



RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** held on **Wednesday 17 October 2018**. The decisions will come into force and may be implemented from **Monday 29 October 2018** unless the Corporate Overview and Scrutiny Management Committee or its Committees object to any such decision and call it in.

Mainstream Primary and Secondary Formula Funding 2019-20 and Transfer to High Needs Block [Key Decision: CORP/R/18/06]

Summary

The Cabinet considered a joint report of the Corporate Director of Children and Young People's Services and Corporate Director of Resources which set out the Council's approach to setting a funding formula for mainstream primary and secondary schools for 2019/20, which would apply to maintained schools from 1 April 2019 and academies from 1 September 2019.

The report provided details of the options available in terms of the mainstream primary and secondary school funding formula for 2019-20, in light of the National Funding Formula announcements made by Government in July 2018, together with details of the ongoing consultation with individual schools and through the Schools Forum across the autumn 2018. The report also set out proposals to apply to the Secretary of State for Education for permission to transfer funding from the schools block to supplement High Needs funding in response to the significant budget pressures being experienced in this area. This transfer would impact on the funding formula for mainstream primary and secondary schools for 2019/20 and full details of the forecast impact on individual schools was included within the report.

The main source of funding for mainstream primary and secondary schools and academies is the local schools funding formula. Each local authority currently sets its own formula, within the restrictions imposed by the Department for Education (DfE), after consultation with schools and the Schools Forum. The DfE had previously announced that local formulas would be replaced by the National Funding Formula (NFF) from 2020-21, however, in July 2018, the DfE announced that this has been postponed and local authorities will continue to set local formulas for 2020-21.

The DfE has cited the progress made by local authorities in aligning local formulas to the NFF as the main reason for this decision.

The DfE has expressed confidence that in the light of the progress made to date, local authorities will continue to increase the alignment between local formulas and the NFF in 2020-21 without the need for a statutory deadline of convergence in that year. In setting the funding formula for mainstream primary and secondary schools for the current financial year, the Council took the decision to use a transitional formula, intended to smooth the transition from the local formula in place in 2017/18 to the NFF allocations for individual schools over three years (2018/19 to 2020/21), with the plan to converge in 2020/21. The strategy agreed last year would see continuing the transition in 2019-20, which would have been the last year a local formula would have needed to be set if the replacement of local formulas had not been delayed.

When setting the Local Formula for 2019-20, the final decision rests with the Council but it must consult schools and the Schools Forum and must apply for permission to transfer funding to or from the High Needs Funding Block. Officers have been working on options for the mainstream primary and secondary schools funding formula for a number of months and the timetable for decision making was included in the report. The report also set out a number of options including the following:

Option 1: Accelerate the pace of change and move to implement the NFF as closely as possible from 2019-20

Option 2: Continue with the strategy implemented with effect from 2018/19: a transitional formula which moves schools to a NFF based allocation from 2020/21

Option 3: Continue with a transitional formula approach, but at a slower rate than currently planned i.e. aim for a NFF equivalent formula from 2021/22 instead of 2020/21

Option 4: Retain the 2018/19 formula factors and halt the transition to the NFF in 2019/20

An evaluation of the individual options was included in the report. All options would be affected by a potential transfer of funding to High Needs. The High Needs Block of the Dedicated Support Grant (DSG) funds provision for pupils and students with Special Educational Needs, including those in mainstream education, special schools and out-of-county placements. The report included a comparison of options based on a High Needs Block (HNB) transfer at the maximum permissible amount for each option.

Appendix 2 of the report showed the estimated funding for each option by school and compared this to the 2018-19 funding levels currently received. The change in pupil numbers for each school was also provided in this appendix for reference as overall reductions in pupil numbers on roll year on year will inevitably result in reductions in overall funding regardless of the impact of the changes to the formula factors. Appendix 3 showed the impact of the High Needs Block transfer for each school.

The final decision on the 2019-20 funding formula for mainstream primary and secondary schools will be made by Cabinet in December, following further consultation with schools and the Schools Forum.

