



## Cabinet

**Date** Wednesday 18 January 2023  
**Time** 9.30 am  
**Venue** Council Chamber, County Hall, Durham

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### Business

#### Part A

#### Items which are open to the public and press

1. Public Questions
2. Minutes of the meeting held on 14 December 2022 (Pages 3 - 10)
3. Declarations of Interest

#### Key Decisions:

4. Medium Term Financial Plan 2023/24 to 2026/27 and Revenue Budget 2023/24 - Report of Corporate Director of Resources (**Key Decision: CORP/R/22/01**) (Pages 11 - 62)
5. Bus Service Improvement Plan and Enhanced Partnership - Report of Corporate Director of Regeneration, Economy and Growth (**Key Decision: REG/01/2023**) (Pages 63 - 188)

#### Ordinary Decisions:

6. North East Devolution - Report of Chief Executive  
The above report will be published on a supplemental agenda in accordance with the provisions of the Local Government (Access to Information) Act 1985
7. Future of County Council Allotments - Report of Corporate Director of Neighbourhoods and Climate Change (Pages 189 - 252)
8. Sufficiency and Commissioning Strategy for Looked After Children and Care Leavers 2022-2024 - Report of Corporate Director of Children and Young People's Services (Pages 253 - 318)

9. Acquisition of property for use as Children's Homes - Joint Report of Corporate Director of Children and Young People's Services and Corporate Director of Regeneration, Economy and Growth (Pages 319 - 340)
10. Mainstream Primary and Secondary Formula Funding 2023/24 - Joint Report of Corporate Director of Children and Young People's Services and Corporate Director of Resources (Pages 341 - 370)
11. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration
12. Any resolution relating to the exclusion of the public during the discussion of items containing exempt information

### **Part B**

#### **Items during which it is considered the meeting will not be open to the public (consideration of exempt or confidential information)**

13. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration

**Helen Lynch**

Head of Legal and Democratic Services

County Hall  
Durham  
10 January 2023

To: **The Members of the Cabinet**

Councillors A Hopgood and R Bell (Leader and Deputy Leader of the Council) together with Councillors T Henderson, C Hood, S McDonnell, J Rowlandson, E Scott, A Shield, J Shuttleworth and M Wilkes

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**Contact: Michael Turnbull**

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## DURHAM COUNTY COUNCIL

At a Meeting of **Cabinet** held in Council Chamber, County Hall, Durham on **Wednesday 14 December 2022 at 9.30 am**

### **Present:**

**Councillor A Hopgood (Leader of the Council) in the Chair**

### **Cabinet Members:**

Councillors R Bell (Deputy Leader of the Council), T Henderson, C Hood, S McDonnell, J Rowlandson, E Scott, A Shield and M Wilkes

### **Apologies:**

Apologies for absence were received from Councillor John Shuttleworth

### **Also Present:**

Councillor B Coult

## **1 Public Questions**

There were no public questions.

## **2 Minutes**

The minutes of the meeting held on 16 November 2022 were agreed as a correct record and signed by the Chair.

## **3 Declarations of Interest**

There were no declarations of interest received in relation to any items of business on the agenda.

## **4 Adoption of the Inclusive Economic Strategy [Key Decision: REG/08/22]**

The Cabinet considered a report of the Corporate Director of Regeneration, Economy and Growth which sought approval to adopt the County Durham Inclusive Economic Strategy (IES), developed through the County Durham Economic Partnership (CDEP) (for copy of report, see file of minutes).

Mr Glyn Llewellyn, Chair of the County Durham Economic Partnership was in attendance to present County Durham's first inclusive Economic Strategy. Mr

Llewellyn explained that the strategy had been co-developed with residents, businesses, the voluntary and community sector. It provided a clear framework for delivering a step change in economic growth that would be inclusive for all communities. It was bold and ambitious, yet deliverable and realistic. The plan addressed both intermediate and long-term opportunities and challenges and looked forward to the 2035 economic vision. The strategy built on work already underway to create a step change in economic growth to match the aspirations of communities and residents and deliver tangible change to peoples lives. The strategy provided a clear vision for the future which had been defined and agreed by all partners. Delivering the vision could only be achieved as working as one.

In moving the report, Councillor E Scott, Cabinet Portfolio Holder for Economy and Partnerships explained that the Economic Strategy was a huge step forward for County Durham and the first ever Economic Strategy for the Council. There were significant strengths in the economy and the Council would continue to invest in people, places and employment sites to create more and better jobs. The Council would always be a driver for the economy but it was vital that all partners and anchor institutions worked together, focussing on a single agreed vision which the strategy provided. The strategy also set out how it would be delivered and was based on evidence, it responded to what communities and business had fed back through the comprehensive e-conversation and provided a clear road map for delivery. Councillor E Scott thanked all staff and the County Durham Economic Partnership for all their hard work.

Councillor J Rowlandson, Cabinet Portfolio Holder for Resources, Investment and Assets seconded the recommendation in the report and informed Cabinet that the strategy provided an understanding of the County economy but also presented a bold, deliverable view of the future. The delivery plan approach set out in the report provided a clear framework for all partners to work together to find new creative solutions. It was an approach for the strategy to be a living document which would be updated and reviewed regularly to reflect any changes in national trends within the economy and opportunities locally.

Councillor R Bell welcomed the first strategy of its type for County Durham and explained that the economic strategy would allow flexibility to respond and take advantage of opportunities whenever they arose, particularly in the current turbulent economic times. Councillor Bell also highlighted the need of a strategy for rural communities such as Stanhope and Middleton in Teesdale which had seen no public economic investment since the 1980s.

**Resolved:**

That the recommendation in the report be approved.

## **5 Ecological Emergency: Outline Strategy and Action Plan [Key Decision: NCC/04/22]**

The Cabinet considered a report of the Corporate Director of Regeneration, Economy and Growth which outlined an initial strategy and action plan for Council activities in response to the declaration of an ecological emergency made by Cabinet on 6 April 2022 (for copy of report, see file of minutes).

Councillor B Coult, Chair of Environment and Sustainable Communities Overview and Scrutiny Committee provided an insight and the background to the Scrutiny work undertaken in this area. Councillor Coult explained that a summary of available information and trends for habitats, species and conservation management was presented for consideration by the Environment and Sustainable Communities Overview and Scrutiny Committee at its meeting on 14 February 2022. The findings showed that the national picture of decline in priority species was being echoed at a local level across all species atlases. Consequently, the Environment and Sustainable Communities Overview and Scrutiny Committee agreed that an interim report be sent to cabinet recommending that Durham County Council declared an ecological emergency.

The majority of actions were centred around the potential to streamline and improve existing work programmes, such as biodiversity interventions on open space, or by expanding existing programmes, such as awareness around climate change to further include the ecological emergency, however, this was an important first step. Actions proposed to improve biodiversity delivery within new built development and ensure that Council land holdings could benefit from biodiversity-focused financial contributions arising through the planning system were also welcomed.

In moving the report, Cabinet Portfolio Holder for Neighbourhoods and Climate Change, Councillor Wilkes explained that the County had an excellent track record in the protection and restoration of ecology and the natural environment, including award winning initiatives to address the industrial legacy of the past and the strides taken to a cleaner, greener future. The 'planet' ran through the recently agreed Economic Strategy as a stated priority. This plan recognised the growing fiscal challenges of the day, however, better thinking did not necessarily mean more expenditure. The plan presented looked to bring actions together, working together better and finding better outcomes for nature from collective actions. The Council had strengthened its Countryside team to protect nature reserves and parks and improved access to nature through public rights of way and active travel initiatives within the last year.

The action plan marked the beginning of a blueprint for more to be done and recognised the importance of ecological issues. It placed the council firmly in a position of leadership regionally and nationally on a issue of vital importance to the planet, our people and our economy.

Councillor S McDonnell, Cabinet Portfolio Holder for Digital, Customer Services and Procurement, seconded the recommendation and was proud of the strong leadership role taken in relation to environmental issues under the Joint Administration. This included the climate emergency response plan, refreshed action plan and strong track record on delivery. The equally robust Ecological Emergency Outline Strategy and Action Plan presented to Cabinet would ensure that the future of the County was in good hands. Councillor McDonnell reflected on the impressive progress made to date on vital conservation issues and explained that there was much to admire and be proud of, however, it was important to keep up momentum despite the current financial climate.

**Resolved:**

That the recommendation in the report be approved.

## **6 Quarter Two, 2022/23 Performance Management Report**

The Cabinet considered a report of the Corporate Director of Resources covering performance in and to the end of quarter two 2022/23, which presented an overview of progress towards achieving the key outcomes of the council's corporate performance framework and highlighted key messages to inform strategic priorities and work programmes (for copy of report, see file of minutes).

Councillor Hopgood, Leader of the Council thanked for the Corporate Director and his team for the comprehensive performance update. Despite the challenges set out in the report, some areas were performing well. This included the Business Durham property rental portfolio. 64,000 people had attended the various festivals in County Durham in 2022. The Bishop Auckland Food Festival attracted 30,000 visitors, generating a direct £420,000. This resulted in a 697% return on a £60,000 investment. This information would be included in the quarter three update. There had been a 57% reduction in carbon emissions since 1990. The Council had secured £2.5m grant funding to improve the cycling network and extended provision of e-charging points. There had been increased activity of stop smoking services across quarter two and face to face breastfeeding support groups had been re-established with additional targeted support in communities where take up was much lower. A range of targeted regeneration projects had supported 25 local business and secured 64 FTE jobs bringing 315sqm of business space back into use. 336 net new homes had been delivered and 68 empty properties brought back into use following Council intervention. 465

employees had enrolled on the Council's apprenticeship programme. 72 new apprentices started in August and September 2022 and an additional 33 were being recruited. The retention rate for apprentices was 71%.

Areas that required attention included the impact of inflationary pressures and the squeeze on living standards due to the cost of living increases. A major area of concern was the increased demand for welfare assistance, discretionary housing payments and assistance with home energy and fuel debt advice.

The quantity of waste collected was 6% higher than last year but was in line with the revised budget levels set in 2022/23 and much work was ongoing in terms of promoting waste reduction and increasing recycling. The level of contamination remained in line with last year and the Leader of the Council fully expected to see recycling contamination decreasing and recycling increasing in future quarters. There were also other areas to note that weren't factored into the Council plan the most significant being the passing of Queen Elizabeth II, the official period of mourning and the additional bank holiday which also resulted in several events being cancelled and the closure of public buildings.

Councillor Wilkes, Portfolio Holder for Neighbourhoods and Climate Change thanked the Leader of the Council for referring to the decontamination campaign in relation to recycling. Councillor Wilkes also informed Cabinet that the Council were determined to build upon the significant improvements made in reducing fly tipping and informed Cabinet that he had received some exceptionally positive comments from Councillors and thanked the Environment and Sustainable Communities Scrutiny Committee for their work. More and more fly tipping cases were going to court which had resulted in fly tipping cases being reduced. Councillor Wilkes thanked all officers for their hard work and dedication in tackling environmental crime.

**Resolved:**

That the report be noted.

## **7 Adult Social Care Update Report**

The Cabinet considered a report of the Corporate Director of Adult and Health Services which provided an update on current issues impacting on the Adult Social Care service in County Durham (for copy of report, see file of minutes).

Councillor C Hood, Cabinet Portfolio Holder for Adult and Health Services informed Cabinet that compared to the pre-pandemic period the profile of the workforce and the demands it faced had changed significantly. Uncertainty around and changes to social care reform and funding had continued to impact on the ability of the service to plan and sustain its core functions in line with key legislative frameworks.

Recruitment and retention remained a challenge nationally. In Durham high turnover rates in the adult social care workforce had impacted on service continuity and workforce capacity. Despite these challenges the level of quality and assurance was extensive and was being fed into a development programme focussed on 'reset' as the service worked through the recovery period following the pandemic. Some of the key areas of reform included were included within the report. It was important to point out that mental and physical health needs and complex social care challenges were greater than ever before. The service had recently undergone a comprehensive reassurance exercise comprising self-assessment and independent review which demonstrated that service has a high degree of self-insight. This work was being used to shape the service improvement plan including the development of a refreshed quality assurance strategy. Despite the challenges faced, the service was doing everything it could to instil its vision with the hard work and resilience of staff to be commended. It was proposed that the next report to Cabinet would focus on the service preparations for CQC assurance and the wider role of the council in delivering adult social care.

**Resolved:**

That the report be noted.

## **8 County Durham Plan Annual Monitoring Report (AMR) 2021/22**

The Cabinet considered a report of the Corporate Director of Regeneration, Economy and Growth which sought approval for the content of the Annual Monitoring Report (AMR) of the County Durham Plan (CDP) and to agree to its publication (for copy of report, see file of minutes).

Councillor E Scott, Portfolio Holder for Economy and Partnerships informed Cabinet that the County Durham Plan was adopted in October 2020 and the Council were now in the delivery phase. It was important to have a continuous understanding of whether the policies within the plan were being used effectively, whether they were having the expected impact and that the sites allocated in the plan were coming forward as anticipated. The annual monitoring report was the means of monitoring delivery and was reporting a generally positive position after the first full year.

Councillor J Rowlandson, Cabinet Portfolio Holder for Resources, Investment and Assets seconded the recommendation in the report.

**Resolved:**

That the recommendations in the report be approved.

## **9 Family Hubs and Start for Life Programme**

The Cabinet considered a report of the Corporate Director of which Children and Young People's Services which provided information regarding the

launch of the government's Family Hubs and Start for Life programme and its implications for County Durham (for copy of report, see file of minutes).

Councillors Henderson and Hood welcomed the launch of the family hubs and the start of the programme and hoped it would provide better outcomes for all concerned across County Durham. The programme would further build on current family centres and the broader system such as health visiting and midwifery support and provide a more comprehensive integrated and accessible offer for families.

**Resolved:**

That the report be noted.

**10 Proposed revisions to the constitution for the Durham County Council Standing Advisory Council for Religious Education (SACRE)**

The Cabinet considered a report of the Corporate Director Children and Young People's Services regarding a request from Durham County Council's Standing Advisory Council for Religious Education (SACRE) to make a change to its membership, an action which requires altering the constitution (for copy of report, see file of minutes).

In moving the recommendation, the Leader of the Council informed Cabinet that the change to the Constitution would ensure proportionate and balanced representation of all worldviews, religious and non-religious, which featured in the R.E. Agreed Syllabus.

Councillor T Henderson, Cabinet Portfolio Holder for Children and Young People's Services seconded the recommendation in the report adding that the equality impact assessment demonstrated that the request was fair and proportionate to enable Humanist representation on Durham SACRE.

**Resolved:**

That the recommendations in the report be approved.

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**Cabinet**

**18 January 2023**

**Medium Term Financial Plan 2023/24 to 2026/27  
and Revenue Budget 2023/24**



**Key Decision: CORP/R/22/01**

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**Report of Corporate Management Team**

**Paul Darby, Corporate Director of Resources**

**Councillor Richard Bell, Deputy Leader and Portfolio Holder for  
Finance**

**Councillor Amanda Hopgood, Leader of the Council**

**Electoral division(s) affected:**

Countywide

**Purpose of the Report**

- 1 To provide an update on the development of MTFP(13), covering the period 2023/24 to 2026/27 and on the development of the 2023/24 revenue budget in the light of the Chancellor of the Exchequer's Autumn Statement in November and the provisional local government finance settlement published on 19 December 2022.
- 2 The report includes updated financial forecasts, building on the figures previously considered by Cabinet in October 2022, together with the outcome of the MTFP(13) budget consultation process.

**Executive Summary**

- 3 On 17 November 2022 the Chancellor of the Exchequer published an Autumn Statement (AS). The timing and content of the AS was vital due to the need to calm financial markets following the fiscal event (mini budget statement) in September 2022, which came at a time of high inflation and led to widespread uncertainty and reductions in the value of the pound followed by rapid increases in interest rates. The AS contained important announcements on future forecasts for government borrowing, taxation,

and public sector expenditure, alongside the Office for Budget Responsibility forecasts for inflation, economic growth, and taxation yields.

- 4 It was widely expected that the AS would result in funding reductions for the public sector, particularly previously unprotected departments such as the Department for Levelling Up, Communities and Communities, alongside a potential cap on public sector pay increases, due to the significant increases in the forecast of annual national deficits over the coming years - a combination of post Brexit economic challenges, the ongoing impact of the pandemic upon the economy and the poor outlook for the economy in the medium term.
- 5 In making the AS, the Chancellor of the Exchequer however deferred decisions on any significant funding reductions in the public sector until the next parliamentary period, with reductions now expected in the period 2025/26 to 2027/28. In the next two years, in recognition of the significant inflationary pressures being faced, additional funding was provided to the health service, education and to local government, as well as local government being provided with additional council tax raising flexibilities.
- 6 The additional funding being provided will result in an improved financial outlook for the council in the short term, with budget shortfalls reducing from those reported to Cabinet on 12 October 2022, where it was previously forecast that savings required over the next four years (assuming the Council maximised its council tax raising powers at that time) would be £52.569 million with £37.389 million of this falling into 2023/24.
- 7 The updated forecasts included in this report highlight that once the available government funding, taxbase growth, updated base budget pressures, and an assumption that the council raises council tax by the maximum sums available, the savings required over the next four years has reduced to £41.041 million, with £25.614 million of this falling into 2023/24.
- 8 The AS announced additional funding to meet rising demographic and costs pressures in social care (both adult and children social care) with specific grant funding also provided in order to focus investment to facilitate early discharge of patients from hospital into the community. In this regard local government was allocated £400 million as a Market Sustainability and Improvement grant in 2023/24, rising to £680 million in 2024/25 to be focussed on early discharge from hospital.
- 9 There was also an increase in the Better Care Fund nationally, with an additional £600 million allocated in 2023/24 rising to £1 billion in 2024/25. This funding is ring-fenced and must be pooled within the Better Care Fund and will be shared 50%/50% between the NHS and Local Authorities, with local investment plans to be agreed with the Integrated Care Board.

- 10 Significantly, the AS also announced the deferral of the planned Adult Social Care Reforms from October 2023 to October 2025 i.e., after the next General Election. These reforms included the introduction of revised means tests for adult social care charging and the introduction of a £86,000 cost care cap, as well as a requirement for authorities to undertake a review and implement changes which demonstrated that they were moving towards the payment of a fair cost of care to providers.
- 11 Whilst the reforms have been deferred, the funding previously allocated to the Market Sustainability and Fair Cost of Care Grant associated with these new policies is to be retained and repurposed into the Social Care Grant – to help upper tier authorities to meet demographic and costs pressures in social care (both adult and children social care).
- 12 The sums being made available to local government are £1.265 billion in 2023/24 rising to £1.877 billion in 2024/25. The AS announced that this funding would be provided to local authorities via the current Social Care grant distribution methodology, which takes into account council tax raising capacity, and was being made available to assist local authorities to address budget pressures in both children’s and adult’s social care.
- 13 The AS announced additional council tax flexibilities for local authorities. The current council tax referendum limit is 1.99% but from 2023/24 this will be increased to 2.99%. Upper tier local authorities were also provided with the powers to increase council tax by an additional 2% in 2023/24 and in 2024/25 for an adult social care precept. This means that upper tier local authorities now have the ability to increase council tax by up to 4.99% in both 2023/24 and 2024/25, with a clear expectation from government that these authorities do so in order to help meet the extraordinary inflationary pressures they are facing and to help protect front line services as far as possible. Every 1% of council tax increase generates the council circa £2.6 million of additional income.
- 14 By increasing the council tax by 4.99% instead of the previously forecast / assumed 2.99%, the council will be able to reduce the savings required to balance the budget by circa £5.1 million next year and the year after and by circa £2.6 million in 2025/26 and 2026/27, reducing the cuts / savings required by circa £15.4 million over the MTFP(13) planning period.
- 15 In 2022/23 the council had the flexibility to increase council tax by 1.99% for the referendum limit and by up to 3% for the adult social care precept. After due consideration council agreed to limit the 2022/23 council tax increase to 3% for the adult social care precept only and to forego the 1.99% base council tax increase rather than increasing council tax by the maximum 4.99%, which is what the government expectation was (this is baked into the Core Spending Power calculations) and what the majority of other upper tier councils did. This resulted in the loss of circa £5 million of council tax raising capacity within the base budget.

- 16 In County Durham 83% of all households reside in properties that are in Bands A-C. A 4.99% increase in the council's council tax charge would result in an increase of between £1.12 and £1.50 per week for these residents. The circa 54,000 households on low incomes who qualify for support through the Local Council Tax Reduction Scheme, many of which would qualify for 100% support and pay no council tax, would be protected from any increase either in full or in part.
- 17 The AS confirmed that the National Living Wage would increase by 9.7% from April 2023, higher than the forecast 8.6% that was included in the previous MTFP forecasts, adding circa £3.4 million of additional budget pressure into 2023/24 and £0.4 million into 2024/25. It was also confirmed that local authorities would not fall within the energy price cap arrangements post April 2023, exposing local authorities once again to energy price volatility for 2023/24 although clear guidance on this is still awaited. The budget pressure remains at £9 million for energy price inflation next year at this stage.
- 18 In the AS there was no information published on the Fair Funding Review, the New Homes Bonus, Revenue Support Grant levels or on the Lower Tier Services Grant.
- 19 On 12 December 2022 the Department for Levelling Up, Housing and Communities (DHLUC) published a Policy Statement which provided further detail on potential distribution methodology, including confirmation that the Fair Funding Review would not take place until after the next General Election.
- 20 The provisional local government settlement was published on 19 December 2022, with the final settlement expected to be confirmed in February 2023. The provisional settlement confirmed the additional funding forthcoming to local government that was announced in the AS and the allocation methodologies for 2023/24. It was a one year settlement again, so whilst the additional sums for 2023/24 were detailed, at this stage there are no approvals for 2024/25. Forecasts have been included as to what the sums forthcoming may be for 2024/25.
- 21 The provisional settlement confirmed the additional allocation for the council from the Better Care Fund of £4.327 million in 2023/24. Although the sum for 2024/25 was not confirmed it is forecast that this sum will increase to circa £7.1 million in 2024/25. This grant is ring fenced and will be pooled with a similar allocation to the NHS to be utilised to facilitate early discharge of patients from hospital. An additional sum of £4.704 million in 2023/24 was confirmed from the renamed (and repurposed) Market Sustainability and Improvement Grant with a forecast additional £3.2 million in 2024/25.
- 22 After discounting specific grants being transferred into the Social Care Grant from next year, the council will receive an additional sum of £17.066

million in 2023/24, with a forecast additional sum of £7.800 million in 2024/25. These sums will not however fully address the demographic and price inflationary pressures in Children and Adult Social Care alone (excluding pay inflation and energy) of £36.7 million in 2023/24 and £19.7 million in 2024/25.

- 23 After the discounting of specific grants being transferred into the Revenue Support Grant from next year the settlement also confirmed a 10.1% Consumer Price Inflation (CPI) uplift in Revenue Support Grant of £2.952 million as well as a CPI uplift in business rate retention funding of £15.1 million in 2023/24.
- 24 Unfortunately, the provisional settlement also announced a reduction in the Services Grant of £3.831 million in 2023/24 with a forecast additional reduction of £0.120 million in 2024/25, partly due to the removal of funding provided to finance the now withdrawn 1.25% employers' national insurance increase but also to facilitate a transfer of this funding to finance increases in Supporting Families funding. Alongside this reduction, the New Homes Bonus and Lower Services Tier grants have also been reduced by £3.008 million in 2023/24 to provide a guaranteed funding increase in the main for district councils. It is forecast that the remaining 2023/24 payment of New Homes Bonus of £1.860 million will be fully withdrawn in 2024/25.
- 25 The provisional settlement also confirmed £100 million of additional funding for local authorities to support the most financially vulnerable households in England in 2023/24 with meeting their council tax costs. The Council Tax Support Fund is aimed at providing further support to those low income vulnerable households already receiving Council Tax Reduction Support. Durham has been allocated £1.440 million to offer further reductions of up to £25 per claimant to those facing financial hardship – targeted at those already in receipt of some element Local Council Tax Reduction Scheme (LCTRS) for 2023/24 but still left with a bill to pay.
- 26 In overall terms, the provisional settlement provided some much needed additional funding, which will reduce the savings requirements over the next two years, particularly in 2023/24. The additional funding received by the council next year is £39.792 million, however, our unavoidable cost pressures total £81.906 million, leaving £42.114 million to fund from a combination of council tax increases, business rates tax base changes, savings and efficiencies and council reserves in order to balance the budget.
- 27 It is of significant concern however that there is a likelihood of funding reductions for the public sector from 2025/26 onwards. The AS announced that for the period 2025/26 to 2027/28 public sector funding will increase by 1% in real terms. This would intimate that the public sector funding will increase by 1% above inflation. On the basis that health, education and defence would likely be protected, this will likely lead to some tough grant reductions for that period for unprotected government departments such as

the Department for Levelling Up, Housing and Communities. At this stage, for modelling purposes, it is assumed that grant settlements for the council will be cash flat for the period 2025/26 to 2026/27. This may prove to be an optimistic assumption.

- 28 To ensure budgets can be balanced, whilst further clarity is sought and to provide time to work up proposals to reduce expenditure to address the underlying budget position, the October Cabinet report highlighted that a thorough review of all earmarked reserves was to be undertaken to ensure that corporate reserves are in place to ensure the council can set balanced budgets.
- 29 This review has been completed and the report sets out details of the earmarked reserves to be re-prioritised and the transfer of funding to the ER/VR reserve and to the MTFP Support Reserve, to provide capacity to balance the budget over the medium term, together with a proposed transfer to the Commercial Reserve.
- 30 Following the report to Cabinet in October, consultation was undertaken on the strategy set out in that report for balancing the Councils budget next year (2023/24), which included a set of proposed savings, proposed Council Tax increases and the utilisation of reserves, and on the MTFP financial forecasts / outlook for the Council.
- 31 Presentations have been made to the 14 Area Action Partnership Boards, and to key partners in the County Durham Partnership (CDP). Officers also attended meetings of County Durham Association of Local Councils (CDALC) and the Youth Council and met with Trade Unions representatives during the period of the consultation, which ran from 25 October 2022 to 22 November 2022.
- 32 Consultation was also published on the Councils website and promoted and CDP partners were written to seek their views on the Councils budget strategy. The Corporate Overview and Scrutiny Management Board met on 24 October 2022 to consider the October Cabinet report. The questions posed during the public consultation were as follows:
  - (a) What is your view on our approach to balancing the 2023/24 forecast budget shortfall?;
  - (b) What do you feel will be the impact of this approach upon you or those you represent?;
  - (c) Do you have any alternatives to the approach, whilst making the required savings?;
  - (d) If the government do remove the cap, what is your view on the council utilising additional Council Tax raising powers above the current 2.99% forecast, given that we may be expected to do this?

- 33 The report sets out details of the consultation feedback received. The feedback will be taken on board in terms of finalising the saving that will be presented to Cabinet and Council in February as part of the budget setting process. The report sets out details of proposed changes to the savings previously considered by Cabinet. None of the savings previously put forward have been withdrawn at this stage, but there are some re-profiling proposals between 2023/24 and 2024/25. In addition, three new savings are to be considered, which increases the overall saving total to £18.611 million, and details of these are set out in the report.
- 34 Once the proposed revised MTFP(13) savings of £18.611 million are taken into account, £12.733 million of which would be deliverable in 2023/24, and assuming the council implement council tax increases in line with government expectations, the council is facing a £22.430 million shortfall over the four year MTFP(13) period, with a requirement to use £12.881 million of the MTFP Support Reserve to balance the budget next year whilst additional savings are developed to ensure a more sustainable budget is developed.
- 35 Planning for the councils 2023/24 budget will continue over the coming weeks with the budget report to be presented to Cabinet on 8 February 2023 before being presented to Council on 22 February 2023.

## **Recommendations**

- 36 It is recommended that Cabinet
- (a) note the content of the report detailing the content of the Autumn Statement and the provisional local government finance settlement;
  - (b) note that the draft settlement is better than was forecast but that the government have announced that funding settlements for the public sector but especially for unprotected government departments will be challenging for the period 2025/26 to 2027/28;
  - (c) note that proposals for how the additional allocation of £1.440 million from the Council Tax Support fund funding can be used and administered to enhance the current LCTRS will be included as part of the MTFP report to Cabinet in February 2023
  - (d) note the changes to the MTFP(13) planning assumptions set out in the report, including the proposed council tax increases in line with the government's expectations;
  - (e) note the proposed revisions to savings plans for MTFP(13);
  - (f) agree the transfers of reserves recommended as part of the reserves review;

- (g) note the budget shortfall for 2023/24 of £12.881 million with a £22.430 million savings shortfall over the four year MTFP(13) period;
- (h) note the consultation responses on MTFP(13) and consider these when finalising the 2023/24 budget; and
- (i) note that the 2023/34 revenue and capital budget and MTFP(13) 2023/24 to 2026/27 budget report will be presented to Cabinet on 8 February 2023 and to Council on 22 February 2023.

## **Background**

- 37 Previous reports have been presented to Cabinet on the development of MTFP(13), covering the period 2023/24 to 2026/27 and on the development of the 2023/24 revenue budget – in July and October 2022 - to ensure Cabinet are aware of any forecast budget pressures that need to be accommodated and the need to achieve savings / increase council tax in order to balance the budget.
- 38 This report provides an update based on the latest financial forecasts, taking into account the quarter two revenue and capital forecasts presented to Cabinet in November and, significantly, the Autumn Statement made on 17 November and the provisional local government finance settlement published on 19 December 2022.

## **Autumn Statement**

- 39 The Chancellor of the Exchequer published the Autumn Statement (AS) on 17 November 2022. The statement was published against a background of significant turmoil in financial markets in the preceding weeks, following the previous Chancellor of the Exchequer's mini budget / fiscal event on 23 September 2022 where significant unfunded tax cuts had been announced, spooking the markets and leading to rapid increases in interest rates, the price of gilts alongside reductions in the value of the pound. The AS was aimed very much at seeking to calm financial markets.
- 40 The national finances are in a difficult position, with the forecast national deficits being very high and the economy forecast to be heading into a long recession, lasting well into 2024/25. It was widely anticipated that the public sector could face a very difficult financial outlook for 2023/24 and for the medium term, with a public sector pay cap being widely mooted prior to the publication of the AS.
- 41 The AS contained important announcements on future forecasts for government borrowing, taxation and public sector expenditure, alongside the Office for Budget Responsibilities forecasts for inflation, economic growth and taxation yields.
- 42 It was significantly reassuring that for the short term (i.e. the next two years) that the AS recognised the pressures councils were under and announced some much needed additional funding for adult social care and children social care, with a particular focus for adult social care being to invest in initiatives to facilitate early discharge of patients from hospital into the community.
- 43 The AS also announced additional council tax flexibilities for local government, with a clear expectation from government that these are used to help combat the inflationary pressures the sector was under. It was clear

however that funding reductions for unprotected government departments were likely for the period 2025/26 to 2027/28.

- 44 In the AS there was no information published on the Fair Funding Review, the New Homes Bonus, Revenue Support Grant levels or on the Lower Tier Services Grant. The key AS announcements impacting upon local government are detailed below:

### **Council Tax**

- 45 The council tax referendum limit has been increased from 1.99% to 2.99%. This change is a permanent change. In addition, the forecast 1% adult social care precept for the two years 2023/24 and 2024/25 has been confirmed at 2%. On that basis upper tier local authorities will be able to increase council tax by a maximum 4.99% per annum over the next two years.
- 46 Every 1% of council tax increase generates the council circa £2.55 million of additional income. By increasing the council tax by 4.99% instead of the previously forecast / assumed 2.99%, the council will be able to reduce the savings required to balance the budget by circa £5.1 million next year and in 2024/25 and by an additional circa £2.6 million in both 2025/26 and 2026/27, reducing the cuts / savings required by circa £15.4 million over the MTFP(13) planning period.

### **Better Care Fund**

- 47 An additional £600 million would be made available in 2023/24 rising to £1 billion in 2024/25. This funding to be shared 50%/50% between the NHS and local government. At the time it was expected that this grant would be specific to be utilised to improve early discharge of patients from hospital into community settings.

### **New Early Discharge Grant**

- 48 This grant to support discharge from hospital was expected to have broad grant conditions and to be £400 million in 2023/24 rising to £680 million in 2024/25.

### **Social Care Reforms**

- 49 Prior to the AS, the expectation was that the adult social care means test and cost cap changes, alongside the outcome of the fair cost of care process would be introduced in October 2023.
- 50 The AS confirmed however that the implementation date for the reforms has been deferred to October 2025 i.e. after the next General Election. The funding associated with the social care reforms (including the fair cost of care) of £1.265 billion in 2023/24 rising to £1.877 billion in 2024/25, will be distributed to local government as part of the current Social Care Grant.

The additional funding to be utilised to support budget pressures in children's and adult's social care.

- 51 It is not clear at this point if additional funding will be made available to local government in 2025/26 for the implementation of the social care reforms should they ultimately be implemented at that time.

### **National Living Wage**

- 52 Based upon forecasts from the Low Pay Commission the council was previously forecasting an increase in the National Living Wage (NLW) of 8.6% next year. The Low Pay Commission report released on the same day as the AS recommended an increase of 9.7% to £10.42 per hour from April 2023, with a forecast further 6.3% increase in April 2024 to £11.08. By 2024 the NLW is forecast to have achieved its aim of reaching two thirds of the median national earnings level.
- 53 The updated NLW forecasts have added circa £3.4 million of additional budget pressure into 2023/24 and £0.4 million into 2024/25.

### **Energy**

- 54 In the current year, the council is part of the national energy price cap scheme, which is limiting the impact of significant price increases and runs from October 2022 to December 2023. The AS confirmed that the energy price cap for 2023/24 will be targeted to those in need and that local government would not be part of the scheme. No detail has been released on the scheme at this point.
- 55 Energy markets continue to extremely volatile, however the £9 million budget uplift in 2023/24 has remained unchanged, though the recovery of this budget pressure over the period 2024/25 to 2026/27 as (hopefully) prices reduce has been reprofiled based on updated market expectations.

### **Services Grant**

- 56 The AS confirmed that this grant would be top sliced in 2023/24 as a result of the withdrawal from November 2022 of the 1.25% employers national insurance increase. No funding was to be withdrawn in 2022/23.

### **Business Rates**

- 57 The AS announced that the business rates multiplier would be frozen in 2023/24, ensuring total business rates charged would not increase.
- 58 There is a business rates revaluation to be applied from April 2023, which will result in business rates for ratepayers going both up and down, with some element of transitional relief in place to provide protection.

- 59 The AS confirmed local authorities would receive compensation through a Section 31 grant increase to recompense for the business rate multiplier being frozen, as it should have increased in line with CPI in September, which was 10.1%.
- 60 The AS also announced some ongoing business rate discounts for small businesses and retail, hospitality and leisure businesses.

## Policy Statement

- 61 On 12 December 2022 the Department for Levelling Up, Housing and Communities (DHLUC) published a Policy Statement which provided further detail on potential distribution methodology, including confirmation that the Fair Funding Review would not take place until after the next General Election.

## Provisional Local Government Finance Settlement

- 62 The provisional Local Government Finance Settlement was published on 19 December 2022 and confirmed a number of increases in funding for local government mainly as a result of the £2 billion of additional core grant funding for local authorities in 2023/24, increasing to £3 billion in 2024/25. At the same time funding from the Lower Tier Services Grant, New Homes Bonus and the Services Grant has been repurposed to finance the 10.1% increase in RSG and the 3% funding guarantee (impacting mainly on District Councils). The final settlement is expected to be published in February 2023. The additional funding provided to local authorities with the councils provisional allocations are detailed below:

- (a) **Better Care Fund £600 million in 2023/24 rising to £1 billion in 2024/25** – Local government and the NHS will each receive 50% of this grant providing additional funding of £300 million in 2023/24 and £500 million in 2024/25. The funding has specific grant conditions with local government and the NHS pooling budgets with the aim of improving the discharge of patients from hospital. The council will receive £4.327 million in 2023/24 and a forecast £7.1 million in 2024/25 equating to 1.44% of the national allocation;
- (b) **Market Sustainability and Improvement Grant increase in grant of £400 million in 2023/24 rising to £680 million in 2024/25** – in 2022/23 the government announced additional funding of £2 billion to enable the implementation of adult social care charging reforms and the outcomes of a fair cost of care review. The first £160 million tranche of this funding was allocated in 2022/23 with the council receiving £1.9 million which was utilised in increasing fees to adult social care providers in 2022/23.

In the AS however the government announced that the social care reforms had been deferred from October 2023 to October 2025 and

that the remaining circa £1.8 billion of funding would be repurposed into the Social Care grant to provide support for both adult and children social care.

The council will continue to receive the £1.9 million in the future but in a repurposed Market Sustainability and Improvement Grant. This grant will be £6.609 million in 2023/24 and is forecast to increase by a further £3.2 million in 2024/25.

The additional grant of £4.7 million in 2023/24 is expected to have broad grant conditions requiring that this funding is utilised to support early discharge of patients from hospital.

- (c) **Social Care Grant additional £1.265 billion in 2023/24 rising to £1.877 billion in 2024/25 after discounting transfer of specific grant (Independent Living Fund)** – this funding is to be utilised to support demographic and cost pressures in children’s and adult’s social care.

This funding is being apportioned to local authorities based upon the Adults Relative Needs Formula (RNF) alongside an element of equalisation to consider that local authorities can raise differing amounts from council tax increases due to varying size of council taxbases.

This funding is only payable to upper tier authorities who provide social care services. Net of the transfer of £1.543 million of Independent Living Fund specific grant funding the council already receives, the council will receive an additional £17.066 million in 2023/24 increasing to a forecast £24.866 million in 2024/25, equating to 1.32% of the national allocation, increasing our Social Care Grant to £49.564 million in 2023/24 and to a forecast £57.364 million in 2024/25.

These sums will not however fully address the demographic and price inflationary pressures in Children and Adult Social Care alone (excluding price inflation and energy) of £36.7 million in 2023/24 and £19.7 million in 2024/25;

- (d) **Revenue Support Grant (RSG)** – local authorities will receive an inflation uplift of 10.1% in line with the September 2021 Consumer Price Index (CPI) on their 2022/23 RSG allocations.

The government are transferring three specific grants into RSG from next year, these being the Local Council Tax Administration Grant (allocation currently £0.913 million), the Family Annex Council Tax Discount Grant (allocation currently being £0.013 million) and the Natasha’s Law grant (allocation currently being £0.013 million).

After discounting the transfer of these specific grants into RSG the council will receive an additional £2.952 million next year, increasing RSG received to £32.991 million. CPI is forecast to be 6% in September 2023, so a further increase of £1.9 million in 2024/25 has been factored into the MTFP(13) forecasts. RSG is assumed to be cash flat in 2025/26 and beyond;

- (e) **Reduction in New Homes Bonus (NHB) funding** – it was previously forecast that the NHB may be abolished from 2023/24. The government have however agreed to continue the NHB funding for one more year. The council receives £4.082 million of NHB in 2022/23 which will reduce by £2.222 million to £1.860 million in 2023/24. Nationally the sum payable via NHB will reduce by £263.9 million in 2023/24 with this sum being diverted to ensure all authorities, but particularly district councils, receive a minimum 3% increase in funding in 2023/24 and also to partially finance the 10.1% increase in RSG. At this stage it is forecast that the £1.860 million of NHB received by the council will be withdrawn in 2024/25;
- (f) **Lower Tier Services Grant** – the council presently has a budget of £0.786 million from this grant but similar to NHB this funding is being top sliced to ensure all authorities, but particularly district councils, receive a 3% increase in funding in 2023/24 and to help finance the 10.1% increase in RSG. The council has lost 100% of this funding from 2023/24;
- (g) **Services Grant** – the council currently receives £8.776 million from this grant which for 2022/23 was specified as a one off grant. In 2023/24 the council will receive £4.945 million, a reduction of £3.831 million.

The grant has been reduced to reflect that the withdrawal of the 1.25% employers' national insurance increase from November 2022 which has produced a saving in the council budget. In addition, the government have top sliced this grant to increase the Supporting Families Grant, which is a specific grant in Adult and Health Services and to partially cover the 10.1% inflation uplift to RSG and to help fund the 3% funding guarantee.

- (h) **Council Tax Support Fund** - The provisional settlement contained £100 million of additional one off funding for local authorities to support the most financial vulnerable households in England in 2023/24.

The Council Tax Support Fund is aimed at providing further support to those low income financially vulnerable households already receiving some element Council Tax Support. Durham has been allocated £1.440 million to fund further reductions to those still facing

financial hardship as part of its Local Council Tax Reduction Scheme (LCTRS) for 2023/24.

The government expects that the grant allocation is used to fund further reductions in the council tax liability of individuals receiving LCTRS support but still left with an outstanding council tax liability, by up to £25 in 2023/24.

Local authorities are also able to use a proportion of their allocations to determine their own local approaches to supporting economically vulnerable households with council tax bills.

As the council has already agreed its Council Tax Reduction Scheme for 2023/24, which includes continued use of previous Covid 19 Hardship Funding to provide up to £75 of additional support to Working Age LCTRS claimants, the scheme is being reviewed in the light of the Government's announcement. The Government guidance stipulates that the support of up to £25 should be provided to both Working Age and Pensioner claimants.

Proposals for how the funding can be used and administered to enhance the current LCTRS will be included as part of the MTFP(13) report to Cabinet in February 2023.

- 63 The government has also announced that the implementation of the Fair Funding Review (FFR) would definitely be delayed until at least 2025/26.
- 64 Overall, the settlement is better than was originally forecast by the council and by most commentators. The additional funding received by the council next year is £39.792 million, however, our unavoidable cost pressures total £81.906 million, leaving £42.114 million to fund from a combination of council tax increases, business rates tax base changes, savings and efficiencies and council reserves in order to balance the budget.
- 65 The major concern for the council must be however what happens to financial settlements from 2025/26 onwards, where it is forecast that funding uplifts for the public sector will be limited to an average of 1% real terms uplifts for the period 2025/26 to 2027/28. If as expected the NHS, Education and Defence are protected then it is highly likely that local government would face funding reductions. At this stage for modelling purposes it is forecast that there will be cash flat settlements for local government which are funding reductions in real terms.

### **Core Spending Power (CSP)**

- 66 The provisional CSP figures for the council, which factor in assumptions on council tax increases in line with the referendum limits and the maximum permissible under the Adult Social Care Precept, would indicate a more positive position compared to previous years, provided that the Council

utilises the additional council tax flexibilities that have been provided. The England average is a 9.2% CSP increase next year, whilst Durham's position is forecast to be 10.3%. A number of issues need to be considered in this regard however:

- (a) the CSP calculation forecasts that the council will increase council tax by the full 4.99% available i.e. the revised 2.99% referendum level plus the 2% adult social care precept raising powers. Any 1% below the 4.99% assumed would reduce the CSP by 0.5%;
- (b) the CSP includes the additional Better Care Fund which comes associated with a new burden and as such is not available to support core council service provision.

