



## RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** held on **Wednesday 14 November 2018**. The decisions will come into force and may be implemented from **Monday 26 November 2018** unless the Corporate Overview and Scrutiny Management Committee or its Committees object to any such decision and call it in.

### **Council Tax Base 2019/20 and Forecast Surplus on the Council Tax Collection Fund as at 31 March 2019 [Key Decision: CORP/R/18/02]**

#### **Summary**

The Cabinet considered a report of the Corporate Director of Resources which determined the Council's Tax Base for all domestic properties liable to pay council tax, and reported on the estimated collection fund surplus as at 31 March 2019, which will be distributed to the principal precepting authorities in 2019/20.

Regulations made under the Local Government Finance Act 1992 (The Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended)) require each billing authority to calculate its 'Council Tax Base' for the following financial year. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 (SI 2012:2914) provides amended statutory guidance to incorporate the changes as a result of the introduction of the Council Tax Reduction Schemes (LCTRSs) from 1 April 2013. The Council Tax Base is a measure of the County Council's 'taxable capacity', for the purpose of setting its Council Tax. Legislation requires the Council to set out the formula for that calculation and that the tax base is formally approved by Cabinet.

On 11 July 2018 Cabinet resolved to recommend to Council continuation of the current LCTRS into 2019/20. Council, on 31 October 2018, subsequently approved the continuation of the current Local Council Tax Reduction Scheme into 2019/20, which retains the same level of support to all council tax payers as the previous Council Tax Benefit Scheme, which was abolished on 1 April 2013.

The extension to the LCTRS is initially for one more year and the Scheme will be kept under continuous review with a further decision to be considered by Cabinet in the summer of 2019 and Full Council by January 2020 with regards to proposals for 2020/21. There are no other discount changes impacting on the Tax Base for 2019/20.

All monies collected from Council Tax are paid into the Collection Fund. The Council collects monies on behalf of itself, the Police, Crime and Victims' Commissioner, the County Durham and Darlington Fire and Rescue Authority and local Town and Parish Councils in the County. Police and Fire are classified as major precepting bodies under Council Tax legislation, whereas Town and Parish Councils are classified as local precepting bodies.

Significant sums pass through the Collection Fund annually, a process which can result in a surplus or deficit on the Fund at the 31st March as the monies collected inevitably vary from those estimated.

As the billing authority, the Council is required on an annual basis, by 15 January, to make a declaration of the estimated Collection Fund outturn position, and identify and apportion any surplus or deficit anticipated for the following financial year between the principal precepting authorities making a precept on the Fund so that they can factor this into the budget setting processes. Quarterly updates are reported as part of the budgetary control reports to Cabinet. Last year, the Council declared a surplus of £5.483m, which was distributed in 2018/19 and used for budget setting in the current year.

The Council Tax Collection Fund is forecast to achieve a surplus of £1.716 million at 31 March 2019 and therefore the Council will be declaring a surplus for budget setting purposes and needs to apportion this between the major precepting bodies.

The estimated surplus for council tax will be shared between the County Council, the Fire Authority and Durham Police, Crime and Victims' Commissioner in proportion to the 2018/19 demands / precepts on the Fund. The £1.716 million will therefore be allocated as follows:

	<b>Forecast Surplus to be Distributed in 2019/20</b>
Durham County Council	£1.447m
Durham Police, Crime & Victims' Commissioner	£0.173m
Durham & Darlington Fire and Rescue Authority	£0.096m
<b>Total</b>	<b>£1.716m</b>

In continuing with the current LCTRS next year, members have committed to a full review of the Scheme in early summer of 2019, including options to move to a banded scheme in future years. This review will draw on experiences elsewhere and the impact of the wider welfare reforms in County Durham, including the impact of the roll out of Universal Credit, during the period 2013/14 to 2018/19 and put forward options for consideration by Cabinet in the summer next year, with a view to consultation on any changes for 2020/21 being in late Summer / Autumn of 2019 and a report being presented to Cabinet on the outcome of the consultation by December 2019. The 2020/21 LCTRS scheme will need to be endorsed by Council before 31 January 2020.

