

21 January 2015

Report from the Cabinet



Purpose of the Report

To provide information to the Council on issues considered by the Cabinet on 17 December 2014 to enable Members to ask related questions.

Members are asked to table any questions on items in this report by 2 pm on 20 January 2015 in order for them to be displayed on the screens in the Council Chamber.

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- 1. **Medium Term Financial Plan (5), Council Plan and Service Plans 2015/16-2017/18 and Council Tax Base for 2015/16**
Key Decision: CORP/R/14/02
Leader and Deputy Leader of the Council – Councillors Simon Henig, and Alan Napier
Contact – Jeff Garfoot 03000 261 946

We have considered a joint report of the Corporate Director, Resources and the Assistant Chief Executive which provided an update on the 2015/16 Budget and Medium Term Financial Plan MTFP(5) and sought approval for the Council Tax base position for 2015/16 and Council Plan and Service Plans 2015/16 to 2017/18.

The financial outlook for the Council continues to be extremely challenging. The Chancellor of the Exchequer's March 2014 Budget confirmed that funding cuts to the public sector will continue until at least 2018/19. Between 2011/12 and the end of 2014/15 the Council will have delivered £136.9m of savings. It is forecast that by the end of the MTFP (5) period 2015/16 to 2017/18 additional savings of £88.501m could be required as outlined in medium term financial plan model shown at Appendix 2 to the report. The Council's cumulative savings total between 2011/12 and 2017/18 is now £225.4m.

The Council has utilised reserves of over £10m in 2014/15 to smooth the delivery timetable of some of our savings projects and thereby reduce the immediate impact of service reductions upon the public. It is likely that this approach will become a constant feature of budget planning in the MTFP (5) period and beyond as the Council continues to deal with the uncertainty of future financial settlements, and seeks to delay where practical, the impact of service cuts.

The Council's proposed savings plans to deliver the £16.283m savings for 2015/16 were detailed in the report at Appendix 3.

The recent party conference season has confirmed the expectation that Health and Education budgets are likely to continue to be protected during this period of austerity. In addition the Scottish Independence Referendum 'no' vote outcome has resulted in a commitment to give more devolved financial powers to Scotland and possibly English regions with no changes at this stage to the Barnett Formula which has been in existence since 1978. The Barnett Formula is having a beneficial financial impact on public spending in Scotland, Wales and Northern Ireland to the detriment of areas such as the north east.

All of these announcements clarify that public spending, particularly in Local Government; will continue to face significant funding reductions until possibly 2020 and maybe beyond. The impact upon Local Government could be significantly worse if other Government Departments such as Defence and Overseas Aid are afforded some level of protection.

Against this background, it is prudent that the Council continues to plan for the future on the basis that Local Government will continue to face significant funding reductions across the MTFP(5) period and beyond. This planning will continue to utilise the output from the extensive 2013 MTFP consultation process. The Council will continue to plan ahead, will assess the impact of savings plans, will identify efficiencies and protect frontline services wherever possible.

The flexible utilisation of a 'Planned Delivery Programme' (PDP) Reserve, as agreed by us in the MTFP (5) Strategy Report on 16 July 2014, will be used to best effect from 2016/17 to smooth the impact of having to make further savings from cuts in services.

Decision

We have:

- Noted the adjustments to the 2015/16 Budget model and the saving requirement of £16.283m
- Noted the savings to achieve the current 2015/16 saving target of £16.283m
- Noted the revised savings requirement for 2016/17 and 2017/18 of £72.218m
- Noted the creation of a Planned Delivery Programme reserve of £10m
- Approved the Council Tax Base for the financial year 2015/16 for the County, which has been calculated to be 130,493.0 Band D equivalent properties.
- Noted the process outlined for consultation
- Agreed the draft objectives and outcomes framework as a basis of the development of our plans
- Considered 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;
- Noted the programme of future work to ensure full impact assessments are available where appropriate at the point of decision, once all necessary consultations have been completed;
- Noted the ongoing work to assess cumulative impacts over the MTFP period which is regularly reported to Cabinet.