67 In terms of comparative CSP per dwelling positions the table below compares the council with a number of authorities and the England average. If Durham received a CSP per dwelling equivalent to the national average CSP of £2,360 per dwelling the council would receive an additional £42 million of government funding.

Area	Core Spending Power Per Dwelling
	£
England	2,360
Durham	2,193
Middlesbrough	2,557
Newcastle	2,371
Northumberland	2,280
Richmond Upon Thames	2,236
Wokingham	2,213

### Review of MTFP Model

68 The report to Cabinet on 12 October 2022 provided an update on the forecast revenue budget position for 2023/24 as well as an update for the MTFP(13) planning period 2023/24 to 2026/27.

69 An ongoing review of base budget pressures and savings options has been carried out resulting in a number of amendments to the base budget pressures forecasts for the MTFP(13) period. The major amendments and updates to the forecasts that were reported previously which are included in the updated MTFP(13) model attached at Appendix 2 are detailed below:

- (a) **Government Funding**

The revised model includes the government funding published in the provisional settlement and detailed above. In overall terms, after discounting grants provided for a specific purpose, the Council is forecast to receive £17.883 million of net additional grant funding in 2023/24 and a forecast £10.920 million of additional grant funding in 2024/25 to assist it with setting its budgets over the next two years;

(b) **Business Rate Retention**

The autumn statement confirmed that the total sums associated with business rate retention would increase by 10.1% in 2023/24 in line with September 2022 CPI. The model has been updated to reflect this in relation to business rate local share, Section 31 grants and the Top Up grant. It is assumed that CPI will be 6% in September 2023 and this has been used to determine estimated increases for 2024/25. Compared to the assumptions built into the October report, the updated forecasts include an additional £1.9 million of funding in 2023/24 and a reduction of £3.65 million in 2024/25;

(c) **Council Tax Increases**

The 12 October 2022 MTFP(13) update report included an assumption of council tax increases of 2.99% in 2023/24 and 2024/25 (a 1.99% base council tax increase and a 1% adult social care precept each year) and a 1.99% increase in 2025/26 and 2026/27.

The updated modelling assumptions, in line with government expectations and in light of the significant inflationary pressures being faced, is that council tax increases of 4.99% will be applied in 2023/24 and 2024/25 (a 2.99% base council tax increase and a 2% adult social care precept each year) and a 2.99% increase in 2025/26 and 2026/27. The additional revenues generated from these higher increases are £5.4 million in 2023/24; £5.6 million in 2024/25; £3.2 million in 2025/26; and £3.4 million in 2026/27.

These increases are necessary to assist in helping to set a balanced budget in the context of our unavoidable cost pressures, which total £81.906 million in 2023/24 and £163.303 million over the four year MTFP(13) planning period.

Inflationary and demand pressures in Adult and Children's Social Care alone total £45.2 million next year. Despite £21.8 million of additional government grant support being provided to help support these areas and £5.0 million possible through the Adult Social Precept there is still a funding gap of circa £18.4 million next year.

In 2022/23 the council had the flexibility to increase council tax by 1.99% for the referendum limit and by up to 3% for the adult social care precept. After due consideration council agreed to limit the 2022/23 council tax increase to 3% for the adult social care precept only and forgoes the 1.99% base council tax increase rather than increasing council tax by the maximum 4.99%, which is what the government expectation was (this is baked into the Core Spending Power calculations) and what the majority of other upper tier councils did.

In County Durham 83% of all households reside in properties that are in Bands A-C. A 4.99% increase in the council's council tax charge would result in an increase of between £1.12 and £1.50 per week for these residents. The circa 54,000 households on low incomes who qualify for support through the Local Council Tax Reduction Scheme, many of which would qualify for 100% support and pay no council tax would be protected from any increase.

(d) **Council Tax Base**

The 12 October 2022 MTFP(13) update report forecast a £3 million increase in the taxbase for 2023/24. The council tax taxbase setting report to Cabinet on 16 November 2022 however, identified a 1,980.1 (1.38%) Band D equivalent increase in the taxbase for 2023/24 equating to a £3.4 million increase. The tax base estimates in the period 2024/25 to 2026/27 now build in an assumed 0.9% annual increase in the tax base year on year. Compared to the assumptions built into the October report, additional revenues from tax base increases across the MTFP(13) planning period are £1.800 million higher than previous estimates;

(d) **Pay Inflation**

Pay inflation was previously forecast to be 4% in 2023/24 and 3% in 2024/25. In the light of the 9.7% increase in NLW and the consequential impacts on lower grades within the local government pay spine which are very close to the NLW hourly limit, it is felt prudent to increase the 2023/24 assumption to 5% but reduce the 2024/25 assumption to 2% as inflation is forecast to reduce significantly in that year and the NLW is forecast to have achieved its policy aim of convergence with two thirds of the nation median earnings by 1 April 2024. The impact of these changes is an increase in the provision for pay inflation of £2.5 million in 2023/24 (to £12.2 million) and a reduction of £2.5 million in 2024/25 (to £5.2 million);

(e) **Price Inflation**

Price Inflation was previously forecast to be 4% in 2023/24. It is now forecast that inflation will stay high across most of 2023/24. It is felt prudent therefore to increase the price inflation forecast from 4% to 5%. The impact of this change is to increase the budget pressure for price inflation by £1.1 million in 2023/24 to £5.3 million;

(f) **Holiday Pay**

A legal case has been settled nationally on the treatment of holiday pay for casual staff, which has necessitated a change in the way the council calculates and pays for holiday pay for these workers. This will result in a forecast £0.380 million increase in casual workers' pay from 2023/24;

(g) **Adult Social Care Fees**

The higher than forecast increase in NLW and higher rates of CPI have resulted in a forecast fee uplifts in 2023/24 to £21.9 million;

(h) **Adult Social Care Reform**

The deferral of the Adult Social Care reforms until October 2025, which would have seen the introduction of amendments to the means test for care charging and the introduction of the £86,000 cost cap, has meant that the cost of these changes has had to be reprofiled. It was forecast that the means test changes would result in additional costs (lost income) for the council of £3.5 million. This cost has been reprofiled to impact in 2025/26 and 2026/27 rather than 2023/24 and 2024/25;

(i) **Pension Fund Valuation**

The pension fund actuary has finalised deliberations on the pension fund triennial revaluation. The revaluation will result in a £4.4 million reduction in the annual deficit recovery payment to the pension fund and the employers pension contribution rate will fall from 18.5% to 18.1% saving £0.7 million. The total £5.1 million reduction in cost is higher than the previous £2.8 million forecast;

(j) **Children's Demographics**

The looked after children budget continues to face significant pressure mainly as a result of the complex nature of children requiring care but also due to the lack of supply of care placements which is resulting in increased costs. The updated budget forecast, which is based on the placement mix at 30 November 2022 and factors in an assumed 5% inflationary pressure next year, has increased from £7.5 million to £13.8 million;

(k) **Home To School Transport**

Growth required in this budget was previously forecast to be £2.6 million. Updated forecasts considering the impact of service volumes, the increased cost of contracts tendered from a September 2022 start, the increase in contract prices for base inflation and the cost of contracts to be relet from September 2023 has resulted in an increase in the forecast cost to £8.3 million. This sum is a large increase which is mainly the full year effect of the contracts relet in September 2022 costing in excess of 25% more than the previous contracts;

(l) **Waste contracts**

During 2023/24 waste volumes have been slowly moving back towards pre COVID levels. This has enabled the forecast £2.6 million increase in the cost of waste contracts to be reduced to £1.6 million;

(m) **External Audit Fees**

In recent years audit firms have struggled to fulfil external audit contracts. This has been due to a mixture of tendered contract costs being too low and a problem with recruiting new auditors. The Public Sector Audit Appointments (PSAA) has retendered for all local authority contracts resulting in significant increase in costs. The cost increase for the council is £0.350 million;

(n) **Homelessness**

During COVID lockdowns local authorities were required by government to house anybody whom at that point was homeless. Costs were able to be recovered via government COVID grant funding. That funding has now ceased but the council is still expending significant sums, above the budget provision to deal with the increased demand which has not dissipated.

At the same time a higher number of people are presenting as homeless at the present time due. It is forecast that a budget increase of £0.750 million is required in order to set a balanced budget next year and address the current overspending in this area;

(o) **Investment Income**

Two factors are resulting in a short term increase in investment income. Council cash balances are high at the present time but are forecast to reduce significantly as reserves are expended but particularly as the councils circa £600 million capital programme is

expended. In addition interest rates are higher at the present time than in previous years.

It is forecast that the investment income budget will be over recovered by £7 million in 2023/24 due to these two factors. It is then forecast however that cash balances will significantly reduce in 2024/25 bringing income back within budget. On that basis a £7 million one off benefit is introduced in 2023/24 but then withdrawn in 2024/25;

(p) **Prudential Borrowing**

Due to the current high level of cash balances the council does not forecast that borrowing will be required during 2023/24, though there remains an underlying need to borrow in line with our Capital Financing Requirement and Treasury Management policies. It is forecast however, that as cash balances decrease that borrowing will be required during 2024/25.

With this in mind the £3 million provision for new additional prudential borrowing previously required in 2023/24 has been reprofiled into 2024/25. Public Works Loans Board (PWLB) interest rates have increased over the last six to nine months. Rates were previously circa 2.5% but have now increased to as high as 5%. With this in mind prudential borrowing cost forecasts for 2025/26 and 2026/27 have been increased to £3.4 million and £3 million respectively to ensure future years capital programmes can be financed, though the level of borrowing these budget provisions can fund will be lower than previous MTFP budget setting rounds.

(q) **Collection Fund Deficit Recovery**

The provision for recovery of the deficit that was created in the Council Tax Collection Fund in 2020/21 during the height of the pandemic, which in line with regulations was to be amortised over three years has been revised.

In the October Cabinet report provision of £0.792 million had been made in 2023/24. Based on the improved recovery over the last year and an improved forecast in terms of the Collection Fund to 31 March 2023, this provision can be removed from the budget next year.

70 Taking on board available government funding, taxbase growth, updated base budget pressures, and an assumption that the council raises council tax by the maximum sums available, the savings required over the next four years has reduced to £41.041 million, with £25.614 million of this falling into 2023/24. This compares to a previous forecast of savings

required over the next four years of £52.569 million with £37.389 million of this falling into 2023/24.

- 71 The MTFP(13) report to Cabinet on 12 October 2022 identified £17.731 million of savings options for consultation, with £11.873 million of the savings being in 2023/24, leaving a shortfall of £25.516 million to be met from the MTFP Support Reserve in order to balance the budget.
- 72 Work has continued to identify additional savings which could be considered whilst the profile of delivery of savings continues to be reviewed.
- 73 Additional savings have been identified from the early redemption of debt (£0.200 million), a restructure of Head of Service posts (£0.081 million) and from the removal of the free after two policy for council car parks introduced to aid COVID recovery in 2021/22 (£0.600 million).
- 74 None of the savings previously put forward have been withdrawn at this stage, but savings linked to a restructure of the Internal Audit Team will need to be reprofiled between 2023/24 and 2024/25.
- 75 The revised savings factoring in the new additional savings identified now total £18.611 million, with £12.733 million achievable in 2023/24 and work continues to refine these proposals, which will be considered and approved at Cabinet and Council in February as part of the budget setting process. An updated Equality Impact Assessment factoring in the consultation feedback and further work undertaken since the initial screening was undertaken in October will be factored into the February reports.

### **MTFP(13) Consultation**

- 76 Between 25 October to 22 November 2022, consultation was undertaken with residents and partners regarding proposals to balance the council's budget for the next financial year (2023/24). During the same period and beyond to 1 December 2022, presentations were made to the 14 Area Action Partnership Boards.
- 77 Officers also attended meetings of the County Durham Partnership (CDP), County Durham Association of Local Councils (CDALC) and the Youth Council and met with Trade Unions representatives during the period of the consultation.
- 78 Consultation was published on the Councils website and promoted and CDP partners were written to seek their views on the Councils budget strategy. The Corporate Overview and Scrutiny Management Board met on 24 October 2022 to consider the October Cabinet report. The questions posed during the public consultation were as follows:
  - (a) What is your view on our approach to balancing the 2023/24 forecast budget shortfall?;

- (b) What do you feel will be the impact of this approach upon you or those you represent?;
  - (c) Do you have any alternatives to the approach, whilst making the required savings?;
  - (d) If the government do remove the cap, what is your view on the council utilising additional Council Tax raising powers above the current 2.99% forecast, given that we may be expected to do this?
- 79 The consultation was promoted with press releases; social media posts; posters displayed in libraries and Customer Access Points and targeted emails were sent to a range of partners.

## Participation

- 80 The approach enabled the council to engage with 1,020 people who provided their views.
- 81 Feedback was received across the protected groups, although rates were not always directly comparable with population data for the County. More women (59.9%) than men responded to the survey. In terms of age, 83.5% of respondents of respondents were between the age of 18-64, with 16.3% over the age of 65. Recent census 21 data releases show County Durham’s 16-64 years population is 61.8%, demonstrating a disproportionately higher engagement rate with the ‘working age’ population. There was only one respondent from the under 18 age group however a targeted engagement session was carried out with 17 members of the Youth Council to provide a representative voice for younger residents.
- 82 The disability respondent rate was 19.1%, which is broadly representative with census 11 rates of 18.9% (for working age) and 23.6% (for overall county population). 2.5% of respondents were Black, Asian and Minority Ethnic which is lower than recently released census 21 ethnicity data for the County at 5.3%. Respondents from the remaining protected groups were representative of the population with 6% from the lesbian, gay and bisexual population and 36.8% having no religion or belief. There was a slightly higher response rate from Christians (60.4%) compared to the County wide rate of 54.6%.
- 83 Full detail of responses can be found in Appendix 3 with summary detail below and an analysis of respondents across various protected characteristics detailed in Appendix 1 also:

Method	Number of people
Survey Online	628
Paper surveys in Libraries	38

<b>Method</b>	<b>Number of people</b>
Paper surveys in Customer Access Points	2
14 AAP Board meetings	269
AAP survey responses	30
Youth Council	17
County Durham Association of Local Councils	36
<b>TOTAL</b>	<b>1,020</b>

84 The outcomes from across the consultation have been recorded and analysed and key messages are summarised below.

85 A total of 668 people completed a survey either online or via a paper version. The views expressed differed between those that accessed the material on line versus those that participated in one of the facilitated sessions, where there was an opportunity for questions to be asked and a more informed debate took place.

### **Our approach to balancing the 2023/24 forecast budget shortfall – online and paper responses**

86 When respondents were asked about their level of agreement with the approach to balancing the 2023/24 budget shortfall, there were 609 responses to this question. 49% of responses either agreed or neither agreed nor disagreed, whilst 51% disagreed.

87 When asked to explain their views, 810 comments were received with 620 of these being negative comments. Whilst the comments spanned across all the proposals, the majority of comments related to:

- (a) the 2.99% increase in council tax;
- (b) the impact of further reductions on back office on frontline service delivery.

### **Back-office savings**

88 There were 167 comments relating to the back office savings that were consulted on. The largest number of comments related to general disagreement (42) and concern that these would impact on the delivery of front line services (30).

89 From the comments that supported the approach, the need for a balanced approach was mentioned.

### **Income raising opportunities**

- 90 There were 67 comments relating to income raising opportunities that were consulted on. In the main, there was more positive response (39) to the range of income opportunities proposed which included support for selling renewable energy (15), and a need to explore more commercial and profit making opportunities (9).

### **Review of front-line service subject to further consultation**

- 91 There were 69 comments which focused on the need to retain services for the vulnerable, the sports and culture offer, and suggestions to review the use of contractors and the management of commercial services as a way of achieving savings.

### **Use of council reserves**

- 92 There were 47 comments on the planned use of reserves and from these, 16 comments were in support whilst 22 comments disagreed with the approach and a further 9 raised concerns about the sustainability of this approach.

### **Council Tax increases of 2.99%**

- 93 There were 244 comments received in relation to increasing the council tax by 2.99%. The largest number of comments (215) disagreed either in general (106), or specifically mentioned that they felt that families would struggle financially (55) or that the council tax is already high (38). A small number of responses related to reviewing the Local Council Tax Reduction Scheme (6) or to reduce council tax.
- 94 From the responses in support (29), 14 agreed generally with the approach, a few suggested charging student properties (legally this cannot be implemented), with four supportive of further increases.

### **The impact of this approach upon you or those you represent**

- 95 Respondents were asked to tell us how they felt they would be impacted by the proposals and why they believed this would be the case. 605 responses were received to this question with 29% stating that it was either a positive or neither positive nor negative, whilst 71% stated that it would have a negative impact on them.
- 96 The vast majority of comments related to concerns about the impact on either household budgets or potential reduction in services for the public (427). From those, the highest number of comments (165) were concerned about the impact of the cost of living, with a further 39 saying that they cannot afford to pay more. 117 stated that this would lead to reduced services for the public.

### **Alternatives to the approach, whilst making the required savings**

97 In total 541 comments were received suggesting alternative ways in which savings could be achieved. The main responses have been grouped into the following categories:

- (a) **Efficiencies (101)**– make the savings from increased efficiencies (85), examine licences, subscriptions and procurement (11), other (5);
- (b) **Staffing costs (148)** – reduce salaries to senior officers (37), reduce number of management posts (29), reduce staff travel / work from home (29), reduce the cost of councillors including numbers, allowances and projects (19), promote cross-cutting roles and increase knowledge (10), redeploy staff into essential services (12), reduce use of consultants and agency staff (8), other (4);
- (c) **Capital projects (71)** – stop investment in capital or regeneration projects (38), do not proceed with plans for the reopening of the DLI Museum and Gallery project (19), invest more in invest to save projects (14);
- (d) **Buildings (55)** – reduce the number of buildings and land used (36), retain the money from the sale of the new HQ and stay in County Hall to utilise these funds (14), other (5);
- (e) **Services (55)** – reduce grounds maintenance across the county (11), reduce non-essential services (22), review services (22);
- (f) **Increase charges (26)** – increase charges for services, fines and parking (22), parking (4);
- (g) **Council tax (20)** – increase the tax cost for higher band properties (11), charge for student properties (9);
- (h) **Energy efficiency (19)** – increased use of solar power and renewables (19);
- (i) **Businesses (14)** - Support profitable businesses to expand (14);
- (j) **Revenue projects (12)** – reduce arts projects and public events (12).

### **The council utilising additional Council Tax raising powers above the current 2.99% forecast**

98 There were 612 responses regarding the prospect of raising the council tax above 2.99%. During the consultation period, the government announced that they were making changes to the Council Tax referendum limits and amending the Adult Social Care Precepting powers in 2023/24 and 2024/25 and that they expected local authorities to take up these new flexibilities. 36% of responses either agreed or neither agreed nor disagreed, whilst 64% disagreed with the prospect of council tax increases beyond 2.99%.

- 99 The main reason given was that the increase will be unaffordable and will cause hardship (51), its already too high (26), need to make savings in alternative ways (18) and that it will be wasted (14).
- 100 There were 36 comments / responses in agreement, stating that it is required, it will protect services, is affordable and there are measures in place to protect people in low income households through the Local Council Tax Reduction Scheme.

### **Summary of feedback – AAP Board Meetings**

- 101 A presentation was delivered to each AAP Board where they could ask questions and provide feedback. Members of the public were invited to attend the meetings and a feedback survey was available to collect responses. In total, 30 surveys were completed by those who attended these sessions across the 14 AAPs.
- 102 The key themes which emerged from the combination of AAP Board discussion and analysis of surveys are detailed below.

### **The proposed approach**

- 103 There was an understanding and acceptance that budget reductions must be achieved and the importance of maintaining services – particularly front line services. It was difficult to achieve consensus on the feedback from the AAP meetings, however 19 of the 30 survey responses completed by AAP attendees agreed with the approach set out.
- 104 **Council Tax increase of 2.99%:** There was general debate at boards who all appreciated the problem however there were some concerns expressed about the impact on low income household who are also confronted with the increases in cost of living and energy prices were expressed.
- 105 The importance of the Local Council Tax Reduction Scheme to protect those on the lowest income was highlighted and recognised. However, there was concern that households which are not eligible will be impacted more and the cost of living crisis could result in an increase in eligible households for the scheme.
- 106 **Use of reserves:** The majority of AAPs supported the use of reserves as a short term measure; however, concerns were about sustainability into the future and that we must maintain a safety net to deal with future emergencies such as storm Arwen.
- 107 In addition to the key themes above, comments were made that it may impact some geographical areas more than others and these are detailed below.
- 108 **Poverty:** Comments from East Durham cited that it has high levels of poverty and deprived neighbourhoods with 45% of children already living in

poverty. Concern was expressed that we needed to ensure that these neighbourhoods are supported during these difficult financial times.

- 109 **Rural issues:** Whilst recognising the higher costs of delivering services in rural areas, they needed to be maintained. Comments were also received in relation to the impact on rural areas of high energy prices, in particular, for villages that are not connected to the gas network as well as the impact on rural schools.

### **The impact of this approach upon you or those you represent**

110 The potential impacts of the approach include:

- (a) loss of services for those who need them in particular those services which support individuals of all ages;
- (b) household budgets;
- (c) funding for the Voluntary and Community Sector, local communities and AAPs;
- (d) weakened essential services as a result of back office reductions;
- (e) reductions in funding for Social Care could result in more costly services in the future;
- (f) staff morale of remaining fewer staff and a loss of knowledge and skills.

### **Alternatives to the approach, whilst making the required savings**

111 Alternative ideas for balancing the budget include:

- (a) opportunities of additional funding through devolution;
- (b) lobby Government following 10 years of austerity and its impact on left behind neighbourhoods;
- (c) pause spending on capital expenditure projects;
- (d) review commissioned services provided by profit making organisations;
- (e) reduce the number of buildings and increase co-location of services.

### **The council utilising additional Council Tax raising powers above the current 2.99% forecast**

112 The response to this question was divided. Most AAPs felt that household budget pressures would increase if the Council Tax was raised higher than 2.99% especially for those on low incomes or already living in poverty.

- 113 However, there was agreement from some which felt that increasing council tax is necessary and better than reduction in services and a fair approach to increasing revenue.

## **Summary of feedback from Partners**

### **County Durham Partnership**

- 114 The County Durham Partnership received a presentation on the council's budget proposals during the consultation period. CDP representatives were asked to submit their views in writing. Responses were received from Durham Police, the Police Crime and Victim's Commissioner (PCVC) and Livin, the housing representative on the Board.
- 115 **The Police and PCVC** expressed concern in their joint response about how balancing finances might affect the commitment to improve public services, wellbeing and economic growth but recognised that the challenges were not of the council's making. They recognised that there will be some difficult decisions to make but are confident in the council's ability to deliver these following thorough planning, full consultation and impact assessment and that the council would continue to lobby for a greater share of funding. The response highlighted a concern that the impact of the proposals on staff would be recognised and managed in terms of their wellbeing.
- 116 **Livin** agreed with the proposed approach to balancing the budget making the following comments. 'A council tax rise would be more palatable if incomes were rising by a similar level, rather than being stagnant, and that council tax exemptions should continue to be utilised to support the most vulnerable in the county, especially whilst cost of living remains high'. They also agreed with the principle of raising council tax above 2.99%, as additional receipts can support vulnerable residents and help avoid cuts to frontline services. Livin also said we should protect front line services as far as possible, as when gaps or shortfalls occur, members of their staff (untrained) have been required to fulfil responsibilities usually carried out by adult and children's services.

### **Town and Parish Councils**

- 117 The County Durham Association of Local Councils (CDALC) received a presentation at their Larger and Smaller and Medium Council Forums on 24 November.
- 118 Town and Parish councils were largely sympathetic with the proposals as they are facing similar budgetary challenges in setting their budgets for 2023/24 and beyond. Their main comment was that members hoped that the budget could be balanced without too many reductions to front line services.

- 119 City of Durham Parish Council responded separately, again acknowledging the challenging circumstances the council finds itself in. It is supportive of the fact that the proposals put forward have explored every avenue to achieve the savings without heavily impacting on front line services but is concerned that further staff reductions should not impact on services for the most vulnerable. The Parish Council was welcoming of the income raising proposals but did express a concern about the impact of increased demand for planning application services and how that may affect assets outside the scope of the local development plan. The response also mentions the adverse impact of central government policy in relation to lost Council Tax revenue due to student exemptions.

### **Youth Council**

- 120 The Youth Council had a presentation on the council's budget on 14 November with 17 young people attending. The young people were concerned about inflation and how council tax rises would affect people already struggling. They were concerned about the effect that the need to make savings might have on support schemes for young people, home to school transport and youth engagement activities like the Youth Council.

### **MTFP(13) Summary**

- 121 The report to Cabinet on 12 October 2022 highlighted significant shortfalls over the MTFP(13) period. After taking into account the savings options proposed for consultation the shortfall was £35.1 million over the MTFP period with £25.5 million of the shortfall in 2023/24.
- 122 The MTFP(13) model attached at Appendix 2 includes detail of the grant increases detailed in the provisional local government settlement. The model also assumes that the council will raise council tax by the maximum sum possible utilising the new council tax flexibilities being 4.99% in 2023/24 and 2024/25 and 2.99% in 2025/26 and 2026/27. Building in the council tax assumptions, the grant increases detailed in the provisional local government finance settlement, the revised base budget pressures and the revised options for savings the savings shortfall is summarised below for the MTFP(13) period 2023/24 to 2026/27.

	<b>Savings Requirement</b>	<b>Less Savings Options</b>	<b>Savings Shortfall</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
2023/24	25.614	(12.733)	12.881
2024/25	2.226	(2.225)	0.001
2025/26	5.213	(1.873)	3.340
2026/27	7.988	(1.780)	6.208

**TOTAL                    41.041                    (18.611)                    22.430**

## Reserves Review

- 123 To ensure budgets can be balanced and to provide time to work up proposals to reduce expenditure to address the underlying budget position, the October Cabinet report highlighted that a thorough review of all earmarked reserves was to be undertaken to ensure that corporate reserves are in place to ensure the council can set balanced budgets.
- 124 The reserves review has taken place in the context of a significant reduction in reserves, as reported in the Quarter 2 forecast of outturn to Cabinet on 17 November 2022, which forecast that total earmarked and cash limit reserves (excluding school reserves) would reduce by £44.915 million in 2022/23, from £235.529 million to £190.614 million, as summarised below:

	<b>Earmarked £ million</b>	<b>Cash Limit £ million</b>	<b>Total £ million</b>
Opening Earmarked Balances as at 1 April 2022	-223.964	-11.565	-235.529
Adjusted for increase (-) / use of Earmarked Reserves	41.516	3.399	44.915
Transfers Between Earmarked and Cash Limit Reserves	0.146	-0.146	0.000
<b>Earmarked Reserve Balances as at 31 March 2023</b>	<b>-182.302</b>	<b>-8.312</b>	<b>-190.614</b>

- 125 In addition, the General Reserve was forecast to reduce by £4.587 million to a forecast year-end balance of £21.311 million, taking the balance below the minimum threshold agreed by Council in February 2022 of £23 million.
- 126 In undertaking the review, the following factors were considered in terms of determining the level of earmarked reserves that could be required over the coming years to support the MTFP and the councils commercial activities:
- (a) **MTFP(13) shortfalls** – the latest forecast is that there will be a shortfall of £12.881 million in 2023/24 with that sum requiring the utilisation of the MTFP Support reserve to balance the budget, with additional shortfalls of circa £10 million in future years also. More worryingly, the forecasts for 2025/26 and 2026/27 assume that local government does not receive funding reductions as a result of the fiscal tightening in public finances detailed in the 17 November 2022 Autumn Statement. To cover this risk it is imperative that corporate reserves are available to support the MTFP during that period also;
  - (b) **ER/VR reserve** – if the council is required to achieve significant savings over the coming years to balance budgets the current balance will not suffice. It is also recognised that the council is also required to fund ER/VR costs in maintained schools;

- (c) **Commercial Reserve** – the current reserve balance of £5 million will not suffice to cover the short term costs that will be incurred in relation to commercial developments at Milburngate and Net Park 3;
- (d) **General Reserve** – the councils current policy is to seek to hold this reserve at between 5% and 7.5% of the councils Net Revenue Budget Requirement. This is a range of between £23 million and £35 million. The council is facing a £14.6 million overspend which impacting upon the general reserve balance with it forecast to stand at £21.3 million at the end of 2022/23, which is below the recommended minimum. There is a risk that the council continues to face higher than forecast inflationary and demand led budget pressures in future years and it is imperative that corporate reserves are in place to protect the financial position of the council.

127 The reserves review has taken these issues into account and it is recommended that the following reserves are transferred as part of the review process.

- (a) **Town and Villages Reserve £16.833 million** – the total investment from the reserve was £25 million. From this sum £4.2 million was invested into AAP's and Members budgets. In addition a sum of £0.8 million is planned to be invested in a range of revenue programmes. A sum of £3.167 million was invested from the reserve up until the 31 March 2022 leaving an available balance of £16.833 million. All of the future investments of the programme will be capital investments. It is recommended that the remainder of the full programme is funded as part of the development of the MTFP(13) capital programme with the reserve utilised within the reserves review process;
- (b) **Members Priorities Reserve £5.801 million** – the MTFP(12) report to Council on 23 February detailed a range of Member Priority investments of £10 million. A range of these priorities were capital investments. Capital expenditure of £3.114 million is forecast in 2022/23 and it is recommended that this is financed from capital contingencies freeing up the reserve. The planned £2.687 million of investment in future years will be considered as part of the development of the MTFP(13) capital programme with the reserve utilised within the reserves review process;
- (c) **Equal Pay Reserve £5 million** – All liabilities have been assessed and it is felt that the £9.479 million reserve can be reduced by £5 million;
- (d) **Culture Reserve £3 million** – at the end of 2022/23 a Cultural Reserve of £5 million was created to enable the council to

significantly invest if the council was successful in the City of Culture bid for 2025. Although the council was not successful with the bid it is still recommended that the council has a significant cultural programme in 2025. The reserve will be reduced by £3 million resulting in £2 million still being available for a 2025 cultural programme;

- (e) **Feasibility Reserve £1.8 million** – at the end of 2022/23 an earmarked reserve of £3.8 million was created to ensure the council could carry out robust feasibility studies to support the Levelling Up Fund capital bids thus securing our optimum chance in succeeding in bids for circa £100 million of government funding. It is forecast that £2 million will have been expended in developing the bids resulting in £1.8 million being available for utilisation in the reserve review;
- (f) **Review of all other earmarked reserves £5.885 million** – all earmarked reserves have been reviewed to identify where there is a firm commitment of investment. This review has identified there are 25 reserves where sums could be utilised as part of the reserves review totalling £5.885 million.

128 The table below summarises the reserves that have been identified for transfer to enable corporate reserves to be replenished and support the council in setting balanced budgets and making sound decisions on savings in a timely manner. The total sum available being £38.319 million

	<b>£m</b>
Town and Villages	16.833
Member Priorities	5.801
Equal Pay Reserve	5.000
Culture Reserve	3.000
Feasibility Reserve	1.800
Service Earmarked Reserves	<u>5.885</u>
<b>TOTAL RESERVES AVAILABLE</b>	<b><u>38.319</u></b>

129 It is recommended that the £38.319 million is utilised as follows:

	<b>Current Balance</b>	<b>Addition</b>	<b>Revised Balance</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
MTFP Support	15.162	27.319	42.481
ER/VR Reserve	5.313	7.500	12.813
Commercial Reserve	4.971	3.500	8.471

- 130 The replenishment of the reserves set out above will ensure the council is well placed to face future financial challenges either relating to balancing future years budgets and supporting the MTFP process or providing cover for budget overspends thus protecting the General Reserve.

## **Conclusion**

- 131 The provisional settlement received is in the main positive for the council and is to be welcomed. It will assist in helping to support the balancing of the 2023/24 budget provided the council tax raising flexibilities are taken, which is a clear expectation from central government. It will however not allow a balanced budget to be set without the need for significant savings (£12.733 million) and use of reserves next year (£12.881 million).
- 132 The provisional settlement however does not provide long term certainty for local government, with many uncertainties still in place in relation to settlements, especially beyond 2025/26.
- 133 The report sets out details of the consultation feedback received. The feedback will be taken on board in terms of finalising the saving that will be presented to Cabinet and Council in February as part of the budget setting process. The report sets out details of proposed changes to the savings previously considered by Cabinet. None of the savings previously put forward have been withdrawn at this stage, but there are some re-profiling proposals between 2023/24 and 2024/25. In addition, three new savings are to be considered, which increases the overall saving total to £18.611 million, and details of these are set out in the report.
- 134 To ensure budgets can be balanced, whilst further clarity is sought and to provide time to work up proposals to reduce expenditure to address the underlying budget position, a thorough review of all earmarked reserves has been completed and the report sets out details of the earmarked reserves to be re-prioritised and the transfer of funding to the ER/VR reserve and to the MTFP Support Reserve, to provide capacity to balance the budget over the medium term, together with a proposed transfer to the Commercial Reserve.

- 135 Planning for the councils 2023/24 budget will continue over the coming weeks with the budget report to be presented to Cabinet on 8 February 2023 before being presented to Council on 22 February 2023.

### **Background papers**

- Autumn Statement, published 25 November 2022
- Provisional Local Government Finance Settlement, published 19 December 2022

### **Other useful documents**

- Medium Term Financial Plan (12), 2022/23 to 2025/26 – Report to Council 23 February 2022
- Medium Term Financial Plan (13), 2023/24 to 2026/27 – Report to Cabinet 13 July 2022
- Medium Term Financial Plan (13), 2023/24 to 2026/27 – Report to Cabinet 12 October 2022
- Local Council Tax Reduction Scheme 2023/24 – Report to Council 19 October 2022
- Council Tax Base 2023/24 and Forecast Deficit on the Council Tax Collection Fund as at 31 March 2023 – Report to Cabinet 16 November 2022
- Forecast of Revenue and capital Outturn 2022/23 – Period to 30 September 2022 and Update on Progress towards achieving MTFP(12) savings – Report to Cabinet 16 November 2022

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## **Appendix 1: Implications**

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### **Legal Implications**

The council has a statutory responsibility to set a balanced budget for 2023/24. It also has a fiduciary duty not to waste public resources.

Section 47 of the Local Government Finance Act 1988 and subsequent amending legislation provides the provisions and criteria for awarding discretionary rate relief. The Localism Act 2011 amended Section 47 Clause 69, of the Local Government Finance Act 1988 to allow local authorities to reduce the business rates of any local ratepayer (not just those who can currently be granted discretionary relief), via a local discount scheme.

### **Finance**

On 17 November 2022 the Chancellor of the Exchequer published an Autumn Statement (AS). It was widely expected that the AS would result in funding reductions for the public sector alongside a potential public sector capped pay increases, due to the significant increases in the forecast of annual national deficits over the coming years - a combination of post Brexit economic challenges, the ongoing impact of the pandemic upon the economy and the poor outlook for the economy in the medium term.

In making the AS, the Chancellor of the Exchequer deferred decisions on any significant funding reductions in the public sector until the next parliamentary period, with reductions now expected in the period 2025/26 to 2027/28. On a more positive however, additional funding was provided to the health service, education and local government, as well as local government being provided with additional council tax raising flexibilities.

The additional funding being provided will result in an improved financial outlook for the council in the short term. The report highlights that there is a savings shortfall in 2023/24 of £25.614 million required to balance the 2023/24 budget, with £41.041 million of additional savings required across the next four years.

Additional savings of £18.336 million across the MTFP(13) period have been factored into the forecasts to assist in balancing budgets across the MTFP(13) period, taking the overall savings proposals to £18.611 million.

Additional savings have been identified from the early redemption of debt (£0.200 million), a restructure of Head of Service posts (£0.081 million) and from the removal of the free after two policy for council car parks introduced to aid COVID recovery in 2021/22 (£0.600 million).

The savings factored into the October Cabinet report have been subject to consultation during October and November. None of the savings previously put forward have been withdrawn at this stage, but savings linked to a restructure of the Internal Audit Team will need to be reprofiled between 2023/24 and 2024/25.

Final decisions on savings to be implemented will be taken as part of the budget setting report in February 2023.

The achievement of £12.733 million of savings in 2023/24 will help reduce the 2023/24 funding shortfall from £25.614 million to £12.881 million whilst the £18.611 million of savings proposed will reduce the savings shortfall over the four years of MTFP(13) from £41.041 million to £22.430 million.

To ensure budgets can be balanced whilst clarity is provided and to provide time to work up proposals to reduce expenditure to address the underlying budget position, the October Cabinet report highlighted that a thorough review of all earmarked reserves was to be undertaken to ensure that corporate reserves are in place to ensure the council can set balanced budgets.

This review has been completed and the report sets out details of the funds to be re-prioritised and the transfer of funding to the ER/VR reserve and to the MTFP Support Reserve, to provide capacity to balance the budget over the medium term.

The application of reserves to balance the budget is not a sustainable solution to the financial challenges we face.

## **Consultation**

The report provides full detail on the MTFP(13) consultation process.

## **Equality and Diversity / Public Sector Equality Duty**

Under section 149 of the Equality Act 2010 all public authorities must, in the exercise of their functions, “have due regard to the need to” eliminate conduct that is prohibited by the Act. Such conduct includes discrimination, harassment and victimisation related to protected characteristics but also requires public authorities to have due regard to the need to advance equality of opportunity and foster good relations between persons who share a “relevant protected characteristic” and persons who do not. This means consideration of equality analysis and impacts is an essential element that Members must take into account when considering these savings proposals

The October report contained summary details of the impact assessment on the proposed savings. An updated Equality Impact Assessment factoring in the consultation feedback and further work undertaken since the initial screening was undertaken in October will be factored into the February reports.

The table below provides information of the MTFP consultation responses.

Around 85% of overall online/paper questionnaire respondents provided equality monitoring information as set out in the tables below:

Gender	Number	Percent
Male	190	38.9%
Female	293	59.9%
Prefer to self-describe	5	1.0%
Non-binary	1	0.2%
Total	489	100.0%

Age	Number	Percent
Under 18	1	0.2%
18-24	6	1.2%
25-34	46	9.3%
35-44	129	26.2%
45-54	119	24.1%
55-64	112	22.7%
65-74	61	12.4%
75+	19	3.9%
Total	493	100.0%

Disability	Number	Percent
Yes	94	19.1%
No	398	80.9%
Total	492	100.0%

Religion or Belief	Number	Percent
Christian	282	60.4%
None	172	36.8%
Buddhist	4	0.9%
Agnostic	2	0.4%
Atheist	2	0.4%
Muslim	2	0.4%

Religion or Belief	Number	Percent
Pagan	2	0.4%
Spiritualist	1	0.2%
Total	467	100.0%

Ethnicity	Number	Percent
White British	468	97.5%
White Non-British	5	1.0%
Mixed Race	4	0.8%
Travelling Community	2	0.4%
Asian or Asian British	1	0.2%
Total	480	100.0%

Sexual orientation	Number	Percent
Heterosexual/straight	408	94.0%
Gay or lesbian	20	4.6%
Bisexual	6	1.4%
Total	434	100.0%

Feedback was received across the protected groups, although rates were not always directly comparable with population data for the County. More women (59.9%) than men responded to the survey. In terms of age, 83.5% of respondents were between the age of 18-64, with 16.3% over the age of 65. Recent census 21 data releases show County Durham's 16-64 years population is 61.8%, demonstrating a disproportionately higher engagement rate with the 'working age' population. There was only one respondent from the under 18 age group however a targeted engagement session was carried out with 17 members of the Youth Council to provide a representative voice for younger residents.

The disability respondent rate was 19.1%, which is broadly representative with census 11 rates of 18.9% (for working age) and 23.6% (for overall county population). 2.5% of respondents were Black, Asian and Minority Ethnic which is lower than recently released census 21 ethnicity data for the County at 5.3%. Respondents from the remaining protected groups were representative of the population with 6% from the lesbian, gay and bisexual population and 36.8% having no religion or belief. There was a slightly higher response rate from Christians (60.4%) compared to the County wide rate of 54.6%.

## **Climate Change**

The council budget will be developed to provide resource to enable the council to meet the requirements set out in the council's Climate Change Emergency Response Plan.

## **Human Rights**

Any human rights issues will be considered for each of the proposals as they are developed and decisions made to take these forward. There are no human right implications from the information within the report.

## **Crime and Disorder**

None

## **Staffing**

The impact of the MTFP forecasts and the savings proposals that have been developed to contribute to the financial challenges faced is detailed within the report.

Should the MTFP(13) savings proposals set out in the October report, as amended for the changes outlined in this report be implemented in full, it is estimated that there will a 118 FTE reduction across the four years. HR policies will be strictly adhered to in terms of any restructure activity and priority will continue to be placed on seeking voluntary redundancies and early retirements to mitigate against the need for compulsory redundancies.

The staffing / HR implications arising from the action that will need to be taken to meet the circa £22.4 million shortfall over the next four years are yet to be determined and will need to be outlined in future reports for MTFP(14) and beyond.

## **Accommodation**

Medium Term Financial Plan (MTFP) savings of £275,000 were previously factored into MTFP(12) from the expected move to the new HQ and closure/demolition of the existing County Hall building at Aykley Heads.

Based on the revenue estimates that underpinned the review of the options for disposal of the building on the sands and the implementation of an alternative strategy, net revenue running costs are still forecast to be at least £0.275 million less than the 2022/23 £1.954 million budgeted running cost of County Hall. This saving is factored into the MTFP(13) savings proposals, alongside further building rationalisation and efficiencies to protect front line service delivery.

## **Risk**

The council is continuing to operate in a period of significant financial uncertainty and volatility. When the 2022/23 budget was approved on 23 February 2022, the council was concerned about the ongoing and consequential impact of the pandemic and the uncertainty of future local government finance settlements.

Whilst these concerns remain, they are now overshadowed by the forecast impact of high inflation, especially in relation to fuel and energy prices and from increases in bank base rates. The impact of inflation is being experienced across all council services with no part of the council's budget unaffected. Energy costs are significantly above original budget forecasts, despite a 40% increase being built into the base energy budgets this year, along with the majority of other major spend areas such as waste and transport.

Prudent financial planning assumptions have been made in terms of forecasting the base budget pressures the council will face over the coming years. The underpinning rationale is explained in detail in the report.

