



## RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** on **THURSDAY 23 OCTOBER 2008**.

These decisions will come into force and may be implemented from **4 NOVEMBER 2008**, unless the Overview and Scrutiny Committee or its Sub-Committees object to any such decision and call it in.

### **County Durham Economic Strategy 2008 – 2013** **[Key Decision BSE/CEO/EDR/01/06]**

#### **Summary**

The Cabinet considered a Report of the Corporate Director Environment providing an overview in relation to how the County Durham Economic Strategy (CDES) 2008-2013 has been updated following a detailed consultation process and recommending its submission to the County Council for endorsement.

Since the CDES 2002 – 2007 was prepared there have been substantial economic, policy and governance shifts, which continue to unfold and impact the economic development of the County. These changes are reflected in the new CDES covering the period 2008 – 2013.

The CDES reflects the approach of the Regional Economic Strategy (RES) and considers County Durham in terms of the three competitiveness headings of Business, People and Place. It describes the substantial progress made to date in developing the economy of County Durham, the assets that the County possesses and the challenges that are to be faced in achieving progress towards the key priorities under each of these headings.

Foremost amongst the challenges is the gap between the potential and actual productivity of County Durham. The key measure used by Government to assess productivity is Gross Value Added (GVA) which measures the contribution to the economy of each individual producer, industry or sector. County Durham's potential GVA is calculated at circa £ 7.5 bn, but currently only around £ 5.4 bn is being achieved. Reshaping the County's industrial sectors and reducing the level of worklessness to national levels would help narrow this gap, but the main factor is to address productivity. This is driven by:

- Workforce skills base;
- Levels of capital investment;
- Investment of research and development and levels of innovation;
- Degree of competitiveness within local and other marketplaces.

## **Decision**

Cabinet agreed to recommend endorsement by County Council of the County Durham Economic Strategy 2008 – 2013 as the key policy document to guide economic development within County Durham.

The Cabinet also agreed that the Corporate Director Environment, in consultation with Councillor Foster, be given delegated power to authorise minor editorial changes and graphic design work on behalf of the County Council, in order to publish and disseminate the CDES to Members, partners and Stakeholders as soon as possible.

## **Transforming Places: Changing Lives, a Framework for Regeneration**

### **Summary**

The Cabinet considered a Report of the Corporate Director Environment about the new Communities and Local Government (CLG) consultation document “Transforming Places: Changing Lives, a framework for regeneration” (July 2008), outlining its key messages, and seeking approval of a consultation response.

The Consultation document sets out a package of ambitious proposals, which are linked to a number of other recent Government proposals emerging from the Sub-National Review of Economic Development and Regeneration. It consults on a regeneration framework which suggests revised roles for organisations involved in tackling deprivation.

The document

- Emphasises the need to tackle deprivation and social inequity through public and private sector investment.
- Proposes that regions develop a “Regional Regeneration Priorities Map” which would identify priority locations for regeneration investment.
- States “regeneration is a sub-set of economic development” and that the success of regeneration programmes will be measured by improvements in economic performance.
- Follows a series of recent Government policies focused on using “infrastructure” improvements as a means of tackling a wide range of social, economic, and environmental issues.
- Outlines the role of the new Housing and Communities Agency (HCA), which links their housing and regeneration roles with “economic renewal” at regional and local levels.
- Proposes a set of indicators for measuring progress which cover a range of economic, social, and environmental issues.
- Sets out new responsibilities for a range of regeneration bodies including local government, RDAs, the HCA, Government Offices and national government.

North East authorities have begun proactively planning Economic Assessments in anticipation of statutory guidance. It is important that this

work is integrated with the proposed Regional Regeneration Priorities Map. Furthermore, if the North East map is to inform Regional Funding Advice in February 2009, the map needs to be developed quickly. It is anticipated that One North East and the North East Assembly will begin this work soon and County Durham must be fully engaged in preparing the map to ensure its development priorities are fully incorporated.

It is vital that DCC prepares for the new proposals in the document; including the need to refine and determine its own priority regeneration locations. Existing regeneration programmes such as the Durham New Growth Point and the Coalfield Housing Programme, which regional and national bodies are supporting, could be championed as priority County Durham regeneration locations.

### **Decision**

The Cabinet agreed that officers prepare evidence which identifies priority regeneration locations in the County and are involved in regional discussions about investment locations and the development of a Regional Regeneration Priorities Map. It would be logical to propose existing or planned regeneration programmes as priority locations for County Durham.

The Cabinet also agreed that the County Council should respond to this consultation as a means of shaping a key area of Government policy and representing the County's need to be fully engaged in regional regeneration activities, as set out in Appendix 3 to the Report.