## **Decision**

The Cabinet:

- (i) approved the Council Tax Base for the financial year 2019/20 for the County, which has been calculated to be 139,738.8 Band D equivalent properties;
- (ii) noted the impact on individual Town and Parish Council Tax bases and Local Council Tax Reduction Scheme Grant allocations for the financial year 2018/19;

- (iii) approved the declaration of a surplus on the Council Tax Collection Fund at 31 March 2019 of £1.716 million, to be distributed to the Council; the County Durham Fire and Rescue Authority; and the Durham Police and Crime Commissioner in accordance with Council Tax regulations.

## **Review of School Provision – Future options for Wellfield School as part of the Education Review in County Durham [Key Decision: CYPS/02/18]**

### **Summary**

The Cabinet considered a joint report of the Corporate Director of Children and Young People's Services and the Corporate Director of Resources which provided details of the work that has been undertaken as part of the review of education provision in County Durham which was agreed by Cabinet on 15 November 2017. The report made recommendations in relation to Wellfield School which also impacts Tanfield School at Stanley.

Significant financial difficulties are being experienced by a number of schools across the county as a result of reductions in admission numbers and school funding formula changes, which has necessitated some schools setting deficit budgets – mainly secondary schools. This is a particular concern because schools that have an inadequate OFSTED judgement have been required to become sponsored academies and if / when they do, any deficit balance that they are carrying becomes a cost to the local authority and is not transferred to the sponsoring academy.

Legislation prevents the Council from making contributions to or financially supporting individual schools. Funding for schools is provided primarily through the Dedicated Schools Grant. In November 2017, Cabinet considered a report which outlined the need for a strategy for school organisation. This involved reviewing educational provision in each local area across the county.

In terms of prioritising the planned reviews, the two schools with the most significant financial challenges / financial viability concerns were Wellfield School in Wingate and Wolsingham School and Sixth Form in Wolsingham. These schools and the schools in the surrounding pupil place planning areas were agreed as falling into the first phase of the strategic review of schools provision, together with a review of primary school provision in the Horden area.

The review of existing provision in the three initial review areas (Weardale, Wingate and Horden) has now been completed and proposals were developed for Cabinet consideration. Wellfield School is a community school in Wingate serving mainly deprived local wards / communities and is ringed by academies where the admissions arrangements are likely to continue to disadvantage some pupils with particular educational and social needs. In September 2012 the school failed an OFSTED Inspection and was judged as Inadequate. Over a period of 18 months the DfE could not find a sponsor academy and therefore the school remained a maintained school during this period. A re-inspection of the school in March 2014 judged the school as Good. Pupil numbers have risen as the reputation of the school continues to be restored. Wellfield School has no retained balances and up until 31 March 2018 had an in year and accumulating deficit balance, with pupil numbers falling significantly after the inspection of 2012, and then rising steadily in recent years.

Pupil projections would indicate that the school will be able to set an in-year surplus budget in 2019/20 having been able to set a balanced in-year budget in 2018/19 for the first time in a number of years. The school is however unlikely to ever be in a position where it can afford to repay the deficit in full without this having an impact on the quality of provision of education. Therefore the current position is not sustainable.

Tanfield School is a relatively small secondary school in Tanfield which is near to Stanley. The school had the opportunity to be amalgamated with Greencroft Community School and Stanley School of Technology to become part of what is now North Durham Academy when that school was formed as a new-build through the Building Schools for the Future (BSF) programme in 2011. However the Governing Body expressed the strong desire that the school should remain a separate school at that time. Pupil numbers have declined in recent years, but have now begun to increase, due to pressure on places at Consett Academy, and in response to the exercise of parental preference. This school has previously had approval to set a deficit budget for 2017-18, 2018-19 and 2019-20, on the basis of the school achieving an in-year surplus from 2019-20, which would allow it to start to reduce its deficit.

The school is forecasting significant increases in pupil numbers over the next three years and that it will be able to set an in-year surplus budget in 2019/20 and start to pay down the accumulated deficits it will have built up by that point. The school is changing from specialising in Design & Technology to Humanities and is currently restructuring its staffing accordingly and to prepare for a further increase in pupils for 2019-20, which would be reflected in admissions this September.

