



RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** held on **Wednesday 15 June 2022**. The decisions will come into force and may be implemented from **Monday 27 June 2022** unless the Corporate Overview and Scrutiny Management Committee or its Committees object to any such decision and call it in.

Climate Emergency Response Plan 2022-24, Key Decision No: NCC/01/22

Summary

The Cabinet considered a report of the Corporate Director of Neighbourhoods and Climate Change to provide the second and final annual update on progress of the Council's first Climate Emergency Response Plan (CERP1) and present the subsequent second Climate Emergency Response Plan for the period 2022-24 (CERP2) and sought agreement for its adoption. Cabinet also considered the introduction of new targets in CERP2, net zero.

Following the declaration of a climate emergency, Cabinet required the production of a Climate Emergency Response Plan, which was adopted in February 2020. Also referred to as CERP1, this was a costed two year plan which set out over 100 projects that the Council, with partners, would need to take towards achieving ambitious targets of reducing Council CO₂ reductions of 80% by 2030 (2008/9 baseline) and for meeting the countywide target of being totally carbon neutral by 2050. It was developed from extensive consultation across Council staff, stakeholders, community groups, residents, and schools.

The declaration and subsequent Climate Emergency Response Plan (CERP1) required a report to be produced every year detailing the actions that were being undertaken to achieve the Council's targets and setting at its expiry a further two-year programme of action.

Whilst the Covid pandemic had a key influence during the CERP1, significant progress was nevertheless made for instance with low carbon solutions to Abbey Leisure Centre and £8m Annfield Plain Zero Carbon Depot project commenced. Furthermore, countywide work with partners continued, for instance, the planting of 44,000 trees during 2021/22 and On Street Charging Initiative (SOSCI) project had installed 153 EV charge points sockets.

Projects such as these had contributed to 58% Council reduction in tCO₂e from 2008/9 and countywide a 54% reduction (2019) in tCO₂e from 1990 levels.

This second Action Plan, CERP2 for the period 2022-2024 was fully costed and funding identified for the agreed programmes of work, including external sources, where appropriate. MTFP12 made provision for investment in the Low Carbon Team, mainstreaming the funding of the team and significant capital investments in low carbon schemes. This, allied with earmarked reserves held, was sufficient to cover initiatives or provide match funding set out in the CERP2 Plan up to 2024.

To achieve the climate change targets set out in CERP2 in their entirety, it would require a combination of access to external funding and also advances in technology in some areas. Without these the Council would not be able to achieve its targets.

It was recognised that the actions outside of those contained in the CERP2 action plan and actions / interventions beyond 2024 would be heavily dependent on access to funding. Given national strategies aimed at achieving net zero by 2050, this was a reasonable assumption, however it cannot be guaranteed, especially from the perspective of the current financial climate.

In this climate of tight resources, it was essential that the Council work at both a Council level and as a countywide influencer, was targeted to those areas where the biggest impact can be had. Future work and investment to achieve the Council's ambitions in this area would therefore be built in to established Council processes including the annual MTFP planning cycle where capital and revenue expenditure would be considered alongside the needs of other service projects and programmes. Resources would be allocated to maximise the benefits from the those available. Additionally, external funding would be sought wherever possible to supplement Council budgets. These opportunities would need to be subject to financial assessment, including the development of the appropriate business cases and affordability tests.

Decision

The Cabinet:

- a) Noted progress against CERP1 projects which had helped to achieving 58% Council reduction in tCO₂e from 2008/9 and countywide a 54% reduction (2019) in tCO₂e from 1990 levels;
- b) Agreed to the adoption of CERP2 and assist with the delivery of targets as set out in the report;

- c) Agreed to give formal consideration to the introduction of new targets in CERP2, net zero:
 - (i) achieve net zero by 2030 (against 2008/09 levels) by retaining the CERP1 80% actual carbon reduction target for Council emissions by 2030 whilst offsetting or further reducing remaining emissions;
 - (ii) net zero by 2045 (against 1990 levels) for countywide emissions (improved from 2050).
- d) Noted that the CERP2 targets would require access to funding from external areas and advances in technology in some areas in order to be fully delivered;
- e) Noted that any resources required to achieve the climate change targets outside of those costed plans included in the CERP2 action plan would be considered in future MTFP planning cycles with a value for money outcome-based focus alongside other projects and programmes.