A robust approach to Risk Assessment across the MTFP process will be followed especially in relation to any individual risk assessments of savings plans. The savings plans have been assured in terms of delivery with every attempt made to seek to protect front line services as far as possible.

## **Procurement**

None



## Medium Term Financial Plan - MTFP(13) 2023/24 - 2026/27 Model

	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000
<b>Government Funding</b>				
Revenue Support Grant (10.1%, 6%,0%,0%) - incl. rolled in grants	-3,891	-1,900	0	0
Social Care Grant - includes rolled in Independent Living Fund	-18,609	-7,800	0	0
Better Care Fund - ASC Discharge Grant	-4,327	-2,800	0	0
Market Sustainability and Improvement Grant	-4,704	-3,200	0	0
Lower Tier Services grant reduction	786	0	0	0
New Homes Bonus grant reduction	2,222	1,860	0	0
Services Grant reduction	3,831	120	0	0
B Rates/S31 - S31 Adj & CPI increase (10.1%/6%/1.5%/1.5%)	-7,800	-5,000	-1,100	-1,100
Top Up - CPI increase (10.1%/6%/1.5%/1.5%)	-7,300	-4,700	-1,050	-1,050
<b>Other Funding Sources</b>				
Council Tax Increase (4.99%/4.99%/2.99%/2.99%)	-12,600	-12,900	-8,200	-8,500
Council Tax Base increase	-3,400	-2,300	-2,500	-2,600
Business Rate Tax Base increase	-500	-500	-500	-250
<b>Estimated Variance in Resource Base</b>	<b>-56,292</b>	<b>-39,120</b>	<b>-13,350</b>	<b>-13,500</b>
Pay Inflation (5%/2%/2%/2%)	12,200	5,200	5,300	5,400
Holiday Pay Adjustment	380	0	0	0
Pay Inflation 22/23 Shortfall (Average of 6.6% plus one day leave)	7,000	0	0	0
Employers National Insurance (Health & Social Care Levy)	-1,500	0	0	0
Price Inflation (5%/1.5%/1.5%/1.5%) - excludes social care fees	5,300	1,500	1,550	1,600
<b>Base Budget Pressures</b>				
Social Care Fee Uplift - includes NLW and CPI	21,900	13,200	3,300	3,500
Better Care Fund - New Spending Requirements	4,327	2,800	0	0
Specific Grants Rolled into RSG and Social Care Grant	2,482	0	0	0
Adults Charging Reforms	0	0	1,750	1,750
National Living Wage Other Service Areas	350	400	50	50
Pension Fund Revaluation	-5,100	0	0	0
Energy Price Increases	9,000	-2,000	-3,000	-3,250
Social Care System Licenses	100	0	0	0
Adults Demographic Pressures	1,000	1,500	1,500	1,500
Children's Demographic Pressures	13,800	5,000	5,000	5,000
Tees Valley SPV Set Up Costs	0	0	30	0
Low Carbon Team - staffing & partnership development	84	0	0	0
Vehicle Fleet - Transfer to electric vehicles	0	0	1,328	3,238
Community Protection Workforce Development	218	196	-200	-200
Woodland Protection / Nature Reserves / Public Rights of Way	0	0	-145	0
Waste Services	-1,000	0	0	0
Waste Inflation	2,600	0	0	0
Transport Inflation (Local Buses)	1,200	0	0	0
Transport Inflation (School Transport)	8,300	0	0	0
Core ICT System Inflation	193	0	0	0
CYPS Social Care Preventative Strategies	808	0	0	0
CYPS Fostering Investment	1,738	0	-1,200	0
CYPS Social Workers	811	0	0	0
NCC Tree Inspections	90	0	0	0
NCC Humanitarian Support	123	0	0	0
NCC Civil Contingencies	30	0	0	0
REG Park and Ride Reprourement	220	0	0	0
REG Durham Bus Station	100	0	0	0
REG Buildings Repair and Maintenance	100	0	0	0
REG History Centre Front of House Team	148	0	0	0
REG North East Screen Industries Partnership	206	0	0	0
RES Barrister Support for CYPS Social Care	513	0	0	0
RES ICT Licencing	85	0	0	0
External Audit Fees	350	0	0	0
Homelessness	750	0	0	0
Aykley Heads Cultural Venue (Former DLI Building)	0	600	0	0
Unfunded Superannuation	0	0	-100	-100
Investment Income	-7,000	7,000	0	0
Prudential Borrowing	0	6,400	3,400	3,000
Net Collection Fund Position after 75% Grant applied	0	-450	0	0
<b>TOTAL PRESSURES</b>	<b>81,906</b>	<b>41,346</b>	<b>18,563</b>	<b>21,488</b>
<b>Use of One Off funds</b>				
Adjustment for use of MTFP Support Reserve in previous year	0	0	0	0
Use of MTFP Support Reserve in year	0	0	0	0
<b>Savings</b>				
Savings Agreed in MTFP(10)	0	0	0	-275
MTFP(13) Savings	-12,733	-2,225	-1,873	-1,505
<b>SAVINGS SHORTFALL</b>	<b>12,881</b>	<b>1</b>	<b>3,340</b>	<b>6,208</b>
<b>TOTAL SHORTFALL</b>				<b>22,430</b>

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## Durham County Council Budget Consultation 2022

### Format of response

	Frequency	Percent
Mobile	240	35.9%
PC	356	53.3%
Tablet	32	4.8%
Paper	40	6.0%
<b>Total</b>	<b>668</b>	<b>100.0%</b>

### Do you agree or disagree with this approach?

	Frequency	Percent
Strongly agree	31	5.1%
Agree	157	25.8%
Neither agree nor disagree	111	18.2%
Disagree	164	26.9%
Strongly disagree	146	24.0%
<b>Total</b>	<b>609</b>	<b>100.0%</b>

### Please tell us why.

	Frequency
Council tax increase negative: Generic disagree	106
Miscellaneous positive: Generic agree	69
Miscellaneous negative: Generic disagree	62
Council tax increase negative: Will make families struggle	55
Back-office reductions negative: Generic disagree	42
Council tax increase negative: Already high	38
Miscellaneous negative: Review services council provides	33
Back-office reductions negative: Will impact upon services	30
Service cuts negative: Incorrectly directed at front line workers/management instead	29
Use of reserves negative: Generic disagree	22
Service cuts negative: Will impact upon services	19
Additional income/charges positive: Selling renewable energy	15
Council tax increase positive: Generic agree	15
Miscellaneous negative: No redundancies/staff cuts	15
Miscellaneous negative: Will impact staff wellbeing/safety	15
Service cuts negative: Protect services for the vulnerable	15
Service cuts negative: Theatres/leisure centres/sport/cultural services	14
Use of reserves positive: Generic agree	14
Miscellaneous negative: Review council buildings/land	13

	<b>Frequency</b>
Miscellaneous negative: New council headquarters	12
Additional income/charges positive: Generic agree	11
Back-office reductions negative: Cut councillors allowances	11
Back-office reductions positive: Generic agree	10
Miscellaneous positive: Savings need to be made	10
Additional income/charges positive: Explore commercial opportunities & profit making further	9
Service cuts negative: Review use of contractors and management of commercial services	9
Use of reserves negative: Uncertainty of future reserves	9
Additional income/charges negative: Don't use FPNs	8
Council tax increase negative: Stop council tax concessions	8
Additional income/charges negative: Don't increase green waste charges	7
Additional income/charges negative: Generic disagree	7
Back-office reductions negative: Need to be targeted	6
Council tax increase positive: Charge student properties	6
Back-office reductions positive: Needs to be balanced	5
Miscellaneous negative: DLI	5
Service cuts positive: Protect leisure centres etc	5
Additional income/charges positive: Increase FPNs	4
Council tax increase negative: Will cost money	4
Council tax increase positive: Agree with social care precept	4
Council tax increase positive: Increase further	4
Additional income/charges negative: Penalises the public	3
Back-office reductions negative: Loss of knowledge and experience	3
Council tax increase negative: Reduce council tax	3
Generic neutral	3
Miscellaneous positive: Partnership working/AAPs	3
Service cuts negative: Generic disagree	3
Additional income/charges negative: Questions money attainable	2
Miscellaneous negative: Sliding scale of council tax	2
Miscellaneous negative: Stop capital outlay	2
Service cuts negative: Keep CAPs open	2
Service cuts positive: Generic agree	2
Use of reserves positive: Use more reserves	2
Additional income/charges negative: Don't charge those with financial appointees	1
Back-office reductions negative: Outsource staff	1
Council tax increase negative: Disagree with social care precept	1
Long term information	1
Miscellaneous negative: Increase parking	1
<b>Total</b>	<b>810</b>

**What do you feel will be the impact of this approach upon you?**

	<b>Frequency</b>	<b>Percent</b>
Extremely positive	8	1.3%
Positive	24	4.0%
Neither negative nor positive	145	24.0%
Negative	261	43.1%
Extremely negative	167	27.6%
<b>Total</b>	<b>605</b>	<b>100.0%</b>

**Why do you believe this to be the case?**

	<b>Frequency</b>
Less money/increased cost of living	165
Less services (generic)	117
Can't afford/can't pay	39
Less staff	29
Staff less secure/worried	28
Pressure on staff/mental health	21
<i>10 categories &lt;20 responses</i>	<i>54</i>
<b>Total</b>	<b>453</b>

**Why do you believe this to be the case?**

	<b>Frequency</b>
Less money/increased cost of living	165
Less services (generic)	117
Can't afford/can't pay	39
Less staff	29
Staff less secure/worried	28
Pressure on staff/mental health	21
Small change to council tax	13
Unhappy residents	10
Change of employment circumstances	7
Not impacted	7
Affordable change	5
Services protected	5
Improved efficiency	3
Need to protect services	2
Alienate vulnerable CAP users	1
Required	1
<b>Total</b>	<b>453</b>

**Do you have any alternatives to the approach, whilst making the required savings?**

	<b>Frequency</b>
Cut the fat/make available savings	85
Reduce senior wages	37
Reduce number of buildings/land	36
Stop Capital project expenditure	34
Decrease management numbers	29
Reduce staff travelling/WFH	29
Increase charges for services/fines/parking	22
Remove non-essential services	22
Increased use of solar power/wind power/renewables /energy	19
Reduce cost of Councillors (numbers/pay/benefits/projects)	19
Stop DLI	19
Invest to save programmes	14
Use HQ money/keep CH	14
Expand profitable businesses	13
Cut back on arts projects/public events	12
Pass all ERVR/staff cuts/redeploy into essential services	12
Cut back on grounds maintenance throughout the county	11
Increase higher band CT	11
Look at council licenses, subscriptions, procurement	11
Crosscutting roles/knowledge	10
Get rid of AAPs	9
Look at CT and students including student landlords	9
Reduce/simplify benefits system	8
Stop using consultants and using agency staff	8
Review leisure centres	7
Reduce access to care services	6
Get rid of design and print services/publications	5
Rent council buildings by daily rate	5
Cut back on regeneration projects	4
Don't fill any vacancies	4
Bring people on benefits to work	3
Pursue debts	3
Charge employees to park	2
Charges on council parking for public	2
Increase general taxes on the wealthy individuals and companies	2
Review council tax rates in rural areas/target group	2
Dissolve Parish Councils	1
Reduce fleet size	1

Support small businesses	1
<b>Total</b>	<b>541</b>

**If the government do remove the cap, do you agree or disagree with the council utilising additional council tax raising powers over the current 2.99% forecast?**

	<b>Frequency</b>	<b>Percent</b>
Strongly agree	55	9.0%
Agree	112	18.3%
Neither agree nor disagree	55	9.0%
Disagree	114	18.6%
Strongly disagree	276	45.1%
<b>Total</b>	<b>612</b>	<b>100.0%</b>

**Please expand here.**

	<b>Frequency</b>
Disagree: Will cause hardship/unaffordable	51
Disagree: Too high already	26
Agree: Protects services	19
Disagree: Save in alternative ways	18
Disagree: Will be/has been wasted	14
Agree: Affordable	11
Neutral: As long as reasonable increase	9
Disagree: House size does not reflect wealth	6
Disagree: Taking from the poor to help the rich/others	5
Agree: Is required	3
Disagree: Deflects blame from Government	3
Disagree: Lobby/protest about the Government	3
Agree: Poor are supported	2
Agree: Use to promote climate change	1
Neutral: DCC will do what they want	1
<b>Total</b>	<b>172</b>

**Are you responding as:**

	<b>Frequency</b>	<b>Percent</b>
A resident	562	91.5%
A Durham County Council employee	150	24.4%
A business	11	1.8%
An organisation	8	1.3%
Other	2	0.3%
<b>Total</b>	<b>733</b>	<b>119.4%</b>

If other, please specify.

	Frequency
Visit library within County Durham	1
Volunteer within County Durham	1
<b>Total</b>	<b>2</b>

Are you:

	Frequency	Percent
Male	197	38.7%
Female	306	60.1%
Prefer to self-describe	5	1.0%
Non-binary	1	0.2%
<b>Total</b>	<b>509</b>	<b>100.0%</b>

What is your age?

	Frequency	Percent
Under 18	1	0.2%
18-24	6	1.2%
25-34	46	9.0%
35-44	130	25.3%
45-54	120	23.4%
55-64	113	22.0%
65-74	68	13.3%
75+	29	5.7%
<b>Total</b>	<b>513</b>	<b>100.0%</b>

Do you consider yourself to be a disabled person?

	Frequency	Percent
Yes	101	19.8%
No	409	80.2%
<b>Total</b>	<b>510</b>	<b>100.0%</b>

What is your religion or belief?

	Frequency	Percent
Christian	292	60.3%
Buddhist	4	0.8%
Muslim	2	0.4%
None	179	37.0%
Agnostic	2	0.4%
Atheist	2	0.4%
Pagan	2	0.4%
Spiritualist	1	0.2%
<b>Total</b>	<b>484</b>	<b>100.0%</b>

### What is your ethnicity?

	<b>Frequency</b>	<b>Percent</b>
White British	487	97.6%
White Non-British	5	1.0%
Asian or Asian British	1	0.2%
Mixed Race	4	0.8%
Travelling Community	2	0.4%
<b>Total</b>	<b>499</b>	<b>100.0%</b>

### How would you describe your sexual orientation?

	<b>Frequency</b>	<b>Percent</b>
Heterosexual/straight	425	94.0%
Gay or lesbian	20	4.4%
Bisexual	7	1.5%
<b>Total</b>	<b>452</b>	<b>100.0%</b>

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**Cabinet**

**18 January 2023**

**Bus Service Improvement Plan and  
Enhanced Partnership**



**Key Decision No. REG/01/2023**

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**Report of Corporate Management Team**

**Amy Harhoff, Corporate Director of Regeneration, Economy and Growth**

**Councillor Elizabeth Scott, Cabinet Portfolio Holder for Economy and Partnerships**

**Electoral division(s) affected:**

Countywide.

**Purpose of the Report**

- 1 To update Cabinet on the region's Bus Service Improvement Plan and Enhanced Partnership Plan and Scheme, provide detail on the required statutory consultation and seek approval from Cabinet to formally sign the Enhanced Partnership Plan and Scheme.

**Executive Summary**

- 2 In October 2021 Cabinet received a report on the National Bus Strategy, Enhanced Partnerships and Bus Service Improvement Plan which detailed the requirements for development an Enhanced Partnership (EP) and produce a Bus Service Improvement Plan (BSIP), that the North East Joint Transport Committee (NEJTC) is responsible for and has the power to make an EP and BSIP.
- 3 In March 2022 Cabinet received a report providing an update on progress with the region's BSIP and EP. The report detailed in October 2021 the NEJTC published a BSIP.
- 4 Since those previous reports, progress has continued with BSIP and EP process in the region:

- (a) in April 2022 Government confirmed indicative funding for the North East BSIP of £163.5 million;
  - (b) draft EP documents along with an updated financial plan have been prepared and liaison on the same taken place with Department for Transport;
  - (c) statutory consultation on the EP documents has been undertaken by Transport North East.
- 5 The final Enhanced Partnership Plan and Scheme documents are at appendices 2 and 3 respectively. From a passenger perspective the following workstreams will be delivered through the EP:
- (a) bus priority infrastructure such as bus priority lanes and intelligent transport system infrastructure;
  - (b) Park and Ride and Pocket Park and Ride;
  - (c) safety and accessibility bus infrastructure improvements;
  - (d) Bus Service Enhancements;
  - (e) good value fares;
  - (f) customer experience improvements such as improved passenger information.
- 6 It is envisaged that funding for delivery of the BSIP and EP schemes will be released by the Department for Transport following its review of the Enhanced Partnership and any accompanying delivery commitments.

## **Recommendations**

- 7 Cabinet is recommended to:
- (a) note the contents of this report and appendices;
  - (b) note the workstreams for Durham, a summary of which is at paragraph 17, full details are in the EP Scheme appendix 3;
  - (c) agree that Durham County Council can act as signatory to the EP Plan and Scheme, and agree delegated authority for the Corporate Director of Regeneration, Economy and Growth, in consultation with the Cabinet Portfolio Holder for Economy and Partnerships, to sign the document on behalf of the County Council;

- (d) agree delegated authority for the Corporate Director of Regeneration, Economy and Growth, in consultation with Cabinet Portfolio Holder for Economy and Partnerships, to make amendments to the EP Plan and Scheme and associated funding between schemes.

## Background

- 8 In October 2021, Cabinet received a report on the National Bus Strategy, Enhanced Partnerships and Bus Service Improvement Plan. The report detailed:
- (a) the requirements for all Local Transport Authorities to commit to working with bus operators to development an Enhanced Partnership and produce a Bus Service Improvement Plan;
  - (b) that in approving its constitution in 2014 the North East Combined Authority had delegated to Durham County Council (and Nexus and NCC) transport functions contained in Parts 4 and 5 of the Transport Act 1985 and Part 2 of the Transport Act 2000 (primarily relating to securing socially necessary bus services, concessionary travel, and ticketing on local passenger transport services). Despite these delegated functions, the overall role of LTA continues to lie with the North East Joint Transport Committee (NEJTC). Therefore, it is NEJTC that is responsible for and has the power to make an EP and BSIP;
  - (c) in June 2021 a NEJTC report relating to governance of the EP proposed that local bus boards be set up to ensure that views of local residents are part of the BSIP and EP process.
- 9 In March, Cabinet received a report providing an update on progress with the region's BSIP and EP. The report detailed:
- (a) in October 2021 the North East Joint Transport Committee published a BSIP. The BSIP set out improvements in a wide range of areas including network coverage, frequencies and fares. The vast majority of improvements were contingent on new funding being made available by Government as part of what was initially announced as a £3 billion national fund for bus improvements;
  - (b) Government had confirmed that funding for BSIPs across the 79 Local Transport Authorities will be limited to £1.4 billion over 3 years. This funding will also need to meet the Government aspirations for Zero Emission Buses.

## Progress

10 In April 2022, Government confirmed indicative funding for the North East BSIP of £163.5 million, compared to £803.9 million required to deliver all components as set out in the full North East BSIP document.

11 The confirmation letter stated:

*We are pleased to offer you an indicative funding allocation of up to £163,521,172 (of which £73,758,353 capital and £89,762,819 revenue) to commence delivery of your BSIP. This is total funding from 2022/23 to 2024/25.*

*This letter does not constitute a formal or binding grant offer. Funding confirmation will be conditional on your submission and implementation of a transformational Enhanced Partnership (EP) which includes firmer and more detailed commitments, from the Local Transport Authority (and any other relevant local authorities) and local bus operators, to deliver a package of prioritised and ambitious improvements to bus services, in line with:*

- i. your BSIP;*
- ii. the Department's previous feedback on it and commitments made in and after clarification emails; and*
- iii. the guidance provided with this email, such as the prioritisation of bus priority schemes (where relevant) and high profile and impactful interventions that reduce and simplify fares.*

12 On 30 June 2022, draft EP documents along with an updated financial plan were submitted to the Department for Transport for its review. These documents set out which BSIP elements could be delivered within the indicative funding element. The EP documents are in two parts:

- the EP Plan: a clear vision of the improvements to bus services that the EP is aiming to deliver, mirroring the BSIP;
- the EP Scheme: an accompanying document that sets out the requirements that need to be met by local services that stop in the geographical area defined in the EP scheme, to achieve BSIP outcomes.

13 The DfT provided feedback on these documents and there has been frequent dialogue between DfT and all partners of the EP to ensure the

final EP documents will secure the full funding allocation indicated in April 2022.

14 To ensure the public's views shaped the content of the BSIP, people and businesses were encouraged to take part in an engagement campaign, 'the Big Bus Conversation'. The region-wide campaign covered all seven authority areas in August 2021. Through the campaign 2,400 people confirmed they thought the Ten Solutions\* set out in the strategic document "Your Vision for Buses" were the right ones to make buses appealing. The following statutory consultation is taking place:

- 13 December to 10 January 2023 operators of qualifying local bus services that operate within or into the geographical area;
- 11 January 2023 to 8 February 2023 statutory consultees:
  - organisations that represent local passengers;
  - other local authorities that would be affected by the proposals;
  - the Traffic Commissioners;
  - the chief officer of police for each area to which the plan relates;
  - Transport Focus;
  - the Competition and Markets Authority (CMA);
  - such other persons as the authority thinks fit.

### **Enhanced Partnership Plan and Scheme**

15 The final Enhanced Partnership Plan and Scheme documents are at appendices 2 and 3 respectively. In summary, as detailed at point 12a. above, the EP Plan is a clear vision of the improvements to bus services that the EP is aiming to deliver, mirroring the BSIP. The EP Scheme provides details of requirements that need to be delivered to achieve the BSIP outcomes. In summary the EP Scheme details:

- geographical coverage: The administrative areas of the NECA and the NTCA;
- the date the Scheme is made and the scheme will have an initial term of 3 years;

\* The Ten Solutions can be found [TNE-BSIP-Nov-25-2.pdf \(transportnortheast.gov.uk\)](#)

- exempted services;
- facilities and measures;
- requirements in respect of local services;
- governance arrangements;
- how the scheme (or elements of it) is reviewed, postponed, varied or revoked;
- funding of network improvements;
- complementary arrangements.

16 The EP Plan and Scheme documents do not easily and clearly set out the passenger benefits, as they are legal documents. From a passenger perspective the following workstreams will be delivered through the EP:

- bus priority infrastructure such as bus priority lanes and intelligent transport system infrastructure;
- Park and Ride and Pocket Park and Ride;
- safety and accessibility bus infrastructure improvements;
- Bus Service Enhancements;
- good value fares;
- customer experience improvements such as improved passenger information.

17 The full details of workstream delivery involving Durham are detailed in the EP Scheme at appendix 3. In summary the main elements for Durham include:

- Bus priority: Measures to improve bus journey time and reliability on the A167 corridor. A consultant's study identified 9 proposals within County Durham, stretching from Bishop Auckland to Chester le Street, and an initial three sites will be progressed:
  - Coundon Gate roundabout;
  - Durham Road/Whitworth Road in Spennymor;
  - B2688/A167 at Croxdale;

- Park and Ride and Pocket Park and Ride (smaller park and ride sites, aligned close to existing commercial bus service routes): Site identification and feasibility work still ongoing;
- Safety and accessibility bus infrastructure improvements:
  - Consett and Peterlee bus station: CCTV, lighting improvements, removal of 'hiding places' etc;
  - Stanley bus station: CCTV, lighting improvements, removal of 'hiding places' etc (if LUF not successful);
  - Millburngate: passenger safety improvements including shelter replacement;
  - 250 shelters that meet the criteria for improvements related to accessibility and safety;
- Bus Service Enhancements: Discussions at County Durham Bus Board have informed bus service enhancements. First phase to include:
  - Enhancements to the network: Includes service 51 Stanhope-Durham;
  - Sunday service enhancements: Stanhope - Tow Law - Crook every 120 mins; (current: none), 65 Durham - Seaham , every 60 mins (current: 120 mins), 56 BA-Ferryhill - W Cornforth -Durham every 60 mins (current every 60 W Cornforth – Durham), 87/108: Toft Hill - BA/BA - Willington, every 120 mins (current none), 57/58 Durham - Kelloe - Cassop/Trimdon - Hartlepool every 120 min (current limited svc 58), Cathedral Bus introduce Sunday buses summer only, park and ride Sunday service Belmont to Durham;
  - Sustaining former commercial network: Former GNE 28/29, 30/31, 730, 208, V5, x 62; Former Arriva 57/57A, 62, 87; Former WMS 84 (Crook local); Former Scarlet Band 111;
  - Access to employment: Hounsgill from Stanley area; Amazon (M-F shift working inc early and late; services from 4 corridors); Team Valley from Stanley area, M-F core work times; NAycliffe from Evenwood/ W Auckland, core M-F work times, Spectrum from Murton, core work times;
  - Demand response transport: Enhanced Link2 capacity.

Additional phase to follow, in discussion with County Durham Local Bus Board.

- Good value fares:
  - Under 22 single £1;
  - Under 22 regionwide day ticket (multi modal) £3;
  - County Durham day ticket (multi operator) £4;
  - Two zone (multi modal) £6.50;
  - Regionwide (multi modal) £6.80.

18 It is envisaged that funding for delivery of the BSIP and EP schemes will be released by the Department for Transport provided as a grant under s.31 of the Local Government Act 2003 following the Department for Transport’s review of the Enhanced Partnership and any accompanying delivery commitments. It is expected there will be a condition to reserve the right to reduce funding (from this or other DfT funding to the authority) if EP or other funded BSIP commitments made by the LTA are not delivered, or the ambition of the EP is reduced significantly.

19 The programme timelines are:

<u>Activity</u>	<u>Date (estimated)</u>
Submit draft EP Plan and Scheme to DfT	30 June 2022 – completed
Comments from DfT on EP	29 July 2022 (received 19 August 2022)
Update and final agreement of EP with DfT	August-November 2022 (received 25 November 2022)
Operator objection period	16 November to 13 December 2022
Statutory consultation	16 December 2022 to 27 January 2023
Enhanced Partnership Established	February 2023
Receipt of funding from DfT	February 2023
Schemes commence	February 2023 onwards

## **Governance**

20 Governance of EP, plan and scheme is set out in section 8 of the EP Scheme at annex 2. In summary a Partnership Board, meeting at least quarterly, will provide governance and the board’s functions may include review of performance against KPIs, review and development of regional initiatives, overseeing the annual BSIP review and refresh etc. The Partnership board will be made up of the following:

- An independent chairperson, who will be agreed in advance of the first meeting of the Partnership Board by the other members,

the arrangements for the chairperson will be in line with the North East Combined Authorities' (NECA) policies for independent chair people, and will be appointed on a yearly basis;

- Managing Director, Transport North East, or the deputy of the managing director in their absence;
- A senior representative of Nexus;
- A Tyne & Wear based officer from the Heads of Transport Highways subgroup;
- A senior representative of Durham and a senior representative of Northumberland;
- A senior representative from Go North East, Stagecoach and Arriva;
- A local representative of the Confederation of Passenger Transport UK (CPT), to represent other bus operators;
- The chairperson of the Bus Advisory Board;
- Senior representatives from Bus Users UK and Transport Focus.

21 A County Durham Local Bus Board has been established, with the first meeting taking place on 6 December 2021. Meetings will be chaired by the Cabinet Portfolio Holder for Economy and Partnerships unless otherwise directed by the Cabinet Member. The ordinary frequency of meetings will be four times per year. Attendance at Board meetings will be by invitation only and is expected to include:

- the Cabinet Portfolio Holder for Economy and Partnerships;
- a representative of each of the County Durham Area Action Partnerships;
- representatives of NEBus, the bus operators' association, encompassing the providers of services across the North East;
- a representative of the Disability Partnership;
- a representative of the Youth Council.

## **Funding**

22 The County Council directly supports a significant element of non-commercial public transport across the County. These services are a

mixture of entire tendered routes and extensions of commercial services into non-commercial time periods ie late evenings. Expenditure exceeds £4.5 million which is funded from fares paid by passengers and a revenue budget allocated to the Council.

- 23 The County Council also provides financial support through a revenue budget for concessionary travel. The Council also has a statutory obligation to reimburse bus operators for journeys made by concessionary bus pass holders for journeys starting in County Durham.
- 24 The County Council also financially supports bus and passenger infrastructure through LTP and other capital funding.
- 25 The indicative funding allocation for delivery of the BSIP schemes will complement and enhance the work delivered through the existing funding for public transport.

### **Background papers**

None

### **Other useful documents**

Cabinet report 13 October 2021

Cabinet report 16 March 2022

[North East Bus Service Improvement Plan - Transport North East](#)

### **Author(s)**

Cathy Knight

Tel: 03000 268512

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## **Appendix 1: Implications**

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### **Legal Implications**

The EP follows a statutory framework requiring legal notices and formal agreements. The EP will become legally binding upon the LTAs, LAs and Bus Operators. Specialist legal advice has been sought by Transport North East in support of the development of the EP, particularly, in relation to subsidy control and competition law matters.

### **Finance**

As set out in the report.

### **Consultation**

Consultation that has taken place is detailed in paragraph 14 above.

### **Equality and Diversity / Public Sector Equality Duty**

Failure to act is likely to have a disproportionate effect on the elderly and people with limited mobility who rely on public transport.

### **Climate Change**

Failure to act is likely to increase the number of people travelling by private car.

### **Human Rights**

No impact.

### **Crime and Disorder**

No impact.

### **Staffing**

No impact.

### **Accommodation**

No impact.

### **Risk**

Failure to act is likely to have a negative impact of people's ability to access employment, education and health.

## **Procurement**

Additional services will follow well established procurement methodologies.

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## **Appendix 2: Enhanced Partnership Plan**

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Attached as separate document.

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## **Appendix 3: Enhanced Partnership Scheme**

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Attached as separate document.

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## **TRANSPORT NORTH EAST**

### **ENHANCED PARTNERSHIP SCHEME**

**THE NORTH EAST JOINT TRANSPORT COMMITTEE ENHANCED PARTNERSHIP SCHEME FOR BUSES IS MADE IN ACCORDANCE WITH SECTION 138G(1) OF THE TRANSPORT ACT 2000 BY:**

**The Durham, Gateshead, South Tyneside and Sunderland Combined Authority**, known as the North East Combined Authority ("**NECA**") (comprising of the local authority areas of Durham County Council, Gateshead Council, South Tyneside Council and Sunderland City Council);

**The Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority** known as the North of Tyne Combined Authority ("**NTCA**") (comprising of the local authority areas of Newcastle City Council, North Tyneside Council and Northumberland County Council);

**Tyne & Wear Passenger Transport Executive ("**Nexus**")** of Nexus House, 33 St James' Boulevard, Newcastle upon Tyne, NE1 4AX;

**The County Council of Durham** of County Hall, Aykley Heads, Durham, DH1 5UZ ("**Durham**");

**The Borough Council of Gateshead**, Civic Centre, Regent Street, Gateshead, NE8 1HH ("**Gateshead**");

**The Council of the City of Newcastle upon Tyne**, Newcastle Civic Centre, Barras Bridge, Haymarket, Newcastle upon Tyne, NE1 8QH ("**Newcastle**");

**The Council of the Borough of North Tyneside**, The Quadrant, The Silverlink North, Cobalt Business Park, North Tyneside, NE27 0BY ("**North Tyneside**");

**Northumberland County Council**, County Hall, Morpeth, NE61 2EF ("**Northumberland**");

**The Council of the Borough of South Tyneside**, Town Hall & Civic Offices, Westoe Rd, South Shields, NE33, 2RL ("**South Tyneside**"); and

**The Council of the City of Sunderland**, City Hall, Plater Way, Sunderland, SR1 3AA ("**Sunderland**").

#### **1. EP SCHEME CONTENT**

1.1 This document fulfils the statutory requirements for an EP Scheme as set out in the Transport Act 2000 as amended by the Bus Services Act 2017. In accordance with the statutory requirements in sections 138A to 138S of the Transport Act 2000, the EP Scheme document sets out:

- 1.1.1 the area covered by the EP Scheme (section 3);
- 1.1.2 the commencement date and period of operation (section 4);
- 1.1.3 Facilities and Measures (section 6);

- 1.1.4 requirements in relation to local services (section 7); and
- 1.1.5 governance arrangements including variation and revocation (section 8).
- 1.2 The EP Scheme can only be put in place if an associated EP Plan has been made. Therefore, this document should be considered alongside the North East Enhanced Partnership Plan.
- 1.3 This EP Scheme has been jointly developed by the North East Joint Transport Committee ("**NEJTC**"), Local Highway Authorities, Nexus and those bus operators that provide Local Services in the EP Scheme area.
- 1.4 The EP Scheme sets out obligations and requirements on the Authorities including Local Transport Authority and Local Highway Authorities, and operators of Local Services in order to achieve the intended improvements, with the aim of delivering the objectives of the North East Enhanced Partnership Plan.

## 2. Defined Terms

- 2.1 The following terms are used in this EP Scheme:
  - 2.1.1 "**AQPS**" – means an Advanced Quality Partnership Scheme made pursuant to section 113C of the Transport Act 2000 (as amended by the Local Transport Act 2008 and the Bus Services Act 2017).
  - 2.1.2 "**Authority**" means each Local Transport Authority, each Highway Authority and Nexus and "**Authorities**" shall be construed accordingly.
  - 2.1.3 "**Bus Lane**" means a signposted lane, designated for use by registered local bus services and (where specified) taxis and other authorised vehicles, at the times indicated by the relevant signage.
  - 2.1.4 "**Bus Lane Enforcement**" means action taken to ensure that bus lanes and bus gates are used only by authorised vehicles.
  - 2.1.5 "**Bus Service Improvement Plan**" or "**BSIP**" means the bus service improvement plan which covers seven local authority areas in the North East, consisting of the NECA and the NTCA, as reviewed and updated from time to time.
  - 2.1.6 "**Bus Stand**" means a clearway as defined in accordance with paragraph 1 of Part 6 to Schedule 7 of The Traffic Signs Regulations and General Directions 2016 which is marked "BUS STOP", but which permits or will permit a local bus to stand within the clearway for as long as may be necessary up to a maximum period of 10 minutes.
  - 2.1.7 "**Code of Conduct**" means the code of conduct to be developed in accordance with the measure with reference Serv05 which is set out in the table in Schedule 2 of this EP Scheme, an indicative draft of which is set out at Annex 1 to Schedule 2 of this EP Scheme.
  - 2.1.8 "**Excluded Local Service**" has the meaning given to 'excluded local service' in Regulation 3(2) of the Enhanced Partnership Plans and Schemes (Objections) Regulations 2018 (SI 2018/404), and Excluded Local Services shall be construed accordingly.

- 2.1.9 **"EP Plan"** means an enhanced partnership plan as defined in section 138A(3) of the Transport Act 2000.
- 2.1.10 **"EP Scheme"** means an enhanced partnership scheme as defined in section 138A(5) of the Transport Act 2000, and **"this EP Scheme"** shall be construed as a reference to the EP Scheme made pursuant to this document, as may be amended or varied from time to time in accordance with its terms or pursuant to section 138K of the Transport Act 2000.
- 2.1.11 **"EP Scheme Area"** means the area to which this EP Scheme applies.
- 2.1.12 **"Facilities"** shall have the meaning given in section 138D(1) Transport Act 2000 and shall include assets that are provided at specific locations along particular routes (or parts of routes) within the EP Scheme Area or new and improved bus priority measures with are made within the EP Scheme Area;
- 2.1.13 **"Local Authorities"** means Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland.
- 2.1.14 **"Local Bus Board"** has the meaning given to it in section 8.3.1.
- 2.1.15 **"Local Highway Authority"** means a Local Authority with responsibility for the maintenance of highway infrastructure in its local authority area.
- 2.1.16 **"Local Transport Authority"** has the meaning given to it in section 108(4) of the Transport Act 2000 and for the purposes of this EP Scheme shall include references to NECA and NoTCA as the case may be.
- 2.1.17 **"Local Service"** has the meaning given to it in section 2(1) of the Transport Act 1985.
- 2.1.18 **"Measures"** shall have the meaning given in section 138D(2) of the Transport Act 2000 and shall include improvements which have the aim of:
- 2.1.18.1 increasing the use of Local Services serving the routes to which the measures relate or ending or reducing a decline in their use; or
- 2.1.18.2 improving the quality of Local Services.
- 2.1.19 **"North East Enhanced Partnership Plan"** means the EP Plan made by the Authorities pursuant to section 138A of the Transport Act 2000 and which is required to be in place for this EP Scheme to be made.
- 2.1.20 **"Operator"** means an operator of a Local Service within the EP Scheme Area which is not exempt pursuant to section 5.
- 2.1.21 **"Panel"** has the meaning given to it in section 8.2.1.
- 2.1.22 **"Partnership Board"** has the meaning given to it in section 8.1.1.
- 2.1.23 **"Qualifying Operator"** means an Operator except where such Operator only operates Excluded Local Services.
- 2.1.24 **"Scheme Commencement Date"** means the date on which this EP Scheme comes into operation, as specified in section 4.1.

2.1.25 **"Transport North East"** or **"TNE"** is the name of the officer group that supports the NEJTC in developing and delivering transport and strategy across the EP Scheme Area.

2.1.26 **"TRO"** or **"Traffic Regulation Order"** means a traffic regulation order made under the Road Traffic Regulation Act 1984 or any other enactment regulating the use of roads or other places.

### **3. SCOPE OF THE EP SCHEME AND COMMENCEMENT DATE**

#### **3.1 Description of Geographical Coverage**

The EP Scheme will support the improvement of all local bus services operating in the administrative areas of the NECA and the NTCA, except any local bus services which are exempt from the requirements of the EP Scheme in accordance with section 5.

#### **3.2 Map of EP Plan and EP Scheme Areas**

A map of the EP Plan and EP Scheme Area is included at Schedule 1 (*EP Plan and EP Scheme Area*).

### **4. COMMENCEMENT DATE**

4.1 This EP Scheme is made on [**Note: date to be inserted**]and shall come into operation on [**Note: date to be inserted**].

4.2 The EP Scheme shall have an initial term of 3 years and will be reviewed annually in accordance with section 8 (*Governance Arrangements*) of this EP Scheme.

### **5. EXEMPTED SERVICES**

The following Local Services are exempt from the requirements of the EP Scheme:

5.1 In respect of all Local Services operating in the area of the EP Scheme:

5.1.1 Any Local Service which is primarily operated as a replacement service for Metro, rail or ferry services;

5.1.2 Any Local Service which is operated by a vehicle which it has been agreed, by the relevant Authority, acting reasonably is intended primarily for novelty or leisure purposes rather than as a standard local service;

5.1.3 Any Local Service which has over 50% of their route mileage outside the area of this EP Scheme;

5.1.4 Any Local Service which forms part of a longer route which is not registered as a Local Service and operates as a long-distance scheduled coach service;

5.1.5 Any Local Service which is registered as a flexibly routed local bus service;

5.1.6 Any Local Service which is registered to support a special event and which therefore operates no more than 7 days in any year;

5.1.7 Any Local Service which would, other than for its registration under section 6 of the Transport Act 1985, be an excursion or tour within the meaning in section 137(1) of the Transport Act 1985;

- 5.1.8 Any Local Service which is registered to operate less than three journeys in any day or on no more than one day a week;
- 5.1.9 Any Local Service which whilst open to the general public has a start point or destination at a school, and which is predominantly used by students travelling to or from such school;
- 5.1.10 Any Local Service which has been procured by an Authority pursuant to section 63 of the Transport Act 1985 or section 9A of the Transport Act 1968 prior to the date on which this EP Scheme comes into operation as specified in section 4.1;
- 5.1.11 Any Local Service which has been procured by an Authority pursuant to section 63 of the Transport Act 1985 or section 9A of the Transport Act 1968, and where such Authority did not receive a compliant tender (which is deemed to include such tender complying with all requirements specified in this EP Scheme) which offered value for money, in the opinion of that Authority, acting reasonably;
- 5.1.12 Any Local Service where the Operator is paid by a third party (including, but not limited to developers, supermarkets, employers or other parties requiring a bus service to be provided to a location in the EP Scheme area, but for the avoidance of doubt excluding any company which is a parent company or subsidiary of that Operator, or a subsidiary of any parent company of that Operator) in order to provide such service, and such Local Service would not operate in the absence of such payment; and
- 5.1.13 Any Local Service which is operated solely with vehicles having 16 seats or less.

## **6. FACILITIES AND MEASURES**

- 6.1 The Authorities named in column 3 of the table in Schedule 2 (*Facilities and Measures*) shall begin work on the relevant Facility or Measure described in column 2 by and from the date or dates indicated in column 5 (as applicable) and deliver work on the relevant Facility or Measure by and from the date or dates indicated in column 6 (as applicable).
- 6.2 Where a Required TRO is specified in column 4 of the table in Schedule 2 (*Facilities and Measures*) then the Local Highway Authority (or Local Highway Authorities) for the area to which the TRO applies shall use all reasonable endeavours to make such TRO in sufficient time for the relevant Facility or Measure to be provided no later than the date or dates indicated in column 6. Where a Local Highway Authority is unable to make any required TRO in the timescale specified, then the relevant Local Highway Authority may propose a Proposed Variation which:
  - 6.2.1 amends the date or dates indicated in column 6 for such Facility or Measure until a date reasonably following the actual date that the TRO is made; and
  - 6.2.2 amends the date or dates specified for implementation of any requirement that is identified in column 7 of the table in Schedule 2 (*Facilities and Measures*) as being dependent upon such Facility or Measure,

and where a Proposed Variation specifies both the amendments specified in sections 6.2.1 and 6.2.2 and provided that these are the only amendments specified, then section 8.6.9 shall apply to such Proposed Variation as if it had been discussed by the relevant Local Bus Board(s).
- 6.3 The introduction and/or delivery of the Facilities and Measures set out in this Scheme is subject to the provision of funding, which may be from the Department for Transport or any other

funding body. Where an Authority is unable to introduce and/or deliver any Facility or Measure in the timescale specified (including where funding from the Department for Transport or any other funding body which is required to introduce and/or deliver such Facility or Measure has not been provided), then such Authority shall promptly notify the NEJTC, and where the NEJTC assesses, acting reasonably, that it is not reasonably practicable to introduce and/or deliver such Facility or Measure in the specified timescale under this EP Scheme, the Authorities may propose a Proposed Variation which:

- 6.3.1 amends the date or dates indicated in (i) column 5 of the table in Schedule 2 (*Facilities and Measures*) from which work on the Facility or Measure is to be started by and (ii) column 6 of the table in Schedule 2 (*Facilities and Measures*) from which the Facility or Measure is to be delivered by, until a date or dates reasonably following the actual date or dates that the relevant Authority is able to begin work and deliver work (as applicable) on such Facility or Measure;
- 6.3.2 amends the date or dates specified for implementation of any requirement that is identified in column 7 of the table in Schedule 2 (*Facilities and Measures*) as being dependent upon such Facility or Measure,

and where a Proposed Variation specifies both the amendments specified in sections 6.3.1 and 6.3.2 and provided that these are the only amendments specified, then section 8.6.9 shall apply to such Proposed Variation as if it had been discussed by the relevant Local Bus Board(s).