Detailed consideration has been given to each of the options available in terms of ensuring financially viable education provision in the Wingate area. A full overview of the findings of the options analysis was provided in the Cabinet report, including the preferred option to create a multi-academy trust with Tanfield School.

In terms of Tanfield School there is an opportunity for this smaller secondary school to benefit from both the education and financial rigour and progress that Wellfield School has already made and join a progressive partner that will assist, complement and enhance their position in their locality as a specialist but small school. The Governing Body of Tanfield are supportive of joining an Academy Trust with Wellfield School.

The formula funding arrangements that currently exist for both schools would be unaffected by the formation of a multi-academy trust of these schools. An academy trust would be funded directly by the Department for Education, but its funding would be similar to that of maintained schools, as set out in the schools formula.

There would be no radical change to existing education provision, with each school remaining as a separate entity within the Trust and no additional home to school transport costs being incurred.

In coming to this recommendation, officers undertaking the Review considered a range of schools with which Wellfield could potentially partner in a multi-academy trust. These included secondary schools in the vicinity, as well as other schools, including primary schools and Tanfield School.

The proposed partnership of Wellfield and Tanfield Schools needs to be formally approved by the Regional Schools Commissioner. Officers from the Regional Schools' Commissioner's office, on behalf of the Department for Education, have been working with Wellfield School to support the partnership process. The final decision rests with the RSC and, if agreed, the proposal would be expedited quickly thereafter.

The estimated deficit balance that the Council would need to write off to the general fund at this stage would be c£3.4m for Wellfield School and c£0.583m for Tanfield School. The earmarked reserve set aside for this purpose, from which this sum would be payable, which has an estimated value at 31 March 2019 of £4.5 million.

## **Decision**

The Cabinet:

- a) agreed to support the proposal that Wellfield School establishes a multi-academy trust (MAT) with Tanfield School, Stanley;
- b) in the event that this is successfully concluded, agreed to the Council writing off the deficit balance at the point of conversion, estimated at c£3,400,000 for Wellfield School and c£583,000 for Tanfield School, in line with government expectations of maintained schools with deficit budgets which convert to become academies.
- c) in the event that the RSC does not support the proposed partnership between Wellfield and Tanfield School, a further report to Cabinet will be required on the alternative options for school provision in the Wellfield area.

## **Forecast of Revenue and Capital Outturn 2018/19 – Period to 30 September 2018**

### **Summary**

The Cabinet considered a report of the Corporate Director of Resources which provided Cabinet with information on the forecast of the 2018/19 forecast revenue and capital outturn, a forecast of the Council's Council Tax and Business Rates Collection Fund position at 31 March 2019 and the use of earmarked, cash limit and general reserves. The report also sought approval of the budget adjustments and proposed sums outside of cash limits.

### Revenue

Appendices 2 and 3 of the report compared the forecast outturn with the revised budget. The report outlined that the following adjustments have been made to the original budget which was agreed by Council on 21 February 2018:

- a) agreed budget transfers between service groupings;
- b) additions to budget for items outside the cash limit (for Cabinet consideration and recommended approval);
- c) planned use of or contribution to the earmarked reserves set out in Appendix 4 of the report.

The report identified a forecast cash limit underspend of £3.87 million plus a forecast overachievement of core government grant and underspend on all other budgets of £2.557 million. This total net underspend of £6.427 million represents 1.5% of the net expenditure budget of £423.069 million.

Approval is being sought for the following sums to be funded from, or transferred to general contingencies. These sums are deemed to be outside of service grouping cash limits:

<b>Service Grouping</b>	<b>Proposal</b>	<b>Amount £ million</b>
CYPS	Social Work Cases Backlog	0.085
CYPS	Trade Union Facility Time Request	0.017
REAL	WW1 Project	0.043
REAL	Durham Miners' Association contribution	0.090
REAL	Aykley Heads Development	0.057
<b>TOTAL</b>		<b>0.292</b>

A full review of all earmarked reserves has been carried out to determine the scope to replenish the ER/VR reserve and to support council regeneration priorities in the coming years. The level of cash limit reserves has also been reviewed, with a view to undertaking a top-slice in line with previous years to support the reserves review. The report set out sums which have been identified for re-prioritisation.

The reserves review has identified £18.664 million that could be used to support council regeneration priorities and replenish the ER/VR reserve.

