can be recycled avoiding significant and escalating landfill costs.

Note should be made that in the implementation of the four day week and route optimisation it is likely that bin collection days will change. Clearly residents would be advised of any changes in advance of this, which subject to agreement with Trade Unions and workforce would be implemented in July 2011. The above measures are anticipated to result in savings of £654,875 in 2011/12, but there is a clear need to explore further savings, beyond this. This will include our desire for refuse and recycling services to eventually be provided throughout the county on a four day week with normal operations being delivered between Tuesdays and Fridays.

In parallel with the need to identify savings, is a need to further improve performance. Whilst it is important to recognise that in the last two years recycling performance has dramatically improved by over 12% to the current in year level of 42%, more work is required to meet the national targets of 45% by 2015 and 50% by 2020. The consequences of not meeting waste targets, in particular the diversion of biodegradable municipal waste from landfill could be considerable. The current legislation drafted in the Localism Bill (subject to passing without amendment) would give powers to pass on to Councils the European penalties where local breaches of statutory targets are incurred. In addition, the continuing escalation of landfill tax by £8/tonne/year considerably increases the cost of landfill into the future.

Decision

We have:-

- Noted the considerable progress in delivering savings to date, including the on-going implementation of route rationalisation and operation of four day week. This will result in changed collection days for many households.
- Approved the principle of a twin bin collections, similar to Derwentside and the development of a detailed implementation plan in conjunction with Portfolio Holders.

2. Sport and Leisure Strategy **Key Decision NH/NS/16/10** **Cabinet Portfolio Holder – Councillor Bob Young** **Contact – Stephen Howell- 0191 3729178**

We have considered a report of the Corporate Director, Neighbourhood Services that sought approval for the Sport and Leisure Service Strategy, following consultation, which sets out the essential background to service delivery for the next three years (2011/12 to 2013/14) and was agreed by Cabinet for consultation in June 2010.

Durham County Council requires a sport and leisure strategy that clearly defines how the service is to move forward over the next 3 years. The Strategy provides a starting point from which the Authority can develop its sport and leisure offer to the community. The document also provides a context to the continued development of the service within a framework of the Authority's wider aims and aspirations: thereby, establishing an essential background to future officer, Member and wider stakeholder decisions.

The Strategy has been intentionally written as a *service* strategy for the purpose of supporting a range of corporate, regional and national strategies and will be underpinned by the development of further strategies relating to specific service areas including; Countryside, Play, Sport, Indoor and Outdoor Facilities and Services. Whilst a service strategy, the document does define

the links and relationships to key partners both within and beyond the Authority.

The Sport and Leisure Strategy is about stimulating opportunity and change. It outlines the existing service and the importance of its contribution within local communities and to achieving corporate goals and priorities. The intended outcome of the strategy is to further develop the sport and leisure opportunities across the County to contribute to, and improve, the quality of life of local residents and also to make County Durham a more attractive place to visit.

The Strategy focuses on improving three main areas - service cost, impact and satisfaction and sets out how it intends to do this over the next three years; with the ultimate aim of contributing to an Altogether Better Durham.

Consultation has now been completed in line with corporate procedures and the Strategy amended in light of feedback. It is apparent from the results of the survey that the Strategy has been viewed favourably by our partners and stakeholders and represents a shared view on how we can move forward together.

While the draft Strategy was prepared prior to having the insight into future resource levels that we now have, its impact on the Strategy has not been as dramatic as may have been predicted. The Strategy was prepared on the basis of considering how available resources should be deployed relatively over the Service. So whilst the available resource will be substantially reduced over the Strategy period, the distribution and direction of the Strategy is well positioned to support the current efficiency agenda.

Decision

We have approved the Sport and Leisure Strategy as the framework for the Service from 2011/12 to 2014.

3. Consett Academy/Leisure Facilities- Capital Funding Options Key Decision Cyps/01/11 Cabinet Portfolio Holders – Councillors Alan Napier, Claire Vasey, and Bob Young Contact – David Ford- 0191 3833133

We have considered a joint report of the Corporate Director, Children and Young People's Services, Corporate Director, Resources, and Corporate Director for Neighbourhood Services that explains the background to the planned construction of a new academy and leisure facilities in Consett. It presents the options facing the County Council because of a much reduced Central Government Academy Grant offer, from £31.7m to £20.7m with a recommendation following an assessment by officers.

As part of the previous Government's Building Schools for the Future programme there was a commitment by the County Council to construct a

single site, new build academy, to replace Moorside Community Technology College and Consett Community Sports College. In July 2009, it was agreed that this should be sited at Belle Vue in Consett.

The construction of a new academy at Consett was one of the projects caught by the Government's review of spending via the Building Schools for the Future programme. An outline Business Case had been approved by the previous Central Government administration in April 2010 that provided funding for the project of £31.7m.

In late December 2010 a much reduced offer of only £20.7m of Government grant was made. This is available for a limited period and means that the County Council has to undertake a review of the scope of the original project. Consideration needs to be given to making a contribution towards the project, if it is to go ahead in a way which meets the original educational vision of a new purpose built 21st century single site academy, capable of building further on the successes of the two existing schools.

The original proposal has been the subject of extensive and complex negotiations with the Consett community and particular sports groups who are located on the Belle Vue site. When it became clear that the level of funding for the academy was in jeopardy, a consultation process was commenced on alternative options to the previously approved plan. Within this process, it was made clear that should capital be sufficient to take forward the original project, the consultation would be taken no further.

A commitment flowing through from Local Government Review has been the building of a new leisure centre on the Belle Vue site, including a 25m swimming pool and learner pool. Agreement had been reached as part of the site plan to relocate Consett Football and Rugby clubs and demolish the Consett Civic Centre building. Public consultation has been lengthy. The Consett Academy probably represents the last opportunity to build a brand new secondary age education facility in the County in the current austere public funding climate and would have the added benefit of providing integrated leisure provision on the same site.

Faced with this cut in funding, the Council could choose not to build the academy on the basis that the funding gap is too great. In such circumstances up to £1m of abortive design and planning fees would be lost. A significant capital grant would not be taken up and we would be left with secondary schools at Moorside and Consett which are not in good condition, in need of repair/refurbishment and not best suited to deliver a modern curriculum.

The funds (£14.778m) for a new leisure facility would remain, but any economies arising from a larger scale construction project would be lost. The extensive negotiations to secure a consolidated education and leisure facility in a prime location in Consett would prove fruitless.

If the Council wishes to proceed with the plan then it is necessary to address how the gap in funding could reasonably be filled. Due to the lack of clarity around the available funding, the BSF team has been working with GLEEDS

our external BSF technical advisor to identify and test variations of the original proposal and others to identify ways of making the project more affordable. The overall project cost would be about £6m lower than the original project. The affordability gap is closed considerably by factoring in an increased capital receipt estimate. The scheme has an affordability gap of £3.382 million, essentially due to the shortfall in Government grant.