In accordance with paragraph 19(a) of the Overview and Scrutiny Procedure Rules, the following key decision is exempt from the call-in procedure due to the urgent nature of the decision being made. See [Public Notice](#)

Levelling Up Fund: Round 2, Key Decision No: REG/05/22

Summary

The Cabinet considered a report of the Corporate Director of Regeneration, Economy and Growth to provide an overview of the guidance and bidding requirements to access Round 2 of the Levelling Up Fund.

In the 2021 Budget, Central Government announced the Levelling Up Fund (LUF), to provide investment in regeneration and growth in places with low productivity and poor connectivity.

As detailed within the Cabinet Report on 15 June 2021, County Durham had been identified as one of the areas of greatest need of levelling up in the UK and had been classified as a Tier 1 area by Central Government. The Round 1 submission for the Bishop Auckland Parliamentary Constituency: Rural Connectivity and Cultural Connectivity, was successfully awarded £20 million Levelling Up Funding in the Autumn Statement, October 2021. The LUF was a competitive fund totalling £4.8 billion nationally, with £1.7 billion awarded to successful applicants in Round 1. This left £3.1 billion for future rounds.

Beyond the announcement of the LUF, the Government White Paper released in February 2022 confirmed the wider approach to Levelling Up. The Council would continue to develop its approach and champion priorities for investment to support levelling up within the county.

Further guidance for Round 2 Levelling Up bids was released in March 2022. This confirmed that the funding criteria was broadly in line with the previous round. Each parliamentary constituency within the Local Authority area could submit one bid for Government grant of £20 million. County Durham, with six parliamentary constituencies, could submit up to six bids in total. The Government guidance stated that a minimum of 10 percent match funding was required to support each bid. Cabinet agreed in February 2022, as part of the MTFP(12) process, that up to £10 million funding could be allocated to lever in further LUF investment. A £5 million capital budget would be created to enable a match funding budget. It was forecast that if all Levelling Up bids were successful that a further £5 million would be required in MTFP(13). This was in addition to other Council funding, already identified and allocated, as detailed in the report.

Local authorities were the accountable body for all bids and the guidance was clear that engagement with, and the support of, the local Member of Parliament for each area was required.

The bids could include a maximum of three cohesively connected projects, with capital spend in financial year 2022/2023 with Government grant expended by March 2025. Business cases must demonstrate need, deliverability, strategic fit and value for money. The three priority areas for scheme investment remained as the following:

- Transport;
- Regeneration and town centres;
- Cultural investment.

The deadline for submitting Round 2 proposals for 2022/23 funding awards was **6 July 2022**, and priority would be given to projects that could commence capital spend in 2022/23. It was thought likely successful bids would be announced in the Autumn Statement 2022. There would be time pressures to ensure that bids were delivery ready by this point.

Although Government announced that there would be three bidding rounds when Round 1 was announced, the most recent Levelling Up White Paper and subsequent guidance on Round 2 were silent on the issue. The working assumption was therefore, that there would not be a Round 3.

Local authorities, as Responsible Bodies for developing the bids, had received £125,000 capacity funding to support the development of future bids.

However, the development costs of a full programme of levelling up proposals would be substantially higher overall. Cabinet had earmarked reserves to accommodate the estimated costs of developing robust bids.

This approach had considered existing priorities, substantial masterplanning across several towns, local councillor, MP and stakeholder engagement. A range of potential schemes had been developed across the remaining parliamentary constituencies to support transport connectivity, culture, heritage and regeneration in the city, town centres and villages.