The forecasted cash limit and general reserves position is a prudent one given the forecasted levels of savings the council needs to make of £35.3 million over the period 2019/20 to 2022/23 with the delivery of further savings becoming ever more challenging to achieve. This position also needs to be considered in light of the significant and sustained pressure in the demand areas of the Children and Young People's Services budgets which continue to place a significant strain on the council's financial resources despite investment of more than £7.7 million in the last two years with no additional funding being received from Government in acknowledgement of the issues faced in this area. The reasons for the major variances against the revised budgets were detailed in the report by each service grouping.

## Capital

On 11 July 2018 Cabinet received a report which provided details of the final outturn position of the 2017/18 Capital Programme. This included details of budgets of £32.944 million that were re-profiled from 2017/18 to 2018/19 and adding these to the new 2018/19 capital allocations of £9.339 million approved by full Council on 21 February 2018 and the existing 2018/19 budget of £94.770 million gives the original budget of £137.053 million for 2018/19 that is shown in the table below.

Since the original 2018/19 budget was agreed the MOWG has considered a number of variations to the capital programme which are a result of additions and reductions in resources received by the Council. The variations of note were outlined in the report. The preferred option of creating a multi-academy trust with Tanfield School would allow the Council to pay off the historic debt on transfer, and could, present an opportunity to improve educational standards at Tanfield School also. The report also provided details of the position on the capital programme and the collection funds in respect of Council Tax and Business Rates.

## **Decision**

The Cabinet:

- (a) noted the council's overall financial position for 2018/19;
- (b) agreed the proposed 'sums outside the cash limit' for approval;
- (c) agreed the earmarked reserves transfers outlined in the report, including the creation of three new reserves and replenishment of the ER/VR reserve;
- (d) agreed the revenue and capital budget adjustments;
- (e) noted the forecast use of earmarked reserves;
- (f) noted the forecast end of year position for the cash limit and general reserves;
- (g) noted the position on the capital programme and the Collection Funds in respect of Council Tax and Business Rates.

## **Adults Wellbeing and Health Overview and Scrutiny Committee – Review of Suicide Rates and Mental Health and Wellbeing in County Durham**

### **Summary**

The Cabinet considered a report of the Director of Transformation and Partnerships which provided members of Cabinet with the Adults Wellbeing and Health Overview and Scrutiny Committee which reviewed suicide rates and mental health wellbeing in County Durham.

The review was undertaken between October 2016 and March 2017 following concerns identified by the Adults Wellbeing and Health OSC during consideration of Quarterly Performance Management reports which highlighted that suicide rates for County Durham were above the National and North East average figures.

Members considered evidence based on 4 key themes of service strategies, policies and plans of Durham County Council; NHS partners and Safe Durham Partnership together with how the community and voluntary sector is involved in supporting suicide prevention and the promotion of mental health and wellbeing.

The following key findings and recommendations were identified by the working group:

1. That a suicide prevention strategy and action plan be developed and implemented as part of the refresh of the Public Mental Health Strategy for County Durham and that progress against the action plan be monitored by the AWHOSC.
2. The existing suicide early alert system, whilst providing excellent support and interventions for those affected by suicide after the event, needs to develop appropriate systems to flag up those at risk of suicide and which could be used to target preventative mental health services and support to such individuals.
3. A multi-agency approach to develop learning from suicides is needed with case conferences introduced for each incident with shared learning across partner agencies including adult and children's social care and health services, NHS services and those within the criminal justice system.
4. The introduction of an appropriate coding/flagging system for self-harm/attempted suicide across all A&E department attendees should be promoted which identifies those potentially at risk of suicide and allows for proactive offers of access to mental health services and support
5. The current processes for referral into mental health services be reviewed to ensure that there is clarity available to potential service users to help them to identify the range of services available, whether the services allow for self-referral as well as referral by health professionals and the associated target timeframes for accessing services.
6. The accessibility of the out-of-hours mental health crisis service be reviewed to ensure that individuals suffering from crisis episodes have timely access to support and interventions.
7. An audit of current health and wellbeing support and services within the Community and Voluntary sector be undertaken to evaluate their effectiveness and enable resources to be targeted at those interventions where demonstrable outcomes for improved mental health and wellbeing and reduced suicide risk are evident.
8. That a systematic review of the report and progress made against recommendations should be undertaken after consideration of this report, within six months.