- 6.4 Where an Authority is unable to introduce and/or deliver any Facility or Measure as envisaged in this EP Scheme (including where funding from Department for Transport or any other funding body which is required to introduce and/or deliver such Facility or Measure has not been provided) and this is demonstrated to the reasonable satisfaction of the NEJTC, then such Authority shall be entitled to introduce and/or deliver that Facility or Measure in such other manner or by such other method as it considers appropriate, acting reasonably, provided that such alternative manner or method of introduction and/or delivery shall deliver benefits equivalent to those that would have been delivered had that Facility or Measure been introduced and/or delivered as envisaged by this EP Scheme, and that Authority may propose a Proposed Variation which:

- 6.4.1 amends the scheme description, Authority responsibilities and whether there are any Required TROs as set out in columns 2-4 (inclusive) of the table in Schedule 2 (*Facilities and Measures*) accordingly,

and provided that these are the only amendments specified, then section 8.6.9 shall apply to such Proposed Variation as if it had been discussed by the relevant Local Bus Board(s).

- 6.5 Where, notwithstanding their obligations pursuant to sections 6.2 or 6.3, or their rights pursuant to section 6.4, an Authority is unable to make a Required TRO or introduce and/or deliver any Facility or Measure within the term of this EP Scheme (including where funding required from the Department for Transport or any other funding body to introduce and/or deliver such Facility or Measure will not be provided within the term of this EP Scheme) and this is demonstrated to the reasonable satisfaction of the NEJTC, then in accordance with section 138E of the Transport Act 2000, this EP Scheme shall be varied to remove the requirement to implement such Required TRO, Facility or Measure and to remove any requirement that is identified in column 7 of the table in Schedule 2 (*Facilities and Measures*) as being dependent upon such Required TRO, Facility or Measure.

## 7. REQUIREMENTS IN RESPECT OF LOCAL SERVICES

7.1 Operators of Local Services identified in column 3 of any table in Schedule 3 (*Requirements in respect of Local Services*) shall ensure that such Local Services meet the relevant requirement set out in column 2 of such table by and from the date or dates specified in column 4.

7.2 Where one or more Operators is unable to meet any relevant requirement in the timescales specified in any table in Schedule 3 (*Requirements in respect of Local Services*) they shall promptly notify TNE, specifying the time period in which they can meet the relevant requirement, and setting out any reasons why the standard cannot be met in the specified timescale. Where the NEJTC assesses, acting reasonably, that it is not reasonably practicable for one or more Operators to meet the relevant standard in the specified timescale under this EP Scheme, the parties agree that one or more Operators may propose a Proposed Variation which:

7.2.1 amends the date or dates indicated in respect of such standard until a date reasonably following the actual date on which the standard can be met by all relevant Operators (or could have been met, had such Operators used reasonable endeavours to achieve the relevant standard); and

7.2.2 which also amends the date or dates specified for implementation of any Facility or Measure that is identified in column 5 of the relevant table as being dependent upon such standard,

and where a Proposed Variation specifies both the amendments specified in sections 7.2.1 and 7.2.2 and provided that these are the only amendments specified, then section 8.6.9 shall apply to such Proposed Variation as if it had been discussed by the relevant Local Bus Board(s).

## 8. GOVERNANCE ARRANGEMENTS

8.1 North East Regional Bus Partnership Board

8.1.1 A North East Regional Bus Partnership Board (the "**Partnership Board**") shall be formed for the EP Scheme Area and the following will be invited to sit on the Partnership Board:

8.1.1.1 an independent chairperson ("**Partnership Chair**"), who shall be agreed in advance of the first meeting of the Partnership Board by the other members of the Partnership Board, and shall not be a representative or employee of such other members of the Partnership Board;

8.1.1.2 the managing director of TNE, or the deputy of the managing director in their absence;

8.1.1.3 a senior representative of Nexus;

8.1.1.4 a Tyne & Wear based officer from the Heads of Transport Highways subgroup;

8.1.1.5 a senior representative of Durham and a senior representative of Northumberland;

8.1.1.6 a senior representative from:

- (a) Arriva North East, a trading name of Arriva Northumbria Limited (company number 00237558) and Arriva Durham County Limited (company number 02404350), whose office is at 1 Admiral Way, Doxford International Business, Park, Sunderland, Tyne & Wear, SR3 3XP;
  - (b) Go North East Limited, (company number 02057284), whose registered office is at 3rd Floor, 41-51 Grey Street, Newcastle upon Tyne, NE1 6EE; and
  - (c) Stagecoach North East, a trading name of Busways Travel Services Limited (company number 02295227) and Cleveland Transit Limited (company number 02546698), whose office is at One Stockport Exchange, 20 Railway Road, Stockport, United Kingdom, SK1 3SW;
- 8.1.1.7 a local representative of the Confederation of Passenger Transport UK), (company number 1182437), whose office is at 22 Greencoat Place, London, SW1P 1PR, to represent Operators other than those referred to in section 8.1.1.6;
- 8.1.1.8 the chairperson of the Panel; and
- 8.1.1.9 senior representatives from:
- (a) Bus Users UK, being Bus Users UK Charitable Trust Ltd, a registered charity in England and Wales (number 1178677) and in Scotland (number SC049144), whose office is at 22 Greencoat Place, London, SW1P 1PR; and
  - (b) Transport Focus, the executive non-departmental public body sponsored by the Department for Transport which is the independent watchdog for transport users.
- 8.1.2 Meetings of the Partnership Board shall take place at least quarterly and shall be chaired by the Partnership Chair. The first meeting of the Partnership Board shall take place in [ ***[DN: insert month which is the month before the EP is to commence]***] in advance of the commencement of the EP Scheme in [ ***[DN: insert month that the EP is to commence]***], to support the mobilisation of the EP Scheme.
- 8.1.3 The terms of reference of the Partnership Board shall be developed and agreed by the members of the Partnership Board referred to in section 8.1.1 at the first meeting of the Partnership Board. Functions of the Partnership Board may include:
- 8.1.3.1 regional level review of performance against the KPIs set out in the EP Plan, and formulation of proposals for targets and action plans to rectify performance issues;
  - 8.1.3.2 consideration of feedback and potential actions from the Panel;
  - 8.1.3.3 review of the EP Plan and contemplation of how funds (when made available) and any savings by Operators reported in accordance with section 8.11 could be used to support delivery of the EP Plan;

- 8.1.3.4 review and development of regional initiatives to promote bus use including leadership of the positive narrative around bus in the EP Scheme Area;
- 8.1.3.5 overseeing the annual review and refresh of the BSIP;
- 8.1.3.6 interaction with stakeholders and Local Bus Boards over issues requiring discussion at a regional level, and consideration of the views of Local Bus Boards in respect of regional issues;
- 8.1.3.7 review of compliance with the Code of Conduct.

8.1.4 The Partnership Board shall provide a forum for discussions in respect of the future content and arrangements for the variation and revocation of this EP Scheme in accordance with section 8.4 where this relates to matters that affect operation of local services across the area of the EP Scheme, or Facilities or Measures which are delivered by the NEJTC, the NECA, the NTCA or Nexus. The Partnership Board will make recommendations only and decision-making powers remain with the NEJTC.

## 8.2 North East Bus Advisory Panel

8.2.1 A North East Bus Advisory Panel (the "**Panel**") shall be formed for the EP Scheme Area comprising:

- 8.2.1.1 an independent chairperson ("**Panel Chair**"), who shall be agreed in advance of the first meeting of the Panel by the Partnership Board, and shall not be a representative or employee of [such other members of the Panel] [any member of the Partnership Board]; and
- 8.2.1.2 representatives of such other groups representative of the EP Scheme Area as an Operator or any Authority may propose, acting reasonably, and which the Panel is reasonably able to accommodate,

and which shall offer stakeholders in the EP Scheme Area the opportunity to comment on bus services in the EP Scheme Area and the plans of the enhanced partnership.

8.2.2 Meetings of the Panel shall take place bi-annually and shall be chaired by the Panel Chair.

## 8.3 Local Bus Boards

8.3.1 The Operators and Authorities shall constitute local partnership boards for each Local Authority area within the EP Scheme Area ("**Local Bus Boards**" and each a "**Local Bus Board**"), which shall provide a forum for discussions in respect of the EP Plan and EP Scheme and other matters in relation to bus services at a local level. Each Local Bus Board shall determine:

- 8.3.1.1 any additional attendees of such Local Bus Board;
- 8.3.1.2 the frequency of the meetings of such Local Bus Board; and
- 8.3.1.3 the remit and functions of such Local Bus Board, which may include:

- (a) local review of data provided by the enhanced partnership about performance against the KPIs set out in the EP Plan at a local level, and formulation of local performance targets and action plans to rectify performance issues;
- (b) reviewing compliance by Operators with the Code of Conduct at a local level;
- (c) providing input in accordance with the Code of Conduct;
- (d) development of plans aligned with the EP Plan and BSIP for potential funding (including any savings by Operators reported in accordance with section 8.11);
- (e) considering and discussing issues to be discussed at meetings of the Partnership Board, to enable the relevant NEJTC member to represent the view of the Local Bus Board; and
- (f) liaising with TNE in respect of any support required by that Local Bus Board in relation to tasks including administration, data provision, meeting management

8.3.2 The relevant Local Bus Board(s) shall provide a forum for discussions in respect of the future content and arrangements for the variation and revocation of this EP Scheme in accordance with section 8.4 where this relates to matters that affect operation of local services in the area of a specific Local Bus Board, or Facilities or Measures which are delivered by the Local Authority (or Local Authorities) for the area of that Local Bus Board, including in respect of any relevant savings by Operators reported in accordance with section 8.11. The Local Bus Board(s) will provide comments reflecting local viewpoints to the Partnership Board and/or the NEJTC where required and appropriate.

## **8.4 Review of this EP Scheme**

8.4.1 This EP Scheme shall be reviewed by the Partnership Board and each Local Bus Board at least annually, in conjunction with review of the EP Plan, commencing no later than on the anniversary of the Commencement Date. The NEJTC shall commence each review, and ensure that such review is carried out in no less than 6 months. The review shall take into account:

- 8.4.1.1 review by each Local Bus Board of matters relating to its area; and
- 8.4.1.2 review by the Partnership Board of performance across the area of the EP Scheme, including consideration of matters reported by each Local Bus Board.
- 8.4.1.3 data on progress towards achieving the KPIs specified in the EP Plan.

8.4.2 The Partnership Board or any Local Bus Board may review specific elements of this EP Scheme on an ad-hoc basis. Partnership Board or Local Bus Board members and any other Operator of Local Services should contact TNE using the following email address [buses@transportnortheast.gov.uk](mailto:buses@transportnortheast.gov.uk) explaining what the issue is and its urgency. TNE will then decide whether to table the matter at the next scheduled meeting of the Partnership Board and/or the relevant Local Bus Board or Local Bus Boards to which the matter relates or make arrangements for a

more urgent meeting of the Partnership Board or the relevant Local Bus Board or Local Bus Boards, where the matter requires resolution in advance of the next scheduled meeting.

## 8.5 Postponement of operation of requirements of this EP Scheme

For the avoidance of doubt, where it appears to the NEJTC that (or where they are notified by any Local Authority, Nexus or any Operator that) any of the dates specified in section 138I(3)(b) to (e) of the Transport Act 2000 should be postponed, then section 138I of the Transport Act 2000 may apply in respect of such postponement, but those dates may also be amended in accordance with section 8.6.

## 8.6 Arrangements for Varying or Revoking this EP Scheme

- 8.6.1 In accordance with section 138E of the Transport Act 2000, the procedure in this section 8.6 shall apply in place of the provisions of section 138L to 138N of the Transport Act 2000, in order to vary this EP Scheme.
- 8.6.2 Consideration will be given to any proposed variations to this EP Scheme ("**Proposed Variation**") which are raised by the NEJTC, Nexus, a Local Authority, an Operator or one of the organisations represented on a Local Bus Board ("**Proposer**"):
- 8.6.3 In proposing a Proposed Variation, the Proposer shall, so far as reasonably practicable:
- 8.6.3.1 demonstrate how the Proposed Variation would contribute to achieving one or more of the objectives set out in the BSIP, EP Plan and/or other current local transport policies;
  - 8.6.3.2 identify the Local Services and areas which will be affected by the Proposed Variation, including the requirements which will be imposed on Operators in respect of such Local Services, and the changes required to Schedule 3 of this EP Scheme and any description of the proposed standards which should be included in Schedule 3;
  - 8.6.3.3 identify any Facilities or Measures which are to be implemented as part of the Proposed Variation or any modifications or amendments to existing Facilities or Measures within the EP Scheme including proposed dates for implementation, the proposed Authority which is to implement any such Facility or Measure and the sources and availability of funding required to deliver such Facility or Measure (including any savings by Operators reported in accordance with section 8.11 which may be utilised), and any other information required to include such Facility or Measure in Schedule 2 (*Facilities and Measures*), including any description of the proposed Facilities or Measures to be included in Appendix 1 (*Details of Facilities or Measures*) to Schedule 2 (*Facilities and Measures*);
  - 8.6.3.4 identify any significant adverse effect on competition of the Proposed Variation, and where any such adverse effect is possible, identify whether such Proposed Variation has a view to achieving one or more of the purposes specified in paragraph 2(3) of Schedule 10 of the Transport Act 2000 and consider whether the effect on competition is likely to be proportionate to the achievement of those purposes; and

- 8.6.3.5 identify the Authorities and Operators which may have an interest in or be affected by the Proposed Variation and each Local Bus Board to which the Proposed Variation may therefore be relevant.
- 8.6.4 Any request for a Proposed Variation shall be in writing and submitted to buses@transportnortheast.gov.uk. TNE will forward all requests received on to all members of the relevant Local Bus Boards within 5 working days of receipt.
- 8.6.5 On receipt of a request for a Proposed Variation TNE will convene each relevant Local Bus Board giving at least 14 days' notice for the meeting, to discuss the Proposed Variation.
- 8.6.6 If the Proposed Variation is agreed by all Qualifying Operators affected by it, and if the NEJTC and each Authority who is affected by the Proposed Variation also agrees (having discussed and agreed this in accordance with the governance procedures of the NEJTC and each relevant Authority, as applicable, in advance of the meeting of the Local Bus Board), then subject to section 9.2, the Proposed Variation shall be referred to the NEJTC and each Authority affected by the Proposed Variation for approval in accordance with section 8.6.9.
- 8.6.7 If there is not full agreement by all Qualifying Operators affected by the Proposed Variation, but the NEJTC and each Authority affected by the Proposed Variation have agreed to the Proposed Variation in accordance with section 8.6.6 then the Proposed Variation may be put to the operator objection mechanism as set out in The Enhanced Partnership Plans and Schemes (Objections) Regulations 2018, as if the Proposed Variation was a variation to this EP Scheme notified under section 138L of the Transport Act 2000 save that:
- 8.6.7.1 a reduced objection period of 14 days shall apply in place of the 28 day period stated in section 138L(2)(c) of the Transport Act 2000;
- 8.6.7.2 references to "the area to which the scheme relates" in section 138L(5)(b) of the Transport Act 2000 shall be taken to be references to the areas of the relevant Local Bus Boards to which the Proposed Variation relates.
- 8.6.8 If objections under the operator objection mechanism implemented pursuant to section 8.6.7 do not reach the statutory objection limits, then subject to section 9.2, the Proposed Variation shall be referred to the NEJTC and each Authority affected by the Proposed Variation for approval in accordance with section 8.4.9.
- 8.6.9 Following any discussion by a Local Bus Board pursuant to sections 8.6.6 or 8.6.7 in respect of a Proposed Variation, the NEJTC and any Authority affected by the Proposed Variation shall be entitled to promptly confirm agreement to that Proposed Variation following a formal decision by such Authority to the Proposed Variation, and within seven working days of the final approval of NEJTC or any relevant Authority the NEJTC shall publish the revised EP Scheme on its website on behalf of the Authorities.

## **8.7 Revocation of an EP Scheme**

- 8.7.1 An EP Scheme can only exist if an EP Plan is in place and an EP Plan requires at least one EP Scheme to be in place, therefore:

8.7.1.1 if the North East Enhanced Partnership Plan is revoked then this will automatically lead to this EP Scheme ceasing; and

8.7.1.2 if this EP Scheme is revoked then unless another EP Scheme is in place in the area of the North East Enhanced Partnership Plan, the North East Enhanced Partnership Plan will cease.

8.7.2 If any Authority or Operator of Local Services believes it is necessary to revoke this EP Scheme, then in accordance with section 138E of the Transport Act 2000, the procedure at section 8.6 shall apply to revocation in place of the provisions of section 138O of the Transport Act 2000 to revoke the EP Scheme, on the basis that the Proposed Variation will be revocation of this EP Scheme, and such Proposed Variation will therefore be relevant to all Authorities and Operators.

## **8.8 Franchising Scheme**

If at any point in the future, any area covered by this EP Scheme is included in a bus franchising scheme, the relevant requirements set out in this EP Scheme document will cease to apply to areas covered by the franchising scheme, in line with the arrangements set out in the franchising scheme.

## **8.9 Funding of Network Improvements**

8.9.1 Where for the purposes of implementation of any Proposed Variation made pursuant to this section 8 one or more Local Transport Authority would be required to subsidise the provision of all or part of a Local Service, the Local Transport Authorities shall comply with their duties under section 88(2) Transport Act 1985 to, in exercising and performing their functions with respect to securing the provision of public passenger transport services to co-operate with one another so as to secure, in the interests of the ratepayers in their areas, the best value for money from their expenditure on public passenger transport services, taken as a whole, which may include consideration of:

8.9.1.1 which Local Transport Authority is able to secure the best value for money for any services which operate across the boundary between the two authorities, taking into account the powers available to each respective authority to tender or otherwise award contracts for such services;

8.9.1.2 other funding sources available to each such Local Transport Authority that may be utilised to fund those, or other local services, or otherwise reduce the overall cost of provision of such services,

and references to a Local Transport Authority in this section 8.9.1 shall be taken to include Durham, Nexus (and/or the Tyne and Wear Sub Committee acting on behalf of the NEJTC) and/or Northumberland, where Durham, Nexus (and/or the Tyne and Wear Sub Committee acting on behalf of the NEJTC) and/or Northumberland are exercising the functions of a local transport authority in relation to subsidising the provision of all or part of a Local Service.

8.9.2 Where any Proposed Variation requires the subsidy of one or more (or part of one or more) Local Service in order to be implemented, the NEJTC may require that they are provided with details of which party shall procure such Local Service, the subsidy available, and the legal basis upon which such Local Service shall be procured, prior to forwarding such request in accordance with section 8.6.4.

## 8.10 Complementary Arrangements

Where for the purposes of implementation of any Proposed Variation made pursuant to this section 8 one or more Local Transport Authority would be required to:

- 8.10.1 implement additional statutory schemes (including, but not limited to, advanced quality partnership schemes, or advanced ticketing schemes);
- 8.10.2 enter into agreements with one or more Operators (whether a voluntary partnership agreement or otherwise); or
- 8.10.3 certify any qualifying agreement between Operators,

then where it is agreed that such Proposed Variation shall be implemented the relevant authority shall use reasonable endeavours to implement such scheme(s) and/or agreement(s) provided that nothing in this EP Scheme shall be taken to reduce or remove any requirement that might apply to such authority in respect of implementation of such scheme or agreement pursuant to the Transport Act 2000 or otherwise, including, but not limited to the requirement for such authority to apply the relevant competition test pursuant to Schedule 10 to the Transport Act 2000.

## 8.11 Reporting of Operator Savings Derived from EP Scheme

8.11.1 Each Operator shall report savings it has made to TNE on an annual basis for the purposes of complying with the requirement set out at reference OPR01 in the table in paragraph 1.3 (*General*) of Schedule 3 (*Requirements in respect of Local Services*), and such savings to be reported shall include but not be limited to:

- 8.11.1.1 cash savings made by that Operator;
- 8.11.1.2 savings made by that Operator which relate to assets and/or resources available to that Operator and/or which no longer need to be utilised by that Operator as a result of the implementation of Facilities and/or Measures in accordance with Schedule 2 (*Facilities and Measures*) of this EP Scheme, and/or requirements imposed on Operators in accordance with Schedule 3 (*Requirements in respect of Local Services*) of this EP Scheme; and/or
- 8.11.1.3 other operational expenditure in respect of Local Services operating in the EP Scheme Area which that Operator no longer needs to expend,

which are, in each case, derived directly from this EP Scheme.

## 8.12 Intention of Governance Arrangements

8.12.1 The governance arrangements set out in this section 8 are intended to enable the implementation of the EP Plan, which may include:

- 8.12.1.1 variations to this EP Scheme, either in accordance with the provisions of section 138K to 138N of the Transport Act 2000 or the process set out in section 8.6 of this EP Scheme; or
- 8.12.1.2 implementation through other means, including those set out in section 8.10.

## **9. Competition**

- 9.1 The EP Plan and the EP Scheme have been developed with all operators of Local Services, and the EP Scheme does not have and is not likely to have a significantly adverse effect on competition. The competition test set out in Part 1 of Schedule 10 to the Transport Act 2000 has been applied and it is concluded that, at this point, there will be no significantly adverse effect on competition arising from the EP Plan or the EP Scheme.
- 9.2 Where a Proposed Variation is to be effected to this EP Scheme in accordance with section 8 the NEJTC shall apply the competition test set out in Part 1 of Schedule 10 to the Transport Act 2000 on behalf of NECA and NTCA and the Proposed Variation to the EP Scheme shall not be made if the NEJTC is unable to conclude either:
- 9.2.1 that the making of the Proposed Variation will not have or be likely to have a significantly adverse effect on competition; or
  - 9.2.2 that the making of the Proposed Variation is justified by paragraph 2(2) of Part 1 of Schedule 10 to the Transport Act 2000.

**SCHEDULE 1: EP PLAN AND EP SCHEME AREA**



**SCHEDULE 2: FACILITIES AND MEASURES**

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
ITS01a  Delivering traffic signal upgrades at junctions and pedestrian crossings, in order that full traffic control interventions can be enabled remotely. Focused on an initial six corridors with potential to scale up or down with more funding:	<b>Central Motorway Corridor:</b> – Intelligent Transport Systems (ITS) investment to improve the reliability and punctuality of bus services in the region and reliable real time information. This project will be managed in two phases.  Funded by Transforming Cities Fund.	Tyne and Wear Regional Traffic Signals Service, Newcastle, Gateshead and Durham Local Authorities will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).  Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		addition of ANPR / CCTV cameras.				
	<p><b>Coast Road Extension Corridor:</b> ITS Investment</p> <p>Funded by the Bus Service Improvement Plan.</p>	Tyne and Wear Regional Traffic Signals Service, Newcastle and North Tyneside Local Authorities will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).	No	From the Scheme Commencement Date	March 2024	N/A
	<p><b>Seaton Burn Corridor:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV)	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras</p>				
	<p><b>Leam Lane:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively</p>	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras</p>				
	<p><b>Old Durham Road:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC)</p>	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras</p>				
	<p><b>South Shields Corridor:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) /</p>	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras</p>				
	<p><b>A188/ A189 Corridor:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p>	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras</p>				
	<p><b>John Reid Road Corridor:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are</p>	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras				
	<p><b>Durham Road:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G</p>	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		communications to facilitate control via UTC and the addition of ANPR / CCTV cameras				
	<p><b>Miscellaneous Signals:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC</p>	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		and the addition of ANPR / CCTV cameras				
	<p><b>Westgate Road:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras</p>	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	<p><b>South Shields to Sunderland Coastal Corridor:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras</p>	No	From the Scheme Commencement Date	March 2023	N/A
	<p><b>Wallsend BC15 Corridor:</b> ITS Investment</p>	Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	Funded by Transforming Cities Fund.	will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).  Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras				
	<b>Ponteland Road Corridor:</b> ITS Investment, funded by Transforming Cities Fund.	Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras</p>				
	<p><b>Dunston Corridor:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+),</p>	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras</p>				
	<p><b>Newcastle to South Shields Corridor:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service, Newcastle, South Tyneside and Gateshead Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing</p>	<p>Yes – required for Bus Lane to form part of scheme.</p>	<p>From the Scheme Commencement Date</p>	<p>March 2023</p>	<p>N/A</p>

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras.</p>				
	<p><b>Bensham Road Corridor:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle Local Authority will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban</p>	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras</p>				
	<p><b>Chester Road A183 Corridor:</b> ITS Investment</p> <p>Funded by Transforming Cities Fund.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Sunderland will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate</p>	No	From the Scheme Commencement Date	March 2023	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras.</p>				
	<p><b>A690 Sunderland Corridor:</b> ITS Investment</p> <p>Funded by the Bus Service Improvement Plan.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Sunderland City Council will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the</p>	No	From the Scheme Commencement Date	March 2024	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras.</p>				
	<p><b>Morpeth Corridor:</b> ITS Investment</p> <p>Funded by the Bus Service Improvement Plan.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Northumberland County Council will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p>	No	From the Scheme Commencement Date	March 2024	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras.</p>				
	<p><b>Blyth Corridor:</b> ITS Investment  Funded by the Bus Service Improvement Plan.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Northumberland County Council will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p>	No	From the Scheme Commencement Date	March 2024	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras.				
	<b>Scotswood Road Corridor:</b> ITS Investment  Funded by the Bus Service Improvement Plan.	Tyne and Wear Regional Traffic Signals Service and Newcastle City Council will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).  Minor works will also be delivered for sites that are	No	From the Scheme Commencement Date	March 2024	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		already operating ELV and just require an upgrade to provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras.				
	<p><b>A184 Corridor:</b> ITS Investment</p> <p>Funded by the Bus Service Improvement Plan.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Gateshead Council will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to</p>	No	From the Scheme Commencement Date	March 2024	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		provide 4/5G communications to facilitate control via UTC and the addition of ANPR / CCTV cameras.				
	<p><b>Barrack Road Corridor:</b> ITS Investment</p> <p>Funded by the Bus Service Improvement Plan.</p>	<p>Tyne and Wear Regional Traffic Signals Service and Newcastle City Council will deliver major works along this corridor including full junction renewals with conversion to Extra Low Voltage (ELV) signals (Siemens Plus+), replacement of existing signal poles with passively safe aluminium columns, the provision of 4/5G Urban Traffic Control (UTC) communications and Automatic Number Plate Recognition (ANPR) / CCTV connected to the Urban Traffic Management Centre (UTMC).</p> <p>Minor works will also be delivered for sites that are already operating ELV and just require an upgrade to provide 4/5G communications to</p>	No	From the Scheme Commencement Date.	March 2024	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		facilitate control via UTC and the addition of ANPR / CCTV cameras.				
ITS01b	<p>Delivering enhanced real time information enabling buses to be accurately located in real-time and ensure they benefit fully from hurry calls at signalised junctions. Systems will be deployed regionwide on all buses with the hurry call detection enabled on the routes where ITS01b has been deployed.</p> <p>Funded by Transforming Cities Fund.</p>	<p>Back office systems to be hosted within Nexus and the region's UTMC.</p> <p>Back office systems to utilise information supplied by Operators to an accuracy level which corresponds to the accuracy of the data received into the system.</p> <p>User requirements are being defined through a Business Case and a bespoke system is intended to be delivered through an Innovation Partnership.</p>	No	From the Scheme Commencement Date	March 2023	Provision by Operators of data in accordance with the specifications of the innovation partnership referred to at reference OP03 in the table in paragraph 1.1 of Schedule 3
L01	<p>Information Provision:</p> <p>Provision and maintenance of printed information</p>	Durham will when replacing bus stop liners replace them with new bus stop liners which adhere to the policy specified as applicable to Durham in the	N/A	Within 3 months of the Scheme Commencement Date	N/A	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	<p>at existing stops throughout the network.</p> <p>The format of timetable information will become consistent across the region where this improves information.</p> <p>Funded by a combination of existing Local authority funds and Bus Service Improvement Plan funds</p>	<p>section headed Bus stop timetable displays in Part b of Appendix 1.</p> <p>Northumberland will when replacing bus stop liners replace them with new bus stop liners which adhere to the policy specified as applicable to Northumberland in the section headed Bus stop timetable displays in Part b of Appendix 1.</p> <p>Nexus will when replacing bus stop liners replace them with new bus stop liners which adhere to the policy specified as applicable to Nexus in the section headed Bus stop timetable displays in Part b of Appendix 1.</p>				
<b>L02</b>	<p><b>Multimodal Information Provision and Digital Information Provision:</b></p> <p>Information pertaining to intermodal travel</p>	<p>Durham to provide information standards as set out in the section headed Information at Interchanges in part b of Appendix 1 at the interchanges listed in respect of Durham at part a of Appendix 1</p>	N/A	Within 3 months of the Scheme Commencement Date	N/A	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	<p>will be provided at interchanges (bus, Metro and rail) across the region in order to better facilitate passenger transitions from one mode of travel to another.</p> <p>Wayfinding in major bus stations and interchanges will be supported by measures including 'where to catch your bus' posters.</p> <p>Funded by a combination of existing Local authority funds and Bus Service Improvement Plan funds</p>	<p>Nexus to provide information standards as set out in the section headed Information at Interchanges in part b of Appendix 1 at the interchanges listed in respect of Nexus at part a of Appendix 1</p> <p>Northumberland to provide information standards as set out in the section headed Information at Interchanges in part b of Appendix 1 at the interchanges listed in respect of Northumberland at part a of Appendix 1</p> <p>In each case where an identified interchange is not managed by the relevant Authority, that Authority shall only be required to use reasonable endeavours to provide such information.</p>				
<b>L03</b>	<p><b>Customer Support Staff:</b></p> <p>Staff at key interchanges in Tyne and Wear will be</p>	<p>Durham will provide the staff specified in the section headed staff in part b of Appendix 1 at the interchanges listed in respect of Durham at part a of Appendix 1</p>	N/A	From the Scheme Commencement Date	N/A	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	<p>available to support customers.</p> <p>Ambassadors will help with guiding passengers and supporting them in making travel choices.</p> <p>Funded by a combination of existing Local authority funds and Bus Service Improvement Plan funds</p>	<p>Nexus will provide the staff specified in the section headed staff in part b of Appendix 1 at the interchanges listed in respect of Nexus at part a of Appendix 1</p>				
<b>L04</b>	<p><b>Core Network Mapping:</b></p> <p>Printed information will be available on our core network (subject to BSIP funding) to facilitate better understanding of the wider regional bus network.</p> <p>Funded by a combination of existing Local</p>	<p>Subject to BSIP funding, printed information, set out in the section headed Printed Information on Core Network in part b of Appendix 1, will be available on the core network in Durham.</p>	N/A	Within 6 months of the Scheme Commencement Date	N/A	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	authority funds and Bus Service Improvement Plan funds					
<b>L05</b>	<p><b>Printable information:</b></p> <p>Printable information will be available online for the whole network.</p> <p>Funded by existing Local authority funds</p>	Durham, Northumberland and Nexus shall provide the relevant timetable and network information online.	N/A	From the Scheme Commencement Date	N/A	N/A
<b>L06</b>	<p><b>Logo:</b></p> <p>We will develop a consistent logo that will become a recognisable symbol of public transport in the North East.</p> <p>Funded by the Bus Service Improvement Plan</p>	Authorities and Operators will take an active role in the development and consultation for a new logo which will be facilitated by TNE.	N/A	Within 1 month of the Scheme Commencement Date	N/A	N/A
<b>L07</b>	<p><b>Website:</b></p>	Authorities and Operators will take an active role in the development and	N/A	Within 9 months of the Scheme Commencement Date	N/A	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	<p>Network wide ticketing and journey planning will be made available to passengers through a single dedicated website and app under the as yet to be decided regional bus transport brand</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>consultation for a new website which will be facilitated by TNE.</p>				
<b>L08</b>	<p>Bus Passenger Charter:</p> <p>TNE have provided an indicative Bus Passenger Charter in Appendix A of the BSIP, which will be developed through consultation with Authorities and Operators.</p> <p>The Charter will hold all signees to account regarding regional bus transport services.</p>	<p>NECA and NTCA will develop and write a passenger charter in consultation with all Authorities and Operators.</p>	N/A	Within 1 month of the Scheme Commencement Date	N/A	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	Funded by the Bus Service Improvement Plan					
<b>L09</b>	<p>TNE Costs: Funding of costs in respect of additional staff and technical capabilities required.</p> <p>Funded by the Bus Service Improvement Plan</p>	TNE will spend a minimum of £400,250.00 in each financial year of this EP Scheme on additional staffing and technical capabilities to manage and monitor the Enhanced Partnership (including any money spent for these purposes in the financial year prior to the Scheme Commencement Date), provided that where TNE has not spent all of such amount within a financial year, any amount which remains unspent at the end of that financial year will roll over into the following financial year, provided that TNE shall have spent a minimum of £1,200,750.00 during the period of this EP Scheme.	No	From the Scheme Commencement Date	N/A	N/A
<b>L10</b>	Additional staff at interchanges – Provide additional staff, turnaround	TNE will work with Durham and Nexus to determine the most appropriate employment	No	Within 6 months of the Scheme Commencement Date	N/A	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	<p>cleaners and customer support staff at identified interchanges.</p> <p>Funded by the Bus Service Improvement Plan</p>	option for additional staff members, once this has been determined staff will be employed.				
<b>L11</b>	<p>Community bus partnerships</p> <p>Funded by the Bus Service Improvement Plan</p>	Nexus, Durham and Northumberland will employ staff to act as bus champions for their areas, they will work with local communities to promote bus use.	No	Within 6 months of the Scheme Commencement Date	N/A	
<p><b>ATNE01</b></p> <p>Delivering bus priority measures along the corridors identified in the Bus Service Improvement Plan:</p>	<p><b>Barrack Road and Central Motorway (A189 and A167) Corridor</b></p>	<p>Bus priority measures along the Barrack Road (A189) and Central Motorway (A167) at sites along the routes between Stamford Road and A167 slip road/ Claremont Road.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>Newcastle City Council will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.</p> <p>Such works could include localised road widening to allow for Bus Lanes, extensions to existing Bus Lanes and slip road space reallocations to create bus lanes as appropriate depending on the outcome of the business case appraisal, consultation</p>	Yes	Within 2 months of the Scheme Commencement Date.	September 2024

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		responses and all other relevant considerations.				
	<b>Coast Road (A1058) Corridor</b>	<p>Bus priority measures along the Coast Road (A1058) at sites along the route between Sandyford Road and Foxhunters Roundabout.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>Newcastle and North Tyneside Local Authorities will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.</p> <p>Such works could include junction or signal improvements to prioritise buses, Bus Lanes, slip road space reallocations and localised road widening as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.</p>	Yes	Within two months of the Scheme Commencement Date.	March 2025
	<b>Westgate Road (A186) Corridor</b>	<p>Bus priority measures along the Westgate Road (A186) at sites along the route between Hadrian School and Elswick Road.</p>	<p>Newcastle City Council will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.</p> <p>Such works could include parking relocation to allow bus lanes and red routes as</p>	Yes	Within two months of the Scheme Commencement Date.	November 2024

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		Funded by the Bus Service Improvement Plan	appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.			
<b>Wallsend and Corridor (A193 and B1312)</b>	Bus priority measures along the Wallsend Corridor (A193, B1312) at sites along the route between Burnside College and New Bridge Street.  Funded by the Bus Service Improvement Plan	Newcastle City Council will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.  Such works could include parking relocation to allow bus lanes, bus lane extensions, bus priority signal implementation and junction improvements to prioritise buses as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.	Yes	Within two months of the Scheme Commencement Date.	March 2025	
<b>Dunston Corridor</b>	Bus priority measures along the Dunston Corridor at sites along the route between Team Street and Askew Road Roundabout.	Gateshead Council will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.	Yes	Within two months of the Scheme Commencement Date.	November 2023	

1		2	3	4	5	6	7
Reference		Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		Funded by the Bus Service Improvement Plan	Such works could include parking relocation to allow bus lanes, bus lane extensions, bus priority signal implementation and junction improvements to prioritise buses as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.				
	<b>Bensham (A692 and B1426) Road Corridor</b>	Bus priority measures along the Bensham Corridor (A692 and B1426) at sites along the route between Lobley Hill Road and Coatsworth Road.  Funded by the Bus Service Improvement Plan	Gateshead Council will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.  Such works could include bus only turn lanes, bus lane extensions and localised road widening to facilitate bus entry to existing bus lanes as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.	Yes	Within two months of the Scheme Commencement Date.	July 2024	
	<b>Leam Lane (A195) Corridor</b>	Bus priority measures along the A195 at sites along	Gateshead Council will undertake design work, a business case appraisal and	Yes	Within two months of the Scheme	July 2023	

1		2	3	4	5	6	7
Reference		Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>the route between the junction with the B1288 and then A194(M).</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>consultation on the delivery of works along the corridor.</p> <p>Such works could include a new bus lane and a bus lane extension as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.</p>		Commencement Date.		
	<b>Old Durham Road (B1296) Corridor</b>	<p>Bus priority measures along the B1296 at sites along the route between Whitehouse Lane to Valley Drive.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>Gateshead Council will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.</p> <p>Such works could include parking relocation to allow bus lanes, bus lane extensions and to implement bus priority signals as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.</p>	Yes	Within two months of the Scheme Commencement Date.	July 2024	
	<b>Chester Road (A183) Corridor</b>	<p>Bus priority measures along the A183 at sites along the route between</p>	<p>Sunderland City Council will undertake design work, a business case appraisal</p>	Yes	Within two months of the Scheme	September 2024	

1		2	3	4	5	6	7
Reference		Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		<p>The University of Sunderland and the junction with the B1405.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>and consultation on the delivery of works along the corridor.</p> <p>Such works could include bus gates with priority signals and bus lane implementation as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.</p>		Commencement Date.		
	<b>A690 Corridor</b>	<p>Bus priority measures along the A690 at sites close to Sunderland College.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>Sunderland City Council will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.</p> <p>Such works could include bus lanes implementation, bus stop relocation into the carriageway to minimise bus movement conflicts with general traffic and provision of a new access junction to provide bus priority as appropriate depending on the outcome of the business case appraisal, consultation</p>	Yes	Within two months of the Scheme Commencement Date.	September 2024	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		responses and all other relevant considerations.				
	<b>South Shields to Sunderland Corridor</b>  Bus priority measures along the South Shields to Sunderland Corridor at sites along the route between Westoe and Monkwearmouth Hospital.  Funded by the Bus Service Improvement Plan	South Tyneside and Sunderland local authorities will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.  Such works could include implantation of bus lanes through hatching and parking rationalisation and bus gates as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.	Yes	Within two months of the Scheme Commencement Date.	March 2024	
	<b>South Shields to Newcastle Corridor</b>  Bus priority measures along the South Shields to Newcastle Corridor at sites along the route between Boldon and Heworth.	South Tyneside and Gateshead Local Authorities will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.  Such works could include signal controls with bus detection technology,	Yes	Within two months of the Scheme Commencement Date.	March 2024	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		Funded by the Bus Service Improvement Plan	junction realignment to improve efficiency and parking relocation to provide bus lanes as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.			
	<b>Blyth (A193) Corridor</b>	Bus priority measures along the A193 off-slip.  Funded by the Bus Service Improvement Plan	Northumberland County Council will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.  Such works could include localised widening to implement a bus lane and a bus gate as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.	Yes	Within two months of the Scheme Commencement Date.	TBC
	<b>Cramlington Corridor</b>	Bus priority measures along the Cramlington Corridor at sites along the route between Durham Road Roundabout	Northumberland County Council will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.	Yes	Within two months of the Scheme Commencement Date.	TBC

1		2	3	4	5	6	7
Reference		Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		and Dudley Lane Roundabout.  Funded by the Bus Service Improvement Plan	Such works could include localised widening to implement bus only roundabout bypasses, introduction of bus priority signals and removal of pedestrian guard rails to speed up boarding times as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.				
	<b>A188/A189 Corridor</b>	Bus priority measures along the A188/A189 Corridor at sites along the route between Benton Lane and Four Lane Ends Bus and Metro Interchange.  Funded by the Bus Service Improvement Plan	North Tyneside Council will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.  Such works could include bus lanes on approach to bus interchange, bus priority signals and lane narrowing to provide bus lanes as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.	Yes	Within two months of the Scheme Commencement Date.	March 2025	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	<b>Durham Corridor (A167)</b>	<p>Bus priority measures along the A167 at sites along the route between Coundon Gate Roundabout and Kell's Lane.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>Gateshead and Durham Local Authorities will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.</p> <p>Such works could include localised widening to provide bus only roundabout bypass, bus priority signals and general traffic lanes reallocated to bus only lanes as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.</p>	Yes	Within two months of the Scheme Commencement Date.	March 2025
	<b>Seaton Burn (B1318) Corridor</b>	<p>Bus priority measures along the B1318 at sites along the route between the Great North Road Flyover and Gosforth High Street.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>Newcastle City Council will undertake design work, a business case appraisal and consultation on the delivery of works along the corridor.</p> <p>Such works could include bus lane extensions, making key link roads bus only and providing new bus lanes by rationalising central</p>	Yes	Within two months of the Scheme Commencement Date.	September 2024

1		2	3	4	5	6	7
Reference		Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
			hatching as appropriate depending on the outcome of the business case appraisal, consultation responses and all other relevant considerations.				
ATNE02	<b>Tranche 2 Bus Priority Infrastructure Schemes</b>	<p>Bus Priority Measures across the region as promoted by Local Authority and bus operator partners. These schemes respond to bus delays not identified in the corridors covered by ATNE01.</p> <p>These include schemes that respond to the renewed ambition of the BSIP as well as changing post pandemic travel patterns and new and future developments.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>Local Authorities in the Region will develop and deliver works subject to design work, consultation and business case appraisal outcomes.</p> <p>Expected works could include lane reallocation to create bus lanes, junction upgrades, vehicle detection loops and on-street parking relocation.</p>	Yes	Within two months of the Scheme Commencement Date.	March 2025	