2. Quarter 2 2014/15 Performance Management Report Leader of the Council – Councillor Simon Henig Contact – Jenny Haworth 03000 268 071

We have considered a report of the Assistant Chief Executive which presented progress against the council's corporate basket of performance indicators and report on the significant performance issues for the second quarter of 2014/15 covering the period July to September 2014.

The report set out an overview of performance and progress by Altogether Priority theme and incorporated a strong focus on volume measures in the performance framework. During the second quarter period 73% of the target indicators have shown either an improvement or have maintained current performance and 78% are approaching, meeting or exceeding target. This is an improvement from quarter one when 65% of indicators had improved or

maintained performance and 67% were approaching, meeting or exceeding target. Performance for tracker indicators is less positive as 63% improved or maintained, reflecting the ongoing impact of the economic downturn on the county. 90% of Council Plan actions have been achieved or are on target to be achieved by the deadline, less than quarter one when 93% of actions had been achieved or were on target.

Figures confirm the UK economy grew again this quarter, surpassing its pre-recession peak from 2008, although County Durham continues to be affected by high unemployment, and low levels of potential job creation. Despite lower than average employment levels and increases in reported crime, there continues to be good progress made in many areas. These areas include reduced Job Seeker's Allowance claimants, increased occupancy of business lettings and council owned housing, continuing high levels of educational attainment and adult care provision, improved street and environmental cleanliness and benefits processing. The council has again seen increases in demand for key frontline services concerning the number of people rehoused and the number of fly tipping incidents reported. Requests for information under the Freedom of Information Act or Environmental Information Regulations continue to increase.

Decision

We have:

- a. Noted the performance of the council at quarter 2 and the actions to remedy under performance.
- b. Agreed all changes to the Council Plan outlined:

Altogether Wealthier

- i. Agree the development plan of Elvet waterside due October 2014. Revised date: August 2015
- ii. Agree a delivery plan for Milburngate House due June 2015. Revised date: September 2015.
- iii. Relocate the bus station on North Road due December 2015. Revised date March 2016.
- iv. Construction of a new railway station at Horden on the Durham coast railway line due March 2016. Revised date: August 2017.
- v. Work with partners to develop a Houses in Multiple Occupation (HMO) Strategy to improve the standards and quality of HMO accommodation within the private rented sector due July 2014. Revised date: September 2015.

- vi. Bring empty homes back into use through a programme of targeted support due March 2015. Revised date: September 2015.
- vii. Develop and implement a real time travel information system across the county due September 2014. Revised date: December 2014.

Altogether Better Council

- viii. Deliver and complete the current accommodation programme for council buildings due November 2015. Revised date: February 2016

Deleted Actions

Altogether Wealthier

- ix. Complete road access improvements at Front Street, Stanley due December 2014.

- c. Agreed changes to performance indicators outlined below:

Altogether Healthier - Four week smoking quitters per 100,000 – revision of annual target from 1,126 to 1,133 per 100,000, due to changes to the population figures, although the actual number of quitters remains the same at 4,813.

3. Welfare Reform and Poverty Issues

Leader and Deputy Leader of the Council – Councillors Simon Henig, and Alan Napier, and Cabinet Portfolio Holder, Councillor Eddie Tomlinson

Contact – Roger Goodes 03000 268 050

We have considered a joint report of the Assistant Chief Executive, Corporate Director, Resources and Corporate Director, Regeneration and Economic Development which outlined how the Council is responding to welfare reform and poverty issues.

The Welfare Reform Act 2012 consolidated a raft of changes intended to reduce government spending on welfare by encouraging people to support themselves through work, rather than welfare. Progress with implementation and analyses of the impacts on the county have been the subject of a number of update reports to Cabinet. We agreed to broaden the scope of the welfare reform policy work and the Welfare Reform Steering Group to take a more comprehensive overview of poverty issues.

Using the council's performance management framework, currently performance is monitored through a sub-set of welfare reform management information and performance indicators, which track:

- a) the proportion of council owned housing that are empty;
- b) the proportion of council owned housing that is not available to let and has been empty for more than 6 months;
- c) first time entrants to the Youth Justice System aged 10 - 17 (per 100,000 population of 10-17 year olds);
- d) the number of repeat incidents of domestic violence (referrals to Multi-Agency Risk Assessment Conferences [MARAC]);
- e) first time entrants to the Youth Justice System aged 10 - 17 (per 100,000 population of 10-17 year olds);
- f) current tenant arrears as a percentage of the annual rent debit.