## **Decision**

The Cabinet:

- a) Received and noted the review report and recommendations detailed in the report.
- b) Agreed to the submission of the review report and recommendations to the Health and Wellbeing Board and Safe Durham Partnership Board for consideration.
- c) Agreed to respond within a six month period for a systematic review of the recommendations

## **Speed Management Strategy**

### **Summary**

The Cabinet considered a report of the Corporate Director of Regeneration and Local Services which updated the Cabinet on speed management on the public highway and sought approval for the updated Speed Management Strategy which has been developed in partnership with Durham Constabulary.

The current Speed Management Strategy was approved in 2007 and requires updating to reflect changes in best practice and Department for Transport guidance. On 17 December 2014 Cabinet approved the "Review of Current Policy on 20 mph Zones and Limits" with a recommendation for a 20 mph Speed Limits Policy to be developed. The updated 20 mph Speed Limits and Zones Policy was agreed in February 2016 in consultation with the Scrutiny 20 mph Working Group and is incorporated into the strategy.

The Speed Management Strategy has been developed in partnership with Durham Constabulary. It provides a framework for the setting of appropriate speed limits on the public highway and addressing speeding issues within County Durham based upon current legislation, guidance and best practice. Speed management is a shared responsibility between the Council as the Local Highway Authority and Durham Constabulary.

Speed limits for new developments are assessed as part of the planning process. All existing roads have speed limits and these are reviewed if there is a significant change to the road or its environment or in response to speeding complaints. The Council's "Highway Design Guide for Residential Developments - 2014" requires that residential roads should be designed such that the geometry and physical features limit vehicle speeds to 20 mph. All new residential/side roads are required to have a 20 mph speed limit from 1 April 2016.

The Council delivers and funds a Rotational Speed Visor Programme facilitates further rotational and fixed speed visors. The Council does have a limited budget for road safety schemes for engineering measures such as traffic calming to address speeding issues.

Durham Constabulary will consider speed enforcement where:

- A mandatory speed limit has been introduced;
- There is a need for compliance;
- The speed necessary is clear to all drivers using the road; and
- Some decide to ignore the speed limit and a road safety benefit will be achieved through compliance.

Durham Constabulary has developed the Community Speed Watch initiative to involve community volunteers in addressing speeding complaints on roads with a speed limit of 40 mph and below where it is safe to do so. If, as a result of a Community Speed Watch activity, the data collected indicates a genuine overall speeding issue, this is escalated to the Police Traffic Management Unit for further consideration.

The Schools 20mph part-time speed limits project is in its final year of implementation with 52 of the 66 schemes funded by public health grant being completed to date. A further 30 schemes have been completed to date funded by Local Members Neighbourhood Budgets and schools. A further 8 schemes are in development.

The report proposed that a 6 weeks public consultation be undertaken on the proposed Speed Management Strategy with all partners, Area Action Partnerships, Town and Parish Councils and residents.

## **Decision**

The Cabinet:

- Noted the update on speed management; and
- Approved public consultation on the Speed Management Strategy and delegated to the Corporate Director, Regeneration and Local Services, in consultation with the Cabinet Portfolio Holder for Neighbourhoods and Local Partnerships, to finalise and publish the strategy after giving consideration to all feedback received in partnership with Durham Constabulary.

## **Future options for schools in the Horden area, as part of the Education Review in County Durham**

### **Summary**

The Cabinet considered a report of the Corporate Director of Children and Young People's Services and the Corporate Director of Resources which made recommendations in relation to primary schools in the Horden area, namely Cotsford Infant and Junior Schools.

Reports to Cabinet have outlined the significant financial difficulties being experienced by a number of schools across the county as a result of reductions in admission numbers and to a lesser extent school funding formula changes, which has necessitated some schools setting deficit budgets – mainly secondary schools.

This is a particular concern because schools that have an inadequate OFSTED judgement have been required to become sponsored academies and if / when they do, any deficit balance that they are carrying becomes a cost to the local authority and is not transferred to the sponsoring academy.