1	2	3	4	5	6	7	
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency	
	<b>Prince Consort Road/Hills Street/Askew Road</b>	Bus priority measures on Prince Consort Road/ Hills Street/ Askew Road.  Funded by the Bus Service Improvement Plan	Gateshead Council will develop and deliver works in this location, full details are subject to design work, consultation and business case appraisal outcomes.  Expected works could include widening the junction to provide a bus lane.	Yes	Within 2 months of the Scheme Commencement Date.	March 2024	
	<b>Springwell Inn Northbound</b>	Bus Priority Measures on Springwell Inn junction, northbound.  Funded by the Bus Service Improvement Plan	Gateshead Council will undertake design work, a business case appraisal and consultation on the delivery of works on this stated intervention.  Expected works could include widening the junction to provide a bus lane.	Yes	Within 2 months of the Scheme Commencement Date.	March 2024	
	<b>Gateshead Town Centre</b>	Bus Priority Measures in Gateshead Town Centre.  Funded by the Bus Service Improvement Plan	Gateshead Council will undertake design work, a business case appraisal and consultation on the delivery of works on this stated intervention.  Expected works could include signal phasing reviews.	Yes	Within 2 months of the Scheme Commencement Date.	March 2025	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
<b>A694 Swalwell Bridge.</b>	<p>Bus Priority Measures on the A694, close to Swalwell Bridge.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>Gateshead Council will undertake design work, a business case appraisal and consultation on the delivery of works on this stated intervention.</p> <p>Expected works could include bus lane extensions.</p>	Yes	Within 2 months of the Scheme Commencement Date.	March 2025	
<b>Bensham Road/Charles Street roundabout and Charles Street/High West Street junction.</b>	<p>Bus Priority Measures in and around Bensham Road/Charles Street roundabout and Charles Street/High West Street junction.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>Gateshead Council will undertake design work, a business case appraisal and consultation on the delivery of works on this stated intervention.</p> <p>Expected works could include bus lanes, junction re-modelling and signal improvements.</p>	Yes	Within 2 months of the Scheme Commencement Date.	March 2025	
<b>Parking review</b>	<p>Local Authorities will review and consider the reallocation of parking where there is potential that they conflict with bus movements.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>Local Authorities will review parking arrangements where they conflict with bus movements. Final details are subject to design work, a business case appraisal and consultation on the proposals.</p> <p>Reviews could be taken out in the following locations: Marsden, Brockley Whins,</p>	Yes	Within 2 months of the Scheme Commencement Date.	March 2025	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		Coxhoe, Cornforth Lane, Richardson Road/St. Thomas Street, Kells Lane, Durham Road, Prince Consort Road and Harewood Crescent (Earsdon Grange).				
ATNE03	Safe and Accessible bus infrastructure - Updates and where necessary renewals of waiting bus infrastructure which does not meet current accessibility and safety standards, and which, as a consequence is a barrier to patronage.  Funded by the Bus Service Improvement Plan	TNE will work with Local Authorities and Nexus to produce a programme of bus stops and stations which do not meet current safety and accessibility standards. Appropriate interventions for each location will then be developed. Delivery of interventions is subject to final design, consultation outcomes and business case appraisal.	No	Within 3 months of the Scheme Commencement Date	March 2025	
ATNE04	Maintenance of existing bus facilities.  Funded by existing Local Authority budgets.	The Local Highway Authority named in the second column of the table in Annex 3 to this Schedule shall maintain the facilities provided pursuant to the	No further TROs	From the Scheme Commencement Date	N/A	

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		TRO detailed in the third column				
<b>ATNE05</b>	<p>Reinvestment in the EP Scheme Area of Operator savings derived directly from this EP Scheme.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>Authorities shall work together to consider and determine how savings made by Operators which are derived directly from this EP Scheme and reported by Operators in accordance with the requirement set out at reference OPR01 in the table in paragraph 1.3 of Schedule 3 shall be reinvested in the EP Scheme Area, taking into account the existing priorities of those Authorities, and thereafter Authorities shall utilise the governance arrangements set out in section 8 of this EP Scheme as required in order to implement such reinvestment.</p>	No	From the Scheme Commencement Date	N/A	<p>(1) Annual reporting by Operators to TNE of savings derived directly from this EP Scheme in accordance with section 8.11 of this EP Scheme; and</p> <p>(2) implementation of reinvestment of Operator savings by Operators as directed and required by Authorities and/or TNE,</p> <p>each as referred to at reference OPR01 in the table in paragraph 1.3 of Schedule 3.</p>
<b>P&amp;R01</b>	P&R - Major Park and Ride site(s) from a shortlist of	TNE will commission a study to determine the optimal park & ride site in	No	From the Scheme Commencement Date	March 2025	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	proposals, selected subject to business case appraisal.  Funded by the Bus Service Improvement Plan	the region, development work will then commence with the relevant Local Authority/Authorities to produce a detailed design work and delivery, this is subject to planning applications, land consents, consultation outcomes and business case appraisal.  Bus service provision will be dependent on final site selection.				
<b>F&amp;T02</b>	Pocket P&R - Proposed package of strategically placed, micro Park and Ride sites to make it easier for people to join the bus network. Sites will be identified by Local Authorities in both suburban and rural areas.  Funded by the Bus Service Improvement Plan	TNE will work with all Local Authorities to identify sites that are suitable for pocket P&R and determine appropriate interventions for each site. Delivery of interventions is subject to final design, planning applications or other land consents which may be required and consultation outcomes and business case appraisal.	No	From months of the Scheme Commencement Date	March 2024	
<b>F&amp;T01</b>	Ticketing Products:	Authorities shall work together and engage with Operators in the	No	N/A	From the Scheme	(1) Co-operation by Operators as reasonably

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	<p>(1) Development by Authorities of a reimbursement scheme and any other schemes required which shall apply in respect of the ticketing products set out in Annex 2 of this Schedule 2; and</p> <p>(2) Following development of the reimbursement scheme and any other schemes required as referred to in paragraph (1) above, Authorities shall provide such reimbursement scheme and any other such schemes required.</p> <p>Funded by the Bus Service Improvement Plan</p>	<p>development of a reimbursement scheme and any other schemes required which shall apply in respect of the ticketing products set out in Annex 2 of this Schedule 2.</p> <p>Following development of the reimbursement scheme and any other schemes required as referred to above, provision by Authorities of such reimbursement scheme and any other such schemes required.</p>			Commencement Date	<p>requested by any Authority in relation to the development of a reimbursement scheme and any other schemes required which shall apply in respect of the ticketing products set out in Annex 2 of this Schedule 2; and</p> <p>(2) Following development of the reimbursement scheme and any other schemes required as referred to in this F&amp;T01, provision by Operators of the ticketing products referred to in Annex 2 of this Schedule 2,</p> <p>each as referred to at reference OPT02 in the table in paragraph 1.2 of Schedule 3.</p>

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
<b>F&amp;T02</b>	Care Experienced ticketing product - Provide a smart annual season ticket for young adults up to the age of 25 who have left the care system.  Funded by the Bus Service Improvement Plan	TNE will facilitate the bulk purchase of season tickets for distribution via the Local Authorities to the eligible individuals.	No	Within 1 month of the Scheme Commencement Date	N/A	
<b>F&amp;T03</b>	Smart ticket capping - Pay-As-You-Go system with a daily cap when a passenger uses a Pop smart card based of multi-modal day ticket prices.  Funded by the Bus Service Improvement Plan	TNE will work with Nexus and Operators to provide the back office system required to allow for smart ticket capping, subject to technical specification being agreed and solution being deliverable.	No	Within 18 months of the Scheme Commencement Date	N/A	
<b>Serv01</b>	LTA secured services budgets  Funded by existing Local Authority budgets.	Northumberland, Durham and Nexus will maintain the secured bus service and concessionary travel budgets for the duration of the EP at a minimum of the actual spend in FY2022/23 excluding LTF funding.	No	From the Scheme Commencement Date	N/A	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
<b>Serv02</b>	Bus service improvements  Funded by the Bus Service Improvement Plan	Northumberland, Durham and Nexus will introduce service improvements and enrich the network where following the network review there is demand and/or there is limited access to bus services and these services support the objectives of the BSIP.	No	Within 3 months of the Scheme Commencement Date	N/A	
<b>Serv03</b>	New bus services  Funded by the Bus Service Improvement Plan	Northumberland, Durham and Nexus will introduce new bus services where following the network review there are currently no bus services and a potential market exists and these services support the objectives of the BSIP, for example to tourist sites.	No	Within 3 months of the Scheme Commencement Date	N/A	
<b>Serv04</b>	DRT service(s)  Funded by the Bus Service Improvement Plan	TNE will support Northumberland, Durham and Nexus to develop and deliver a DRT service(s) in the region subject to final business case appraisal.	No	Within 9 months of the Scheme Commencement Date	N/A	
<b>Serv05</b>	Code of Conduct – consultation over service changes:  NEJTC have provided an	NECA and NTCA will develop the Code of Conduct in consultation with all Authorities and Operators.	No	Within 1 month of the Scheme Commencement Date	N/A	N/A

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
	<p>indicative Code of Conduct in Annex 1 of this Schedule 2, which will be developed through consultation with Authorities and Operators.</p> <p>The Code of Conduct will set out a management process for making changes to or on the bus network.</p> <p>Funded by the Bus Service Improvement Plan</p>					
<b>Serv06</b>	<p>Promotion of concessionary travel</p> <p>Funded by the Bus Service Improvement Plan and bus operator existing budgets.</p>	<p>TNE will work with Durham, Northumberland, Nexus and Operators to promote concessionary travel through:</p> <p>(1) targeted marketing campaigns;</p> <p>(2) development and delivery of schemes; and</p>	No	From the Scheme Commencement Date		(1) Operators working with Durham, Northumberland, Nexus and TNE in relation to the promotion of concessionary travel as referred to in this Serv06, as referred to at reference OPR02 in the table in

1	2	3	4	5	6	7
Reference	Scheme Name and Description	Authority Responsibilities	Required TROs	Date from which work on the Facility or Measure is to be started by	Date from which work on the Facility or Measure is to be delivered by	Dependency
		(3) working with key stakeholders and community groups, to make persons eligible for concessionary travel aware of such eligibility.				paragraph 1.2 of Schedule 3.
<b>Serv07</b>	Marketing  Funded by the Bus Service Improvement Plan	TNE shall undertake marketing campaigns to promote Facilities and Measures introduced under this Scheme including:  (1) new and enhanced bus services including those referred to at references Serv01, Serv02 and Serv03 in this Schedule 2; and  (2) the ticketing products referred to at references F&T01 and F&T02 in this Schedule 2	No	From the Scheme Commencement Date	N/A	Introduction of the relevant Facilities and Measures to be marketed

**APPENDIX 1: DETAILS OF FACILITIES OR MEASURES****Part a: Interchanges****County Durham:**

<b>Interchanges</b>	<b>"Key" interchanges</b>
Durham City Bus Station	Durham City Bus Station
Consett Bus Station	
Stanley Bus Station	
Peterlee Bus Station	
Bishop Auckland Bus Station	
Chester-le-Street	
Ferryhill	
Crook	
Barnard Castle	
Seaham	
Newton Aycliffe	
Spennymoor	

**Nexus:**

<b>Interchanges</b>	<b>"Key" interchanges</b>
Regent Centre	Eldon Square
Four Lane Ends	Haymarket
Northumberland Park	Four Lane Ends
North Shields	Gateshead
Wallsend	Park Lane
Monument	South Shields
Haymarket	
Gateshead	

Jarrow	
South Shields	
Park Lane	
Central Station, Newcastle	
Heworth	
Eldon Square	
Fawcett Street / Sunderland Station, Sunderland	

**Northumberland:**

<b>Interchanges</b>	<b>"Key" interchanges</b>
Blyth	
Hexham	
Morpeth	
Ashington	
Alnwick	
Berwick	

**Part b: Information and staff provision****Staff:**

<b>Authority</b>	<b>Details of staff provided</b>
County Durham	<ul style="list-style-type: none"> <li>• Facilities management staff for cleaning toilets, passenger concourse etc. at main bus stations (Durham, Consett, Stanley and Peterlee)</li> <li>• New Durham bus station will have customer facing staff in core hours on completion of rebuilding (due 2023)</li> </ul>
Nexus	A team of 5 staff who operate north of the River Tyne and 5 staff south of the river. Both teams are managed by a customer service manager
Northumberland	n/a

**Bus stop timetable displays:**

<b>Authority</b>	<b>Details of information displayed</b>
County Durham	<ul style="list-style-type: none"> <li>• Trapeze Novus X software is used to automatically generate all timetable displays for any given change date</li> <li>• One of several layouts is used depending on the space available on the page</li> <li>• Bus stops that have a future timetable change are automatically identified and the most appropriate layout is chosen</li> <li>• Displays are grouped into pre-defined areas for printing and distribution</li> <li>• Efficient system that allows displays to be updated by the change date with minimal staff resource</li> <li>• Modified 'where to board' layout is used for large format static electronic passenger display screens</li> <li>• Durham CC policy is to replace every printed timetable display within 7 days and before any bus service change date.</li> <li>• Timetable displays at bus stops and bus stations are managed by Durham County Council</li> <li>• Real Time Passenger Information (RTPI) is available at 150 bus stops across County Durham</li> <li>• RTPI displays at main bus stations (Durham, Consett, Stanley and Peterlee) show next bus departures at head of stand and summary of services</li> </ul>

Authority	Details of information displayed
	<ul style="list-style-type: none"> <li>• RTPI displays at other principal bus stops show next bus departures</li> </ul>
Nexus	<ul style="list-style-type: none"> <li>• Timetables at bus stops and stations are managed by Nexus</li> <li>• Each stop has its own customised timetable</li> <li>• They are frequently updated as alterations to timetables are made</li> <li>• Real time information is available at approximately 66 bus stops across Tyne and Wear (220 including stops within bus stations)</li> <li>• Bus operators provide Nexus with vehicle location data in the form of SIRI, which is then used by a prediction engine to produce an estimated time of arrival (ETA)</li> <li>• Efficient system that allows displays to be updated by the change date with minimal staff resource</li> <li>• As Nexus and operators use different prediction methods, there can be slight discrepancies in the final ETA</li> </ul>
Northumberland	<ul style="list-style-type: none"> <li>• Northumberland procure their bus stop liners on a contractual basis from Nexus</li> </ul>

**Information at interchanges:**

Authority	Details of information provided
County Durham	<ul style="list-style-type: none"> <li>• Large format (55") static electronic displays show 'where to board your bus' information. This is a basic webpage updated with current data as required</li> <li>• Printed 'where to board your bus' displays are provided and maintained at all bus stations</li> <li>• Large format (55") interactive electronic displays are available at Durham Railway Station and Durham Bus Station for journey planning and onward rail travel information</li> <li>• Other information includes: notices, advertisements, service disruption and holiday service information</li> </ul>
Nexus	<ul style="list-style-type: none"> <li>• Bus interchanges and Metro stations are fitted with PID's providing a live feed of departures</li> <li>• Nexus provides 'Where to catch your bus' information posters at interchanges</li> </ul>
Northumberland	n/a

**Printed information on core network:**

<b>Authority</b>	<b>Details of information provided</b>
County Durham	<ul style="list-style-type: none"> <li>• Printed timetable display at every bus stop</li> <li>• Large format poster in Adshell shelters</li> <li>• Smaller Bissel standard case on posts at other stops</li> <li>• A County Durham bus map is published which includes surrounding cross-boundary services</li> <li>• Shape files for bus routes are updated as part of the existing County Durham interactive bus map</li> </ul>
Nexus	Printed timetable display at every bus stop
Northumberland	

## ANNEX 1: INDICATIVE CODE OF CONDUCT

### Defined Terms

“**LA/PTE**” Local Authority/ Public Transport Executive, in the EP area this applies to Durham County Council, Northumberland County Council and Nexus

“**Partnership Board**” The North East Bus Partnership Board will provide governance to the North East bus Enhanced Partnership

“**Local Bus Board**” Local partnership boards for each Local Authority area within the EP Scheme Area, which provide a forum for discussions in respect of the EP Plan and EP Scheme and other matters in relation to bus services at a local level.

“**LTA**” Local Transport Authority, in the EP area this refers to The Joint Transport Committee who delegate their powers for secured bus services out to the LA/PTE as defined above.

### Introduction

The North East Bus Service Code of Conduct has been drafted between the region’s bus operators and local authorities as well as Transport North East (TNE) and Nexus. The Code of Conduct responds to issues raised during public and stakeholder consultation regarding the current process of bus services changes. This code introduces a consistent standard to ensure network changes can be made in an orderly manner and communities and bus users are adequately consulted with.

### Code of Conduct – Management process for making changes to or on the bus network

As is the case at present, planned network changes by operators will be implemented at fixed dates in the year, which are agreed annually with the LA/PTE, in order to retain customer confidence, limit pressure on publicity functions and assist contract management. It is acknowledged that flexibility will be required to respond to circumstances where there is seasonal demand or where there are reliability concerns.

Under certain situations it may also be agreed that a bus operator does not need to give advanced notice of changes, beyond the statutory requirements. This may be when a change will be beneficial to the bus network and therefore passengers, or when the affected LA/PTE and operator agree that a change is either immaterial or required, for example, to meet the requirements of a traffic regulation order.

The LA/PTE may also choose not to raise changes with Bus Boards, if they consider changes to be so minor and immaterial that the impact on passengers will be negligible.

- T-18 weeks – An operator determines the need to make a network change and submits initial proposals in writing to the appropriate LA/PTE, including Transport North East. The relevant bus board or boards are also identified so that changes can be communicated to elected members via correspondence from the local authority. Such a submission should include a short brief on the reasons for the change, including data if relevant and not commercially sensitive, demonstrating how the change or changes would impact the objectives set out in the Bus Service Improvement Plan (BSIP), Enhanced Partnership (EP) Plan and/or other current local transport policies. Where impacts are potentially or actually detrimental operators ought to detail methods of mitigation. On receipt Bus Board Chair to consider if the change(s) merits raising with the wider Local Bus Board. Any data requests, in line with section 6C of the Transport Act 1985, are to be made to operators at this time with the data provided as soon as is practicable for the LA/PTE to prepare feedback.

- T-15 weeks (latest) – Feedback on proposals to be sent to operators from LA/PTE *[It is expected that operators and LTAs communicate during this period to work through the proposals]*
- T-13 weeks – Plans, having taken into account initial feedback from Bus Boards and elected members, are ready for consultation.
- T-13 weeks – Authorities and / or operators undertake appropriate measures to publicise draft changes to routes and service levels, as well how feedback can be provided, via social media (push adverts if funding allows), websites and digital information boards at bus stops, in bus stations and on-board buses, where available and appropriate. Engagement to be held with key stakeholder bodies and the general public via “drop in” sessions as appropriate.
- T-11 weeks – Bus Board Chair to consider if a meeting is required, if so, Local bus board meeting is held to review feedback and discuss with operators if any amendments to the proposed changes can be taken. If changes affect multiple local authorities’ officers should attend all local bus board meetings to provide members with the full proposal. T-11 to T-6 week period is used to make any final amendments to aforementioned changes.
- T-10 weeks – Final registration draft copies are supplied to each relevant LA/PTE, encapsulating any feedback received to date. Based on the type of change taking place, the LA/PTE can invoke any data requests as per the Bus Services Act 2017.
- T-8 weeks – No further data or service amend requests can be provided beyond this date unless agreed critical. LA/PTE to ensure that relevant proformas are provided as soon as practical after this date and not unduly withheld.
- T-6 weeks – Services registered and 6-week period is used to promote network changes. Promotion to be undertaken by operators and the LA/PTE including social media, websites, apps, and digital information displays at bus stations, bus stops and on-board buses where available and appropriate.
- T-6 weeks – A partnership board meeting is held for an overview if changes are region wide or beyond the jurisdiction of local bus boards i.e. three or more areas.
- T-6 weeks – Traffic commissioner notified, unless all partners agree that a short-term notice will be acceptable. This may be when a change will be immaterial to bus users, offer an increased service or respond to short term events such as reliability challenges.
- T-4 weeks – Operators and Authorities begin to update and go live with customer information where applicable.
- T-2 weeks<sup>1</sup> – Revised bus service data (timetables/routes) to be updated for journey planning and real time passenger information systems. Roadside publicity updates begin to be undertaken for completion no later than T+1, best endeavours will be used to have updates completed by T-0.
- T-0 weeks – Changes, as agreed by all appropriate bodies in the weeks prior, go live.

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<sup>1</sup> Where practicable and timetable finalisation has occurred on time, must occur between T-1 and T+1.

## **ANNEX 2: TICKETING PRODUCTS**

### **Part a: Children's single fare product**

A uniform single fare product available for passengers aged between 5 and 16 years (inclusive) which is accepted by Operators on all local bus services operating in the administrative areas of the NECA and the NTCA.

### **Part b: Under 22 single fare product**

A uniform single fare product available for single journeys for passengers aged between 5 and 21 years (inclusive) which is accepted by Operators on all local bus services operating in the administrative areas of the NECA and the NTCA.

### **Part c: Under 22 multimodal capped one day fare product**

A capped all day fare product which is available for passengers aged between 5 and 21 years (inclusive) which is accepted by Operators on all local bus services operating in the administrative areas of the NECA and the NTCA as well as Tyne and Wear Metro, the Shields Ferry and relevant local rail services.

### **Part d: Adult multimodal capped one day fare product**

A capped all day fare product which is available for adults aged 22 or over which is accepted by Operators on all local bus services operating in the administrative areas of the NECA and the NTCA as well as Tyne and Wear Metro, the Shields Ferry and relevant local rail services, provided that separate products may be created which are valid only in, and/or different price points specified for use in, each of Tyne & Wear, Durham and Northumberland.

**ANNEX 3: MAINTAINING EXISTING FACILITIES**

<b>Reference</b>	<b>Authority</b>	<b>Title of Order</b>
EF01	Durham	The County Council of Durham (A690/ A691 Millburngate Junction, and unclassified Millburngate, Durham City) (Bus Lane and No Entry) Order 2004
EF02	Durham	The County Council of Durham (C184 Newcastle Road Chester Le Street) (Bus and Cycle Lane) Order 2004
EF03	Durham	The County Council of Durham (B6288 & A167 Croxdale, Durham) (Bus, Coach, Pedal Cycle and Motor Cycle Lane) Order 2011
EF04	Durham	The County Council of Durham (Various Locations, County Durham) (Bus, Cycle, Motorcycle & Taxi Lanes 7am-7pm) Order 2014
EF05	Durham	The County Council of Durham (Various Locations, County Durham) (Bus, Cycle, Motorcycle & Taxi Lanes 7am-7pm) Order 2014 (Amendment No.1) Order 2016
EF06	Durham	The County Council of Durham (North Road, Durham City) (Bus Gate) Order 2018
EF07	Gateshead	The Borough Council of Gateshead (Winlaton Area) (Amendment) Traffic Regulation Order 2007
EF08	Gateshead	The Borough Council of Gateshead Council (Traffic Movements) (Consolidation) Order 2010
EF09	Gateshead	The Borough Council of Gateshead (Durham Road Gateshead) (Prohibition of Right and Left Hand Turns and Bus and Cycle Lanes) Order 2010
EF10	Gateshead	The Borough Council of Gateshead (Felling Bypass / Felling Bypass Westbound Slip Road from Lingey Lane Gateshead) (Bus Lane) Order 2013
EF11	Gateshead	The Borough Council of Gateshead (Leam Lane Central Gateshead) Traffic Regulation Order 2014
EF12	Gateshead	The Borough Council of Gateshead (Lingey Lane Felling) (Traffic Restrictions) Traffic Regulation Order 2014
EF13	Gateshead	The Borough Council of Gateshead (Bus Lanes) Traffic Regulation Order 2014
EF14	Gateshead	The Borough Council of Gateshead (Durham Road QTC Phase 4 Part 2 Gateshead) Traffic Regulation Order 2016

<b>Reference</b>	<b>Authority</b>	<b>Title of Order</b>
EF15	Gateshead	The Borough Council of Gateshead (Bus Lanes Gateshead) (Amendment No.1) Traffic Regulation Order 2017
EF16	Gateshead	The Borough Council of Gateshead (Bus Lanes Gateshead) (Amendment No.3) Traffic Regulation Order 2019
EF17	Gateshead	The Borough Council of Gateshead (Sunderland Road Gateshead) (Bus Lane Amendment No.4) (Waiting Restrictions) Traffic Regulation Order 2022
EF18	Gateshead	The Borough Council of Gateshead Askew Road and Surrounding Area Traffic Regulation Order 2022
EF19	Newcastle	City of Newcastle Upon Tyne (Bus Lanes) Traffic Regulation Order 2014
EF20	Newcastle	City of Newcastle Upon Tyne (Bus Lanes) Traffic Regulation Order 2014 (Cowgate Highway Improvement Area Variation) Order 2015
EF21	Newcastle	City of Newcastle Upon Tyne (Bus Lanes) Traffic Regulation Order 2014 (John Dobson Street and St Mary's Place Variation) Order 2015
EF22	Newcastle	City of Newcastle Upon Tyne (Bus Lanes) Traffic Regulation Order 2014 (Great North Road Variation) Order 2016
EF23	Newcastle	City of Newcastle Upon Tyne (Bus Lanes) Traffic Regulation Order 2014 (Monument Area Variation) Order 2016
EF24	Newcastle	City of Newcastle Upon Tyne (Bus Lanes) Traffic Regulation Order 2014 (William Armstrong Drive Variation) Order 2017
EF25	Newcastle	City of Newcastle Upon Tyne (Bus Lanes) Traffic Regulation Order 2014 (Neville Street Variation) Order 2019
EF26	Newcastle	City of Newcastle Upon Tyne (Bus Lanes) Traffic Regulation Order 2014 (Barras Bridge Variation) Order 2019
EF27	Newcastle	City of Newcastle Upon Tyne (Bus Lanes) Traffic Regulation Order 2014 (Killingworth Road Variation) Order 2019

<b>Reference</b>	<b>Authority</b>	<b>Title of Order</b>
EF28	Newcastle	City of Newcastle Upon Tyne (Bus Lanes) Traffic Regulation Order 2014 (Barras Bridge and St. Mary's Place Variation) Order 2021
EF29	Northumberland	Northumberland County Council (Laverock Hall Road Bus Lane) Order 2020 (TROM_144)
EF30	North Tyneside	The Council of the Borough of North Tyneside (Bus Lane) (Consolidation) Order 2020
EF31	South Tyneside	South Tyneside Council (Movement Restrictions) (Consolidation) Order 2021
EF32	Sunderland	The City of Sunderland (Hetton-Le-Hole Town Centre) (Loading Only Bays) Order 2003
EF33	Sunderland	The City of Sunderland (South Sunderland Area) (Prescribed Routes) (Consolidation) Order 2003
EF34	Sunderland	The City of Sunderland (North Sunderland Area) (Prescribed Routes) (Consolidation) Order 2003
EF35	Sunderland	The City of Sunderland (West Sunderland Area) (Prescribed Routes) (Consolidation) Order 2003
EF36	Sunderland	The City of Sunderland (Wheatsheaf Gyratory) Traffic Order 2013
EF37	Sunderland	The City of Sunderland (St. Mary's Way Area) Traffic Order 2015
EF38	Sunderland	The City of Sunderland (Dene Street, Silksworth) (Access for Buses and Cycles Only) Order 2018
EF39	Sunderland	The City of Sunderland (Houghton Town Centre) Traffic Order 2019
EF40	Sunderland	The City of Sunderland (Washington Area Bus Links and Bus Lanes) Amendment Order 2022

**SCHEDULE 3: REQUIREMENTS IN RESPECT OF LOCAL SERVICES****1.1. Vehicle standards**

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Reference</b>	<b>Standard Description</b>	<b>Local Services or Area to which standard applies</b>	<b>Date from which service standard is to be met</b>	<b>Dependency</b>
OP01	Audio Visual Equipment:  All newly manufactured vehicles to be fitted with next-stop audio visual equipment as standard in order to improve the onboard passenger experience.	All local services within the EP Scheme area excluding services stated in Section 5 of this EP Scheme	From the Scheme Commencement Date	
OP02	Vehicle Standards:  All newly manufactured vehicles will meet, as a minimum, Euro VI standards	All local services within the EP Scheme area excluding services stated in Section 5 of this EP Scheme	From the Scheme Commencement Date	

1	2	3	4	5
Reference	Standard Description	Local Services or Area to which standard applies	Date from which service standard is to be met	Dependency
OP03	<p>Real Time Information:</p> <p>To be provided in accordance with data specifications agreed through the innovation partnership, and which will be utilised by back office systems referred to in reference ITS01b in the table in Schedule 2</p>	<p>All local services within the EP Scheme area that run along the corridors set out in reference ITS01a in the table in Schedule 2 and wish to have use of the hurry calls at signals, excluding services stated in Section 5 of this EP Scheme</p>	<p>Within 3 months of the Scheme Commencement Date</p>	<p>Provision by Authorities of back office systems referred to at reference ITS01b in the table in Schedule 2, which will utilise information supplied by Operators</p>

## 1.2. Ticketing

1 Reference	2 Standard Description	3 Local Services or Area to which standard applies	4 Date from which service standard is to be met	5 Dependency
OPT01	<p><b>Smart Card:</b></p> <p>Customers can use an agreed single common Pay-As-You-Go ITSO-compliant smart card when paying for any journeys by bus</p>	All local services within the EP Scheme area excluding services stated in Section 5 of this EP Scheme	From the Scheme Commencement Date	
OPT02	<p><b>Ticketing Products:</b></p> <p>Operators shall:</p> <p>(1) co-operate as reasonably requested by any Authority in relation to the development by Authorities of a reimbursement scheme and any other schemes required in relation to the ticketing products set out in Annex 2 to this Schedule 2, as referred to at reference F&amp;T01 in the table in Schedule 2; and</p> <p>(2) following development by Authorities of the reimbursement scheme and any other schemes required as referred to in paragraph (1) above, provision of the ticketing</p>	All local services within the EP Scheme area excluding services stated in Section 5 of this EP Scheme	From the Scheme Commencement Date	<p>(1) Development by Authorities of a reimbursement scheme and any other schemes required; and</p> <p>(2) Following development by Authorities of the reimbursement scheme and any other schemes required as referred to in paragraph (1) above, provision by Authorities of such reimbursement scheme and any other schemes required, each as referred to at reference F&amp;T01 in the table in Schedule 2</p>

1	2	3	4	5
Reference	Standard Description	Local Services or Area to which standard applies	Date from which service standard is to be met	Dependency
	products referred to in Annex 2 of this Schedule 2			

### 1.3. General

1	2	3	4	5
Reference	Standard Description	Local Services or Area to which standard applies	Date from which service standard is to be met	Dependency
OPR01	<p>Reinvestment in the EP Scheme Area of Operator savings derived directly from this EP Scheme:</p> <p>Operators shall:</p> <p>(1) report to TNE on Operator savings derived directly from this EP Scheme in accordance with section 8.11 of this EP Scheme on an annual basis; and</p> <p>(2) implement reinvestment of Operator savings as directed and required by Authorities and/or TNE.</p>	All local services within the EP Scheme Area excluding services stated in Section 5 of this EP Scheme	From the Scheme Commencement Date	Directions from Authorities and/or TNE (as applicable) regarding the reinvestment of Operator savings, as referred to at reference ATNE05 in the table in Schedule 2.
OPR02	Promotion of concessionary travel:	All local services within the EP Scheme Area excluding services stated in Section 5 of this EP Scheme	From the Scheme Commencement Date	Durham, Northumberland, Nexus and/or TNE (as applicable)

1	2	3	4	5
Reference	Standard Description	Local Services or Area to which standard applies	Date from which service standard is to be met	Dependency
	<p>Operators shall work with Durham, Northumberland, Nexus and TNE to promote concessionary travel through:</p> <p>(1) targeted marketing campaigns;</p> <p>(2) development and delivery of schemes; and</p> <p>(3) working with key stakeholders and community groups,</p> <p>to make persons eligible for concessionary travel aware of such eligibility.</p>			<p>working with Operators regarding the promotion of concessionary travel, as referred to at reference Serv06 in the table in Schedule 2.</p>

**TRANSPORT NORTH EAST**  
**ENHANCED PARTNERSHIP PLAN**

**THE NORTH EAST JOINT TRANSPORT COMMITTEE ENHANCED PARTNERSHIP PLAN FOR BUSES IS MADE IN ACCORDANCE WITH SECTION 138G(1) OF THE TRANSPORT ACT 2000 BY:**

**The Durham, Gateshead, South Tyneside and Sunderland Combined Authority** known as the North East Combined Authority ("**NECA**") (comprising of the local authority areas of Durham County Council, Gateshead Council, South Tyneside Council and Sunderland City Council).

**The Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority** known as the North of Tyne Combined Authority ("**NTCA**") (comprising of the local authority areas of Newcastle City Council, North Tyneside Council and Northumberland County Council).

**Tyne & Wear Passenger Transport Executive ("**Nexus**")** of Nexus House, 33 St James' Boulevard, Newcastle upon Tyne, NE1 4AX;

**The County Council of Durham** of County Hall, Aykley Heads, Durham, DH1 5UZ (**Durham**);

**The Borough Council of Gateshead**, Civic Centre, Regent Street, Gateshead, NE8 1HH (**Gateshead**);

**Newcastle City Council**, Newcastle Civic Centre, Barras Bridge, Haymarket, Newcastle upon Tyne, NE1 8QH (**Newcastle**);

**The Council of the Borough of North Tyneside**, The Quadrant, The Silverlink North, Cobalt Business Park, North Tyneside, NE27 0BY (**North Tyneside**);

**Northumberland County Council**, County Hall, Morpeth, NE61 2EF (**Northumberland**);

**The Council of the Borough of South Tyneside**, Town Hall & Civic Offices, Westoe Road, South Shields, NE33, 2RL (**South Tyneside**); and

**The Council of the City of Sunderland**, City Hall, Plater Way, Sunderland, SR1 3AA (**Sunderland**).

## **1. INTRODUCTION**

- 1.1. Over 154 million journeys a year were made by bus in the North East before the Covid pandemic. Buses provided essential services during the pandemic, and bus ridership is making a rapid recovery as restrictions are lifted. The North East Joint Transport Committee (the "**NEJTC**") want the bus network to play an even greater role in bringing healthy and fair economic growth across the region and play an important role in tackling the climate emergency in the region
- 1.2. Buses are essential to delivering the vision set out in the North East Transport Plan 2021-2035 (the "**Transport Plan**"): a green, healthy, dynamic and thriving North East. Increasing the share of travel by bus will support the Strategic Economic Plan for a growing and decarbonised economy. Buses are uniquely well placed to give access to work and training opportunities for everyone, and they can help with the health of our region too through lower carbon emissions and they are easy to integrate with walking, cycling or other active travel for part of the journey as well as being part of a wider public transport network incorporating the Tyne and Wear Metro and the Shields Ferry.
- 1.3. The below table gives an overview of the key objectives of the Bus Service Improvement Plan (the "**BSIP**") and how, subject to adequate funding, it will work together with the EP Plan and EP Scheme to deliver better bus services for local people and wider local transport plan objectives.

<i>BSIP Objectives</i>	<i>EP Approach</i>
1. Repair the damage caused by Covid-19 to bus ridership numbers	<ul style="list-style-type: none"> <li>• Maintain and promote good standards of hygiene and cleanliness across bus fleets and public transport infrastructure.</li> <li>• Ensure that sufficient funding is available to maintain the current network and secure ‘socially necessary’ services once the Bus Recovery Grant ceases.</li> </ul>
2. Grow bus patronage	<ul style="list-style-type: none"> <li>• Improve facilities and information provision onboard buses, in stations and at stops, and online.</li> <li>• Develop and introduce a new, regionwide logo for public transport complementary to existing operator brands.</li> <li>• Introduce more attractive and relevant ticketing options.</li> <li>• Expand and improve routes and services within the network, including new demand responsive services, as well as better connections beyond our boundaries.</li> </ul>
3. Grow bus modal share	<ul style="list-style-type: none"> <li>• Expand and improve routes and services within the network as well as better connections beyond our boundaries.</li> <li>• Introduce more attractive and relevant ticketing options.</li> <li>• Commit to and consult on infrastructure improvements which prioritise and promote the bus network as part of a multi-modal public transport network.</li> <li>• Develop and implement marketing campaigns to provide the bus network with increased public exposure.</li> </ul>
4. Increase customer satisfaction amongst users of the bus network	<ul style="list-style-type: none"> <li>• Improve facilities and information provision onboard buses, in stations, at stops and online.</li> <li>• Introduce more attractive and relevant ticketing options.</li> <li>• Expand and improve routes and services within the network as well as better connections beyond our boundaries.</li> <li>• Ensure staff have adequate training to assist with journey planning and maintain high standard, as well as creating new roles in order to facilitate the rollout of improvements.</li> <li>• Develop and implement a Bus Passenger Charter and network change processes with a view to establishing community engagement, accountability, and review at the heart of all improvements.</li> </ul>
5. Make buses faster, more punctual and more reliable	<ul style="list-style-type: none"> <li>• Expand and improve routes and services within the network as well as better connections beyond our boundaries.</li> <li>• Commit to and consult on infrastructure improvements which prioritise and promote the bus network.</li> <li>• Commit to targeted infrastructure interventions on particularly salient corridors/pinch points.</li> </ul>
6. Make buses greener	<ul style="list-style-type: none"> <li>• Develop and implement changes to vehicles and supporting infrastructure pursuant to the regions green vision.</li> </ul>

1.4. This document fulfils the statutory requirements set out by the Bus Services Act 2017 of an Enhanced Partnership (EP) Plan. Initially, this will facilitate the introduction of a single EP Scheme covering the whole area covered by this EP Plan. Over the Plan period, other potential EP Schemes may be proposed by the JTC, Transport North East (“TNE”) on behalf of the NEJTC, constituent authorities, Nexus or bus operators. The EP Scheme will place binding commitments on partner organisations to provide enhancements and ensure on-going provision of high-quality bus services.

1.5. The EP Plan initially covers a three (3) year period from [date to be inserted]. The EP Plan will be reviewed by [date to be inserted] and at least annually thereafter.

1.6. Any variation to this EP Plan shall be made in accordance with section 138L Transport Act 2000.

- 1.7. If it is determined to revoke this EP Plan this shall be done in accordance with section 138O Transport Act 2000.
- 1.8. In accordance with statutory requirements for an EP Plan, this document includes:
  - 1.8.1. Details of the area covered
  - 1.8.2. Factors affecting the local bus market
  - 1.8.3. A summary of passengers' experiences of using bus services and the priorities of users and non-users for improvements
  - 1.8.4. Trends in bus journey speeds and the impact of congestion on bus services
  - 1.8.5. Objectives that are sought for bus service provision
  - 1.8.6. Interventions needed to achieve the desired outcomes

## 2. COMPETITION TEST

The making of the Enhanced Partnership has been subject to the Competition Test set out in Part 1 of Schedule 10 of the Transport Act 2000. The assessment, undertaken by NECA and NTCA, concludes that the scheme does not have and is not likely to have a significantly adverse effect on competition and any effects on competition are proportionate to the achievement of those purposes.

## 3. AREA COVERED BY THE ENHANCED PARTNERSHIP PLAN

- 3.1. North East England is a diverse region encompassing large and densely-populated conurbations, a surrounding geography of commuter towns and semi-urban villages and a much larger hinterland of former mining villages and beyond them sparsely populated rural and coastal communities.
- 3.2. As such, this EP Plan covers seven local authority areas in the North East, consisting of two combined authorities:
  - 3.2.1. The NECA (comprising of the local authority areas of Durham County Council, Gateshead Council, South Tyneside Council and Sunderland City Council).
  - 3.2.2. The NTCA (comprising of the local authority areas of Newcastle City Council, North Tyneside Council and Northumberland County Council).
- 3.3. These Combined Authorities are Local Transport Authorities in their own right. They discharge their transport functions jointly through the NEJTC, which is a statutory body responsible for transport policy and delivery across the region.
- 3.4. TNE is the name of the officer group that supports the NEJTC in developing and delivering transport and strategy across the region.
- 3.5. "Nexus" is the trading name of the Tyne and Wear Passenger Transport Executive, responsible for delivering passenger transport in Tyne and Wear, including owning and operating the Tyne and Wear



Figure 1.1

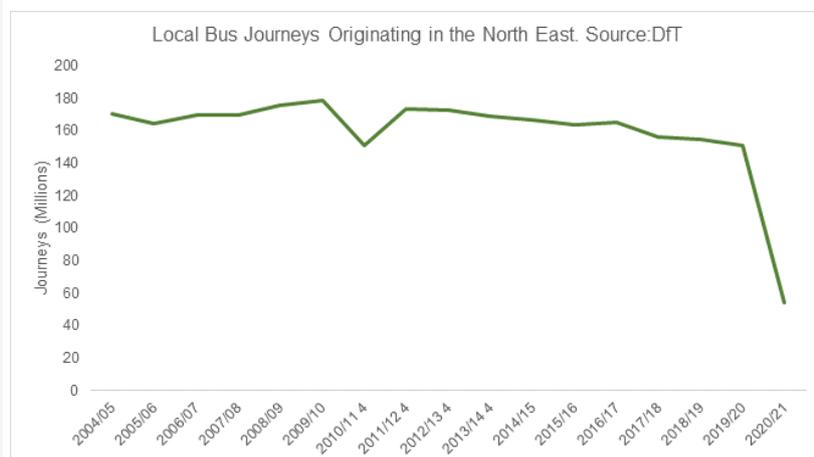
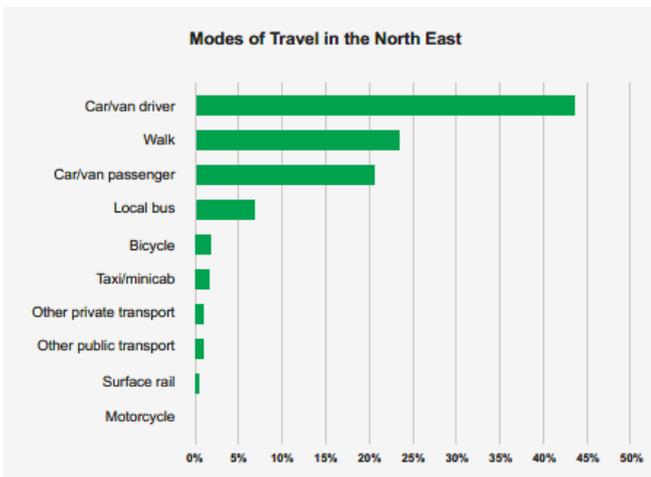
Metro and the Shields Ferry. Tyne and Wear is a largely urban sub-section of the region covering the local authority areas of Gateshead, Newcastle, North Tyneside, South Tyneside and Sunderland.