Given the tight timescales for Round 2 since funding criteria announcement in March 2022, gateway criteria within the LUF requirements and the quantifiable economic benefits that needed to be demonstrated, considerable work was underway to develop a further 5 bids. It was proposed that five bids were submitted by the 6 July 2022 deadline. These proposals addressed socio-economic needs, transport barriers and cultural ambitions within each locality. A summary of each parliamentary constituency area bid was outlined as follows:

City of Durham: Enhance and Maintain Transport Assets to Support Durham City's Economy

A £20 million Levelling Up government grant was being sought to contribute to the delivery of three schemes that would collectively enhance and maintain Durham City's economy. The schemes supported economic development through transport and cultural led regeneration. The schemes proposed were:

- (a) Bowburn Relief Road – tackling traffic capacity constraints to bring forward Phase 3 of Integra 61, by reassigning traffic away from Junction 61 and Bowburn village (A177);
- (b) City Centre active mode connectivity, linking new and existing cultural attractions;
- (c) Stabilisation of A690 – ensuring the A690 remained open and there were no adverse impacts on the A1 or the wider city.

The bid would generate strong labour supply, transport, active mode, amenity, land value and cultural benefits. The MP had shown support for economic growth and job creation within the parliamentary constituency. These proposals enhanced the county's ambition as part of the City of Culture 2025 campaign by enhancing existing connectivity between the city's cultural assets, promoting the natural environment within the city centre and boosting the riverbanks as a destination.

The total forecast cost for the three investments was £31.5 million. £20 million of LUF Government grant would be bid for and a remaining £11.5 million mix of private and public match funding would be secured. The report

sought approval for a further £2 million capital investment in support of these proposals, with a MTFP12 request approved in February 2022 for this amount.

Easington: Horden Regeneration - Wellbeing and Quality of Life

A £20 million Levelling Up grant was being sought to contribute to the delivery of three schemes that would support wellbeing and quality of life improvements as part of a longer-term approach to housing led regeneration within Horden. This long term plan had previously enjoyed support from local residents and a detailed report on the regeneration strategy, phases to be delivered, acquisition and demolition strategy, funding opportunities and partner procurement would be presented to Cabinet in the Autumn.

The Levelling Up schemes supported regeneration through the new and enhanced community assets on brownfield land, improving local streets and enabling housing development land. The schemes proposed were:

- (a) Enabled Residential Land to provide land for social housing to support the rehousing of residents impacted by regeneration plans;
- (b) Community assets on brownfield land including a woodland plantation, nature reserve and new community building;
- (c) Improving local streets to encourage modal shift to non private car use.

The bid would generate strong wellbeing, cultural, active mode, amenity and land value benefits. The MP had shown strong support for housing led regeneration in Horden. These proposals would enhance the approach for longer term housing regeneration within this community, supporting the housing mix and choice available to residents.

The total forecast cost for three investment was £22 million. Approval was sought for a £2 million capital investment in support of these proposals, with a MTFP12 request approved in February 2022 for this amount. This would be in addition to a £20 million Government grant requirement.

North Durham: Stanley Regeneration

A £20 million Levelling Up government grant was being sought to contribute to the delivery of three schemes that would support high street regeneration, boost economic growth, encourage modal shift and tackle known congestion issues on the A693. The schemes proposed were:

- (a) High street regeneration - bring buildings back to life within town centre through the introduction of new managed workspace, public realm, enhancement of the wellbeing offer at the Louisa Centre and bus station revitalisation;

- (b) Decongestion improvements along the A693, including at the Asda Roundabout and Oxhill junction, also allowing for improved public transport journey times and punctuality;
- (c) Active mode improvements – linking key nodes such as the Academy and High Street with residential areas. The town would be better connected to the Coast 2 Coast route.

The bid would generate significant transport, journey quality, active mode, amenity, land value, health and wellbeing and labour supply benefits. The MP had shown support for regeneration within the town. These proposals would enhance the regeneration approach outlined within the Stanley Regeneration Masterplan.

The total forecast cost for three investment was £27.9 million. This included Council funding of £5.93 million and a £20 million LUF government grant. Cabinet sought approval for a further £2 million capital investment in support of these proposals, with a MTFP12 request approved in February 2022 for this amount.