The scheme has a budget shortfall and a range of possible ways to close the funding gap have been considered (it is relevant when considering capital financing that should the project go ahead then the start on site would be expected to be mid-2012, with a new academy scheduled to open in Spring 2014). In practice the funding gap would be a matter for the 2013/14 budget at the earliest.

All capital schemes of this size involve risk that needs to be carefully managed. More detailed analysis of the recommended proposal would need to be carried out and it is recommended that a contingency sum is held centrally should the BSF Team encounter unforeseen difficulties in developing and delivering the project. Initial assessments suggests that this contingency should be set at £2m with any release of these funds subject to Cabinet approval. There should be enough headroom in the funding options to fund this contingency.

Decision

We have:-

- (i) agreed to take forward the Academies Programme in Consett as outlined in the report;
- (ii) authorised the most appropriate final capital funding options to be determined by the Corporate Director Resources, the Corporate Director of Children and Young People's Services and the Corporate Director for Neighbourhood Services in conjunction with the Lead Cabinet Members for Resources, CYPS and Strategic Environment and Leisure. The addition of any agreed supplementary capital spending to the County Council's Capital Programme, profiled in line with the project design and construction period;
- (iii) noted that if they gave approval to the proposal, thereby identifying funding for the academy, the consultation regarding implementation options linked to the final capital allocation will cease.

**4. Building Schools for the Future: Wellfield Community School
Key Decision CYPS/02/10
Cabinet Portfolio Holder – Councillor Claire Vasey
Contact – David Theobald- 0191 3708853**

We have considered a report of the Corporate Director, Children and Young People's Services that sought to enter into the design and build contract for the remodelling of Wellfield Community School in Wingate under the Building Schools for the Future (BSF) programme.

Building Schools for the Future (BSF) was intended to be a large scale transformation of secondary education. The objective was to create 21st century learning environments to drive forward improvements in educational attainment and the aspiration of young people in County Durham.

As previously approved by Cabinet (22/6/06), Durham's BSF Programme will be delivered through a single Local Education Partnership (LEP). Durham County Council awarded the framework and initial contracts for Building Schools for the Future (BSF) in August 2009 to the Local Education Partnership Inspiredspaces.

Wellfield Community School is the final project from the original wave 3 group of schools in the east of the County to seek cabinet approval. A detailed planning application was submitted for the school in January 2011 following community consultations in the local area. Detailed design work is continuing with the school which will conclude with a Stage 2 submission for the project in February 2011 which will then be evaluated by the team identified above plus other key stakeholders.

The New Project Development Process is concluded by submitting a Final Business Case (FBC) to Partnerships for Schools (PfS). The FBC for Wellfield will be submitted to PfS in March 2011 and we are expecting approval of this document and the subsequent release of capital funding in May 2011. The proposals are expected to be considered by the planning committee on 12th April 2011. Approval of the FBC allows Durham County Council and the LEP to finalise the contractual documentation and achieve contract award.

Wellfield Community School is designed for a capacity of 910 11-16 pupil places. The proposed scheme is a remodel of the existing school with a new façade to the entrance with better arrival arrangements for students, visitors and the community out of hours, and significantly better internal arrangements within the school itself. The building was the subject of a major scheme completed in 1995 which included the construction of new accommodation as well as the partial remodelling and refurbishment of existing facilities. The premises are therefore in fair condition, but certain areas do not meet current educational standards, and there are accessibility problems which need to be addressed. In particular, a number of very narrow corridors in the upgraded original accommodation were retained, and internal remodelling is needed to provide appropriate circulation. There is also a lack of spaces for social

interaction both internally and externally within the school, and wasted space exists at the interface between the newer extensions and the original building.

The net funding gap for the design and build for the school is £1,720,834. This gap will be financed from the overall resources available to the BSF programme. The gap is within that anticipated in the BSF affordability model. The ICT contract will generate a small surplus for contingency.

Decision

We have approved the award of the design and build contract for Wellfield Community School to InspiredSpaces, and authorised the BSF Project Board to approve any final adjustments to the details of the contract from that detailed in the report.

5. Adult Learning Review – Strategy Cabinet Portfolio Holders – Councillors Eunice Huntingdon, and Neil Foster Contact – Jeanette Stephenson- 0191 3833738

We have considered a joint report of the Corporate Director, Adults, Wellbeing & Health, and Corporate Director, Regeneration and Economic Development that presented an Adult Learning Strategy that has been developed following a review of Adult Learning conducted by the National Institute of Adult Continuing Education (NIACE). The report gives some background with regards to current adult learning policy, strategy development and the key messages.

The strategy has been developed in order to shape the new Adult Learning and Skills Service, its priorities, delivery mechanisms and strategic direction. The strategy also aims to give some strategic direction to and gain support from the Service's learning partners both within the Authority, Children and Young People's Services and Regeneration and Economic Development as well as other Further Education (FE) and Third sector providers across Durham. The medium term future of adult learning in County Durham is articulated in the strategy.

There are a number of key messages arising from the strategy which should be noted.

- The re-organisation of the Adult Learning Service, which will become the Adult Learning and Skills Service: a new, more flexible staffing structure will be developed, subject to consultation with staff.
- A focus on the learning priorities.
- The Adult Learning and Skills Service will undertake direct provision such as skills for life, family and employability learning (areas that were identified as well performing in the NIACE review).
- Strategic decisions on the use of Skills Funding Agency contracts and bidding opportunities will be taken jointly between Adults Well Being and Health; Regeneration and

Economic Development and Children and Young People's Services.

- Work will be commissioned from other providers such as FE colleges, the third sector and social enterprises.
- The curriculum will be reviewed; and
- A new approach to quality will be introduced, addressing performance standards and the need for flexibility.

It is important that the strategy is seen in the context of the wider skills agenda in the local economy which is led by the County Durham Economic Partnership (CDEP) through its Employment and Skills Executive Group (ESEG). The strategy has been presented to this group and implementation of the strategy and its corresponding action plans will support the delivery of the County's Economic Assessment People Implementation plan.

The recent Comprehensive Spending Review has had a significant impact upon how learning will be delivered from August 2011 onwards: cuts by the Department for Business Innovation and Skills (BIS) to grants are set at 25% over the next 4 years.

The strategy for Adult Learning ensures that the Council takes a new more cohesive approach to the delivery of adult learning, reflecting the broader corporate inputs and the need to ensure delivery is outcome focussed. It is also a strategy that is in part to be delivered in partnership with other FE providers and the Third Sector.

The Adult Learning Review and development of the strategy have highlighted that changes will be required in relation to the Service's business model and staffing structure, in particular the management of the service, which will need to become leaner and focus on the development of a programme of learning that meets the identified priorities. This will be in line with the Medium Term Financial Plan.