Given that we have agreed to broaden the scope of the welfare reform steering group to take a more holistic view of poverty issues within the context of welfare changes, the report proposed to augment the framework by tracking a broader range of poverty-related issues. This would enable the focus to be on preventative work to avoid households getting into financial difficulties and to develop targeted interventions aimed at supporting the poorest households in the greatest need. The report proposed that further work should focus around the following themes:

- a) Attitudes to poverty and raising its profile;
- b) Focus on child poverty;
- c) Involvement of agencies with direct involvement in poverty;
- d) Credit and debt;
- e) Further welfare reform and benefit changes;
- f) Work and personal wellbeing and sense of worth.

Decision

We have noted the contents of the report and agreed the further work programme as outlined in the report.

4. Review of Current Policy on 20 mph Zones and Limits Cabinet Portfolio Holder – Councillor Brian Stephens Contact – Sheila Palmerley 03000 265 731

We have considered a joint report of the Corporate Director, Children and Adults Services, Corporate Director, Regeneration and Economic Development and Corporate Director, Neighbourhood Services, to assess the evidence regarding the effectiveness of 20mph speed zones and limits within the county; and to recommend options for future policy. This followed the

recommendation of Overview and Scrutiny to Cabinet that this should be considered in line with new Department for Transport guidance.

In County Durham, overall serious casualty numbers are low in comparison to other areas, but the Council and its partners would like to reduce them further, and get more people active through walking and cycling. In recent years many local authorities have introduced a range of 20 mph zones and limits (outlined in Appendix 6 of the report).

The County Council's current policy on 20 mph zones/limits was approved by Cabinet in 2003. The policy recommended that 20 mph zones were considered in three specific areas: around schools, in areas where there were above average accidents - particularly child accidents, and in areas adjacent to facilities for vulnerable road users where demand was significant enough (such as adult day centres). The policy recommended that 20mph limits would not be introduced on their own, based on the available evidence at the time. Two 20 mph zones and one 20mph limit only scheme have been introduced in the county area in the past 10 years (detailed in appendix 6 of the report). The principal piece of national guidance (Transport Circular 01/2013) from the Department for Transport (DfT) has changed since the Council's current policy was developed and now supports consideration not only of 20mph zones but also 20mph limits where conditions are suitable. The guidance includes a specific objective relating to 20 mph speed limits that local authorities should:

Consider the introduction of more 20 mph limits and zones, over time, in urban areas and built-up village streets that are primarily residential, to ensure greater safety for pedestrians and cyclists.

The National Institute of Health and Care Excellence (NICE) provide evidence based national guidance and advice to improve health and social care. NICE have systematically reviewed the available evidence on 20 mph limits/zones and recommended:

Introduction of engineering measures to reduce speed in streets that are primarily residential or where pedestrian and cyclist movements are high.

The available evidence suggests that 20mph zones are effective in reducing speeds and casualties, with research suggesting that the number of collisions involving children could be reduced by up to two thirds. The Council's Public Health team collaborated with Durham University to undertake an umbrella review of published evidence on 20mph schemes. This review concluded that 20mph zones and limits are effective in reducing accidents and injuries, but did not differentiate between limits and zones. In developing options, the potential of wider schemes to raise the profile of the need for lower speeds with drivers, and the potential for wider community benefits in terms of promoting healthier travel choices of walking or cycling were considered alongside formal evidence of reductions in collisions. The following three options for future policy change were considered.

Option One: Update the Current Policy in line with new Department for Transport guidelines.

This option proposed that 20 mph zones and limits continue to be carefully considered based upon evidence of inappropriate speed. It was expected that this proposal would not lead to a significant increase in 20 mph zones/limits; typically, the Council would expect to undertake a 20 mph zone/limit scheme every 3 years based upon schemes completed to date.