Legislation prevents the Council from making contributions to or financially supporting individual schools. Funding for schools is provided primarily through the Dedicated Schools Grant. In November 2017, Cabinet considered a report which outlined the need for a strategy for school organisation. This involved reviewing educational provision in each local area across the county.

The two schools with the most significant financial challenges / financial viability concerns were Wellfield School in Wingate and Wolsingham School and Sixth Form in Wolsingham. These schools and the schools in the surrounding pupil place planning areas were agreed as falling into the first phase of the strategic review of schools provision, together with a review of primary schools provision in the Horden area.

In general, based on pupil based planning forecasts, there is a need to consider the long term provision of Nursery / Primary provision in some pupil place planning areas. Horden is one of these areas, which is why it was included in the first phase of the area based reviews of schools provision launched in November 2017. Currently, there is a Nursery, Infant, Junior and two Primary schools in the Horden area. A One Point centre is next to the Junior School and pupil numbers across all schools have been reducing significantly. These schools have been undertaking staffing reductions over the last few years to help maintain a balanced budget, however, they are now facing financial difficulties as a result of such low pupil numbers.

The Cabinet report of November 2017 identified a process for considering options for enhanced and sustainable educational provision in each locality and an indicative timeframe for these reviews to be completed. Reviews were to be undertaken in stages, with initial discussion with all partners to consider options for enhanced provision in local areas. This could involve discussions with schools, the local community, and partners / key stakeholders about possible options for re-organisation including.

The review of existing provision in the three initial review areas (Weardale, Wingate and Horden) has now been completed and proposals have been developed for Cabinet consideration. Separate reports have been prepared outlining the findings,

Consideration of options for provision in the Horden area was different to the two other areas addressed in phase 1 of the education review, because no schools involved are currently operating a deficit budget. The review was however required as the primary schools in the Horden area are likely to become financially unviable in the future due to falling roles.

The options were detailed in the report were discussed with the chairs of the governing bodies and head teachers of the primary schools in Horden and with the elected members for the area.

The governing bodies of Cotsford Infant and Junior schools had approached the Local Authority prior to the Education review of the wider provision in this area to implement a strategy to amalgamate to create a new primary school.

In December 2017, senior officers of the Education Service met with the two local members for Horden and representatives of Horden Nursery, Cotsford Infant and Junior, Yohden Primary and Our Lady Star of the Sea RCVA Primary. The purpose of the meeting was for officers to explain the situation in Horden with falling pupil rolls and the effect this will have currently and in the future in terms of schools maintaining staffing levels to deliver an effective curriculum. The meeting aimed to seek views on the most effective solution.

Horden Nursery School is an Outstanding Nursery School and because of its reputation attracts pupils from areas beyond Horden. It is not experiencing a fall in pupil numbers and therefore it was felt that at this stage it should not be considered as part of an amalgamation.

These wider regeneration plans were a major focus for the discussions with the school. Whilst there is significant capacity with both Cotsford Schools and Yohden Primary School, any further reduction is uncertain at this time. The meeting agreed that taking this into account, the unanimous view was that an amalgamation of Cotsford Infant and Junior Schools should be the first stage in a potential reorganisation across the Horden area. It was agreed that later consideration will be given to Yohden Primary School and Horden Nursery School when the regeneration plans are sufficiently advanced to involve plans around the potential location of a new school.

There is a statutory requirement to consult on the proposal to amalgamate schools. It is therefore proposed to conduct a consultation in accordance with the Department for Education (DfE) guidance in accordance with the indicative timeline set out in Appendix 1 of the report to Cabinet. To enable an amalgamation to be effectively implemented for 1 September 2019, consultation commenced in the first week of November 2018, furthered through a Delegated Decision Report. Consultation will be held in accordance with DfE statutory guidance.

## **Decision**

The Cabinet:

- (a) supported the agreement reached between Cotsford Infant and Junior Schools to amalgamate;
- (b) agreed to formally consult on the proposed amalgamation of the Cotsford Infant and Junior Schools in accordance with the timescales set out in the report; and
- (c) Noted that a further report be presented to Cabinet with the outcome of the consultation and proposed next steps in May 2019.

Helen Lynch, Head of Legal and Democratic Services  
16 November 2018