Delivery of the strategy will be through a high level action plan which is part of the Strategy. Under this will sit a series of detailed action plans which will be delivered upon by a series of task and finish groups led by named responsible officers.

Decision

We have noted the rebranding of the Adult Learning Service as the Adult Learning and Skills Service, and endorsed the strategic priorities which will be delivered through the Adult Learning Strategy.

6. Strategic Review of Community Alarm and Telecare Services
Cabinet Portfolio Holder – Councillor Morris Nicholls
Contact – Nick Whitton- 0191 3834188

We have considered a report of the Corporate Director, Adults, Wellbeing and Health on the progress of the Strategic Review of Community Alarms and Telecare Services. The total current contract value after MTFP efficiency savings is £3,573,279 per annum.

Community Alarm Services have been provided in County Durham for over 20 years. The service provides an alarm unit linked to a telephone line together with a pendant or pull-cord which the user can activate to summon help from a 24 hour staffed control centre. The assistance can be from family, friends and health / social care staff or from a mobile warden. There are currently over 13,000 community alarm users in County Durham subsidized by DCC from Supporting People Grant, together with another 5,000 users who pay for the service themselves. Most users are older or disabled people.

Telecare services are often an adjunct to a traditional community alarm service. They offer additional sensors which help to support people at home including fall detectors, hypothermia detectors and door exit sensors. Some Telecare sensors are not linked to a community alarm but provide support to people who are being cared for by family carers or supported living staff. These could include epilepsy sensors or sensory support devices amongst others. Telecare users must have assessed critical or substantial needs and include a range of client groups, but principally older people and people with learning disabilities.

Current Community Alarm / Warden Support Service contracts were awarded in April 2007 following an open tender. The contracts were awarded for 3 +2 years, with the intention that the strategic relevance and models of provision would be fully reviewed prior to the end of the contract in March 2012. Telecare contracts were introduced in 2006 and have continued on a year to year basis. Because of the inherent interrelationship between community alarms and Telecare both services need to be considered jointly.

Cestria Housing have given notice of termination of their contract from 31 March 2011. As a result, from April 2011 these services will be provided across the whole County by DCC Care Connect in –house service.

The strategic review will inform the decision-making in relation to any future commissioning and procurement processes for these services.

A strategic review group has been established including the following key partners: AWH Commissioning (lead); DCC Strategic Housing; DCC AWH Adult Care; NHS County Durham and Darlington. The project reference group has been consulted about current and potential future community alarm and Telecare services. The overall finding from the initial consultation is that the current service is highly valued by both the service users and the professionals involved in their care and support. The core elements of the existing service are considered to have high importance in future services and

are key preventative services for older and vulnerable people in County Durham.

Future commissioning options have been considered within the strategic review group. Because this service provision is delivered in-house there are two options available.

- DCC Commissioning Service can develop a new service specification and negotiate with the current in-house provider to deliver.
- The service can be put out to open tender either as a single package or as multiple packages.

A public consultation process which will be open for 3 months and will incorporate a variety of consultation methods with stakeholders, service users and the wider public.

Detailed work will take place with Corporate Procurement and partners to determine the commissioning option which will deliver the highest quality service at the best value, to include market testing, further work with stakeholders to determine service options for wide public consultation during March to June 2011.

Decision

We have:-

- Approved the proposal that the service options are exposed to wide public consultation from March to June 2011.
- Authorised the delegation to the Corporate Director in conjunction with the Portfolio Holder the recommissioning of the service taking into account the results of consultation.
- Approved the submission of a report to Cabinet in September 2011 on the outcomes of consultation and the recommended service model/procurement option.

7. Disposal of former Nursery school site at Gilesgate Cabinet Portfolio Holders – Councillors Alan Napier, Clive Robson, and Morris Nicholls Contact – Jenny Warren- 0191 372 5498

We have considered a joint report of the Corporate Director, Adults Wellbeing & Health, Corporate Director Regeneration and Economic Development, and Corporate Director, Resources that sought approval to dispose of an area of a former Nursery School site at Gilesgate to Tees Valley Housing (TVH) at affordable housing market value in order to facilitate the provision of a supported housing scheme for Young Parents and their children.

Since 2007, TVH have successfully provided and managed a Young Parents supported housing scheme in Bishop Auckland. TVH have been working closely with Commissioners in Adults to identify a suitable site from a long list of possible options. Following investigations, the site shown verged on the attached plan at Gilesgate which is owned by the County Council, was identified as the best option. The site was chosen because it is best placed for community integration, close to schools, Sure Start, shops and health centre as well as accessible by public transport. The site also has good access to further education and vocational training agencies that young parents may access.

The site extends to approximately 0.5 hectares or thereabouts and would support both the proposed young parents' scheme consisting of 9 self-contained flats and some communal facilities, as well as 11 units of affordable housing for rent and purchase. Strategic Housing are supportive of the need for additional family housing of this type in the area.

The access road is adjacent to a Primary School. The Headmaster of the School has been consulted on the scheme design and purpose and is satisfied with the proposals. Access issues have been considered by Highways and Planning and an agreement has been reached for the road to be improved and widened with additional safety features installed including a new footpath with safety railings and rumble strips to slow traffic.

There is a commitment to revenue fund the service through Supporting People grant. Capital funding for the scheme is being provided by the Homes and Communities Agency (HCA) and TVA and the scheme will bring an estimated inward investment of £3m into Durham, together with local jobs and apprenticeship opportunities.

The HCA grant must be claimed this financial year, with a start on site required by March 2011. The sale price has been agreed at £195,000 which represents market value for affordable housing. There is however no specific requirement for affordable housing on this site and if the site was advertised for sale it is considered that a capital receipt in the region of £400,000 could be achieved.

Decision

We have approved the disposal of the site to Tees Valley Housing at less than best consideration in order to facilitate the provision of a supported housing scheme for Young Parents and their children plus affordable housing for rent and purchase.

8. Older Persons Accommodation and Support Strategy
Cabinet Portfolio Holders– Councillor Clive Robson and Morris Nicholls
Contact – Norman Hunt- 0191 5274513

We have considered a joint report of the Corporate Director, Regeneration and Economic Development, and Corporate Director, Adults, Wellbeing and Health that sought approval of the Older Persons Accommodation and Support Strategy.

There is a significantly ageing population in County Durham. By 2026 the numbers of people aged 65 and over are projected to increase by almost 50%, whilst those aged over 85 will increase by over 115% with the highest increase in single pensioner households. DCC and its partners are very aware of this and are keen to ensure that the right homes and services are in place to respond to this large and important customer group.