**4. A SUMMARY OF ANY AVAILABLE INFORMATION ON PASSENGERS' EXPERIENCES OF USING BUS SERVICES IN THE AREA AND THE PRIORITIES OF USERS FOR IMPROVING THEM**

- 4.1. TNE talked to the people and businesses in the North East through an informal engagement campaign called ‘the Big Bus Conversation’, to understand what people think needed to be done to encourage bus use.
- 4.2. TNE established a Stakeholder Forum for businesses, services such as health and education, advocates for equalities groups and passenger and community representatives. Stakeholders contributed by email and through attendance at four multi-media events, which were well attended, both online and in person. The most rural parish councillors welcomed the ability to participate virtually, since ‘more buses to more places’ is their primary need. The DfT presented to the Stakeholders and took part in discussion, as did "NEbus", the name of the local bus operators’ association encompassing the providers of services across the North East. The events gave insights into the planning and delivery of Demand Responsive Transport (DRT), customer service for people with extra needs and ways to support businesses and services to increase the use of bus by their staff and customers.
- 4.3. Before the pandemic, local buses accounted for 6.4% of journeys made in the North East (a measurement called “modal share”), in comparison to 64.1% by car and van. However, 49% of people told TNE that they would be open to using buses more often. This shows a strong potential for significant growth in bus use.
- 4.4. However, just over a quarter of people told TNE that they’re “not the kind of people who get the bus”, highlighting a problem with the perception of bus services. This does not match people’s experience on the ground; bus user satisfaction in our area is 91% according to Transport Focus.
- 4.5. When TNE asked about the barriers to using the bus more often, people said that bus fares are too high, they don’t trust buses to turn up on time, buses are slow and they don’t always go where people need them to. Cleanliness and maintenance are also important to people in light of the Covid-19 pandemic.

**4.6. Bus Modal Share**

- 4.7. The below graph shows the percentage of trips by head in the North East according to DfT data (note that this currently includes journeys in the Tees Valley). Car and van use, either as a driver or passenger, accounts for 64.1% of journeys made in the North East, in comparison to local buses which account for 6.4%. With 49% of people in our market research indicating that they would be open to using buses more often, there is a strong potential for significant growth in bus modal share from the current position.

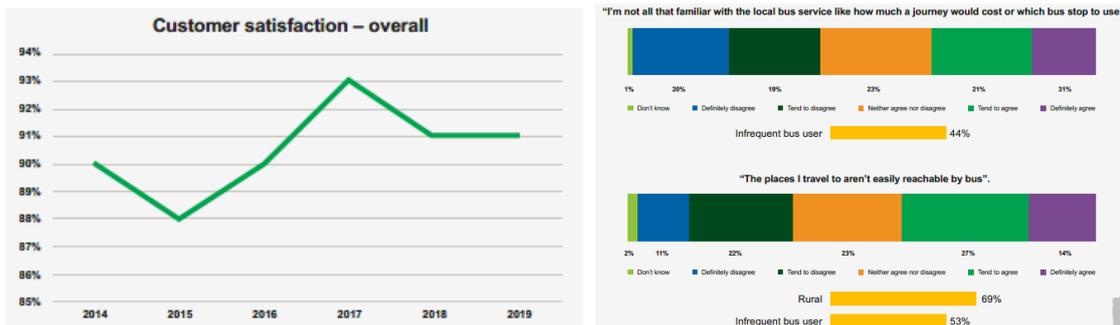


**4.8. Patronage**

- 4.9. Bus patronage has been declining for many decades although in recent years the picture has been more varied. There are a number of reasons for this, and qualitative market research data shows that a quarter of those aged 75+ feel that ‘bus times don’t fit their needs’. This is especially important as people in this age bracket are most at risk of social isolation, with many seeing the bus as a lifeline to human connection.
- 4.10. Market research showed that 75% of our Black, Asian and Minority Ethnic (BAME) communities who are car users say they would consider switching to the bus for some journeys. There is therefore a real opportunity to grow patronage in our BAME communities if barriers are removed.
- 4.11. The picture builds as TNE explored the data relating to those living in rural areas. 28% of people living in rural parts of the North East said that ‘the places [they] travel to aren’t easily reached by bus’ according to market research.

**4.12. Customer Satisfaction**

- 4.13. The below graph, based on data from Transport Focus, shows that 91% of people using bus in the North East were satisfied with their journey. While this is higher than the national figure of 89%, there is still room for improvement. 69% of respondents to market research rated local bus services as excellent or good. However, for people in rural locations only 22% were positive about local bus services, compared to 30% who shared negative responses.



- 4.14. Many people who use buses in our region do not have another means of transport available to them. In Tyne and Wear alone 89% of bus users have no car available to make the journey and therefore they need the bus to be on time, clean and have the necessary facilities they need for comfort and convenience. Improving customer satisfaction will be key to maintaining existing customers and keeping the patronage of those who make the change from car to bus.
- 4.15. Currently, 54% of the region’s bus fleet is not at the engine emission standard of Euro 6 or higher.
- 4.16. When TNE consulted the public as part of the Big Bus Conversation many people were also mindful of unnecessary carbon emissions coming from bus engines.
- 4.17. Additionally, the independent market research report provides further insight into barriers to bus use. One of the barriers identified was a lack of knowledge about service provision and fares: 34% of people who responded agreed with this, rising to 52% of those who class themselves as infrequent users.

**5. A SUMMARY OF ANY AVAILABLE DATA ON TRENDS IN BUS JOURNEY SPEEDS AND THE IMPACT OF CONGESTION ON LOCAL BUS SERVICES**

- 5.1. Services are inevitably tailored to geography, demographics and markets, with frequent services in the metropolitan and urban areas and more targeted services connecting many other key locations. “Secured services”, which are bus services that are tendered and contracted by the local authorities and Nexus,

respond to social need where commercially operated services are not viable, often in rural or remote areas, places that are hard to serve as part of an existing bus route, or at the extremities of the day.

**5.2. Reliability**

5.3. Reliability was a concern for many during independent research for the Big Bus Conversation. The sentiments expressed below demonstrate just how crucial it is that buses turn up. Buses connect people to work, education, healthcare and social events – all of which are essential when it comes to living a healthy and well-balanced lifestyle, which is something we want for the people of the North East. When buses fail to arrive, it has a knock-on effect on each of these things, which undoubtedly puts people off using the bus service again.

5.3.1. “We need real-time digital information on street bus stops as not everyone has internet, and there are problems in winter with reliability.” (Big Bus Conversation)

**5.4. Punctuality At The Start Of A Journey**

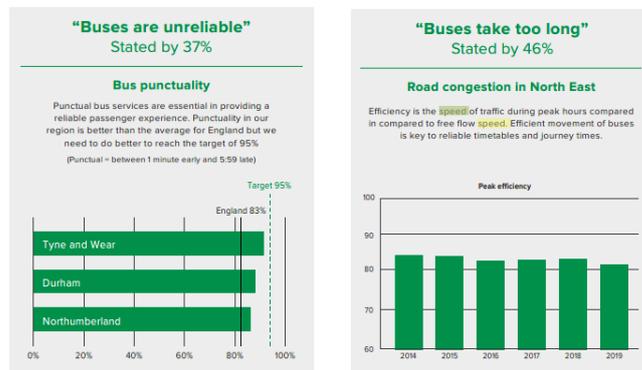
5.5. The buses in the EP Plan area have better punctuality than average for England, however they fall short of the 95% punctuality target (a bus running no more than 5 minutes late or 1 minute early on at least 95% of occasions).

5.6. Punctuality is intrinsic to efficient bus travel and the continued use by the public of the bus network.

5.7. A lot of people, especially those from low-income households without cars, rely on the bus to make connecting journeys on different modes of public transport in order to get from A to B. When the start time of a bus journey is delayed, this has the consequence of halting someone’s planned multi-modal journey, and again will most likely result in a lack of trust and confidence in the bus network. It may bring with it social and economic repercussions for the traveller, for instance if this makes them late for work or a social engagement.

**5.8. Punctuality At Timing Points**

5.9. Punctuality in the region has suffered from the rise in traffic post pandemic. In autumn 2021, a blended figure of operator data showed almost 20% of buses arriving at stops more than 5 minutes late or 1 minute early. During lockdown, performance on the least punctual routes increased to 96%, showing what can be achieved if buses have a clear run. Travelling by bus usually takes longer than travelling by car and one of the reasons for this is because of the amount of times buses are required to stop along routes. There is scope to introduce measures which reduce congestion, increase bus priority or provide more direct services, especially at peak times, to further reduce journey times and address passenger feedback such as the responses to a 2019 Nexus Insight Panel survey shown in the graphs below:



**5.10. Average Bus Speeds**

5.11. The speed of a bus journey can be an off-putting factor when making a travel choice. Bus services need to be as quick and efficient in terms of journey time as possible, to respond to feedback from the Big Bus Conversation that included:

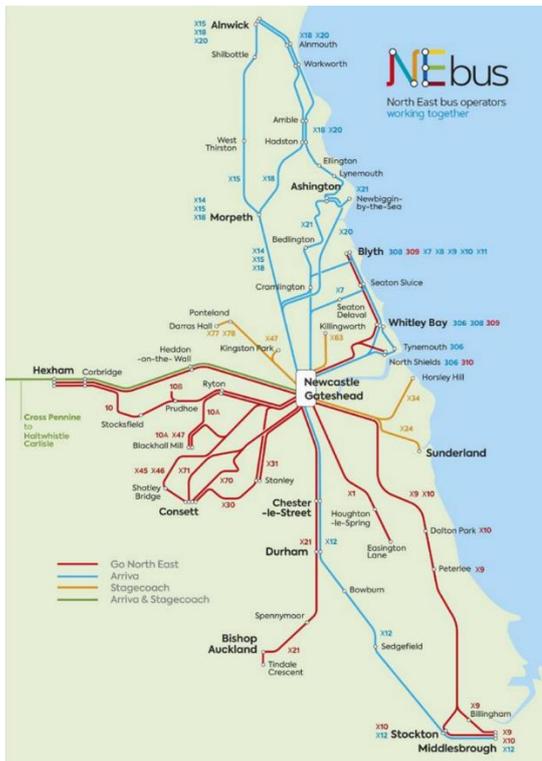
5.11.1. “Conductors on buses needed to speed up journeys”;

- 5.11.2. “An Oyster card system would speed up bus boarding”;
  - 5.11.3. “More BUS ONLY lanes and traffic light priority for buses, and an end to speed humps or chicanes on bus routes”, and
  - 5.11.4. the need for “shorter journey times with better links between Durham, Washington, Sunderland and Newcastle”.
- 5.12. Others think there is work to be done to introduce more express shuttle services to key locations from small villages that have minimal stoppage along the route (Big Bus Conversation), and this is backed up by the market research carried out.

## 6. AN ANALYSIS OF CURRENT LOCAL BUS SERVICES

### 6A THE CURRENT BUS MARKET IN THE NORTH EAST

In the North East we currently have 3 large bus companies who operate the majority of services in the region: Stagecoach North East, a trading name of Busways Travel (“**Stagecoach**”), Arriva North East, a trading name of Arriva Northumbria Limited (“**Arriva**”) and Go North East Limited (“**Go North East**”). The ‘big three’ operate over 1907 buses throughout the region, below shows an approximation of the main bus routes operated by the three large operators in the region:



- Arriva tends to cover rural areas in County Durham and Northumberland, often covering longer distances and stretching into remote areas such as north Northumberland.
- Stagecoach’s services are often more urban with many shorter distance, high frequency services in Newcastle. They also operate ‘town’ services in Sunderland and expresses services between Newcastle and South Shields and Newcastle and Sunderland.
- Go North East operate within Tyne and Wear, Durham and Northumberland. Unlike Stagecoach or Arriva they operate many services in Gateshead and also have many longer distance services serving Sunderland, Washington and Consett.

It is currently estimated that 10% of the current network are services secured by local authorities, operated by a mixture of the large operators and small operators. Smaller operators make up a vital section of the

bus market in the North East with many providing a number of services with companies such as Stanley Travel employing 83 people with 70 vehicles.

Smaller operators tend to offer a mix of some commercial services, secured services as well as private hire services such as coach hire, taxi services and novelty vehicle hire. There is some regional variation in the make up of the commercial and secured network with all commercial services in Northumberland operated by Arriva and Go North East, where as there are many commercial services operated by small operators in Durham.

## 6.1. CUSTOMER EXPERIENCE

### 6.1.1. Real Time Passenger Information (RTPI)

- 6.1.1.1. RTPI systems at stops and stations are limited throughout the North East and where they do exist, they can be unreliable and function poorly. The information that is available is not always real-time, as the systems work from scheduled data where they cannot match a vehicle to a trip. This means in many cases, the information provided to customers is incorrect.

### 6.1.2. Information Off-Bus

- 6.1.2.1. In the North East, each of the large operators, some smaller operators, Nexus and the Local Authorities have their own websites and digital platforms which present pre-journey information relevant to their organisation in differing styles and to varying degrees of timelines. Interactive network maps are available through some Local Authorities and Nexus which have the scope to be expanded to be regionwide. In addition, third-party apps can be used to display transport options between any two locations, usually with live timing.
- 6.1.2.2. Printed timetables are currently provided at all stops in Tyne and Wear and selected stops in Durham and Northumberland. Leaflets are available in a limited number of places.
- 6.1.2.3. The Urban Traffic Management Control ("UTMC") centres currently monitor traffic flow without specific attention to bus, meaning that messaging about disruption on the road network is at a general level to inform motorists and not, necessarily, made relevant to bus users. The Transforming Cities Fund (TCF) is carrying out an intervention to provide smart signals on key corridors throughout the region, an additional element of work is looking at how these smart signals can communicate with RTPI information from buses to allow for signal priority to any late running service. This intervention is still underway at the time of writing.
- 6.1.2.4. Some bus operators also use their social media channels to notify customers of delays and changes in real-time

### 6.1.3. Network Branding

- 6.1.3.1. The North East has multi-operator individual branding, along with that of Nexus, Traveline and Network One. Network One is the trading name of Network Ticketing Ltd, a limited company which provides a range of multi-modal and multi-operator tickets in respect of travel on bus, Metro, the Sunderland to Blaydon rail line and the Shields Ferry in the North East. The existing branding is strong on an operator basis and there is extensive route-specific branding along key corridors. Modal branding in Tyne and Wear is very strong, with consistent information across geographical locations in Tyne and Wear. However, from a customer perspective, the complex range of brands, different fare offers and complex timetables have significant limitations and are not tied together through a unified transport logo.

### 6.1.4. Information At Bus Stops

6.1.4.1. The quality of information provision at bus stops varies widely throughout the region. All stops in Tyne and Wear have impartial, customised printed timetables whereas this is not the case in Durham or Northumberland.

6.1.4.2. A limited few have real-time information and some stops across the region lack any kind of passenger information. Shelter provision is discussed in detail in the Highways and Infrastructure section (see subsection 10.6.7). Real-time information displays are currently installed at close to 420 stops out of approximately 13,100 across the region (just over 3%), and where it is present, it can be unreliable and functions poorly. In addition QR codes are provided at all bus stops in Tyne and Wear allowing access to real time information by customers with a smartphone or similar device.

#### **6.1.5. Customer Safety**

6.1.5.1. All major North East bus operators, including nearly all independent operators' fleets, are fitted with CCTV cameras inside and out, to provide a safe and secure environment. Some operators' CCTV is supported by audio recording. Operators continue to invest as technology evolves. The majority have invested in additional safety measures including a vehicle location system, using mobile technology which quickly pinpoints the location of any bus or incident in real-time, improving response times and passenger support.

6.1.5.2. As part of the statutory requirement to provide the bus open data digital service internet site with automatic vehicle location data, all buses must be fitted with this Automatic Vehicle Locator (AVL) as of 7 January 2021, so all buses' live locations will be available. Except at bus interchanges, there is no dedicated CCTV at bus stops. Lighting is also inconsistent, with rural areas in particular often having very little lighting at bus stops.

6.1.5.3. Northumbria Police and Crime Commissioner, working in partnership with Nexus, successfully bid for Safer Streets funding from the Government, which will be used to improve transport and park safety in Northumberland and Tyne and Wear with an £800,000 investment in CCTV, Metro safety volunteers, increased lighting and a new reporting app.

#### **6.1.6. Information On The Bus**

6.1.6.1. Approximately 40% of the fleet of the main operators is currently fitted with next-stop audio-visual (AV) technology.

6.1.6.2. Large operators are committed to purchasing audio-visual equipment as part of the standard specification for new buses, but small operators are led by contractual agreements in which an enhanced specification for equipment is not standard.

#### **6.1.7. Customer-Facing Colleagues**

6.1.7.1. Customer feedback varies between groups with elderly and disabled passengers complimenting customer-facing colleagues on very high standards of empathy and care, whereas teenagers are less complimentary. Certificate of Professional Competence (CPC) driver training is carried out by operators; however, this is designed to maintain professional skills and meet the needs of the individual organisation, and customer service elements are not co-ordinated in terms of content across the board.

#### **6.1.8. Ride Experience**

6.1.8.1. All buses are wheelchair accessible, which makes boarding, alighting and moving through the bus easier. Other improvements targeted at people with extra needs also make the journey better for everyone else such as 'Stop' buttons which can be palm-operated, within the reach of every seat; voice and screen information about the next stop. Although buses carry commercial advertising NEbus operators recognise that there is a greater commercial return from building customer confidence. On buses in the North East, the advertising vinyls show the bus journey map, how to contact customer service, how to access the Wi-Fi, and

other messages that make the customer feel they are in a cared for and high-quality environment.

6.1.8.2. Many buses on flagship routes come with Wi-Fi and charging points as standard. Around 40% of buses on the network have Audio/Visual technology installed.

#### **6.1.9. Information At Stations And Interchanges**

6.1.9.1. Digital real-time bus information displays already exist in some key rail and Metro interchanges in the region but need upgrading and updating in line with the introduction of a new information system.

6.1.9.2. Signage directing customers who are interchanging between bus towards their next bus stop location is also limited.

#### **6.1.10. Customer Charter (Beyond The Bus)**

6.1.10.1. Each of the region's main operators have their own customer charters. They broadly align on common themes including safety; information provision; fares and reliability of services. They also outline the complaints procedure and the rights of customers. Smaller operators typically don't have customer charters.

### **6.2. FARES AND TICKETING**

#### **6.2.1. All Day Multi-Modal Ticket**

6.2.1.1. The region has some of the base characteristics of a fully integrated multi-modal public transport network, such as smart card ticketing and multi-modal tickets, yet people find the offer difficult to understand, especially non-users.

6.2.1.2. The closest product to a regionwide multi-modal capped ticket currently is offered through Network One as an Explorer ticket at a current price point of £10.90 for an adult, £5.70 for a child (under 15) and £20.60 for a family of up to two adults and three children for one day. The ticket does offer some extensions beyond the region into North Yorkshire. It is scarcely marketed beyond the Network One website.

6.2.1.3. Other multi-modal tickets are offered by Network One as one week, four week and annual tickets. The price is based on a Network One zonal model which consists of 5 zones and the NTL 'plus' area which covers Northumberland and County Durham. Network One Zones are inconsistent with those which have been established by bus operators for their own bus tickets and Nexus for Metro product ticketing.

#### **6.2.2. Tickets Options For Under-19s And Region Wide Under-19 Multi-Modal Fare Cap**

6.2.2.1. Transport costs represent a heavy cut of the disposable income of some groups. This disproportionately affects young people, who may choose a college based on how much it costs to travel to rather than the college they actually want to go to. For young people in apprenticeships, their career prospects may be strong, but their starting salaries are lower. Even those in professional careers are on relatively low incomes when they start their career. Young people seeking less skilled work have a lower pay range.

6.2.2.2. This issue is particularly prevalent in the North East given the lower-than-average wages and employment levels.

6.2.2.3. Additionally, pockets of health and income inequalities are seen across the North East, with deprivation largely concentrated in urban areas. There are large disparities in levels of youth unemployment throughout our region.

6.2.2.4. Some places like Blyth in Northumberland and deprived electoral wards like Byker have youth unemployment levels of 15% and 16% respectively. By contrast, affluent areas such

as Gosforth and Corbridge both have levels of 1%. This demonstrates that levels of opportunity for young people in the North East are highly uneven depending on geography. Single fares are available for Under-19s at a price point of £1.20 in some locations in the region; however, on longer distance services, for example those reaching into Northumberland, fares at this price cannot currently be achieved without subsidy to the operators.

6.2.2.5. Network One currently offers a ticket aimed at the Under-19 and student market but this product is only available in one and four week iterations. There are various other tickets by different operators that are designed for young people and students but there are few similarities between these.

### 6.2.3. Family and Children Tickets

6.2.3.1. Only one of the region's main bus operators offers a family ticket. There are no other family specific offers available to bus passengers, however the Tyne and Wear Metro recently ran a successful trial offer where you can 'Take the Kids for Free'. This offer is now a permanent ticket option on Metro.

### 6.2.4. ENCTS

6.2.4.1. Under the English National Concessionary Travel Scheme ("ENCTS"), which is a national scheme, bus operators are required to carry pass holders during the core times of 09:30-23:00 Monday to Friday and at all times on weekends and Bank Holidays.

6.2.4.2. Three slightly different versions of the scheme, as allowed by the Transport Act 1985 and the Travel Concession Schemes Regulations 1986 apply, as there are three separate Travel Concession Authorities ("TCAs") in the North East:

6.2.4.2.1. Nexus;

6.2.4.2.2. Durham County Council; and

6.2.4.2.3. Northumberland County Council.

6.2.4.3. Although all schemes allow travel until the end of service, rather than 23:00, each has varying discretionary arrangements covering, for example, the treatment of the travel allowed with the pass pre-09:30.

6.2.4.4. Bus operators are reimbursed by each TCA using the general principle that operators should be 'no better or no worse off' as a result of carrying concessionary passengers and are therefore reimbursed for 'revenue foregone', as well as payment for the additional costs incurred by an operator due to passengers only travelling because the concession exists. The basis for the calculation of revenue reimbursement is the DfT calculator, although there are annual discussions between each TCA and each operator to agree the payments.

### 6.2.5. Care Experienced Concession

6.2.5.1. Care experienced young people often find it more difficult than other young people to access and stay in education, training and work. Lacking the family support that other young people have, travel makes up a large proportion of their disposable income.

## 6.3. THE NETWORK

### 6.3.1. Building on the strengths of our existing services

6.3.1.1. The goal is to build on the strengths of the existing network, so that the strong base of bus patronage in the North East is maintained and can then grow, ultimately safeguarding and increasing patronage levels.

6.3.1.2. The Covid-19 pandemic resulted in a significant reduction in bus passenger numbers. Patronage is still currently between 20% and 30% lower than the same period in 2019, although we are beginning to see slow growth. Stakeholders told us that the strong “avoid public transport” messaging of the early phases of the pandemic caused many people to choose other options instead of the bus, increasingly relying on private cars. Stakeholders felt that to an extent, people are using that as an excuse to drive in spite of knowing now that bus travel is safe.

### **6.3.2. Consolidation To Reduce Duplication and Over-Provision**

6.3.2.1. There are particular locations across the network where there may be overprovision of bus services and therefore, there is scope on the network for consolidation opportunities under Enhanced Partnership Schemes and/or use of Qualifying Agreements (an agreement between operators which has as its object or effect the prevention, restriction or distortion of competition in the relevant area, which is certified by the local transport authority as passing the competition test under Part 2 of Schedule 10 of the Transport Act 2000 or which is exempt under section 9(1) of the Competition Act 1998). TNE has reviewed the current network in detail in order to identify what they might be.

### **6.3.3. Bus Network Improvements**

6.3.3.1. The vision to improve the bus network starts from a relatively strong position. More trips per capita are made by bus in the region than in most other English regions because there is a good network supported by well-developed bus priority measures.

6.3.3.2. Many corridors have high-frequency services, and there is an excellent and well-used network of interurban express routes running into the region's cities, which are assisted by traffic priorities to maintain high performance. In September 2020, a national survey by Transport Focus found that the biggest priority for bus passengers is more frequent services. This was fairly consistent across age groups and journey purpose and corresponds with research undertaken by TNE, especially in the Tyne and Wear area. This needs to be taken into account, as it indicates there may be potential to grow already frequent services.

6.3.3.3. However, the polycentric nature of the region means there are several towns that serve as local, sub-regional and regional centres, and many have poor links between them. Feedback from the Big Bus Conversation and stakeholder engagement confirmed that people want more and better connections between local places, not only the radial routes to the cities.

6.3.3.4. There are also many places that have few or no bus services at all. These are mainly rural areas that have very few local facilities, so people need to travel to take part in society. Low population densities have traditionally made rural areas difficult to serve viably by buses (even on a secured basis), but experience in the region and elsewhere suggests that innovative measures like Demand Responsive Transport and brokerage can be successful in filling gaps in the network.

6.3.3.5. The region already has 24-hour services on three routes from Newcastle to Chester-le-Street, Durham, Washington and Sunderland, and from Sunderland to Ryhope and Seaham. They have been very successful, improving access to jobs and supporting the night-time economy by giving people a safe way of getting home after work or going out with friends.

### **6.3.4. Demand Responsive Transport**

6.3.4.1. Currently County Durham is the only part of the region that has a comprehensive scheme of DRT that aims to complement the conventional bus service network. The Link2 service is open to everyone and aims to cater for people who do not have a suitable bus service or are unable to access regular bus services due to mobility issues. It can be used for any local journey, connecting with the bus network to travel further afield. Tyne and Wear has a taxi card system to help people with mobility difficulties travel independently. It allows them to travel with approved taxi companies at a discounted price. Members get issued with a card

that is credited with a set amount of money every year - they use the money on their card to help pay towards each journey they make.

6.3.4.2. Both of these services are focused as a service for specific users for whom they are a lifeline; but they do not seek to grow modal share or bus patronage for the general population.

6.3.4.3. The region has some of the most rural communities in England with 21% of the population living in rural towns and villages. Analysis for Northumberland alone, shows that 37,000 residents of West Northumberland do not benefit from a bus service that allows for access to: key employment centres; significant further education sites; major shopping locations or evening recreation. Likewise, in County Durham, significant numbers of people live away from bus routes. In communities such as these, the car is the obvious transport mode, and there is no attractive sustainable alternative. Tyne and Wear also has rural communities in which the walking route to the main bus route may be too long for some, or the terrain may be challenging, again forcing groups of residents to the car.

6.3.4.4. Markets such as these are historically unattractive to bus operators because areas of low population density inevitably yield low passenger loadings and revenue over a higher operating distance and therefore cost. The value for money consideration of local authorities providing services is also likely to be low.

#### **6.3.5. A New Technologically Enabled Offer For Home To School Transport**

6.3.5.1. In our region, 17.3% of the population are of school age, attending a total of 912 schools. School start times coincide with the busiest period on our road network each day with an estimated 132m car journeys for education being made in the North East each year. Data from Nexus shows that many parents drive children to school and that children return by public transport.

6.3.5.2. The data is backed up by verbatim feedback gathered in the Big Bus Conversation campaign and at stakeholder events, where parents reported that their need to drive to work is driven by their need to drop children at school.

6.3.5.3. The Big Bus Conversation suggests a series of barriers to bus use for home-to-school journeys, with common themes such as difficulty accessing information and the perception of safety, security and reliability of bus services being potential reasons why many don't consider the bus a viable option.

#### **6.3.6. Cleaner And Greener Vehicles**

6.3.6.1. The North East bus fleet is made up of 1,352 vehicles of varying ages and emissions standards. The average age of the fleet is approximately 8.9 years, which is higher than the UK average of 8 years.

6.3.6.2. Big Bus Conversation data showed 23% of passengers surveyed were concerned about the condition and cleanliness of the bus used for their journey.

6.3.6.3. The emissions standards of the vehicles that operate in the area vary from Euro 3 to full electric (zero-emission). Over 40% of the fleet meets the Euro 6 standard, while 38% are Euro 5 and 17% are Euro 4 or lower.

6.3.6.4. There has been some investment in new, modern low emission vehicles across multiple providers over the last decade. For example, in 2013, Stagecoach deployed a fleet of bio-methane powered buses in Sunderland with a devoted gas refuelling facility at its depot in the City. More recently, in 2020, Go North East invested £3.7 million in new fully electric zero emission buses, which were partly funded by the Ultra-Low Emission Bus Scheme (ULEBS). Branded Voltra, the buses are powered by electricity that is sourced from zero-emission supplies such as solar, wind and hydro. They operate services 53 and 54 between Newcastle, Gateshead, Bensham and Saltwell Park.

6.3.6.5. However, Covid-19 has reduced investment below normal fleet replacement levels, as operators are concerned about the post-pandemic market, which means the average age of the fleet is increasing and there has been little progress to reduce emissions standards. The only confirmed vehicle orders are a further batch of nine zero emission electric buses for Go North East, which are due to be introduced in mid-2022.

## 6.4. HIGHWAYS AND INFRASTRUCTURE

### 6.4.1. Highways Network

6.4.1.1. There are busy arterial routes into cities and major towns which do not have infrastructure installed to a standard which meets their potential.

6.4.1.2. The Coast Road and The West of Newcastle Corridor are examples of this. Both play a key role in connecting people in the region to school, work and leisure, but are too often sites of congestion and pollution. The current bus routes, while frequent, do not offer a high-quality, uninterrupted experience to meet customer expectations.

6.4.1.3. The Coast Road (A1058) runs from Newcastle City Centre through densely populated North Tyneside to the Coast. Although the Metro does provide an alternative to private cars for many in North Tyneside, along the Coast Road itself many residents and key sites are not within a walkable distance of the nearest Metro stop. Traffic generated by Silverlink Retail Park, Cobalt Business Park, North Wallsend and other parts of North Tyneside and East Newcastle all come together on this key artery often resulting in significant traffic congestion.

6.4.1.4. The even more densely populated and heavily residential area of the West end of Newcastle is currently underserved by the higher speed public transport available elsewhere in the region (the Metro). Westgate Road is the direct route into the City from the A69, the main strategic road from the West of Northumberland and Cumbria into Newcastle which carries 38,000 vehicles a day. The A167 serves as the main artery into the centre of Newcastle from the A1 and the A696, the trunk route coming from Newcastle International Airport, carrying 27,000 vehicles a day. Together, this means that they are some of the busiest routes into the City.

6.4.1.5. These are just two examples of corridors in the region, where priority infrastructure could be improved.

### 6.4.2. Facilities For Walking To And Waiting For Buses

6.4.2.1. Stops and stations in the region range widely from high-quality interchanges in both rural and urban areas such as Hexham bus station and South Shields interchange, to stops with no timetable, signpost or road markings.

6.4.2.2. People reporting experiences of low-quality waiting provision at stops and interchanges is a serious problem for the region, with 51% of residents saying waiting at a stop is their main dislike about traveling by bus, rising to 60% for those with a mobility difficulty. Poor waiting facilities at stops acts as a deterrent to people who rarely or never use the bus, and as a barrier to those people considering changing modes. Engagement with stakeholder groups showed the differing dimensions of accessibility when walking and waiting for the bus, as well as the creativity and variation possible in these facilities.

6.4.2.3. Whilst two-thirds of the region's residents live within a 5-minute walk of a stop or station, many live much further away. The experience of that walk and the wait for a bus needs to compete with the convenience of car travel.

### 6.4.3. Our Park & Ride Provisions

6.4.3.1. Across all modes, the region has an established Park & Ride offer with current sites providing over 4,300 spaces at:

6.4.3.1.1. Tyne and Wear Metro stations and bus interchanges;

6.4.3.1.2. Three bus-based sites with dedicated bus links serving Durham City Centre;

6.4.3.1.3. Newcastle’s bus based Great Park site; and

6.4.3.1.4. 19 National Rail stations across the region.

6.4.3.2. There are frequent examples of instances where people will park on roads, and in some cases, adjacent roads in housing estates to main bus routes, especially longer distance, express routes, to travel by bus.

**7. ALL THE RELEVANT FACTORS THAT THE PARTIES CONSIDER WILL AFFECT, OR HAVE THE POTENTIAL TO AFFECT, THE LOCAL BUS MARKET OVER THE LIFE OF THE EP PLAN**

7.1. This section sets out information and data about factors which affect the use of bus services in the region including:

7.1.1. Identified barriers to bus use;

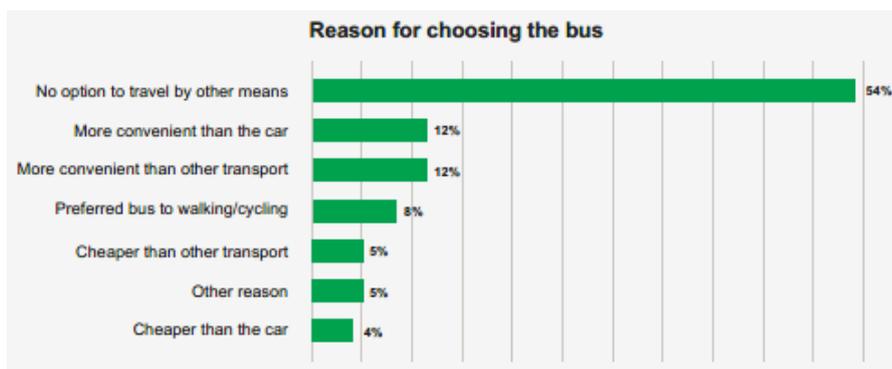
7.1.2. Perceptions and attitudes toward buses;

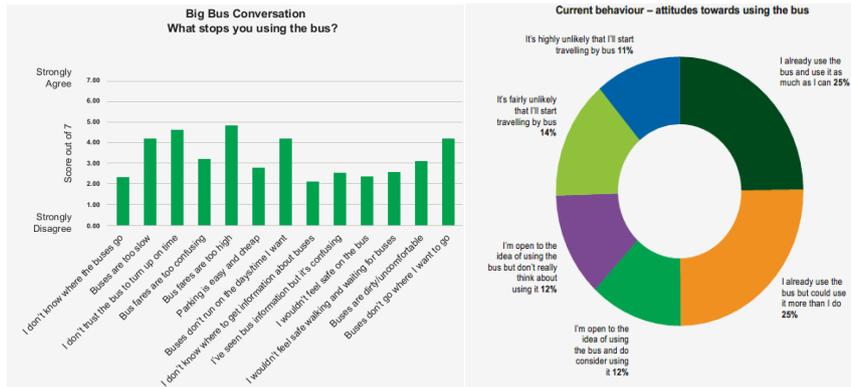
7.1.3. Car parking: the extent and pricing of parking provisions in towns and cities and the split between local authority and private sector provision. Also, the amount spent by each local authority in the region on parking enforcement; and

7.1.4. Other competing and complimentary factors to the bus network in the North East.

**7.2. Identified Barriers To Bus Use**

7.2.1. 1 in 5 people who are avoiding public transport are doing so because they don’t feel safe to use it at the moment. Cleanliness and maintenance are much more important now and are likely to be legacies of Covid with increased user expectations in these areas





**7.3. Car Parking**

- 7.3.1. Decisions on car parking policy sit with each of the individual local authorities and are dependent on a range of factors, such as economic policy, rurality and the range of public transport options available.
- 7.3.2. The relationship between car parking charges and public transport fares can influence how people choose to travel, because of cost and time sensitivities which drive travel behaviours. Adaptations to parking policy, carefully linked to the introduction of an improved public transport offer, can be a means of gradually switching demand towards public transport in a sustainable manner. Instruments such as workplace parking levies can also act as a funding stream to assist with attractive, sustainable alternatives to the car.
- 7.3.3. The cost of car parking, especially in relation to getting the bus, often influences travel choices.
- 7.3.4. The following tables offers a summary of parking provision and spending on parking enforcement in each of the seven local authority areas in the region.

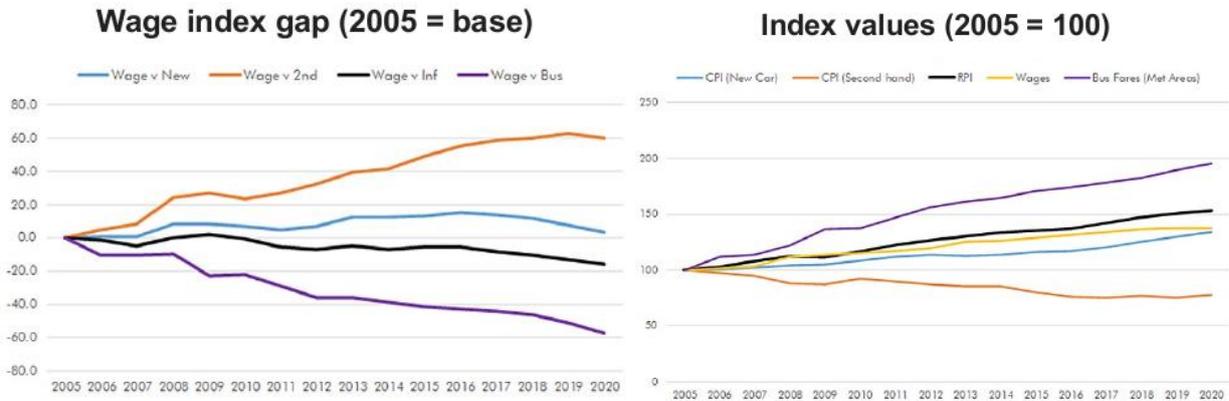
	Estimated number of LA operated spaces	Average hourly rate to park	Estimated number of private sector operated spaces*	Average hourly rate	Local authority	Budget allocated to parking enforcement
Durham	3,500	43p	2000	69p	Durham	£650,000
Gateshead	2,123	£1.04	756	92p	Gateshead	£799,000
Newcastle	6,004	£1.44	3743	£3.20	Newcastle	£2.2m
North Tyneside	2,544	95p	Unknown	N/A	North Tyneside	Part of a contract
Northumberland	11,821	0	0	N/A	Northumberland	£2m
South Tyneside	2,477	75p	270	Varies	South Tyneside	£1.1m
Sunderland	2,958	£1.15	941	£1.47	Sunderland	£950,000

- 7.3.5. TNE will explore and engage with people, businesses and the local authorities in the region over issues of car parking supply and potential deployment of workplace parking levies, congestion charging, and strategic reduction in parking spaces to see if these can be effective tools which can be adopted across the region to encourage a switch to attractive, sustainable transport options such as buses, including considering the introduction of a relationship between the cost of car parking in major centres of retail and employment and the cost of travel on public transport, where it makes economic and strategic sense to do so.

**7.4. Other Factors Which May Influence Competition Between Car And Bus:**

**7.5. Relative Affordability Of Bus And Car Travel**

7.5.1. The relative price of bus and car has become increasingly unfavourable to bus. It can be seen from the graph on the left below that wages have not kept pace with inflation nor with the price of bus fares. The graph on the right compares wages to the cost of these transport modes. For example, the cost of a secondhand car has decreased when compared to wage growth, whereas the cost of bus fares has increased when compared to wage growth.

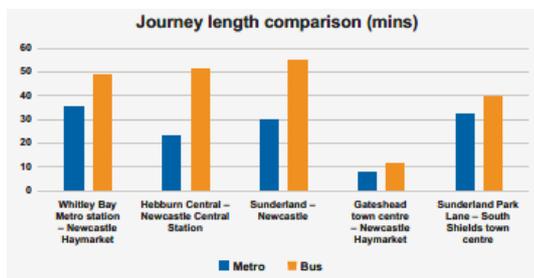


**The Tyne and Wear Metro system**

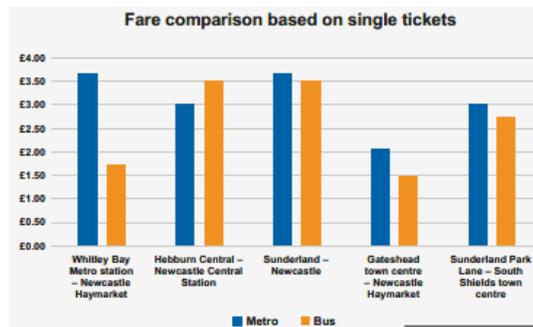
7.5.2. The Metro and bus networks complement each other and interchange is generally accessible and well signposted. Many people transfer from bus to Metro, whilst those who perceive interchange as a high penalty take through journeys on the bus.

7.5.3. The Metro appears a competitor to bus for some journeys, but it also brings people to the bus for the first leg of a journey they might otherwise make by car.

7.5.4. The below graph shows that for a sample of journeys that can be completed by either bus or Metro, the bus takes longer for every journey.



7.5.5. The below graph shows that for fare cost based on single tickets, buses compare favourably to Metro for some of the journeys, however Metro prices can also be cheaper, or near to the same cost. This means that the customer has a choice of transport which can depend on the customer’s priorities of a faster or cheaper journey.



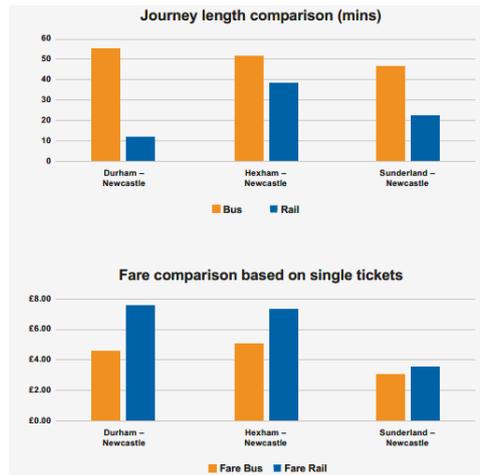
7.5.6. Nevertheless the basic structure for integrated public transport continues to exist in the region. Network One provides integrated multi-modal tickets, transport interchanges continue to see

many thousands of interchange journeys each day between bus and Metro, and peoples' travel habits – often the same since childhood – continue to see a combined bus and Metro journey on many trips. Indeed for some trips a combined bus and Metro journey is the only viable public transport combination.

## 7.6. The National Rail Network

7.6.1. The geographic size of the region means that key centres are linked by rail, including 'Intercity' long distance trains. These services co-exist alongside well-used bus services, because buses serve more local places along the way and more 'first and last mile' origins and destinations.

7.6.2. The graphs below show some sample journey times and fare comparisons between rail and bus.



7.6.3. For most of the journeys we are aware of, it is slower to travel by bus, however it is almost always cheaper. There will therefore be a significant number of people who travel by bus instead of rail even though it takes longer.

## 7.7. Integration Between Bus and Active Travel

7.7.1. Active travel is wholly complementary to the bus network, especially as every bus journey starts and ends with an element of active travel.

7.7.2. Already, early measures are in place to promote the opportunity for multi-modal trips including bike and bus. For example, six Go North East routes have capacity to carry two unfolded bikes, and stations across the Tyne and Wear Metro system are fitted out with approximately 750 places for cycles, much of which takes the form of digitally operated cycle lockers.