North West Durham: 3 Towns Regeneration – Strong, Connected and Active Towns

A £12 million Levelling Up government grant was being sought to contribute to the delivery of three schemes that would enhance recreational facilities, support wellbeing, improve active mode provision, grow the local economy and boost high street regeneration across the three towns of Crook, Willington and Tow Law. The schemes proposed were:

- (a) Town Parks and Leisure – range of improvements across the towns including a new community hub, improved parks, Multi Use Games Areas (MUGAs), event spaces, BMX track and skate park;
- (b) Stronger Towns through high street regeneration and employment growth – enabling infrastructure to support development at Low Willington Industrial Estate, targeted improvement for the high street, wayfinding and public realm;
- (c) Active mode and Sustainable Streets – new and upgraded cycling and walking routes within and between the three settlements. New EV charging infrastructure to support and encourage sustainable travel.

The schemes' designs, costs and benefits were being refined however would deliver wellbeing, active mode, amenity, land value and cultural benefits. The MP had shown support for regeneration across the three towns.

The total forecast cost for three investment was £14 million. Cabinet sought approval for a further £2 million capital investment in support of these proposals, with a MTFP12 request approved in February 2020 for this amount.

Sedgefield: Newton Aycliffe Regeneration

A £20 million Government grant was being sought to contribute to the delivery of three schemes that would support high street regeneration, improvement public transport provision, improve culture and wellbeing and enhance active mode connectivity within the town. The schemes proposed were:

- (a) High street regeneration – repurposing land and buildings at the within the town centre to provide improved flexible and amenity space, a public transport interchange, reprovision of surface level car parking and improved commercial buildings;
- (b) Enhancement of active mode routes across the town linking employment locations, rail stations, green spaces, parks and residential areas;
- (c) Improved cultural and wellbeing offer within the town centre to enhance provision and provide a cultural family attraction alongside the existing leisure and library services.

The schemes would generate strong transport journey quality, active mode, amenity, land value and cultural benefits. The MP had shown strong support for regeneration within the town. These proposals would enhance the regeneration approach within the town Masterplan.

The total forecast cost for three investment was £22 million. Cabinet sought approval for a further £2 million capital investment in support of these proposals, with a MTFP12 request approved in February 2020 for this amount. This would be in addition to a £20 million government grant requirement.

Finalising the Funding Proposals

Final costings and economic analysis as part of business case development were being refined ahead of the LUF submission deadline for all five bids on 6 July 2022. In summary, the total financial requirement and contributions across all five proposed proposals are outlined in the table below. The potential Durham County Council match required was £10 million to lever £92 million of LUF resources.

Parliamentary Constituency	LUF Grant	Existing DCC Match	New DCC Match Requested	Private Match	Total
City of Durham	£20m	£4m* £1.5m**	£2m	£4m	£31.5m
Easington	£20m		£2m		£22m
North Durham	£20m	£1.4m*** £4.5m****	£2m		£27.9m
North West Durham	£12m		£2m		£14m
Sedgefield	£20m		£2m	TBD	£22m
Total	£92m	£11.4m	£10m	£4m	£117.4m

*£4m from DCC highway maintenance allocations

** existing £1.5mm of highway maintenance funding

*** includes £1.4m of maintenance funding for the Louisa Centre

**** funded either as part of the Accommodation Programme or from capital contingencies

The Council would be required to continue to develop projects at risk whilst the funding bids were assessed by Central Government. If the Council did not commit to this continued investment at risk then it may mean that the overall programme of projects was not then deliverable to the Government's timetable for implementation. A programme was being developed across all projects which would determine key milestones and expenditure required, in line with earmarked reserves available to develop submitted bids to ensure that they were delivery ready if funding was awarded.

In view of the complexity of the work involved and the tight deadline for bid submissions detailed work would continue to develop the proposals after the Cabinet meeting and delegated authority was sought to finalise the bids to government.