Housing Quality Network (HQN) was jointly commissioned by Housing and Adults Wellbeing and Health in February 2010 to undertake a review of older persons accommodation and support services in County Durham.

The Older Persons Accommodation and Support Services Strategy has been developed by HQN in partnership with a multi agency project group on behalf of DCC Housing Service and Adult Commissioning Service. The strategy and delivery plan set out our joint commissioning priorities over a 3 to 5 year period. It should be noted that there is no additional funding to deliver these priority actions therefore existing resources will be prioritised over the delivery plan period. The Project Team will be exploring innovative ways of accessing alternative funding sources for example partnership working with the third sector.

The Strategy was subject to a 3-month public consultation period, which ran from 16th July up until 15th October 2010. This comprised of a series of consultation events with stakeholders, portfolio holders, wider public, County Durham Housing Forum and Age Concern as well as utilising the Council's on line consultation portal Limehouse to enable as many people as possible to comment. There were over 100 comments from over 65 respondents and over 92% agreed with the overall principles and objectives of the Strategy. Some very valuable feedback was received which has been incorporated within the delivery plan where appropriate and a full consultation report is Feedback will be provided to respondents who provided contact details.

Decision

We have approved the final strategy documents.

9. Review of Indoor Sport & Leisure Facilities
MTFP Ref: NS1
Cabinet Portfolio Holder – Councillor Bob Young
Contact – Stephen Howell- 0191 3729178

We have considered a report of the Corporate Director, Neighbourhood Services that set out a basis for selecting Sport & Leisure facilities for consultation on closure. This is part of the current programme of MTFP required efficiency savings and is in line with the Council's Sport and Leisure Service Strategy.

Indoor facilities form only part of the Sport and Leisure offer alongside Sport and Leisure Development, Outdoor Sport and Countryside Services; all of which have a focus on participation. The Sport and Leisure Strategy (approved for consultation June 2010) is explicit in proposing a shift in emphasis from indoor facilities to alternative approaches such as maximising the use of the outdoor environment and more targeted interventions more able to engage hard-to-reach groups. Similarly, the Strategy proposes a greater emphasis on raising participation via community settings and specifically through voluntary sector sports clubs.

Whilst this changing emphasis on the nature of provision forms a central strand of the service's Strategy, Sport and Leisure Services are challenged by a 25% reduction in available resources in the Authority's Medium Term Financial Plan (MTFP). This equates to a £3.5M reduction in the Sport and Leisure revenue budget over the next four years with £1.46M falling in year 1 due to the front loading of efficiency savings requirements in the MTFP. Proposals to meet this include a saving of £1,098,100 from a review of indoor facilities. The target date for commencement of this saving is October 2011, and therefore any rationalisation of indoor facilities would need to occur on or before 01 October 2011.

By way of context the efficiency savings arising from a reduction in the number of indoor facilities forms part of total savings of £20.29M required of the Neighbourhood Service grouping over the next four years.

Whilst this report is presented as part of the efficiency agenda, and certainly proposes a significant reduction in the number and cost of indoor facilities, Members' attention is drawn to the fact that such a change was already an integral part of plans to transform the nature of the service post LGR. The current facility stock is in many cases outdated and poorly located, being premised on the previous district boundaries and structure. Similarly, indoor facilities should not be seen as the only mechanism through which participation in Sport and Leisure can be grown. Indeed, indoor facilities have proven unsuccessful in engaging hard to reach groups and a change in emphasis to community based activity will bring with it a number of benefits in this area, which is a cornerstone of the Sport and Leisure Strategy.

The Council currently provides 19 indoor sport and leisure facilities across the County; many of which were constructed in the 1970s and early 1980s. 14 of these are managed directly by the Sport and Leisure Service and 5 are

managed under contract by third party organisations (two of which, Belle Vue Leisure Centre and Swim Centre are operated as a single site).

In addition to those facilities above the service also provides two cultural facilities which are managed by the Derwentside Trust for Sport and Arts; the Lamplight Arts Centre and Empire Theatre. The future of Roseberry Golf Course is currently the subject of consultation.

In bringing these proposals forward the service has considered a range of ways in which to achieve the level of saving required. In order to meet this requirement the service will also be proposing a range of additional saving around management options, staffing structures and other cost reducing initiatives. Given, however, the large proportion of costs associated with indoor facilities it would not be possible to achieve the saving without some impact on this service area.

A sustainable distribution and improved quality of indoor facilities will provide hubs of activity for all the family and community, which will contribute to increased participation. However, these are just one part of the offer, and increasing participation across the county requires a more balanced use of resources. As outlined earlier, the overall approach of the new Sport and Leisure Service Strategy is to ensure that a greater emphasis is placed on the use of the outdoor environment and more targeted interventions, which are more able to engage hard to reach groups.

The future service provision will include increased support for voluntary and community providers through whom more local and accessible opportunities in participation can be provided. In sport, this includes increasing the number of high quality clubs within communities and working with clubs to increase access, expanding membership, and link school participation to community settings. Supporting clubs includes, resource for new coaches to be trained, mentored and supported as active volunteers or professional coaches and officials

In physical activity, this includes a clear range of opportunities for all ages, such as community legacy gyms, walks, cycle routes and sportsability clubs. The new sport and leisure structure also recognises the importance of mobile resources to reach specific neighbourhoods to tackle specific challenges, and an increased team of specialist staff to target those with health conditions. This is further supported by increased recognition of our natural and outdoor environment, to extend the range and choice of opportunities.

Increased emphasis on development also includes encouraging other major providers to increase their offer critically, this includes providing advice and support for educational establishments to open their amenities sustainably. Supporting the University and Colleges to provide activities within their communities. Equally, supporting the voluntary sector to attract funds and develop local facilities and amenities in a shared and sustainable manner; will help increase access and re-shape the local sporting offer. Finally, increased resource to developmental activity, seeks to maximise external funding to the County, helping to support economic development during challenging times,

and providing further opportunities to communities to take part and be involved in sport and physical activity.

Whilst a sustainable distribution and improved quality of indoor facilities provides important family hubs, an increased focus on sports and leisure development is recognised as having a wider impact on hard to reach communities. Where an indoor facility is removed, this approach will be accentuated to support communities to access current and newly developed services, and in so doing, ensure an overall balanced distribution of opportunities. Consideration of future programmes will be determined by the equality profile of the residents within localities impacted through the rationalisation process.

A full equality impact assessment has been undertaken as part of this review . This assessment has sought to identify the impacts to customers who make use of specific Leisure Centres that are to be subject to potential closure. This information is complex and varied as Leisure Centres not only deliver activities, but also provide space for a wide range of local community uses. To capture details of the specific impact associated with closures, an audit of provision was conducted, specifically focusing on provision made to statutory equalities strands.