## 8. THE OBJECTIVES OF THE EP PLAN – IN TERMS OF HOW IT WILL IMPROVE THE QUALITY AND EFFECTIVENESS OF LOCAL BUS SERVICES IN THE CORRESPONDING EP SCHEME AREA

8.1. The Transport Plan adopted by the NEJTC in March 2021 provides the strategic framework to support delivery of an improved, more seamless, coordinated and integrated transport system across the region. It sets out how transport can help support the wider goals of creating and sustaining more and better jobs in a growing and decarbonised economy, where social and health inequalities are greatly reduced.

8.2. The vision statement for the Transport Plan is: "Moving to a green, healthy, dynamic and thriving North East". This vision is supported by five strategic objectives for transport in our region:

8.2.1. Carbon-neutral North East;

8.2.2. Overcome inequality and grow our economy;

8.2.3. Healthier North East;

8.2.4. Appealing, sustainable transport choices; and

8.2.5. Safe, secure network.

8.3. They are reflective of the critical strategic issues such as the Climate Emergency declared by each of the region's Local Authorities and Combined Authorities, the ambition for a clean and green recovery from the pandemic and the need to address the health of the region.

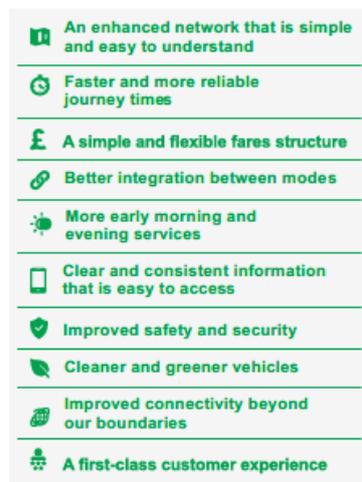
8.4. Central to the Transport Plan is a policy named: “Making the Right Travel Choice”. This policy sets out the actions that need to be enabled, through interventions on the transport system, to drive progress against the objectives.

8.5. The policy of ‘Making the Right Travel Choices’, leaves no doubt: the region is committed to positioning buses as an appealing and sustainable transport choice which people should choose ahead of a car whenever possible.

8.6. The goal in North East England is to do more than just provide a sustainable transport network – it should be made attractive, so people want to use it.

**9. WHAT OUTCOMES NEED TO BE DELIVERED TO IMPROVE LOCAL BUS SERVICES IN THE EP PLAN AREA**

9.1. In June 2021, the NEJTC published a high-level strategic vision document called ‘Your Vision for Buses’. This document was developed in partnership with the region’s bus operators and considers the role that buses can play in delivering the Transport Plan. In doing so, it sets out Ten Solutions for the bus network – and asks the region to consider and test these solutions. These Ten Solutions are aligned with the Government’s ‘National Bus Strategy’.



9.2. Key Performance Indicators (KPIs) have been developed jointly by NEbus and the NEJTC and link to the Transport Plan objectives.

9.3. In most cases a baseline year of 2018/19 has been chosen for the KPIs, because that was the last full financial and reporting year where bus ridership and road traffic levels were not affected by the Covid-19 pandemic.

9.4. Firstly it is necessary to repair the damage caused by Covid-19 to bus ridership in the region.

9.5. Then the intention is to progress to a position where a higher proportion of people choose the bus to travel, leading to a significantly higher number people using buses – especially for journeys to work and education and in rural areas. This will lead to growth in bus patronage.

9.6. This will only happen when people see tangible improvements made to bus services, which will be measured through improved customer satisfaction. For passengers to be happy buses must be punctual and reliable, and buses need to be faster and not caught in congestion.

9.7. Although getting more people on the bus and growing its modal share will of itself improve environmental performance, a continuous improvement in the emission standards of the bus fleet will also be targeted.

**9.8. KPIs that will need to be delivered to improve local bus services in the EP Plan area**

**9.8.1. Recovering from Covid-19**

9.8.1.1. **KPI 1:** Bus ridership to achieve 154m trips during the year 2023/24, returning us to the baseline level of 2018/19.

### 9.8.2. Modal Share

9.8.2.1. **KPI 2:** Modal share of buses to grow by 1 percentage point in 2023/24 from the baseline of 6.4%, and a further 1 percentage point in 2024/25.

9.8.2.2. **KPI 3:** Modal share of bus use for journeys to work and education to grow by 1 percentage point in 2023/24, and a further 1 percentage point in 2024/25.

### 9.8.3. Patronage

9.8.3.1. **KPI 4:** Bus patronage to grow by 10% in 2024/25, and then by a further 10% in 2025/26.

9.8.3.2. **KPI 5:** Bus patronage from people under the age of 22 to grow by 10% in 2023/24, and then by a further 10% in 2024/25.

9.8.3.3. **KPI 6:** Bus boarding at rural bus stops to grow by 10% in 2023/24, and then by a further 10% in 2024/25.

### 9.8.4. Customer Satisfaction

9.8.4.1. **KPI 7:** Overall bus passenger satisfaction to grow from a baseline of 91% to 92% in 2023/24 and to 93% in 2024/25.

### 9.8.5. Bus Performance

9.8.5.1. **KPI 8:** Average speed of buses to grow, relative to the average speed of general traffic, each year starting in 2023/24.

9.8.5.2. **KPI 9:** Bus reliability to be 99.5% throughout the period of the EP Plan.

9.8.5.3. **KPI 10:** Bus punctuality at point of origin to be 95% in 2023/24, 96% in 2024/25 and 97% in 2025/26.

9.8.5.4. **KPI 11:** Bus punctuality at all timing points point of origin to be 90% in 2023/24, 95% in 2024/25 and 95% in 2025/26.

### 9.8.6. Environmental Performance

9.8.6.1. **KPI 12:** Bus fleet emission standard to Euro 6 or better to be 63.2% in 2022/23, 80.8% in 2023/24 and 91.1% in 2024/25 and to be 100% at the start of 2025/26.

## 10. WHAT OVERALL INTERVENTIONS NEED TO BE TAKEN TO DELIVER THOSE OUTCOMES

10.1. Subject to adequate funding, the following improvements have been identified to deliver the strategic objectives and to achieve the targets. These measures will enhance the experience of current bus users and make bus use a more attractive proposition to those who don't currently use the bus.

10.2. Within this section are five main subsections:

10.2.1. Customer Experience;

10.2.2. Fares and Ticketing;

10.2.3. The Network;

10.2.4. Highways and Infrastructure; and

10.2.5. Delivering the BSIP through the Enhanced Partnership.

### 10.3. Customer Experience

- 10.3.1. Multi-operator ticketing and journey planning will be made available to passengers through a single dedicated website and accompanying app. We will also continue to provide leaflets and printed information.
- 10.3.2. We will develop a new and consistent logo for The Partnership that will be applied across the network, so that it becomes a recognisable symbol of public transport for the North East.
- 10.3.3. The 420 bus stops with existing real-time information will be updated to next generation systems . A further 100 stops will be updated with the technology.
- 10.3.4. We will provide clear printed information at stops and stations, including in rural areas, and maintain it.
- 10.3.5. We will improve CCTV provision throughout our entire network, ensuring coverage of every major station and stop across the region. 700 moveable CCTV cameras will be available to be deployed across the region, in areas where there is demand for them or areas where there is deemed to be a safety risk. The cameras will be remotely accessible and information from them can be accessed on an on-demand basis.
- 10.3.6. We will provide seamless service information to customers, offering a single source of truth, feeding to any connected systems for passenger information.
- 10.3.7. All newly manufactured vehicles will be fitted with enhanced next-stop audio-visual equipment, charging points and Wi-Fi as standard.
- 10.3.8. We will develop a consistent training module to be delivered to all our colleagues who fulfil a direct customer experience role.
- 10.3.9. A taxi guarantee will give disabled passengers the peace of mind that if there isn't room for their wheelchair on board, a taxi replacement will be provided for them at no extra cost if quicker than waiting for the next bus.
- 10.3.10. Turnaround cleaners will be based at bus stations throughout our network. They will be available to quickly clean any operators' bus to ensure a clean and pleasant journey on any bus.
- 10.3.11. All interchanges and rail stations will be supported with multi-modal passenger information, showing real-time information about connecting journeys.
- 10.3.12. Transport ambassadors will be available at key interchanges throughout the network to guide passengers and help them make the right travel choices.
- 10.3.13. Improvements will be made to wayfinding in major stations and interchanges through new posters showing where to catch your bus.

### 10.4. Fares and Ticketing

- 10.4.1. Network One and its tickets will be valid for travel on all bus, Metro and Ferry services across the North East, as well as on rail services between Sunderland, Newcastle, Metrocentre and Blaydon. It will also cover Demand Responsive Transport (DRT) services provided through our partnership. Network One, which is the trading name of Network One Ticketing Ltd, will re-brand itself as part of the launch of the new product range.
- 10.4.2. Network One will simplify its zonal structure and price multi-modal tickets more attractively.

- ..
- 10.4.3. A complete pricing structure will be developed using the daily fare as the starting point. The range of products will include weekly, monthly, annual, flexi (for commuters who travel regularly but not every day) and student discount.
  - 10.4.4. To further improve the offer, additional low cost, multi modal, multi operator fares will be developed to make pricing more affordable in areas that are a short distance from a zone boundary.
  - 10.4.5. Our multi-modal fares will be available in two forms:
    - 10.4.5.1. a ticket purchased before travel begins (from a bus driver, via Metro retail channels, online or through an app);
    - 10.4.5.2. a price “cap” that is automatically calculated and applied when a customer uses a contactless bank card, mobile phone payment app or Pay As You Go smartcard to pay for travel. Through the BSIP we intend to put in place the back-office system and upgrade existing ticketing equipment to allow this to happen.
  - 10.4.6. Our simplified multi-modal products will be displayed and advertised clearly throughout the region and will also feature in electronic and printed bus and Metro information and in specific marketing campaigns.
  - 10.4.7. We will introduce tickets for under-19s across the region, with a target low cost fare for single tickets and an economical target region wide multi-modal fare cap. The mechanism for delivering this will be further explored.
  - 10.4.8. The current Metro ‘Take the Kids for Free’ offer has been trialled on buses and will be explored with the aim for it to be made permanent.
  - 10.4.9. We will carry out a study to examine the costs and benefits of standardisation of the local additions to the ENCTS throughout the region.
  - 10.4.10. A care experienced concession will be available throughout the region. The fare to be set will be agreed through the Care Leaver Covenant.
  - 10.4.11. The fares package we propose by its nature deals with integrated, multi-modal ticketing. Bus operators will continue to offer their own bespoke range of tickets which in many cases will still be the cheapest way to travel by bus.
  - 10.4.12. Some fares already on offer are very attractive. For example, some operators offer cheaper fares in the evenings. We encourage all bus operators to adopt simple and affordable pricing structures and to simplify zonal pricing so that there is a common approach region-wide. Although this is out of scope for the EP, we believe that bus operators will consider it under their own decision-making processes.

## 10.5. Network

- 10.5.1. The NEJTC will work with operators with a view to securing sufficient funding to maintain their current networks once Bus Recovery Grant ceases.
- 10.5.2. The NEJTC will similarly work with local authorities and Nexus with a view to securing sufficient funding to maintain their ‘socially necessary’ (secured) services.
- 10.5.3. There will be more early morning, evening and overnight services as well as better connections beyond our boundaries.

Category	Monday to Saturday Daytime	Sunday Daytime	Daily Evening	Overnight
Superbus	5-10	7-15	15-30	
Interurban Express	15	30	30	
Connect	30	60	60	
Rural	60-120	120		
Remote Rural and targeted groups	DRT, Special	DRT, Special		
Night network				60

10.5.4. **Superbus** will have two variants:

- 10.5.4.1. Superbus Red Corridors will run at least every five minutes from 0630 until 1830 on Mondays to Fridays and from 0730 until 1830 on Saturdays. There will be buses every 7-8 minutes from 0830 until 1830 on Sundays, every 15 minutes during the early morning and evening.
- 10.5.4.2. Superbus Green Corridors will run at least every 10 minutes from 0630 until 1830 on Mondays to Fridays and from 0730 until 1830 on Saturdays. There will be buses every 15 minutes from 0830 until 1830 on Sundays and every 30 minutes during the early morning and evening.
- 10.5.4.3. Superbus services will be made more attractive by the investment in bus priority provided for in the BSIP.
- 10.5.4.4. We will build on the success of our existing night buses by introducing them on Superbus Corridors where there is established demand.
- 10.5.5. **Interurban Express** services will knit our region together better, providing fast links into our cities and major towns from the surrounding towns and villages. Buses will run up to every 15 minutes on Monday to Saturday daytimes and every 30 minutes in the evening and on Sundays. They will operate on a 'limited stop' basis within cities to minimise journey times, complementing the Tyne and Wear Metro and National Rail network. Buses will provide high standards of comfort and on-board service.
- 10.5.6. **Connect** will be the network of socially and economically necessary links between the local, sub-regional and regional centres in our region, complementing the Tyne and Wear Metro, National Rail and interurban express services. Buses will run at least every 30 minutes on Monday to Saturday daytimes, hourly in the evening and on Sundays.
- 10.5.7. **Rural corridors** will be tailored to the specific requirements of the communities they serve, with buses running at least every two hours on Monday to Saturday daytimes.
- 10.5.8. We will deliver a range of improvements in the rural areas of South West Durham and West Northumberland, including better Monday to Saturday daytime services and new Sunday journeys where there is potential demand. In particular, we will introduce a new service to Kielder in the Northumberland National Park and ensure that buses run all year round to the UNESCO World Heritage site of Hadrian's Wall.
- 10.5.9. We will also ensure that rural services are fully integrated with other bus routes and modes of transport, as we know the importance of effective connections in rural areas.
- 10.5.10. We will launch two pilot rural Demand Responsive Transport (10) operations in the second year of our BSIP.
- 10.5.11. We will partner with schools in a pilot scheme to market our new home-to-school offer and, using centrally-procured route planning technology, plan efficient bus routes to the school considering the postcodes of subscribing families.

10.5.12. We will accelerate operators' existing bus replacement programmes so that all vehicles are Euro VI standard or Zero-emission by March 2025.

10.5.13. We will trial hydrogen vehicles and install hydrogen refuelling stations to support them.

## 10.6. Highways and Infrastructure

Subject to the outcome of any required legal processes which may apply (for example where traffic regulation orders are required), we plan to deliver the highways and infrastructure interventions set out in this section 10.6:

10.6.1. We will deliver major highways interventions to accelerate bus journey times and increase punctuality and reliability on 17 of our busiest corridors in the region:

10.6.1.1. West of Newcastle (BRT), Wallsend, Coast Road (BRT), A188/A189 North Tyneside, Dunston, Bensham Road, Leam Lane, Old Durham Road, Chester Road, Sunderland, A690 Sunderland, South Shields to Sunderland, South Shields to Newcastle, Blyth Cowpen Road, Cramlington, Morpeth, Seaton Burn, Durham A167.

10.6.1.2. The vast majority of bus routes in our network use these 17 corridors for all or part of their journey. As a result, the investment we are planning to deliver will have a major benefit for bus journey time, reliability and punctuality across the entire bus network in the North East.

10.6.2. Major highways interventions improvements will be delivered in two tranches:

10.6.2.1. We are already developing business cases to deliver Tranche 1 schemes once rigorous public consultation has taken place and design work is complete; and

10.6.2.2. Tranche 2 schemes are deliverable in the EP Plan time frame, but not yet at Business Case so require further development and consultation.

10.6.3. We will also deliver a series of 'spot fix' interventions which will tackle isolated pinch-points which may not necessarily be situated along a high frequency corridor, but will contribute to better bus performance throughout the region. Examples include Northern South Tyneside, central Durham, Bishop Auckland, West Gateshead and Northern North Tyneside.

10.6.4. Our region is committed to investment in highways infrastructure which could include road space reallocation, junction redesign, traffic signal re-prioritisation, bus gates and other measures designed to improve bus services.

10.6.5. We will contribute to already planned investment in the region's highways in the Intelligent Transport Systems (ITS) project to ensure the potential for bus priority in this project is maximised.

10.6.6. Our local authorities are also willing to consider changes to on-street parking and moving traffic enforcement on these and other corridors, to the extent that red corridors could be introduced, subject to public consultation.

10.6.7. We plan to bring a consistent standard throughout the region's bus shelters and stops:

10.6.7.1. 1,350 shelters which are unwelcoming and poorly used will be replaced by modern facilities which will include lighting, CCTV and high-quality pedestrian access to increase safety;

10.6.7.2. 240 shelters and stops with particularly high usage will have an additional high specification applied; and

10.6.7.3. a strategic plan will be developed to select 'hub' shelters that can serve as a community focus for interchange opportunities, between bus routes, with cycling and

walking, with National Rail, ferry, Metro and our Pocket Park & Ride and Kiss & Ride.

- 10.6.8. We will replace all our bus stop ‘flags’ to ensure consistent standards throughout the region.
- 10.6.9. New bus stations will be delivered in Durham, Alnwick, Bishop Auckland and an additional Newcastle City Centre bus station. There are further plans to improve existing bus interchanges and smaller bus stations, bus access to North Shields Fish Quay and the International Advanced Manufacturing Park (IAMP).
- 10.6.10. We will introduce five new major Park & Ride sites in the region, served by high-specification vehicles running a dedicated service for Park & Ride customers.
- 10.6.11. These will benefit from the major highways infrastructure investments along our 17 busiest bus corridors.
- 10.6.12. We will establish formal ‘Pocket Park & Ride’ locations around the network, with a modest number of car parking spaces, supported by high-quality information and waiting facilities. These sites will be situated along major express bus routes and some will also serve as likely interchange sites between the DRT proposal set out in our BSIP.

#### **10.7. Delivering the BSIP through the Enhanced Partnership**

- 10.7.1. A significant marketing budget will be used to drive growth in bus patronage and to highlight key improvements and initiatives. Activities will be delivered on the ground by a range of partners (including bus operators, Nexus and Local Authorities), augmented by partnership-level campaigns through contracts procured by TNE.
- 10.7.2. We will use dedicated team members to collaborate with businesses including industrial estates and sites, large public sector employers and hospitals, with the objective of encouraging employees to switch to the bus.
- 10.7.3. We will provide a dedicated team and budget to work with communities, especially those who currently feel excluded from public transport, to encourage greater bus use:
  - 10.7.3.1. a fund to allow volunteers to train as ‘Community Bus Ambassadors’ or ‘Bus Buddies’,
  - 10.7.3.2. work with groups in minority and harder to reach communities, and people with additional needs so that they can promote ideas to make buses more accessible for them and increase confidence in using the bus,
  - 10.7.3.3. Village, parish and town councils will be provided with marketing collateral to promote travelling to an event by bus, where possible this could be backed up with promotional event ticketing offering discounted or free bus travel to community events, and
  - 10.7.3.4. an ‘Adopt a Bus’ scheme with organisations such as schools to foster community engagement.
- 10.7.4. We commit to exploring and engaging with people and businesses in the region over issues of car parking supply and potential deployment of work place parking levies, congestion charging, and strategic reduction in parking spaces to see if these can be effective tools which the region can adopt across our geography to encourage a switch to attractive, sustainable transport options such as buses.
- 10.7.5. We will also discuss the introduction of a relationship between the cost of car parking in major centres of retail and employment and the cost of travel on public transport, where it makes economic and strategic sense to do so.

- 10.7.6. We will create a North East Bus Partnerships team to manage the programme of investments and activities set out in the BSIP, to oversee the performance of the bus network and to manage the partnership agreement.
- 10.7.7. We will put in place a formalised Change Management Process with community engagement at its heart, that will see all major changes that are proposed for our bus network to be clearly set out, consulted upon, and following the consideration of feedback, introduced in a structured and well-communicated manner.

#### **10.8. Reporting**

- 10.8.1. A Bus Passenger Charter will apply on all bus services in our region to build customer confidence and to improve consistency and transparency.
- 10.8.2. We will report on progress towards our KPIs on a six-monthly basis to our Bus Partnership Board, and onward to the Department for Transport (DfT) and other key stakeholders, and publish the information on our website and in a non-digital format.

### **11. PLANS FOR CONSULTING OPERATORS AND PASSENGER GROUPS ON HOW WELL THE EP PLAN AND EP SCHEME(S) ARE WORKING**

- 11.1. NEbus and the NEJTC have agreed shared objectives and KPIs. Progress towards our KPIs will be reviewed on a regular basis to assess whether the actions being taking are leading to success or whether corrective action needs to be taken.
- 11.2. The partnership between NEbus and the NEJTC provides an opportunity to reset many aspects of the North East's bus network, including addressing how bus passengers feel about the standard of service on offer and whether it meets their expectations. This will be done on a consistent basis, regardless of which operator customers are travelling with. The goal will be to achieve a far greater sense of community ownership over the bus network, so that local people feel that the bus is a community asset that responds to their needs and helps them to achieve their goals and objectives. Once this happens, it is far more likely that people in the community will feel inclined to use the service on a regular basis.
- 11.3. A Bus Passenger Charter (BPC) will describe what passengers can expect from bus services in the North East. Having a charter in place will enable passengers to hold bus operators and local authorities to account for delivering against this EP Plan. The BPC will signpost passengers to routes for recourse, enabling them to provide feedback on how authorities and operators are performing in meeting their commitments in this EP Plan.

#### **11.4. Reporting to the Regional Enhanced Bus Partnership Board and to the Department for Transport**

- 11.4.1. TNE will produce a six-monthly report to the Regional Bus Enhanced Partnership Board. It will set out the latest available data by which to measure the partnership's performance against its KPIs.
- 11.4.2. The report will contain commentary to explain why targets are being met, not met, or exceeded, and will include supplementary information such as long-term trends, social and economic trends that may help to understand performance and benchmarking information.
- 11.4.3. The report will set out the actions that have been taken by the partnership in the previous six-month period, and the actions that are planned for the following six-month period.
- 11.4.4. As well as focusing and reporting on 'hard' data in the shape of KPI performance, qualitative data will also be included in the report, to evidence how users actually feel about the network, and what has been said in relation to the new service provision. First-hand feedback like this cannot be underestimated, as it provides a true insight into the minds of the consumer. Effort will be made to record and analyse in-person customer feedback, as well as providing analysis of social media comments. This routine exercise will help to set the KPIs within the context of the bus user and the narrative around the new network.

- 11.4.5. Local Bus Boards and the business and services-focused North East Bus Advisory Panel will be consulted over the report. The report will be sent to the NEJTC and may also be provided to other stakeholders with an interest, such as individual local authorities and Nexus.

### **11.5. Bus Passenger Charter (BPC)**

- 11.5.1. The BPC will ensure performance information is accessible and easy to understand.
- 11.5.2. The BPC does not create any new legal relationship with passengers, it sets out commitments to:
- 11.5.2.1. Outline the standards of service customers can expect from buses in the North East, such as punctuality, vehicle cleanliness, proportion of services operated, accessibility of buses and related infrastructure to groups with protected characteristics.
  - 11.5.2.2. Update on performance on a six-monthly basis relative to the KPIs for the partnership that are shown in section 9.8 of this EP Plan.
  - 11.5.2.3. Make available six-monthly reports on the TNE website, supplemented by communication channels appropriate to the relevant audiences.
  - 11.5.2.4. Identify where KPIs are not being met and describe the measures being taking to ensure these are met in future.
  - 11.5.2.5. Advise customers on how to obtain local travel and general public transport information, and how to travel safely.
  - 11.5.2.6. Inform customers of the complaints process to follow if something goes wrong or the service falls below the expected standard, as well as providing routes to gather other feedback.
  - 11.5.2.7. Inform customers on how to offer improvement suggestions.
  - 11.5.2.8. Advise customers on who to contact and provide appropriate channels.
  - 11.5.2.9. Publicise upcoming planned improvements and changes and advise customers how they can play a part in future proposals.

## **12. HOW THE RELATED EP SCHEME(S) ARE INTENDED TO ASSIST IN IMPLEMENTING THE POLICIES AND ACHIEVING THE OBJECTIVES SET OUT IN THE EP PLAN**

The initial EP Scheme provides both a framework for implementation of the EP Plan through the governance arrangements set out in section 8 of the EP Scheme, and also implements a number of measures and requirements which start implementation of the EP Plan. In particular:"

- 12.1. Measures set out in the EP Scheme start to implement many of the customer experience objectives with clear, consistent information provision being introduced over the period of the EP Scheme, including a common approach to real time information, multi-modal passenger information, and provision at bus-stops;
- 12.2. Ticketing measures introduced in the initial EP Scheme include a common pay-as-you-go ITSO compliant smartcard, and all-day multi-operator adult and under 19 fares across the region;
- 12.3. New buses will be expected to meet the Euro VI standard and incorporate next-stop audio visual equipment;
- 12.4. A number of major highway interventions will be delivered on some of the busiest corridors with traffic signal upgrades on six key corridors being delivered through the initial EP Scheme to allow full traffic control interventions;
- 12.5. The EP Scheme provides a framework for reporting on KPIs, and a mechanism to introduce further measures as they are agreed between the Authorities and Operators.

13. **THE INTENDED EFFECT OF THE EP SCHEME(S) ON NEIGHBOURING AREAS THAT ARE OUTSIDE THE EP PLAN AND EP SCHEME(S) AREA**

The EP Scheme specifically exempts services which have over 50% of their route outside the EP Plan Area, so is not intended to apply requirements to services which operate predominantly in neighbouring areas, and therefore it is expected that the effect of the EP Scheme on neighbouring areas will be limited. Whilst the EP Scheme does impose some requirements on new vehicles these are not deemed onerous for new vehicles, and the initial EP Scheme does not require operators to upgrade their vehicles to meet new standards. To the extent any cross boundary operators are not exempt and have to comply with the ticketing standards specified in the EP Scheme, the initial EP Scheme does not seek to cap the required multi-operator fares, and therefore these will be set by the operators on a commercial basis initially. As a result the EP Scheme is not expected to materially affect neighbouring areas.

**Cabinet**

**18 January 2023**

**Future of County Council Allotments**

**Ordinary Decision**



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**Report of Corporate Management Team**

**Alan Patrickson, Corporate Director of Neighbourhoods and Climate Change**

**Councillor Rowlandson, Cabinet Portfolio Holder for Resources, Investment and Assets**

**Electoral division(s) affected:**

Countywide

**Purpose of the Report**

- 1 The purpose of the report is to ask Cabinet to:
  - (a) consider a range of allotment policy and procedure changes, building on work and recommendations from the Environment and Sustainable Communities Overview and Scrutiny Committee (ESCOSC) in January 2020;
  - (b) provide updated countywide policy and tenancy agreements for consideration, setting out transition arrangements which ensure that these measures are focussed on genuine allotments only, allotment associations are encouraged and empowered and that tenants have adequate time to make adjustments if this is required;
  - (c) provide an update on Durham County Council allotment service including recent investments, which complement the above changes and re-invigorates service provision.

**Executive Summary**

- 2 Durham County Council manages over 4,000 allotment plots spread across 166 sites in County. It does this mainly through direct letting (102 sites, 995 plots) where the Council fully manages the site, collects rent, maintains waiting lists, and issues all tenancies or through Allotment Associations (55 sites 2,429 plots) where the Council tenancy

and rent terms are managed by the Council, however Associations collect rent, manage sites and have greater autonomy. The Council has worked to encourage greater devolution of its allotment holdings over a number of years.

3 In January 2020 Environment and Sustainable Communities Overview and Scrutiny Committee reported the findings of its review of the service to Cabinet. The summary recommendations of this report are as follows, with the full report in Appendix 2:

- large animals (horses, pigs) no longer permitted on allotment plots, with a transition period of 5 years to be adopted;
- all DCC directly managed allotment sites in the county are managed by one DCC service team (currently 2 sites are managed by Corporate Property and Land, the remainder DCC Allotment Service);
- to undertake a complete review of allotment sites that are not used for purpose (some for instance are garage sites, gardens, grazing paddocks);
- to encourage establishment of allotment associations where appropriate to take over day to day management and control;
- undertake discussions with Town and Parish Councils that have expressed an interest in taking over the management of allotment sites;
- that subject to legal advice, reconsiders the process for the allocation of plots to co-workers within the proposed policy by acknowledging their previous contributions whilst not registered. Furthermore, there is a need to actively publicise the need for co-workers to register;
- that should there be demand, the Council considers the feasibility of providing smaller sized allotment plots where appropriate;
- that the Council considers undertaking a rental review of all DCC allotment sites.

4 Since this time, work has been undertaken in response to the report, for instance detailing all non-allotment plots (including those proposed for exclusion from policy), promotion of co-worker's registrations, and provision of smaller sized plot when opportunity arises. The main outstanding future changes now relate to consideration of the policy aspects of Scrutiny recommendations.

- 5 When the Scrutiny report was published and reported to Cabinet, concerns were expressed by a number of tenants who had large animals on these sites, and furthermore some Associations felt it was restrictive on them and called for greater autonomy rather than restrictions.
- 6 This report provides a response to the Scrutiny recommendations for delivery, recognising the concerns expressed, and proposes to:
- exclude some non-allotment sites from the proposals in the report, for instance grazing paddocks and garage sites;
  - take account that several grazing areas are located on the edge of what are mainly cultivated allotment sites and are proposed to be managed going forward as grazing for which there has been a long history;
  - encourage greater empowerment and flexibility for Association sites by supporting long term lease or giving Associations some discretion (in consultation with the Council) for bespoke policies for their own sites. This may for instance include keeping of large animals on specified plots but would limit the expansion for these purposes;
  - provide a range of transition measures and timescales to ensure that tenants have time to make adjustments.
- 7 A recommendation from ESCOSC was to engage with Town and Parish Councils regarding the potential of transfer. The Local Government (Parishes & Parish Councils) Regulations 1999 introduced a requirement that land held by higher tier authorities should transfer to lower tier authorities set up after that date, and for County Durham this has applied to the City of Durham Parish Council, where allotments have been transferred, there are likely further opportunities with Town and Parish Councils, which it is proposed to be explored.
- 8 In February 2022, as part of the Medium-Term Financial Plan, Cabinet agreed for the 2022/3 budget investments into the service to improve the management of the sites through additional staff, increased maintenance budgets and capital investment to encourage community run facilities (associations) and site improvements. Since this time four new allotment staff and three maintenance staff have commenced work which will include practical measures (e.g., fencing, footpath and rubbish clearance on sites), as well as provide greater inspection capacity and support to tenants and Associations in their management. This team will be a vital resource in the implementation of updated policies.

- 9 As a further step in encouraging and strengthening Associations, a capital grant scheme of £250,000 has been set aside as part of the Medium-Term Financial Plan which would provide grants to of £500 to £5,000 to the associations, and for direct let sites making steps to become one. Given the tight financial climate, whilst in existing budget, authorisation is sought before committing to this expenditure.
- 10 Prior to bringing this report the details covered by the report has been shared with ESCOSC in November 2022, its response is included at Appendix 8 which endorses the approach and 'on the whole members did feel that the balance was right'. Members did raise concerns about allotments not being used for their true purpose and that 'as a minimum individuals should be paying the correct fees for the use of the land and not allotment fees'. This work is already underway. Furthermore, they also suggested a strategy that considers provision, this will be progressed through engagement with Towns and Parish Councils who have prime responsibility in parished areas.

## **Recommendation**

- 11 Cabinet is recommended to:
- (a) agree to formal acceptance of ESCOSC policy recommendations, that would result in updated policy and tenancy agreements (Appendices 3 & 4);
  - (b) note that safeguards are included which would:
    - (i) exclude those sites, which although managed by the allotment service are currently used detailed in Appendix 7 for other purposes;
    - (ii) provide flexibility for Associations in consultation with the Council to come to bespoke arrangements for their site;
    - (iii) provides a transition period for tenants set out in (Appendix 5);
  - (c) note that allotments held by higher tier authorities should transfer to lower tier authorities set up after 2009 and consistent with this engagement with Town and Parish Councils where this applies;
  - (d) note the recent investments in allotments, and infrastructure capital grant scheme for which budgetary provision already exists.

## Background

- 12 At the time of Local Government Reorganisation, Durham County Council inherited over 160 sites designated as allotments comprising 4,000 plots. 102 of these sites, comprising 995 individual plots are directly let by the allotment service where the Council fully manages the site, collects rent, maintains waiting lists, and issues all tenancies or through Allotment Associations (55 sites 2,429 plots) where the Council tenancy and rent terms are managed by the Council, however Associations collect rent, manage sites and have greater autonomy. A further two sites are managed by Corporate Property and Land, and one site through Sunderland City Council.
- 13 In addition to the above, there are 44 sites owned and managed by Towns and Parish Councils, which is recognised in the Local Government Act 1972 as the appropriate tier for their management. To allow local empowerment and decision making the Council has been encouraging establishment of Allotment Associations, and when new Towns and Parishes formed, such as the City of Durham Parish Council, transferring its allotment provision to them.
- 14 At Local Government Review the Council inherited the tenancy agreements from the District Councils and they differed in content. Since this time an updated standard tenancy has been introduced for new tenants, and the work of the allotment team has focused on the common elements between them, such as enforcement of cultivation, standardising waiting lists and site improvements.
- 15 It is important to note that not all plots are used for cultivation of crops, the original intention of the provision. Over several decades the provision has changed so that in addition to cultivation, some plots and indeed sites are now gardens, garage sites, grazing paddocks, and other uses. The portfolio is split between 130 sites that are predominantly used and sustainable as allotments moving forward and 37 sites that are predominantly not used as allotments or where the costs of reconversion would be prohibitive.
- 16 On 20 January 2020 the Environment and Sustainable Communities Overview and Scrutiny Committee reported its findings of an extensive review of allotment in County Durham. It involved site visits and consultation with Town and Parish Councils, Associations, national bodies, and surveys of tenants. Its report, provided in **Appendix 2**, made a series of recommendations for future management.
- 17 Whilst many of the recommendations in the report were uncontroversial, the ESCOSC recommendation regarding removal of large animals within five years resulted in a number of concerns expressed and emotive media stories displaying the attachment that tenants had to

their large animals especially horses. In addition to tenants, several Associations approached the Council concerned about their loss of local autonomy and discretion, not just for large animals but for other day to day aspects of running their site. There was reference in the ESCOSC report for a review and separation of true allotment sites from those used for other purposes, but this was largely overlooked.

- 18 Clearly in the light of these concerns and response to the report, time was needed to consider how the ESCOSC recommendations and feedback received could be responded to. Covid has impacted on this process, not all in a negative way however, as demand for allotments and waiting lists for sites have grown (currently a total of 2,300). Considerable work has been done by the service in identifying and separating out “non-allotment sites” as well as implementing non-policy areas of the recommendations.
- 19 The remainder of this report sets out the detailed response to ESCOSC recommendations, provides updated tenancy agreements in fulfilment of these, but sets out exclusions for “non allotment” sites, flexibility for Associations in its application, ensure smooth transition, and finally covers the recent new investments that would help support this process.

### **Detailed Response to ESCOSC Recommendations (summarised in bold)**

- i **Keeping of large animals such as horses on allotments to be curtailed with a transition period of five years.** It is recognised that the practice of keeping large animals on the site conflicts with the primary purposes of allotments, namely for the cultivation of crops, and it also raises a wide range of issues including animal welfare. The service has already on its own sites or working with Associations taken opportunity when a grazing plot has been vacated to return it to cultivation.

The implementation of this recommendation would include safeguards for those sites that have long traditions of keeping these animals.

These balanced measures include:

- excluding all sites that may be more appropriately considered as smallholdings these are included in a list of excluded areas (with various other uses) detailed in Appendix 7;
- allowing for freedom and flexibility to Allotment Associations with agreement from the Council to temporarily designate part of their site currently utilised for

large animals, to remain, however this would be controlled and not expand. Takes account that several grazing areas are located on the edge of what are mainly cultivated allotment sites and are proposed to be managed going forward as grazing for which there has been a long history;

- to ensure that a transition period of five years applies for those remaining tenants, and support is given in establishing other more appropriate grazing land;
- alongside the above measure to ensure a programme is in place for recording of all large animals on plots and working with appropriate agencies regarding their welfare.

ii **All County Council allotment sites overseen by one service team.** This is accepted in full, with the two sites from Assets (for historic reasons) being transferred to the allotment service.

iii **A review of the Allotment sites not used for the purpose, listed as allotments but currently garages, gardens or other uses including uncultivable ground.** This is accepted in full, and considerable progress has been made, which will help to provide the safeguards the policies apply to cultivated allotment sites.

iv **Area allotment associations where appropriate be encouraged to take over day to day management and control.** This is accepted in full, there are considerable benefits to this approach, and the Council already has 55 of its sites self-managed by Associations.

In furtherance of this recommendation, respond to feedback and to encourage more Associations, greater freedoms and flexibilities are proposed as detailed in Appendix 6. These provide for:

- a. A core set of tenancy clauses that will apply universally across all of DCC's allotment sites and in addition:
- b. A supplementary set of tenancy clauses that will provide Associations with flexibility to determine major aspects of their tenancy agreement.

Furthermore, there may be circumstances where the Association is able enough, and the Council confident enough that a long-term lease is provided, with safeguards they can only be used as allotments. These arrangements would be agreed by the Council on a case-by-case basis subject to an assessment of mutual

benefits and coordinated through the Community Asset Steering Group.

- v **Town and Parish Councils be engaged regarding potential to take over management of allotment sites.** This is accepted in full, as it is felt there is an opportunity to expand on the seven sites currently leased to Towns and Parishes

From approaches made in the last few years no Town and Parish Councils have taken on any of the sites situated in their boundaries. Further engagement is planned regarding this.

- vi **Publicise the co-workers register and reconsiders process of allocation of plots.** This is accepted in full, and indeed the service has undertaken considerable work in this regard

- vii **Considers the feasibility of providing smaller sized allotment plots where appropriate.** This is accepted in full, and indeed as opportunity has arisen has already been achieved as and when plots become available currently.

As part of new investments, the Council has established a maintenance team which will bolster opportunities for dividing plots and help also to bring waiting lists down on some sites.

- viii **Review allotment rents.** This is accepted in full and whilst the priority over the coming year will be the implementation of the investment agreed for this fiscal year and implementation of the policy and transition rules. will be undertaken within three years taking into consideration the feedback received as part of the ESCOSC consultation.

- ix **Review progress within 6 months after the report to Cabinet.** This is accepted in full.

### **Updated Policy, Tenancy Agreements and Transition**

- 20 The Council currently operates a number of Tenancy arrangements for its allotments. Whilst a standard countywide agreement is in place, it is issued to new tenants only and existing tenants will hold the agreement from their former District.

- 21 The ESCOSC report highlighted the need for a consistency in approach and a standard policy and tenancy agreement which incorporates all recommendations is included in this report. This is attached at **Appendix 3 & 4**. Whilst many of the existing tenancy agreements do not vary significantly from one another, this standard agreement clarifies the position. The following is highlighted:

- allotments provided for County Durham residents only;
- a minimum of 50% of the plot dedicated to cultivation of crops (this can be inclusive of greenhouse space);
- no large animals and small animals (hens, rabbits, geese pigeons) by permission only from Council or Association, with animal welfare requirements and standards met;
- no permanent kennelling of dogs on the plot, and no beehives without prior consent;
- no waste materials brought on site unless for reuse purposes (e.g. water collection) within a 12 month period.

22 Whilst the vast majority of tenants will be unaffected by these changes, it is recognised for those who are, may take time to adjust. For this reason, detailed transition arrangements have been developed, detailed in **Appendix 5**.

### **Burning on Allotments**

23 Whilst not included in the ESCOSC report and Tenant consultation the issue of fires on allotments is an issue that is frequently raised, especially by residents that may border an allotment site. Current tenancy arrangements allow for burning of materials generated on site, but in a responsible way, in that it is contained and done at times and frequency that does not cause a nuisance.

24 Whilst there is a long tradition of this, it may encourage materials being brought on site, is polluting to the local atmosphere, especially with inorganic materials and it is hard to control the nuisance aspect which can arise. Some areas of the country have banned fires outright and encourage (for organic materials) composting facilities.

25 Whilst burning is allowed in the updated tenancy arrangements (under certain conditions), it is proposed to further engage with tenants, associations and other interest groups, examining the areas where problems have arisen, exploring best practice and reporting back options for further consideration.

### **Recent Investments and Financial Support for Improvements**

26 The recent Council budget agreed additional funding for allotments, this included £360,000 recurrent revenue and £250,000 capital. The revenue has been reduced by £69,000 to contribute to a balanced budget in MTFP13.

- 27 The additional revenue has seen the employment of four additional allotment staff. These will be crucial in supporting the changes and improvements outlined in this report. Their role will enhance the engagement with site tenants and community managed facilities (e.g., associations) along with ensuring the updated policy is implemented. These staff have started between July and October following several rounds of recruitment.
- 28 Three additional directly employed maintenance staff have also been recruited to provide practical support with their priorities initially to get on top of the backlog of maintenance including:
- strimming and bringing vacant plots back into use quicker;
  - fencing work including splitting plots;
  - coordinating contractors to bring plots back into use;
  - coordinating delivery of road plainings & compost.
- 29 Other priority areas of spend required through contractors include waste removal from plots and dilapidated buildings, splitting plots including new fences and gates as appropriate and improving access routes and perimeter boundaries.
- 30 The additional resource (staff) is helping with the visibility and engagement on sites, they are also finding anomalies created through reduced visits. As an example, we are liaising with 2 community led sites where they have let plots to individuals who are not on the waiting list who have then become committee members.
- 31 A £250,000 capital has been developed to incentivise the development of new community groups along and with allow a bidding process for existing groups (associations) to improve facilities on their sites, for instance drainage, bringing plots back into use, tools and equipment sharing schemes, pathways and fencing. It is proposed that it is a minimum of £500 and £5,000 per site and open for bids twice per year and can be matched against other community sources.

### **Outline Delivery Plan and Next Steps**

- 32 Whilst recruitment of staff for the allotment service, as well as the maintenance team for local improvements have been a crucial first step, there remains work to be done in fulfilment of the recommendations in this report. These measures include:

- (a) Updated policy and engagement with all tenants setting out the proposals in this report. As part of this attention would be given to:
- engaging with existing Associations, confirming the core tenancy arrangements and the flexibility for their own sites;
  - confirming the “non-allotment” sites for exclusion from these changes;
  - explaining the transition arrangements in place and support and respond to any individual queries on a case-by-case basis;
- (b) Launch a scheme for increased devolution and improve community group (e.g., association) ownership with a capital grant scheme that allows for new community groups and improvements to existing sites;
- (c) Engage with Town and Parish Councils, regarding the potential transfer of sites to their responsibility;
- (d) Over the next three years to undertake the following:
- (i) the review of rents consistent with ESCOSC recommendations;
  - (ii) a review of burning waste on allotments with a future report considering the options;
  - (iii) conclude the review of non-allotment sites, considering how they should be managed going forward, and options around disposal;
  - (iv) review the supply of allotment and the waiting lists to determine the future need of expanded/ new sites.