Decision

The Cabinet:

- (a) Agreed the draft outline approach for the Levelling Up submission for Round Two and support the five proposals for investment across the City of Durham, Easington, North Durham, North West Durham and Sedgefield parliamentary constituencies;
- (b) Noted the anticipated bid costs estimated of £117.4 million, including £92 million of LUF government grant to be bid for;
- (c) Utilise £5 million of Capital funding approved in February 2022 as part of the MTFP(12) process and if all Levelling Up bids were

successful, recognise that a further £5 million would be required in MTFP(13) to meet match funding requirements;

- (d) £11.4 million of match funding required and how this would be funded;
- (e) Noted that earmarked reserves were available to develop submitted bids to ensure that they were delivery ready if funding was awarded. This meets the requirement to commence delivery prior to March 2023;
- (f) Recognised that further design work and costings was to be finalised and this could influence the final LUF request for government grant. The business case development underway would further shape proposals and time scales were very tight and pressured to develop all five proposals in time for the deadline; and
- (g) Delegated authority to the Corporate Director for Regeneration, Economy and Growth and Corporate Director of Resources, in consultation with the Cabinet Portfolio Holder for Economy and Partnerships and the Cabinet Portfolio Holder for Resources Investments and Assets and Deputy Leader and Cabinet Portfolio Holder for Finance to take all such decisions necessary to progress and finalise Levelling Up proposals for Round 2 ready for the submission deadlines on 6 July 2022.

Cyber Security Strategy

Summary

The Cabinet considered the report of the Corporate Director of Resources that highlighted the importance and provided an overview of the Councils cyber security arrangements and to adopt a new corporate cyber security strategy for Durham County Council.

Cyber security referred to the body of technologies, processes, and practices designed to protect networks, devices, programs and data from attack, damage, or unauthorised access. It was the practice of ensuring the confidentiality, integrity, and availability (CIA) of information.

Across the globe, cyber-attacks were growing in frequency and becoming more sophisticated. The increased use of the internet, furthered by the Covid 19 pandemic meant that cyber criminals had become more active, and the Council's exposure had increased. When cyber-attacks succeed the damage could be significant; with personal, economic, and social consequences.

Information and data were vital to every part of Durham County Council's business. As the Council continued to deliver a digital programme that was transforming the way the Council worked and how local people accessed information and services, the Council needed increasingly robust security measures to protect against cyber threats.

A successful cyber-attack would considerably interrupt the Council's ability to deliver services - many of which serve the Council's most vulnerable residents - as well as incurring large recovery costs and significant damage to the Council's reputation.

To mitigate the multiple threats faced and to safeguard the Council's interests in cyberspace, the Council needed a clearly defined and strategic approach to underpin collective and individual actions in the digital domain.

The Cyber Security Strategy was a new strategy, proposed in response to the increasing threats from cyber criminals and several successful and high-profile cyber-attacks on other public and private organisations.

The strategy aligned to the recently published Government cyber security strategy, the central aim of which was for government's critical functions to be significantly hardened to cyber-attack by 2025, with all government organisations across the whole public sector being resilient to known vulnerabilities and attack methods no later than 2030.

It was critical that the council sets out a clear and defined approach for protecting its information systems and the data it holds to ensure the services it provided were secure and its residents, businesses and stakeholders could safely transact with the Council. This included achieving a balance of embracing digital opportunities, including making information more widely available and accessible, whilst ensuring that right levels of protection were in place.

It was intended that the strategy, as well as signalling a clear direction of travel, demonstrates the Council's firm commitment and the actions the Council would take to further establish a trusted digital environment for the organisation, the Council's residents, and other stakeholders.

The strategy and the actions contained within would further strengthen and secure the Council from cyber threats by increasing security awareness throughout its workforce, investing in the Council's systems and digital infrastructure, deterring the Council's adversaries, and developing a wide range of responses, from basic cyber hygiene to the most sophisticated defences.

Cyber-attacks would continue to evolve, which was why the Council would continue to work at pace to stay ahead of all threats. The Cyber Security Strategy underpins and enabled the Digital Strategy, which continued to

ensure the Council would place the customer at the heart of everything they do in a changing technological landscape.

Decision

The Cabinet noted the content of the report and agreed the adoption of the Cyber Security Strategy

Helen Lynch
Head of Legal & Democratic Services
17 June 2022