Through this, it is recognised that closure of local facilities may have a disproportionate impact on older and disabled people together with children and teenagers, as they may have to travel further to access leisure centres than previously and may have limited access to a car or public transport. The increased costs associated with accessing services incurred through transport may disproportionately affect these groups.

In order to ensure that comprehensive consideration has been given to this issue, the review has used the latest data available on the levels of deprivation, as indicated by the Index of Deprivation in relation to the facility location, so that any potential detrimental impact on particularly vulnerable communities can be examined and the most vulnerable wards identified. All centres have been mapped against the most vulnerable wards and none of the main areas are affected by the proposals. The map shows the extent of those areas with high deprivation levels against the areas affected. As referenced earlier there will be an increased focus on sport and leisure development work within such areas, to support communities to access current and newly developed services, to ensure an overall balanced distribution of opportunities.

As identified through the equality and diversity impact assessment and also through the audit of the facilities themselves, there are many stakeholders potentially impacted by the potential closure of these facilities. It is important therefore that a period of consultation is entered into before any final decision is made on the future of these facilities. A consultation plan has therefore been developed to ensure that users of the facilities, residents, partner organisations and other key stakeholders are given the opportunity to give their views on the proposal and to put forward any alternative options to closure during a 12 week consultation period.

It is important in any consultation that the Council is clear about what it is consulting key stakeholders on. In terms of the review of indoor facilities, the Council will be seeking two key outcomes as a result of carrying out the consultation process. Firstly, the consultation will seek views and comments in relation to the proposal to close the 6 leisure centres, and the potential impact on communities. Secondly, this period will be used to offer the opportunity for any individual group or business to put forward a viable alternative option to closure of facilities. Support for this process will be provided in accordance with the Council's agreed mechanisms, but initially channelled through the project team assigned to this review within the sport and leisure service.

The consultation process will be tailored to ensure that those particularly impacted by the proposals are provided an opportunity to put their views forward in terms of the two outcomes identified above. In order to achieve this, a range of mechanisms will be used in terms of online and written surveys, public meetings, use of the AAP's, Town and Parish Council network and partner arrangements. Meetings with Members and MP's will be arranged to discuss how they can contribute to the process.

The consultation will run for a period of 3 months, from the date of the Cabinet approval of this report and both a consultation and communications plan has been developed to effectively manage this process. The consultation will be publicised through information in all leisure centres, through press and media coverage, letters to stakeholders and a link on the Council's website. Sport England, Area Action Partnerships, County Durham Association of Local Councils and other significant partners will also be given the opportunity to discuss the proposals in detail. Community groups and associations who may have an interest in discussing new community models with the County Council will be encouraged to develop sustainable proposals for further discussions. A full consultation plan has been developed in relation to this project and will be available on request or via the Members' Library.

The outcome of this consultation process will then be brought back for Members' consideration in the summer before any final decisions are made on the future of these facilities.

Decision

We have:-

- Authorised consultation on a proposal to close the following centres:
 - a Abbey Leisure Centre
 - b Coxhoe Leisure Centre
 - c Deerness Leisure Centre
 - d Ferryhill Leisure Centre
 - e Glenholme Leisure Centre
 - f Sherburn Leisure Centre

- Agreed that The Head of Sport and Leisure prepares a further report for Cabinet on the outcome of the consultation and taking it into account, makes recommendations in relation to the centres.

10. Council Plan and Service Plans 2011 - 2014
Key Decision CORP/A/03/11/3
Leader of the Council – Councillor Simon Henig
Contact – Tom Gorman- 0191 3836518

We have considered a report of the Assistant Chief Executive that provided a draft of the Council Plan for 2011-14 attached for consideration and comment before being submitted for approval by Council on 23rd March 2011.

The Council Plan is the overarching high level plan for the County Council. It covers a three year timeframe and is updated annually. It links closely with our Medium-Term Financial Plan and in broad terms sets out how we will consider our corporate priorities for improvement and the key actions we will take in support of delivering the longer term goals in the Sustainable Community Strategy (2010-2030) and the Council's own improvement agenda. The Council Plan for the forthcoming period has been revised alongside the review of the Sustainable Community Strategy.

The Council Plan is underpinned by a series of Service Plans at a service grouping level. Service Plans provide more detailed information on the actions we are taking to deliver the Council's priorities, plus actions required for other service specific priorities. They have been prepared to a standard format and provide more detailed information on service context, details of strategic links, key actions, additional resources required and reference to relevant risk assessments.

Decision

We have:-

- Agreed the content of the draft Council Plan and recommended it for approval by full Council on March 23rd, subject to any final minor amendments by the Assistant Chief Executive.
- Noted that Service Plans are now complete and copies are available from the Corporate Improvement Team.

11. Concessionary Fares
Medium Term Financial Plan Proposal

Key Decision CORP/R/10/10
Cabinet Portfolio Holders – Councillors Alan Napier and Neil Foster
Contact – Adrian White- 0191 3833435

We have considered a joint report of the Corporate Director, Regeneration and Economic Development, and Corporate Director, Resources that sought approval to change the local enhancements offered as part of the County Durham Concessionary Travel Scheme.

The English National Concessionary Travel Scheme is a statutory scheme which provides free travel on local buses to the elderly and disabled between 0930 and 2300 Monday to Friday and at all times on weekends and Bank Holidays.

The County Durham scheme offers enhancements above that of the national scheme, in that bus travel is free at anytime, and also offer half fare on local rail journeys (from all local stations excluding Durham) and provide passes to registered carers who can travel free when accompanying a disabled pass holder who would otherwise be unable to travel.

The bus operators are reimbursed for carrying passengers on the principle that they should be left 'no better and no worse off' as a result of the concessionary travel scheme. Payment is made for each journey on an 'average fare' discounted for generated travel using a reimbursement formula.

The County Council's current year (10/11) spend on concessionary fares is as follows:

	£m
Original budget	9.880
Addition to base budget (Q1)	0.542
REVISED BASE BUDGET	10.422
Overspend met from contingencies	0.581
EXPECTED 2010/11 OUTTURN	11.003

The DfT issued draft guidance and a revised reimbursement formula in October 2010. This was alongside an announcement, as part of the Comprehensive Spending Review, that they expected to save between 10 and 20% on the national concessionary fares budget through "lower payments to operators" and through "moving the duty from lower to upper tier authorities".

Using the draft reimbursement formula our forecast of spend for 2011/12 was £9.6m. This equates to a reduction of 13% and appeared to be in line with the DfT announcement.

The MTFP proposals being developed in early December therefore built in a saving of £800k (ie current revised base budget of £10.4m for 2010/11 reducing to a forecasted base budget of £9.6m for 2011/12).