In the meantime, Cabinet was recommended to consider the proposals to seek permission from the Secretary of State to transfer funding from the schools block to the High Needs Block and to consider the options available and provide comments on its recommended option, for feedback to the Schools Forum at its meeting on 5 November 2018.

Decision

The Cabinet:

- (a) Noted the indicative financial modelling that has been undertaken to date and the timetable for decision-making for the 2019-20 mainstream primary and secondary funding formula;
- (b) Authorised the Corporate Director of Resources and Corporate Director of Children and Young Peoples Services, in consultation with the relevant Cabinet members, to submit an application for a transfer of funding from the Schools Block of the Dedicated Schools Grant of the maximum permissible, without creating a negative ceiling;
- (c) In considering the options available in terms of the 2019-20 mainstream primary and secondary funding formula agreed to support option 2, and would feedback to the Schools Forum at its meeting on 5 November 2018.

Draft Children and Young People's Strategy

Summary

The Cabinet considered a report of the Corporate Director of Children and Young People's Services which presented the draft Children and Young People's Strategy 2018/19-2020/21.

The draft Children and Young People's Strategy (CYPS) 2018/19 - 2020/21 is a partnership strategy for all children and young people and their families in County Durham. The aim of this strategy is to provide focus and clarity on the priorities for improving services and life opportunities for children and young people. The document considers what life is currently like for children and young people in County Durham, based on feedback from children and young people and analysis of their needs.

Stage one of the consultation which looked at the proposed vision, aims and objectives, took place throughout May, June and July. This gave children and young people, management teams, Integrated Steering Group for Children (ISGC), partnerships (including the Children and Families Partnership and the Corporate Parenting Panel) and Children and Young People's Overview and Scrutiny the opportunity to provide feedback on the proposed vision, aims and objectives of the strategy. The draft vision for the Children and Young People's Service is: "County Durham will be a great place for children and young people to grow up in and for County Durham to be a place where all children are healthy, happy and achieving their potential".

Stage two of the consultation is currently taking place and will give partners and stakeholders the opportunity to comment on the draft strategy before final sign off of the strategy by the Children and Families Partnership. It has been agreed that this strategy will be a blueprint for other partnership strategies which are due for review from April 2019, including the Joint Health and Wellbeing Strategy and Safer Durham Partnership Plan.

Decision

The Cabinet received the draft Children and Young People's Strategy

Selective Licensing in County Durham

Summary

The Cabinet considered a report of the Corporate Director of Regeneration and Local Services which sought approval in principle to the undertaking of detailed preparatory work with the intention of submitting an application to the Secretary of State for Communities and Local Government for a county wide selective licensing designation. The results of those preparations would be submitted to Cabinet at a later date prior to any application being submitted.

The Housing Act 2004 gave local authorities the power to introduce selective licensing of privately rented homes in order to tackle problems in their areas that result from low housing demand and/or significant anti-social behaviour. Therefore, landlords who rent out properties in an area that is subject to selective licensing are required to obtain a licence from the local authority for each of their properties, in order to rent them out.

Selective licensing is a discretionary scheme for local authorities and covers privately rented properties. The Housing Act 2004 allows local housing authorities to designate areas for selective licensing to support the improvement of privately rented properties, providing certain conditions are met. In areas designated, landlords must apply for a licence if they wish to rent out a property, this includes landlords who rely on lettings agents to manage their properties on their behalf. This enables the council to check whether they are a "fit or proper person" to be a landlord or letting agent, as well as making other stipulations concerning management of the property and appropriate safety measures. The stipulations are listed in the licence conditions and the conditions are at the discretion of the local authority. Failure to do this could result in a fine. There are positive impacts for both tenants and landlords associated with selective licencing in problematic areas.

In April 2015 additional criteria were introduced which extended the conditions for designating an area to include: areas experiencing poor property conditions; an influx of migration; a high level of deprivation; and high levels of crime, thus enabling local authorities to make effective use of selective licensing to address specific problems in certain areas. Under the amendments introduced in 2015, should a local authority decide to make a designation that covers more than 20% of its geographical area or more than 20% of the private rented stock, an application to the Secretary of State will be required.