Option Two: Updated policy plus part-time 20 mph limits on main roads around targeted schools

This option proposed the introduction of part-time 20 mph speed limits at the 33 schools with the highest child casualty rates, including main roads and distributor roads outside of these schools, where road conditions make this a suitable option, and subject to consultation, design and development of individual schemes. It was proposed that the limits would be introduced on an enforceable basis where possible, but in some instances, where the average road speed is above 24mph, they may need to be advisory in line with Department for Transport guidance. This option was in addition to the updated policy in option 1, which would continue to consider zone schemes as well as limit schemes, based on evidence of need, costs, and public views.

Option Three: Updated policy plus part-time 20mph limits on main roads around targeted schools, plus education and awareness raising.

This option proposed targeted proactive education and awareness raising programmes around the introduction of part-time speed limits in addition to Options 1 and 2. This would lead to the development of social marketing programmes alongside the new speed limits, to incorporate:

- Ongoing safety education for children including road awareness and cycling
- Health promotion initiatives to encourage cycling and walking amongst school children and the wider population
- Speed awareness amongst drivers and the wider population

Options 2 and 3 would both involve consideration of 20 mph limits in smaller or larger targeted areas of the following main towns, depending on evidence of collisions:

Bishop Auckland
Chester le Street
Consett
Durham City
Newton Aycliffe
Peterlee
Seaham
Spennymoor
Stanley

The estimated initial capital costs and ongoing annual revenue costs for the range of three options were summarized in the report.

It is generally accepted that a blanket introduction of a 20 mph speed limit across all roads in urban areas would be both time consuming and costly, and it is likely to be difficult to get public support for such a broad approach. There are no other county areas which have implemented such a wide scheme, and given the above considerations this approach was discounted.

The issue of reassurance and local acceptability should not be overlooked, and evidence indicates a good level of potential public support for limits focused on urban and residential areas. Members were therefore recommended to adopt Option 3, part time 20mph limits for schools with the highest accident rates in their vicinity together with linked social marketing measures, alongside the existing, ongoing, demand-led consideration of zone schemes.

In advance of any formal consultation the Authority would look to engage with a wide range of stakeholders; including the police and the local PACT teams, local members, AAPs, schools and their governing bodies and any community or residents organisations representing the areas concerned. Local interest groups would need to be consulted and engaged in the design and development of individual schemes.

The formal procedure for introducing a 20mph limit follows the statutory process of making a 'Speed Limit Order' under the Road Traffic Regulation Act (RTRA) 1984. This is necessary for it to be legally enforceable (in the same way as any other speed limit).

The Order making process includes a statutory consultation, with a requirement to formally publish our intentions and invite comments from the public and key stakeholders. Under the Council's constitution, any objections to making an Order would be reported to the Council's Highways Committee for consideration. The programme of work will be taken forward on a prioritised basis and will be subject to an annual review. It is anticipated it could take up to three years to complete the work in all locations.

Although Durham's casualty numbers continue to fall, there is an opportunity to introduce wider measures to limit speed in built up areas, subject to public and partner engagement. It is therefore proposed that part-time 20mph limits be introduced on main roads around the 33 schools in the county with more than double the average accident rate in their local area, alongside proactive social marketing, as well as updating the existing demand-led approach.

Decision

We have agreed:

- The adoption of Option 3: part-time 20mph limits on main and distributor roads around 33 schools with the highest accident rates,

subject to local consultation and scheme design with associated education and awareness raising work, plus a revised policy statement on 20mph zones and limits, to encompass future evidence-led consideration of limits as well as zones on a demand-led basis.

- That consultation and engagement plans be developed in relation to 20mph speed limit proposals considering local circumstances, views and solutions whilst also including dialogue with local members, AAP's, schools and their governing bodies and community residents associations representing the areas covered.
- That the final revised policy statement be delegated for agreement by the Corporate Director of Regeneration and Economic Development, Corporate Director of Neighbourhood Services and Director of Public Health, in consultation with relevant Cabinet members.
- That the work be taken forward on a prioritised basis and for an annual review to be held.

Councillor S Henig
Leader of the County Council

13 January 2015