The DfT issued their final guidance on 21 December 2010 which made some significant changes to the way in which reimbursement payments should be calculated. It also indicated that County Durham should now use a higher reimbursement rate applicable to Public Transport Executive (PTE) type areas. This is based on car ownership levels (from 2001 census) which suggest that County Durham concessionary travel market behaves with the same characteristics as the metropolitan PTE areas. County Durham is the only county shire in the list of authorities which DfT suggest should be treated as having PTE characteristics.

Given the current budget pressures, it was recommended that Cabinet consider reducing the non-statutory elements of the current scheme i.e. travel before 0930, after 2300 and half price local rail. This is in line with the actions of many other authorities, who are either already operating to the statutory time limits or proposing to charge pass holders for travel before 0930.

A marketing and communications strategy has been prepared by the Corporate Communications Team to ensure that pass holders are informed of the changes and the reasons why this has been necessary. The strategy also sets out proposals for the consultation exercise on rail concessions.

Decision

We have:-

- Agreed to the introduction of a 50p flat fare for concessionary pass holder travel before 0930 from the 1 April 2011, as set out in paragraph 16 of the report.
- Authorised consultation on the future of the half fare concession on local rail journeys; and to delegate authority to the Corporate Director Regeneration and Economic Development in consultation with the portfolio holder to make a decision whether or not to remove this concession, taking into account the outcome of the consultation.

12. Digital Durham Next Generation Broadband (Key Decision CORP/R/10/1) Cabinet Portfolio Holders – Councillors Alan Napier and Neil Foster Contact – Phil Jackman- 0191 3708905

We have considered a joint report of the Corporate Director, Regeneration and Economic Development, and Corporate Director, Resources that sought agreement to the proposed plans to provide next generation (super fast) broadband in County Durham through a funding bid to seek the investment

required from Broadband Delivery United Kingdom (BDUK) and the commercial broadband providers.

Access to digital services, through broadband, is essential to provide services and information to businesses, customers and services users. This access is key to enabling a modern economy and a research and learning service to customers.

Current private sector business plans would extend next generation broadband (to the very fast response time speeds of circa 24 to 50 Megabits per second, as compared to existing of between 0 and 8 Megabits per second) coverage to only around 40% of the homes and businesses within the County. This would lead to significant disadvantage for the majority of residents and businesses within these areas.

The majority of premises are able to receive first generation broadband through a copper infrastructure, at speeds of up to 8 megabits per second (Mbps). Speeds however are very dependant upon the distance between the premises and the BT exchange, as well as the amount of concurrent use, which is known as contention. In many locations speeds can fall away quickly to effectively zero.

Without public sector intervention much of County Durham risks being left outside of the knowledge economy, which could impair the Council's ability to deliver against all of its priority themes. A successful funding bid would help alleviate this shortcoming.

The most effective way to provide next generation broadband is through fibre optic connections, which can give virtually unlimited speeds and capacity. The highest speeds are delivered through fibre to the premise (FTTP) but this can be a very expensive option where 'last mile' distances between premises are significant.

Certain parts of the County, due to geography, do not lend themselves to the installation of fibre but here other options are available such as wireless networks (which use radio wave connections) or communications satellites (which use microwave radio connections). Speeds and capacity are more limited with these options as opposed to fibre.

Durham County can be split into three types of area in terms of next generation broadband investment based upon the likelihood of commercial return: those areas with a high likelihood; those areas with a medium likelihood; and those areas with a low likelihood.

The Council's investment and development plans will influence which parts of the county will fall into which of these areas.

As the likelihood of commercial return drops then the case for public intervention increases to address market failure. This intervention can be in many forms, including direct investment, provision of anchor tenancy, public sector aggregation and assistance with easement.

Durham County Council should only intervene in those areas where direct investment can underpin the development of next generation broadband services, it is affordable to do so and there is a low likelihood of commercial return.

The Council has approved £2 million within the capital programme to be used for the provision of next generation access broadband.

Broadband Delivery UK (BDUK) has been created within the Department for Business, Industry and Skills (BIS) as a delivery vehicle for the Government's policies on broadband. Their aim is to ensure that the UK has next generation broadband coverage but they are especially focussed on the 'final third', those areas that are unlikely to be covered entirely by commercial investment.

BDUK will be inviting a further round of regional based bids against the investment money, starting in March, with a decision expected in June 2011.

Other sources of funding are still available and the option to make bids will be investigated, including European Regional Development Fund (ERDF) and Rural Development Programme for England (RDPE).

ICT Services and Economic Development have been working together to identify the areas of the County that most require investment in next generation broadband.

The Council will make a bid in the next round for the BDUK money. The bidding round is to start in early March 2011. As part of the bid, the Council will enter into a full procurement exercise to identify delivery partners or combinations of delivery partners.

The project will be delivered in stages, as and when finances become available.

The Council will work with other interested parties working towards the same objective, such as other public sector and the community and voluntary sector, to deliver next generation access broadband across the County.

Decision

We have:

- Agreed to the proposed approach to the provision of next generation broadband in County Durham.
- Authorised ICT Services and Economic Development to enter into a full procurement exercise to identify delivery partners or combinations of delivery partners.
- Agreed to the proposed objectives as identified above.
- Authorised ICT Services and Economic Development to bid for the next round of BDUK money.
- Agreed to the high level roll out plan as detailed in the report.

13. Proposals for the Delivery of Business Support Services in County Durham
Key Decision R&ED/14/10
MTFP RED 1
Cabinet Portfolio Holder – Councillor Neil Foster
Contact – Sarah Robson- 0191 3833444

We have considered a report of the Corporate Director, Regeneration and Economic Development on the outcome and final recommendations of the review into services for businesses in County Durham and how these recommendations are being taken forward by DCC within the Regeneration and Economic Development service.

In accordance with these recommendations, to seek agreement to implement structural changes to the services provided by the County Council that support new and existing businesses in County Durham through the merger into one integrated business focused team of County Durham Development Company and the Business Services Team within Economic Development.

In addition, to ensure that the promotion of County Durham as a business and inward investment location is optimised within a broader place based marketing function that embraces the ambition of the Regeneration Statement to “create places where people want to live, work, invest and visit”.

The report deals firstly with the review of countywide business services that was commissioned by Cabinet in July 2009, before moving on to examine how the services of the County Council have also been examined. Recommendations about a proposed model for future DCC service delivery then follow.

In July 2009 Cabinet approved a proposal to review services provided to business in County Durham, based upon a high-level option paper that had been prepared through LGR work-streams prior to vesting day. Cabinet agreed that the review would encompass a range of agencies and services to ensure that improvements could be made from the customer perspective rather than individual providers.

The review was carried out through a multi agency working group chaired by the Council’s Business Services Manager and was reported through the Council’s Economy and Enterprise Scrutiny Group in October 2009 and February 2010.

Decision

We have agreed that:-

- (a) County Durham Development Company and Business Services be brought together into one team within with the Economic Development service in the Regeneration and Economic Development service grouping.