## **Waste Management Performance – Potential Improvements**

### **Summary**

The Cabinet considered a Report of the Corporate Director Environment seeking approval for the further extension of the kerbside green waste collection and support for home composting across the County as part of a package of measures to help mitigate landfill costs, improve satisfaction with services and meet environmental performance expectations

Defra have awarded a non-ring fenced Waste Infrastructure Capital Grant (WICG) as follows to the County Council -

2008/9	£ 867,470
2009/10	£ 863,816
2010/11	£ 316,890

The set up costs of both the home composting and green waste collection would meet the criteria for grant expenditure.

It is proposed to use £ 100,000 (split over this and next financial year) of the WICG to purchase 5,000 compost bins for sale to residents at the discounted rate of £ 8 each. The bins when fully utilised could prevent 809 tonnes of green waste per annum going to landfill equating to £ 57,000 landfill costs.

It is also proposed that 38,000 green waste bins would be purchased in 2008/2009 costing an estimated £ 798,000 and 29,000 bins would be purchased in 1009/2010 costing an estimated £ 609,000.

The County Council, like most local authorities, faces some challenging targets for recycling and composting in the years ahead. Current lack of treatment capacity and the rising costs of landfill are combining to make investment in recycling or composting services an imperative.

The proposed measures are estimated to collectively add 8.9 % to existing performance, thereby increasing the prospect of meeting challenging Local Area Agreement (LAA) and Government Targets.

### **Decision**

The Cabinet noted the challenging LAA and Government Targets relating to waste, and the measures outlined in the report to help meet them in the short term and approved

- 1) The extension of green waste collection to a further 67,000 households across the County, including the purchase of bins and noted that a further report detailing the collection areas will be submitted for agreement.
- 2) The purchase of 5,000 compost bins be subsidised over two years at a cost of £ 100,000 which would be met from the Waste Infrastructure Capital Grant Scheme and the subsequent sale to the public at the subsidised rate of £ 8.00 per unit.

The budget provision for this initiative will be found from the costs which would otherwise have been incurred for landfill.

## **Free Swimming**

### **Summary**

The Cabinet considered a Report of the Corporate Director, Environment seeking approval to take up Department of Culture, Media and Sport (DCMS) grant funding for the provision of free swimming for over 60s and under 18s, for 2 financial years commencing April 2009.

Durham County Council has the ability to opt into either or both age group categories (i.e. over 60s and under 18s) and receive the approved level of grant for two financial years commencing April 2009 (£391,803 in each financial year). Taking into account the loss of direct income, in effect the free swimming programme will require £ 85,000 additional funding in year 1 and around £100,000 in year 2. There will inevitably also be additional operational costs which the pools will have to consider i.e. additional cleaning, supervision and possibly dispersal from paid activity elsewhere to free activity in the pools which are not covered by the grant and will have to be managed within the service.

DCMS are also offering those local authorities who confirm their intention to allow free swimming to both age categories (over 60s and under 18s), a share of a £10 m capital improvement grant to invest in public swimming facilities. County Durham has been allocated a total grant of £113,934. This grant is not available unless the new authority agrees to go ahead with both age categories.

Those authorities signed up to both age categories, become eligible to apply for funding being administered by Sport England to help to make more extensive improvements to their swimming pool stock. The funding available is £25m for both 2009/10 and 2010/11. Authorities only signing up to one age category would not be eligible to apply to this funding source.

There are no guarantees that this programme will be government funded after April 2011 which will leave the authority in a position of having to consider directly funding the scheme which may cost in the region of £ 500,000 pa, or targeting specific target groups/geographical areas or re instating swimming charges. Regular monitoring and evaluation reports will be produced for consideration by Members and DCMS during the course of the program.

Recent discussions with the County Durham and Darlington Primary Care Trust (PCT) confirm that they will provide gap funding of £200,000 to meet the DCMS grant shortfall, as physical activity is a key driver to help meet the health outcomes contained in their 5 year development and delivery plan.

As most of the existing district authorities currently define junior concessions as those age 18 years and under, and which the income projections are based on, it is proposed to continue with this age banding for the free swimming category thereby increasing the value of the DCMS initiative by 2 years.

### **Decision**

The Cabinet agreed to

1. Provide free swimming for those aged over 60 years and under 18 years for the financial years 2009/10 and 2010/2011, subject to confirmation of the DCMS grant.
2. Accept the offer from the County Durham and Darlington Primary Care Trust to provide gap funding of £100,000 in 2009/10 and if possible the same in 2010/11.

A progress report will be presented to Cabinet following the first year of the programme.

Lesley Davies, Acting Director of Corporate Services  
28 October 2008