Selective licensing must be consistent with the Council's overall housing strategy and be co-ordinated with procedures for homelessness, empty homes, anti-social behaviour and housing market renewal activity. The authority must also demonstrate the role of other partners such as police and social services in ensuring the designation reaches its goal. A designation can run for a maximum of five years and the administration of the scheme can be funded from the licence fee.

In seeking to progress a selective licensing designation, local authorities must take reasonable steps to consult persons who are likely to be affected and consider any representations made in accordance with the consultation. Consultation should be widely publicised using various channels of communication. Once the consultation has been completed the results should then be published and made available to the local community, including a summary of the responses received and should demonstrate how these have either been acted on or not, giving reasons. If a designation does not require confirmation from the Secretary of State the local authority must consult for at least ten weeks. If however, confirmation is required, the suggestion is still to consult for at least ten weeks unless there are special reasons for not doing so. Any consultation will be completed before a further report and business case are presented to Cabinet.

Where a designation does not require confirmation from the Secretary of State, it cannot come into force until three months after it is approved by the council. Where it requires confirmation, it cannot come into force until three months after it has been confirmed by the Secretary of State.

Previously there were three designations in operation across County Durham:

- Dean Bank, Ferryhill
- Chilton West, Chilton
- Wembley, Easington Colliery

All three areas were initially designated for licensing by the former district councils on the grounds of low housing demand and significantly high levels of anti-social behaviour. The designations formed part of a wider master plan for the areas and had originally contained an element of housing renewal such as selective clearance and group repair alongside a multi-agency approach to managing the issues in the areas.

The Government announced in June 2018 that they will use independent commissioners to complete a review of how selective licensing is used and find out how well it is working. The commissioners will gather evidence from local authorities and bodies representing landlords, tenants and housing professionals and the findings will be published in Spring 2019.

The report proposed that selective licensing will be used in Durham as part of an overall solution to the challenges within the private rented stock. Other measures will continue and it is hoped that selective licensing will drive forward the improvement of the private rented stock.

Data collection will be required to provide a strong business case which will include migration, health and fire service data. The report included an evaluation of a range of options to consider including:

Option 1 – cease the current Selective Licensing designation in Wembley when it expires in June 19

Option 2 – Consider a designation for under 20% of the geographical area of county Durham or under 20% of the private rented sector stock

Option 3 - Consider a designation to cover all of the areas that prove a problem to the different agencies.

Option 4 - Consider a designation to cover 100% of the geography of Durham and 100% of all private rented sector stock.

The interim measures to be put in place before the submission of a business case were included in the report

Decision

The Cabinet:

- (a) Noted the contents of the report;
- (b) Authorised the Corporate Director for Regeneration and Local Services to consult relevant stakeholders on the proposal to introduce Selective Licensing across the county;
- (c) Requested the Corporate Director for Regeneration and Local Services to prepare a business case on the merits of Selective Licensing across the County and to report to a future meeting of the Cabinet;
- (d) Agreed to finance the interim measures to a total of £200,000 across financial years 2019/20 and 2020/21.

Director of Public Health Annual Report

Summary

The Cabinet considered a joint report of the Corporate Director of Adult and Health Services and the Director of Public Health which requested agreement to publish the 2018 annual report of the Director of Public Health for County Durham.

The 2018 report focuses on the new vision for the public's health in County Durham. The report shares the work that has been done in the last year to set out a new vision for the health and wellbeing of County Durham. This vision is built on some huge achievements over the last five years including a major reduction in smoking levels across County Durham.

The Public Health Vision emerged from the Sustainable Community Strategy as well as the Joint Strategic Needs Assessment, with the aim of improving and protecting the health and wellbeing of the people of County Durham and to reduce health inequalities.

The vision is based around a fictional family 'The Taylors' and describes the challenges the family face. However it is also very focussed on the 'assets' that the family have and how these can protect health and wellbeing. The reports sets out seven strategic priorities and then specific actions against each priority for the forthcoming year.

Decision

The Cabinet agreed to publish the 2018 annual report of the Director of Public Health, County Durham.

Helen Lynch
Head of Legal and Democratic Services
19 October 2018