- (b) The functions of business space, start up and general business support, business innovation and growth be agreed as the basis of any activity to be delivered by the new business team.
- (c) TUPE consultation commences to transfer CDDC's function and staff into DCC.
- (d) Delegated authority be approved to the Portfolio Holder and the Corporate Director for Regeneration and Economic Development to negotiate the terms of this organisational restructure.
- (e) The reserves of CDDC be retained by the Company to support future delivery of business services activity.
- (f) The Corporate Director of Regeneration and Economic Development be delegated to sign the joint accord regarding future delivery of business services by Durham County Council.

14. Buy Local: Buy Durham (including electronic quotations)
Key Decision R&ED/15/10
Cabinet Portfolio Holders – Councillors Alan Napier and Neil Foster
Contact – Pater McDowell- 01207 218239

We have considered a joint report of the Corporate Director, Regeneration and Economic Development and Corporate Director, Resources that sought agreement to the "Buy Local: Buy Durham" initiative which will change and standardize the process by which the Council seeks quotations. This initiative will have a positive benefit to businesses based in County Durham.

A key ambition of the County Council is to develop a new approach to public procurement and wherever possible, to create more opportunities for local suppliers. However the Council needs to be mindful that although procurements valued at below the EU procurement thresholds (currently set as – Goods and Services £156,442 Works £3,927,260) are not covered by the Public Contracts Regulations 2006 the EU Treaty principles of transparency, equal treatment and proportionality do apply and the Council cannot give preference to local suppliers when making an award. The purpose behind these proposals is to address the frequently aired concerns from the business community that the procurement machinery of councils disadvantages smaller businesses in the local community and is more suited to the resources of larger national and international operators.

In 2009/10 the County Council spent over £500m with approximately 13,000 suppliers. It is estimated that around 40% of this spend was with businesses in County Durham.

The Council's Contract Procedure Rules, which form part of the Council Constitution, set out the financial thresholds and procurement process which need to be followed for any procurement. Currently all County Council procurements over £50,000 must be advertised and managed via the Council's electronic tendering system called Pro-Contract. Companies must register on the system which is part of the NEPO (North East Purchasing Organisation) Portal to be able to access the tender opportunity.

Procurement projects up to £50,000 operate on a quotation only basis with the use of the Pro-Contract system encouraged but not mandatory. Quotations can be sought through a variety of sources including the electronic tendering system, fax, telephone, post/letter, e-mail etc. Currently 3 quotations are required for any procurement with an estimated value of between £5,001 and £50,000 and 1 quote for any procurement up to £5,000.

The introduction of Buy Local: Buy Durham will see two major changes to these procedures.

Firstly, the introduction of “Buy Local: Buy Durham” will require a change in the Council’s Contract Procedure Rules which, when in place, will mandate that all procurements with an estimated value between £5,001 and £50,000 be carried out electronically on the Pro-Contract system. This will provide increased transparency; ensure procurement compliance and a standardized process for buyers.

Secondly, the introduction of “Buy Local: Buy Durham” will create more opportunities for local suppliers by ensuring buyers seek a minimum of one quotation from companies based in County Durham where the procurement has an estimated value between £5,001 and £50,000.

Decision

We have agreed to:-

- (i) Amend the Council’s Contract Procedure Rules.
- (ii) Support the creation of the Buy Local: Buy Durham scheme.

15. Renewable Energy Technologies **Key Decision R&ED/16/10** **Cabinet Portfolio Holder – Councillor Neil Foster** **Contact – Maggie Bosanquet- 0191 3834253**

We have considered a report of the Corporate Director, Regeneration and Economic Development to agree a set of actions in respect of renewable energy technologies which will generate income, cut energy costs, reduce carbon emissions and create social and economic benefits.

The Government has recently announced that local authorities can now generate and sell energy which opens up new sources of income for councils. This includes benefiting from the feed-in-tariff which was brought in by the previous Government in April 2010 to incentivise the generation of renewable electricity for schemes installed and registered by March 2012.

Low carbon economic growth offers major opportunities for County Durham. The Council is already supporting local SMEs in renewable technologies and County Durham has one of only two manufacturers of Photovoltaic panels in the UK

The Council has significant potential to generate income and/or free electricity from its own land and buildings. The renewable technology currently offering the greatest opportunity is solar photovoltaics (PV), although other technologies are also being considered to ensure we maximise the potential, including wind, hydro and biomass.

The Council is recognised as one of the most forward looking Authorities in the Country in respect of renewable technologies. We now have a number of opportunities to further this reputation, to ensure that we meet targets for reducing carbon emissions and to maximise financial benefits to the Council.

Only a small window of opportunity exists (until March 2012) to take advantage of the feed-in-tariff before the Government reduces the rates that it will then guarantee over 25 years. The advantages are significant, including increased income, free electricity, reduced carbon emissions and potential new jobs and training opportunities.

Decision

We have agreed to adopt a positive and proactive approach to the installation of renewable energy technologies by:-

- (a) Agreeing the lease or sale of land at Stella Gill to a local supplier to pilot a solar PV farm for County Durham;
- (b) Marketing sites deemed suitable for solar PV through a tendering process;
- (c) Providing financial help to homeowners through the Council's 'Helping Hands Loan Scheme' to facilitate the installation of renewable technologies.
- (d) Authorising for an initial capital investment of £6m on an Invest to Save basis with the cost of borrowing financed from the income generated by the installations. It is estimated that this investment will generate a net surplus of £234k per annum after allowing for repayment of borrowing.

16. Strategic Housing Inspection Report
Cabinet Portfolio Holders – Councillors Clive Robson and Neil Foster
Contact – Anne Smith- 0191 3836609

We have considered a joint report of the Corporate Director, Regeneration and Economic Development, and Assistant Chief Executive that advised of the result of the inspection of the Council's Strategic Housing Service and to agree the Council's response to the recommendations contained within the inspection report.

The Audit Commission acts in the capacity of an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone. Inspection activity carried out by the Audit Commission is concentrated on areas of service delivery where it will have the most impact and is based on an assessment of risk.

The Strategic Housing Service in County Durham has recently been established by bringing together services for the seven former district and borough councils. A significant amount of restructuring has been undertaken to ensure that the strategic housing function is operating as a single service across the county.

The Audit Commission decided to carry out a strategic housing inspection across all new unitary authorities established following Local Government Review in 2009. The onsite inspection of the County Durham Strategic Housing Service was carried out during October 2010 with a Final Report of all findings published in January 2011.

The inspection report contains four high level recommendations for the council to make improvements in the following areas, in relation to strategic housing:

- equality and diversity in the delivery of the service
- the strategic approach to housing
- access and customer care
- performance management

The detailed recommendations are included in the summary Inspection report.

Decision

We have:-

- Noted the findings and recommendations contained within the inspection report.
- Agreed the Council's response to the recommendations as detailed in the attached action plan.

17. Local Transport Plan 3

Cabinet Portfolio Holders – Councillors Bob Young and Neil Foster

Contact – Harris Harvey- 0191 3833459

We have considered a joint report of the Corporate Director, Regeneration and Economic Development, and Corporate Director, Neighbourhood Services that sought approval for the new local transport plan, LTP3, which is to come into effect 1 April 2011 on expiry of the current plan.

The Transport Act 2000, as amended by the Local Transport Act 2008, places a statutory duty on the County Council to produce a local transport plan and to keep it under review. This is the third local transport plan for County Durham and is the successor plan to LTP2, covering the 5-year period from April 2006 to March 2011. It has been drawn up in accordance with Department for Transport (DfT) guidance on the preparation of third generation local transport plans, issued in July 2009 and is in two parts:

A **Transport Strategy** that looks some 10 years ahead and the key issues facing the county and the actions we need to take to achieve our objectives.

A **Delivery Programme** firmed up for the first year of the plan period, with an indicative programme for subsequent years, subject to agreement within the Council's capital programme.

Decision

We have:-

- Approved the third Local Transport Plan (LTP3), comprising the Transport Strategy and the Delivery Plan including the capital programme for 2011/12 and recommend its adoption by full Council;
- Noted the intended annual review (in compliance of the statutory requirement) and reporting regime that will monitor and update the ongoing performance and delivery of the Plan's objectives.

18. Houses in Multiple Occupation – Adopted Standards and Licence Conditions **Cabinet Portfolio Holder – Councillor Bob Young** **Contact – Joanne Waller- 0191 3835672**

We have considered a report of the Corporate Director, Neighbourhood Services that sought approval of revised standards and licence conditions for houses in multiple occupation (HMO) and delegated authority to make minor amendments and legislative changes to update HMO standards and licence conditions as and when required.

Well managed HMOs meet the needs of a diverse population, including young professionals, low paid workers and older single persons. In the City Centre, privately owned HMOs provide accommodation for more than half of all University students. Conversely, poorly managed HMOs have traditionally been associated with some of the worst housing conditions in the private rented sector. The latter often manifests through increased risks to the health and safety of the occupants arising from poor fire safety measures, inadequate kitchen and sanitary provision, poor management standards and dangerous fixtures, fittings or layout. The improvement of standards in HMOs remains a priority to protect residents from unsafe and unhealthy conditions.

The national standards for HMOs which are licensed by the Council are now prescribed in regulations made under the Housing Act 2004. These relate to provision of bathrooms, WCs, kitchens, fire safety and heating within HMOs. They are used to determine whether or not a property is reasonably suitable for occupation by a certain number of households or persons. If these standards are not met, a licence cannot be granted.

Even if these prescribed standards are met, the Council must still determine whether the HMO is or is not reasonably suitable for occupation. More detailed standards can therefore be set to reflect local housing conditions, provided they do not fall below the prescribed national standards.

Adopting local HMO standards will also furnish landlords with the detailed information on what is expected of them, and provide the basis for enforcement standards.

There are currently 345 licensed HMOs across the County and to the best of our knowledge this represents all known HMOs that fall into the category for mandatory requirements for licensing. It is estimated that there could be a further 1000-1200 other smaller HMOs, which currently fall outside of the scope of the mandatory licensing regime.

Current HMO standards exist for the following types of HMO:

- Shared houses
- Bedsits
- Hostels, Guest Houses and Bed and Breakfast premises.

These existing standards were set by the various district authorities prior to Local Government Reorganisation in County Durham.

It is important that therefore that the Council regularly reviews and develops local standards and licence conditions to ensure that the regulation of HMOs is in line with current legislative requirements and to ensure that accommodation is maintained at the level or above prescribed by the minimum national standards where appropriate.

The Council's Cabinet meeting held on 15th December 2010 approved the Report "Licensing of Houses of Multiple Occupation". The main purpose of the report was to consider the HMO fee structure for new HMOs and those subject to re-licensing; and to agree in principle to the introduction of an 'Additional' licensing regime for houses in multiple occupation, subject to a further report following completion of the appraisal and consultation process.

The current proposals for re-licensing provide an opportunity to review existing standards and licence conditions and update them into line with current legislation.

The improvement of conditions in HMOs remains a priority to protect residents from unsafe and unhealthy conditions. It also contributes to their overall quality of life and general health which are some of the core principles of the new Public Health White Paper, "Healthy Lives, Healthy People" which sets

out the Government's long-term vision for the future of public health in England.

Decision

We have:-

- Agreed to recommend the report and Appendices 1 to 5 for adoption by Council.
- Authorised the Director of Neighbourhood Services and Head of Environment, Health and Consumer Protection in consultation with the Head of Legal Services to amend the standards and licence conditions to reflect changes in legislation as and when necessary.

19. Consett Academy Cabinet Portfolio Holder – Councillor Claire Vasey Contact – David Ford- 0191 3833133

We have considered a report of the Corporate Director, Children and Young People's that sought endorsement to the Department for Education's proposal for new sponsorship arrangements for the Consett Academy following the withdrawal of Durham University from the role of lead sponsor within the Durham Excellence in Education Partnership (DEEP) Academies Trust.

The Consett Academy project was initiated under the academy arrangements put in place by the previous government. Under these arrangements each academy required an external sponsor. Following a rigorous selection process agreement was reached with the government on sponsorship for the academy from the DEEP Academies Trust, comprising Durham University (as the lead sponsor), the Durham Association of Secondary Headteachers (DASH), and the North East Chamber of Commerce with Durham County Council as co-sponsor. This met the two key aims of a lead sponsor with an educational background who was prepared to work in partnership with the County Council as co-sponsor.

At the same time agreement was also reached for the Stanley Academy to be sponsored by New College Durham again with the County Council as co-sponsor.

Following discussions with the County Council the Department for Education has proposed that New College Durham replace the DEEP Academies Trust as sponsor for the Consett Academy with the County Council continuing as co-sponsor.

Lord Hill of Oarefood, Parliamentary Under Secretary for Schools confirmed the sponsorship arrangements, and also stated that the Academy would open in January 2012.

The Chairman of the County Council in consultation with the Chairman of Overview and Scrutiny Management Board consented to the call-in procedure not applying as the decision taken by the Executive was urgent.

Decision

We have:-

- Endorsed New College Durham as the Lead Sponsor for the Consett Academy with the County Council continuing as co-sponsor.
- Agreed the closure of Moorside Community Technology College and Consett Sports College with effect from 31 December 2011 to enable the Consett Academy to open on 1 January 2012.

Councillor S Henig
Leader of the County Council

15 March 2011