### **ESCOSC November 2022 feedback**

- 33 The details in this report were shared with ESCOSC in November 2022, this was important following its original input and report to Cabinet in January 2020.
- 34 A copy of the ESCOSC feedback can be found at **Appendix 8**. Overall, the ESCOSC was pleased to hear about the progress following its recommendations and the investment initiatives to support these community assets.
- 35 There were two areas of future focus that were raised:

- (a) concern about allotment sites that were used for non-allotment purposes (eg garages) and that they should be paying for their true purpose.

Further work will start in this area with the transferring those non statutory allotments sites that have alternative uses to colleagues in Corporate Property and Land who will review the agreements appropriately;

- (b) a strategy was also suggested regarding new allotments sites.

Further work will be undertaken on this noting that where demand exists, building on the proposals for Town and Parish Engagement as the first responsibility in legislation would fall to this tier of local Government where a Parish exists.

### **Background papers**

- Proposed updated allotment policy and tenancy agreement.
- Proposed transition rules for the implementation of the updated allotment policy and tenancy agreement.
- List of designated allotment sites that are largely not currently used for allotment purposes.

### **Other useful documents**

None.

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## **Appendix 1: Implications**

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### **Legal Implications**

The County Council inherited its allotments from the former District Councils at Local Government Reorganisation in 2009. Many of these sites, if originally developed for the long-term intention of allotments, are considered statutory and cannot be disposed of without approval from the Secretary of State. This report does not alter their status, although future reviews and disposals would be required to follow statutory procedures.

The Local Government Act 1972 identified that the lowest tier of government in an area is responsible for providing them, for County Durham this would mean Town and Parishes where they exist. To support this, Local Government (Parishes & Parish Councils) Regulations 1999 introduced a requirement that land held by higher tier authorities should transfer to lower tier authorities set up after that date. However, it did not extend that requirement to sites run by higher tier authorities in areas with a lower tier authority that was established before 1999. The proposals in this report include engagement with Town/Parish Council's regarding the potential for transfer which would be consistent with these regulations.

### **Finance**

There are several implications that come from this report.

- (a) Increased revenue (£360,000) has been made available to invest in the management and maintenance of the sites. This has supported appointment of four additional staff and a small maintenance team.
- (b) Capital investment has been made available (£250,000) to encourage greater devolution and improve community run sites. Approval for expenditure is sought as part of this report.

### **Consultation**

Full Public Consultation has been carried out and considered in the report, further consultation will happen on a local level for the sites that are not currently being used for allotment purposes.

Consultation on changes to burning waste is likely in the future.

### **Equality and Diversity / Public Sector Equality Duty**

None.

## **Climate Change**

Growing food at a local level using the natural resources promotes reduced food miles and trips to the shops so positively contributing to reversing the impacts of climate change.

## **Human Rights**

None.

## **Crime and Disorder**

None

## **Staffing**

Increased staffing from the investment is currently underway.

## **Accommodation**

None.

## **Risk**

There is a risk that the proposals and safeguards in this report are not widely understood and therefore resisted, resulting in a similar reaction to that when the ESCOSC report was first produced. It is proposed that this report be accompanied by active engagement with Associations and Tenants to explain these changes.

There may be risk of disagreement regarding the potential for transfer of allotments to Town/Parish Councils, however this may be reduced by constructive engagement and specialist advice, and consideration of the resources that may be transferred.

## **Procurement**

None.

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## Appendix 2: Scrutiny Report Jan 2020

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### Cabinet

15 January 2020



### Environment and

**Sustainable  
Communities Overview and Scrutiny  
committee's review of  
Durham County Council's  
proposed allotment policy**

**Ordinary decision**

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### Report of Corporate Management Team

**John Hewitt, Corporate Director of Resources**

**Councillor Eddy Adam, Chair of the Environment and Sustainable  
Communities Overview and Scrutiny Committee**

### Electoral division(s) affected:

Countywide.

### Purpose of the Report

- 1 The report presents the key findings and recommendations of the Environment and Sustainable Communities Overview and Scrutiny Committee's review focusing on Durham County Council's (DCC's) proposed allotment policy. A copy of the review report is attached as appendix 2.

### Executive summary

- 2 The Environment and Sustainable Communities Overview and Scrutiny Committee (ESC OSC) agreed in July 2017 to undertake a scrutiny

review looking at DCC's proposed future allotment policy. The following terms of reference were agreed by the committee on 6 October 2017:

- (a) examine and understand DCC's current allotment service and policy;
  - (b) examine and comment on DCC's future allotment policy including the proposed countywide tenancy agreement and consider the possible implications of introduction;
  - (c) Consider the proposed options for the further devolved management of DCC's allotment estate to Town and Parish Councils where applicable or self-managed allotment associations;
  - (d) Consider options for DCC's future management of non-allotment plots currently included in DCC's allotment portfolio;
  - (e) Consider and compare DCC's proposed allotment policy with allotment policies implemented by other local authorities.
  - (f) Comment on the proposed consultation arrangements for the policy.
- 3 The review group gathered evidence from DCC officers, the Northern Region Allotment Association and Town and Parish Council representatives. The group also had the opportunity to speak to allotment tenants and relevant DCC members when they visited allotment sites at Gilesgate, Sherburn, Bowburn, West Cornforth and Langley Moor.
- 4 The executive summary of the review can be found on pages 2 – 5 of the appended report (appendix 2) and contains the review reports conclusions that relate to:
- (a) Subject to further close work with tenants a transition period for the removal of large animals no longer permitted in the proposed policy and tenancy agreement from DCC allotment sites;
  - (b) Ensuring that animals housed on DCC allotment sites have the required welfare documentation including passports, licenses and microchipping;
  - (c) Ensuring that the future management of DCC's allotment portfolio sites is the responsibility of one service team;

- (d) The future of allotment sites not used for purpose being determined by a review group of DCC officers with the future of each site determined on a site by site basis;
- (e) The opportunity to establish area allotment associations;
- (f) DCC entering into discussions with Town and Parish Councils to determine whether they are interested in managing DCC allotment sites in the future;
- (g) Recognising the contribution made by co-workers to the cultivation of a plot by acknowledging previous years of commitment while not registered;
- (h) Actively encouraging co-workers to register their interest in a particular allotment plot;
- (i) The feasibility of providing smaller sized allotment plots if there is demand;
- (j) The possibility of undertaking a rental review.

5 The review report contains eight recommendations that relate to the conclusions above. The service has provided a response to the review's conclusions and recommendations which is included in this report.

## **Recommendations**

6 Cabinet is recommended to:

- (a) note the recommendations contained in the review report:

### Recommendation 1

- (i) That in relation to the requirements of the proposed policy and tenancy agreement concerning the housing of large animals no longer permitted on allotment plots, the five year period identified in the proposed transition arrangements should apply. In addition, that DCC ensures animals currently housed on DCC allotment plots have the required welfare documentation.

### Recommendation 2

- (ii) That the Corporate Director of Regeneration and Local Services

ensures that all DCC directly managed allotment sites in the county are managed by one DCC service team.

### Recommendation 3

- (iii) That the Corporate Director of Regeneration and Local Services establishes a review group to undertake a complete review of Allotment sites not used for purpose and that the review group:
- Considers each site on an individual basis;
  - Undertakes site based consultation meetings;
  - Considers whether tenancy agreements on retained sites are transferred to match the purpose for which the plot is used e.g. garage use;
  - Ensures that the sale of sites is handled under the Land Disposal Policy subject to Ministry of Housing, Communities and Local Government approval where the site is a statutory allotment.

### Recommendation 4

- (iv) That the Corporate Director of Regeneration and Local Services establishes area allotment associations where appropriate to take over day to day management and control.

### Recommendation 5

- (v) That the Corporate Director of Regeneration and Local Services undertakes discussions with Town and Parish Councils that have expressed an interest in taking over the management of allotment sites. Should any Town and Parish Council wish to take over the management of any current DCC allotment site then advice and support should be provided by DCC for an agreed period.

### Recommendation 6

- (vi) That DCC, subject to legal advice, reconsiders the process for the allocation of plots to co-workers within the proposed policy by acknowledging their previous contributions whilst not registered. In addition, DCC needs to actively publicise the need for co-workers to register.

### Recommendation 7

- (vii) That DCC, should there be demand, considers the feasibility of

providing smaller sized allotment plots where appropriate.

#### Recommendation 8

- (viii) That DCC considers undertaking a rental review of all DCC allotment sites, however, as part of this review recognition is given to the health and wellbeing benefits associated with the cultivation of allotment plots. Should the rental review determine an increase in rent per allotment plot and that increase is significant, then DCC should introduce this increase via annual incremental increases.
- (b) agree that the review report attached at appendix 2 is shared with the County Durham Environment Partnership;
- (c) That a review of the progress made against the recommendations contained in this report will be undertaken six months after the report is considered by Cabinet.

## **Background**

- 7 The Environment and Sustainable Communities Overview and Scrutiny Committee agreed at its meeting in July 2017 to undertake a scrutiny review focusing on DCC's proposed allotment policy. A scoping report which included the terms of reference for the review was agreed by the committee at its meeting on the 6 October 2017.
- 8 Allotment provision in the county is the responsibility of DCC and various Town and Parish Councils with DCC currently responsible for 167 allotment sites in the county. During the last five years the service has undertaken steps to improve the management of allotment sites including increased engagement, improved enforcement, the introduction of handover inspections and investment taking place on sites.
- 9 Although DCC has undertaken steps to improve the management of allotment sites it is recognised that there is still work to be done particularly in relation to a consistent management approach across all DCC allotment sites.
- 10 The development of a countywide lettings policy and tenancy agreement supported by transition arrangements would provide this consistent approach to the management of DCC allotment sites in the future.
- 11 The proposed policy reflects the need for sites to be used for genuine allotment use, ensures compliance with planning and animal welfare regulations and continues to provide opportunities for communities to continue to access the wider benefits that come from allotment use.
- 12 The ESC OSC was invited by the Cabinet Portfolio Holder to consider DCC's proposed new countywide allotment policy which had been developed by the Regeneration and Local Services (ReaL) Service Grouping working with the Northern Region Allotment Association.
- 13 The project plan for the review identified nine meetings for the review group where they would receive evidence from relevant DCC officers, the Northern Region Allotment Association, Town and Parish Council representatives and allotment holders via feedback from the consultation.
- 14 In addition, the group visited several DCC allotment sites in the county allowing members to see various categories of allotment sites under either direct management by DCC or via allotment

associations.

## **Conclusions of review**

- 15 In 2009 following Local Government reorganisation, DCC became responsible for directly managing 167 allotment sites in the county. Whilst DCC has improved the management of its allotment sites during the last five years there are still inconsistencies in site management. It is recognised that the introduction of a countywide lettings policy and tenancy agreement would improve consistency in site management across DCC's allotment portfolio significantly. The review group looked in detail at the proposed new countywide policy and transition arrangements, the current overall management of the service and the proposed approach to individual tenancies and make recommendations in all three areas.
- 16 When considering the proposed new policy and transition arrangements the review group were supportive of the proposals but were concerned about the length of the proposed transition period for large animals no longer permitted on allotment sites. However, further review work highlighted that steps are already being taken with new tenants and that this approach will gradually over a period of time return plots to proper allotment use. Whilst, the review group supports this approach in order to have a consistent management approach across the allotment portfolio the group recommends that the proposed transition arrangements subject to further close working with tenants include a five year transition period for the removal of large animals from DCC allotment sites.
- 17 Members also found that some animals currently housed on allotment sites require specific welfare documentation such as horses and ponies which require licenses, passports and microchipping. In addition, animals categorised as farm animals require specific documentation under the Department for Environment, Food and Rural Affairs (DEFRA) regulations. It is recommended that the appropriate processes are put in place to ensure that animals housed on DCC allotment sites have the required welfare documentation.
- 18 Concerning the overall management of the service, the review group carried out visits to five allotment sites in the county to see first hand the management challenges faced by the Allotment Team and allotment associations. During the visits, Members found that currently two DCC service teams directly manage DCC's allotment portfolio, the Allotment Team and the Asset Services Team. This split in management between the two service teams has further added to inconsistencies in management approach with allotment sites being managed differently in relation to engagement, enforcement, investment

in sites, frequency of inspection and rents charged. In order to ensure a consistent management approach the review group recommends that DCC's allotment portfolio becomes the management responsibility of one service team.

- 19 Turning to the management of DCC's allotment sites, the review of the allotment portfolio in 2018 placed the 167 directly managed allotment sites into the following:
- Allotment sites used for purpose are sites where the majority of plots are currently used for the proper purposes – 107 DCC sites.
  - Allotment sites mainly used for purpose are sites where the majority of plots are not currently used for the proper purposes of an allotment but could be converted back to allotment use relatively easily – 23 DCC sites.
  - Allotment sites not used for purpose are sites where the majority of plots are not currently used for the proper purposes of an allotment and conversion back to allotment use would be difficult, costly or not sustainable in the long run – 37 DCC sites.
- 20 During visits to allotment sites not used for purpose Members found that these sites were being used as garages, work yards and storage areas, gardens and to provide grazing for large animals. The review group recommends that DCC undertakes a complete review of allotment sites not used for purpose on a site by site basis to consider options for the future use of these sites and as part of the review process consultation is undertaken with local councillors, tenants, waiting list applicants and residents.
- 21 In relation to where overall management responsibility lies, there are many examples of successful management by local associations and Town and Parish Councils. It is recognised that management by a local association can work well as it gives more local community control. The Real Service Grouping had considered several options for the future management of DCC allotment sites retained for allotment use. The options include direct let by DCC, self-management by associations, lease to associations, transfer to a trust and transfer to Town and Parish Councils. The review group found that some allotment sites in the county have a small number of plots and therefore do not have sufficient allotment tenants to form a self-managed association. The review group recommends that in those areas of the county where the number of members on an allotment site is too few to establish an allotment association, then allotment sites in close proximity to each other be given the opportunity to form an area

## allotment association

- 22 Turning to the Town and Parish Council role in the management of allotment sites, it was confirmed that those Councils established post 1999 are the primary authority to manage allotment sites in their area. It is recommended by the review group that DCC enters into discussion with the various Town and Parish Councils in the county to ascertain as to whether they are in a position to take over the management of allotment sites. Should any Town and Parish Council wish to take over the management of allotment sites then DCC will provide appropriate advice and support for an agreed period.
- 23 The final area considered in the review was individual tenancy arrangements. A public consultation on the proposed new policy, tenancy agreement and transition arrangements was undertaken from the 4 February 2019 to 31 March 2019 to seek the views of allotment holders, interested parties and the general public. A question was asked in the consultation as to whether allotment tenants should be able to pass their plot onto a family member or friend (co-worker). The response to this question was particularly high with over 80% responding yes. DCC's current and future policy requires that co-workers are registered but it was confirmed by the Allotment Team that most co-workers are not registered. For a co-worker to inherit the plot, DCC's proposed policy states that they must have been registered for three years and that no applicant on the waiting list has been on the waiting list longer than the co-worker has been registered. This process gives priority to those applicants at the top of the waiting list. The review group recommends that a co-worker's previous contribution to the cultivation of a plot should be recognised in the proposed policy, subject to legal advice, by acknowledging their previous years of commitment. In addition, DCC needs to consider how it can actively encourage co-workers to register their interest in a particular allotment plot.
- 24 Responses received from the consultation process also suggest that DCC should consider the feasibility of providing smaller sized plots on some allotment sites. Smaller sized plots would be more manageable for tenants who find large plots difficult to cultivate and do not need or want to grow as much fruit and vegetables. The review group recommends that the service look at the feasibility of providing smaller sized plots if there is demand on DCC allotment sites.
- 25 DCC currently charges £45-£55 rent per allotment plot per year with rents increased on an annual basis by £1 per allotment plot. This results in DCC providing a high level of subsidy each year for those allotment plots directly let by

DCC. In addition, when comparing rents regionally with seven local authorities, DCC charges the second lowest annual rent per allotment plot. Whilst recognising the health and wellbeing benefits associated with the cultivation of allotment plots, the review group recommends that DCC considers undertaking a rental review. Should it be determined following the rental review that rents will be increased and the increase in the annual rent per allotment plots significant, then this increase should be introduced via annual incremental increases.

### **Service response**

- 26 The service has responded to say that it welcomes the scrutiny review report 'Durham County Council's proposed allotment policy', with the key findings of the review used to further develop the proposed allotment policy, tenancy agreement and transition arrangements.
- 27 Many of the recommendations are accepted in full. It is felt however that in light of consultation feedback, the recommendation regarding ceasing the keeping of large animals needs careful consideration, with further assessments required, including dialogue with tenants, which may result in exemption sites or longer periods of notice. It is also proposed by the service that they prepare a countywide needs assessment report on allotments, which will guide further decisions on disposal of the sites currently not utilised for allotments. A more detailed report responding to the recommendations will be prepared for members consideration in the New Year.

### **Conclusion**

- 28 Whilst DCC has taken steps to improve the management of its allotment sites it is recognised that there is a need for more work to be done to ensure a consistent management approach is introduced across all our allotment portfolio.
- 29 The introduction of the proposed policy and tenancy agreement supported by transition arrangements will provide that consistent approach to management which can be applied across the allotment portfolio.
- 30 The review group support the introduction of the policy, tenancy agreement and transition arrangements and have made recommendations which will further assist in the development of a consistent management approach.

## Background papers

- The Scrutiny review report – Review of DCC’s proposed allotment policy

## Other useful documents

- None

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## **Appendix 1: Implications**

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### **Legal Implications**

The report of the Environment and Sustainable Communities Overview and scrutiny committee is presented to Cabinet in accordance with paragraph 12 of the Council's Overview and Scrutiny procedural rules.

### **Finance**

Not applicable

### **Consultation**

Not applicable

### **Equality and Diversity / Public Sector Equality Duty**

An Equality Impact Assessment initial screening has been carried out on the review report and is attached at appendix 3. A full EIA will be undertaken by the relevant Service Grouping following the agreement by Cabinet of any of the recommendations contained in the review report.

### **Human Rights**

Not applicable

### **Climate Change**

It is recognised that the proper use of allotment sites contributes to the natural habitat of local wildlife.

### **Crime and Disorder**

Not applicable

### **Staffing**

Not applicable

### **Accommodation**

Not applicable

### **Risk**

Not applicable

### **Procurement**

Not applicable



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# Durham County Council

## Allotments Policy

### General

#### 1. **Policy objectives.**

Durham County Council is committed to having allotments sites that:

- provide opportunities for residents to produce their own fresh food;
- provide spaces for residents to enhance their physical and mental wellbeing;
- contribute to the sustainability of the local environment; and
- balance the needs of tenants, non-tenants and the Council.

#### 2. **Background.**

Public interest in allotments has increased over the last two decades as people's lifestyles and interests have changed to focus more on healthy eating, organic food and exercise. In addition, recent economic downturns plus the Government's ongoing austerity measures and the pandemic have led to more people wanting allotments. Collectively this has resulted in greater demand for plots and, therefore, Durham County Council needs to ensure that our allotment sites are delivering as much as possible towards meeting that demand.

#### 3. **Allotment provision.**

Although Durham County Council currently owns over 160 allotment sites that provide more than 3,500 plots throughout the County, it no longer has a duty to provide such facilities in all areas. The Local Government Act 1972 and the Local Government (Parishes & Parish Councils) Regulations 1999 transferred that duty to town and parish councils where they exist. Despite this, Durham County Council will continue to operate its current sites as a significant number of them are statutory allotments that cannot be disposed of unless alternative provision exists or is created. The Council will, however, explore the potential for those sites to be taken over by town and parish councils or community organisations as local management is best placed to deliver good sites.

#### 4. **Allotment management.**

To deliver the objectives of this policy, Durham County Council is committed to the effective management of its allotment sites in line with this policy and in compliance with the Allotments' Act 1908, 1925 and 1950. This commitment will be delivered

through the effective implementation and enforcement of the Council's Allotment Tenancy Agreement.

Durham County Council is also keen to encourage greater local management of its sites by allotment associations either on a self-management or lease basis. As such, the Council will be looking to establish effective, supportive partnerships with groups who either currently manage a site or who are interested in taking over the management of a site.

**5. Enforcement.**

Enforcement of the Council's allotment tenancy agreement will be achieved through periodic site inspections by Council staff and through the investigation of complaints made to the Council. Where Durham County Council sites are run by an association or a community group on a self-management basis, arrangements for the inspections will be agreed between the Council and the relevant organisation.

Where inspections or investigations identify that a tenant is in breach of their agreement, the following enforcement procedure will apply:

- a. Informal Warning – Tenants who fail to comply with their tenancy agreement will be contacted to request that they address issues of non-compliance.
- b. Formal Warning – Tenants who fail to respond to an informal warning within a minimum of 28 days will be issued with a formal written warning.
- c. Notice to Quit – Tenants who fail to respond to a formal warning within a minimum of 28 days will be given notice to quit their plot.
- d. Eviction – Tenants who fail to respond to a notice to quit or vacate their plot within a minimum of 28 days will be evicted.

In the event of a serious breach of the tenancy agreement, the Council reserves the right to serve immediate notice to quit without progression through the two warning stages of the procedure. The Council also reserves the right to serve a notice to quit on any tenant who is in breach of their tenancy agreement and who has already been issued with informal or formal warnings for 3 different issues within a 2-year rolling period.

The Council will attempt to support tenants who inform it that they are unable to maintain their plot due to a period of temporarily incapacitation; however, no guarantee can be given on how long such support can be provided for. Furthermore, during such periods, the tenant will be expected to make arrangements through family, friends or contractors for basic maintenance of the plot to continue to ensure its condition does not cause problems for other tenants or adjoining landowners.

Any tenant subject to enforcement action will have a right of appeal. This can be enacted through the submission of a complaint through the Corporate Complaints Process.

**6. Amendment of the allotment tenancy.**

Durham County Council reserves the right to amend its allotment tenancy agreement at any time. Where such amendments are made, appropriate consultation will be undertaken and existing tenants will be informed of the final changes and of any transitional arrangements.

**Policies on Specific Issues**

**7. Eligibility to rent an allotment.**

Durham County Council will only offer allotment tenancies to individuals who, on the start date of the tenancy, are living within the administrative boundary of County Durham, are a minimum of 18 years of age and who have not previously had an allotment tenancy terminated by notice to quit within the previous 5 years. Furthermore, if a tenant moves outside of the County boundary, they will be required to give up the tenancy of their allotment during the next winter season (i.e. a notice to quit for moving outside of the County boundary will only be served between the 1<sup>st</sup> September and the 28<sup>th</sup> February).

**8. Waiting lists and allocation of plots.**

Durham County Council maintains waiting lists for all its sites including those run by Associations under a partnership arrangement. Residents can request to join any waiting list regardless of how far they live from a site; however, individuals are only allowed to be on a maximum of two site waiting lists at any one time.

When a plot becomes available, the Council will offer it to the person who has been on the waiting list for the longest time. Waiting list applicants can decline a plot they are offered; however, if they decline a second plot on the same site, they will be removed from the waiting list for that site. Where an applicant declines the offer of a plot, the Council will then offer the plot to the next individual on the waiting list.

**9. Co-workers.**

The Council allows tenants to register a co-worker as a means of enabling plots to be passed on to family members and friends where there has been a joint commitment to working the plot. Once they have been registered for 5 years, co-workers will have an automatic right to take over a plot that is given up by the existing tenant. Prior to that point, the plot would be offered out to the people on the waiting list for the site.

Each tenant will be allowed to register only one individual as a co-worker for each plot they lease. There are no restrictions on who can be registered as a co-worker; however, co-workers must meet the general tenant eligibility criteria at the time they are offered the plot.

Co-workers will be added to the waiting list for the relevant site and will be treated in the same manner as all other waiting list applicants; however, they will not be removed from the list if they decline other plots that become available (thus enabling them to remain at the top of the waiting list until their desired plot becomes available).

**10. Tenancy limits.**

Durham County Council only permits allotment tenancies to be issued to one named individual or organisation. New tenants will only be permitted to lease one plot during their first 12 months as a tenant; however, after that qualifying period, tenants will ordinarily be allowed to lease a maximum of two plots (which could be on the same site or on different sites). The exception to this will be where there are vacant plots on a site and there is nobody on the site waiting list; however, where a tenant leases three or more plots, they will automatically be served with a 12-month termination notice on the last plot taken whenever a new applicant joins the waiting list for that site.

**11. Change in circumstances.**

Durham County Council requires tenants, waiting list applicants and co-workers to keep it informed of any changes in their contact details. If the Council is not kept informed, any communication sent to the last provided email address or postal address will be deemed to have been delivered to the individual it was intended for.

**12. Rents.**

Durham County Council's allotment rents are calculated on a banded system based on the average size of allotment plots on a site (i.e. total area of allotment site ÷ number of allotment plots). This places each site into one of six size bands and means that all tenants on a site will pay the same rent regardless of individual plot size. Allotment rents will be reviewed each year and tenants will be given at least 6 months prior notice of changes. Details of current rent levels will be published on the Council's website or will be provided in paper form on request.

Annual rents cover the period from 01 November to 31 October. Tenancies starting during the year will be charged a pro-rata amount. Partial refunds will not be given when tenancies are terminated prior to the end of the rent year.

Where a site is run by an allotment association, they are responsible for setting the rent level and deciding the date that rents are charged. In making such decisions, they must ensure they raise sufficient funds to allow them to fulfil their responsibility to maintain the site in a good condition.

**13. Plot boundaries and fencing.**

Durham County Council or its authorised agent is responsible for the maintenance of external fencing; however, decisions regarding maintenance will be taken based on the funding available. The maintenance of internal fencing is the responsibility of the tenant; however, the Council may agree to take on that responsibility in exceptional circumstances.

Tenants are not required to fence their plots; however, any fence or similar that they do have around their plot must be constructed and maintained in accordance with their tenancy agreement.

**14. Animals and livestock.**

Durham County Council is committed to ensuring that animals being kept on its allotment sites are correctly cared for and do not suffer. To this end, the tenancy agreement sets out specific requirements for tenants who have animals on their plots; however, tenants should also ensure they understand their overarching legal and moral responsibilities in relation to any animals on their plot. In doing this, tenants should carefully consider whether they can adequately care for the animals in all eventualities before applying for permission. There are many animal centred organisations that can help tenants to ensure they have considered all such issues and tenants are advised to seek out their advice and recommendations before submitting an application. In line with this, Durham County Council will engage with and support such organisations when animal welfare concerns come to light.

Any tenant wishing to bring an animal onto their plot must seek written permission from the Council prior to taking ownership of the animal. All such requests will only be considered where the animals can reasonably be contained on no more than 50% of the overall plot area and usually only for hens, rabbits, pigeons, ducks and geese. Permission to keep cockerels with hens will generally not be granted; however, an exception may be made for individuals who actively show poultry and require a cockerel for that purpose. Requests to keep any other type of animal will normally not be granted unless there are extraordinary circumstances to justify it. Tenants should note that the keeping of animals on a plot does not override the need to cultivate at least 50% of the plot.

Permissions previously granted for a tenant to keep animals may subsequently be withdrawn if it is determined that the animals or the way they are being kept is detrimental to their welfare, prejudicial to health, or causing a nuisance. In such

circumstances the tenant will be expected to remove the animals from the site within a maximum of 3 months.

15. **Beekeeping.**

Durham County Council is supportive of allotments being used for beekeeping; however, there is a need for the Council to consider several wider factors before it will allow a hive to be installed. Regardless of other factors, Durham County Council will not grant a tenant permission to keep bees on their allotment unless they are a trained member of the British Beekeepers Association.

16. **Water.**

Durham County Council encourages its tenants to use rainwater capture to meet their needs and, as such, it generally does not supply water on allotment sites. There are, however, several sites that have previously had water supplies installed to them. The rent paid for plots on such sites does not currently include a charge for water; however, the Council reserves the right to levy such a charge. This would be levied at a standard amount per plot on the site regardless of usage and would be based on the average cost of supplying the site with water over the previous 3 years or an estimate for supplies that have not been in place for 3 years.

17. **Reuse.**

Durham County Council recognises that the re-use of materials is an important and beneficial aspect of how many tenants operate; however, this cannot be an excuse for tenants to store waste on their plots. Given this, the Council does permit tenants to store re-use materials on their plots provided:

- they do not prevent compliance with cultivation requirements;
- they are stored in a tidy manner; and
- they do not cause a nuisance to other plot holders or neighbouring residents.

Dated «DateLet»

# The County Council of Durham

- and -

«Tenant»

## ALLOTMENT TENANCY AGREEMENT

relating to land situated at

plot number «PlotID» on «SiteName» allotment site

in the County of Durham

**AN ALLOTMENT TENANCY AGREEMENT** made the **XXXXXXXXXX** of **XXXXXXXXXXXX**, TWO THOUSAND and **XXXXXXX** between:

- (1) THE COUNTY COUNCIL OF DURHAM, (hereinafter referred to as the Landlord), care of the Senior Allotment Officer, Direct Services, Meadowfield Depot, St John’s Road, Meadowfield, County Durham, DH7 8XL and
- (2) «Tenant», «Address1» «Address2», «Address3», «Town», «County», «PostCode», «Phone» (hereinafter referred to as the Tenant), of the other part.

**WHEREBY IT IS AGREED AS FOLLOWS**

1. In this Agreement the expressions below shall have the following meanings:

“the Landlord”	The first party whose name and address is stated in (1) above. Where a site is run on behalf of the Landlord by an Allotment Association under self-management arrangements, the Association is an authorised agent of the Landlord for the purposes of this agreement.
“the Tenant”	The second party whose name and address is stated in (2) above, and who shall be over eighteen years old.
“the Plot”	The land situated at «SiteName» allotment site within the County of Durham and being identified on the plan annexed hereto by being numbered <b>number of allotment in words</b> («PlotID») and verged or coloured red thereon.
“the Rent”	The sum of rent will be determined by the Landlord or, for self-managed sites, by their authorised agent in the Annual General Meeting of the relevant Association. It is payable yearly in advance on the date determined by the Landlord or their authorised agent.
“the Term”	The period from the date of this Agreement terminating on the Rent date set by the Landlord or their authorised agent. The Term will renew annually on the date that the Rent is requested.

2. The Landlord agrees to let and the Tenant agrees to take the Plot **EXCEPT AND RESERVING** into the Landlord and all persons authorised by them the interests, rights and powers and easements specified in the First Schedule to this Agreement for the Term and thereafter continuing from year to year until determined as is hereinafter provided by either party.

## **TENANT'S OBLIGATIONS**

3. **Rent.**  
To pay the Rent in full within 40 days of being invoiced or notified of the rent charge by the Landlord or their authorised agent.
4. **Use of land.**  
Not to use the Plot for any business or other income generating purposes.
5. **Temporary incapacitation.**  
To inform the Landlord or their authorised agent if it will not be possible to maintain the plot in accordance with this agreement including any supplementary clauses for any period exceeding 28 days. Notifications made in accordance with this clause should detail how basic maintenance tasks (for example, caring for animals, controlling weeds, and completing required repairs) will be completed during the period of incapacitation.
6. **Plot boundaries.**  
Not to alter or move the fence or similar marking the boundary of the Plot unless approval to do so is given by the Landlord or their authorised agent.
7. **Sub-letting.**  
Not to assign, charge, sub-let or part share the possession, occupation or use of the Plot or allow any person to occupy the Plot as a licensee (please see the landlord's co-worker scheme for details of how plots can be passed on to family and friends).
8. **Nuisance.**  
Not to cause or permit any nuisance or annoyance to be caused to any other tenant or to the owners or occupiers of any adjoining or neighbouring land / property. Nuisance caused by the Tenant's family, co-workers, plot visitors and animals will be deemed to have been caused by the Tenant.
9. **Criminal activities and aggressive actions.**  
Not to commit any criminal offence, or make any threat, or undertake any aggressive act that is linked to the Plot or the wider allotment site and community (this includes acts taking place on the Plot / site or involving other tenants, owners / occupiers of any adjoining or neighbouring land / property, or the Landlord's staff or their authorised agents even if the offences or acts take place elsewhere). Acts of this nature committed by the Tenant's family, co-workers and visitors to the Plot will be deemed to have been caused by the Tenant.  
  
The Landlord also reserves the right to suspend the Tenant's right to access the Plot and site during the investigation into such offences / acts or other offences of a serious nature. If such a suspension is breached by the Tenant, they will be given immediate notice to quit by the Landlord.
10. **Rubbish and reuse materials.**  
Not to bring or allow anyone else to bring waste material to the Plot or site except manure and compost in such quantities as may be reasonably required for use in cultivation.

To appropriately deal with any waste material that is generated through permitted activities on the Plot, which could include composting it, removing the waste to an appropriate disposal location, or burning it (but see clause on bonfires / burning rubbish).

To store re-use items in a neat, tidy fashion ensuring that their storage does not prevent compliance with other requirements in this agreement. It is expected that such items will usually be put to use within 12 months and the final decision on whether items are rubbish or for re-use will be the Landlord's or their authorised agent and the Tenant will be served with a notice to quit if they fail to remove such items from the Plot if instructed to do so.

**11. Weeds.**

To take steps to eradicate pernicious weeds such as ground elder, nettles, brambles or other similar weeds on the Plot and ensure that they do not spread to other plots. When doing this, the use of old carpet as a weed suppressant is strictly prohibited but polythene sheeting or cardboard may be used as a temporary measure provided it is properly secured and removed within 12 months.

When tackling weeds, to report to the Landlord or their authorised agent the presence of any legally notifiable invasive plant or weed (the most commonly found are the Knotweeds – Japanese, Giant, Himalayan and Hybrid; Giant Hogweed; and Himalayan Balsam).

**12. Use of chemical sprays or fertilisers.**

To ensure chemical sprays, fertilisers or similar are only used when conditions are still and calm and that their use does not adversely affect neighbouring plots or residential properties and land. The use of any such products of similar must be in compliance with the relevant legislation at all times.

**13. Vermin.**

To ensure that vermin is not attracted to the Plot or the site and to quickly, effectively, and safely deal with any vermin that is on the Plot.

**14. Water and wells.**

Where one exists, not to interfere with the water system in any way or install additional pipework unless in receipt of written permission from the Landlord or their authorised agent.

Not to dig new wells or ponds on the Plot. Where the Plot has an existing well or pond, to act responsibly in its use to prevent damage and to keep the Landlord or their authorised agent informed of any maintenance that is required.

**15. Trees and shrubs.**

Not to plant any trees or non-food producing shrubs other than fruit trees / bushes permitted by other clauses within this agreement.

To obtain the written consent of the Landlord prior to cutting or pruning any existing trees on the Plot that exceed 3 meters in height.

**16. Vehicles and tyres.**

Not to bring or place any vehicle, caravan, trailer, vehicle parts including tyres or similar onto the Plot.

Where vehicle access is provided on the site, to only use that access for loading / unloading purposes and to remove the vehicle from the site when not actively undertaking such a task.

**17. Inspection.**

If requested, to permit the Landlord or their authorised agent to enter onto the Plot at any time to inspect the state and condition of the Plot or to undertake works.

**18. Termination of tenancy.**

Upon the termination of a tenancy (either voluntarily or through a notice to quit), to yield up vacant possession of the Plot in a condition equal to or better than when the tenancy started. Where this is not the case, the Landlord or their authorised agent will undertake works to bring the Plot up to that condition (including but not limited to, fence repairs, waste removal, removal of personal possessions, removal of structures, preparation for cultivation, etc) and will charge the Tenant for the costs of doing so. Personal possessions left on the Plot after the termination date will become the property of the Landlord or their authorised agent.

**19. Change of address.**

To immediately inform the Landlord or their authorised agent of any change of address.

**20. Allotment Association membership.**

In the case of Plots on a site that is managed by an Allotment Association, to become and remain a member of the Association including comply with their rules and regulations for the duration of this tenancy.

**21. Site specific obligations.**

To comply with the site-specific obligations set out below.

**SUPPLEMENTARY TENANT OBLIGATIONS – SITES DIRECTLY MANAGED BY DURHAM COUNTY COUNCIL / MANAGED BY XXXXXXXXX COMMUNITY GROUP**

**22. Cultivation.**

Except where written authorisation is requested and granted to use a plot solely for keeping animals (see clause 24), to ensure that, subject to any Restrictions on Cropping clause:

- the use of any part of the Plot does not contravene any aspect of this tenancy agreement;
- the grass and weeds on any site paths or tracks that border the Plot are cut back on a regular basis;
- a minimum of 50% of the Plot area is used for the cultivation of fruit, vegetables or show flowers (growing produce in a greenhouse or poly-tunnel qualifies for this purpose); and
- a further 25% of the Plot area is in productive use either growing further produce or for keeping permitted animals;

**23. Restrictions on cropping.**

To ensure that fruit trees, bushes and plants cover no more than half of the area that must be under cultivation. Where planted, fruit trees and bushes must be of dwarf stock and should be sited at least 1m from any boundary of the Plot and not where they will prevent inspection of the Plot or create a nuisance to others as they grow.

**24. Animals and livestock.**

To obtain written approval from the Landlord or their managing agent prior to bringing any animals or livestock onto the Plot. Such permission will only be granted for hens, rabbits, ducks, geese and pigeons.

For all animals and livestock brought onto the plot,

- to comply with all relevant legislation (for example, requirements relating to microchipping, passporting and registration);
- to adequately provide for all aspects of the welfare of the animals (in other words, the five freedoms – freedom from hunger and thirst; freedom from discomfort; freedom from pain, injury and disease; freedom from distress and fear; and freedom to express natural behaviour); and
- to ensure that the animals or the manner in which they are being kept is not either prejudicial to health or causing a nuisance.
- to ensure that the part of the Plot used to house the animals is securely and adequately fenced to prevent the animals escaping;
- where permission is granted to solely keep animals on a plot (see clause 22), to ensure that grass and weeds on the Plot are kept short through grazing, mowing or chemical treatment ensure they do not cause a problem to tenants on the site who are cultivating their plots; and
- to ensure that the animals and the housing for them take up no more than 50% of the Plot area and do not interfere with the 50% that must be cultivated;

25. **Dogs.**

Not to keep any dogs on the Plot; however, dogs may be brought to the site during any period that the Tenant is present but:

- no breeding of the dogs is allowed on the Plot;
- they must comply with all relevant legislation (for example, requirements relating to microchipping, the Guard Dogs Act 1975 and the Council's dog control order);
- they must be kept on a lead at all times except when securely contained within the area of the Plot; and
- the Tenant must ensure that any faeces from their dog is removed from the Plot and the wider site.

26. **Beekeeping.**

To seek written permission from the Landlord or their authorised agent prior to introducing a beehive to the Plot. The plot holder should attend a suitable training course in the management of bees.

27. **Hedges and fences.**

Not to store or pile any materials against any of the Plot's fences or hedges and to keep those that form a boundary with other plots in a good state of repair including the regular and proper cutting back of hedges (the Landlord or their authorised agent is responsible for the maintenance of external fences and hedges).

The maximum normal permitted height for internal hedges and fences is 1.5m. This can be increased to 2.0m if required for keeping animals; however, the additional 0.5m must only be constructed of wire or mesh so as to permit the easy inspection of the plot.

Fences should be constructed from wood or metal but not from recycled materials that are not usually used for such purposes (e.g. old garage or household doors, tyres, vehicle bodies, etc). The use of barbed wire and anti-vandal paint is not permitted.

28. **Drainage ditches.**

To ensure all drainage ditches within or bordering the Plot are properly cleaned and maintained on a regular basis.

29. **Bonfires / burning rubbish.**

When burning materials on the plot, to:

- only burn materials generated through activities permitted by this agreement (other material should not be brought to the plot for the purposes of burning);
- ensure the fire is contained in an incinerator bin or similar device and that it is not left unattended;
- not cause a nuisance or danger to other plot holders or neighbouring residents (in being considerate of other people, the Tenant should take into consideration the type of materials they wish to burn, the amount of material to be burnt, the wind direction, the day of the week, the time of day and the frequency at which materials are burnt across the entire site).

30. **Structures – Permission.**  
To seek written approval from the Landlord or their authorised agent regarding the design and location of any structure prior to it being erected (the term 'structure' covers sheds, greenhouses, poly-tunnels, cages for produce that will remain in place, and buildings for permitted animals).
31. **Structures – Size and location.**  
Not to erect any structure where the lowest point of the roof is more than 2.5 metres above ground level and to only site structures in a position that does not prevent the plot from being inspected and with a gap of at least 0.5m between the walls of the structure and the boundary hedge / fence to allow for the proper maintenance of both.
32. **Structures – Construction.**  
To either purchase structures from a commercial garden / allotment manufacturer or to only use new or recycled materials of the following types when constructing them: timber, single pane glazing, horticultural PVC, and roofing felt or corrugated plastic / metal for the roof. Requests to use other materials including UPVC windows and doors will generally be declined. The use of caravans, vehicle bodies and shipping containers in place of purpose-built structures is not permitted. Although not essential, the Landlord strongly encourages all structures to have appropriate guttering installed to allow the capture of rainwater.
33. **Structures – Maintenance.**  
To maintain all structure in a good, usable condition using appropriate materials. If the Landlord or their authorised agent is not satisfied with the condition of any structure, it reserves the right to require the Tenant to take action to address those concerns.
34. **Structures – Shed and other storage structures.**  
To ensure the size and number of sheds on the Plot does not prevent compliance with other clauses in this agreement and particularly the cultivation clause.
35. **Structures – Greenhouses and poly-tunnels.**  
Not to have more than two such buildings on the Plot, which can be two of the same type or one of each. And to ensure they are actively used for cultivation during the main growing season.
36. **Structures – Animal housing / compounds.**  
To ensure the size and number of animal housing / compounds on the Plot does not prevent compliance with other clauses in this agreement and particularly the cultivation clause. The exception to this will be where written approval has been requested and granted for the plot to be used for solely keeping animals.
37. **Structures – Compost heaps.**  
To ensure and compost heaps or containers do not exceed 2m x 2m x 2m in size, and are sited at the furthest point from any residential property bordering the plot, and are either a manufactured design or are constructed of plain wood and mesh. Prior written permission is not required for installing a compost heap.

38. **Structures – Water containers.**

To install water barrels / tanks on their plots to allow the storage of captured rainwater, if the item used is waste it must be suitable for the purpose and erected within 12 months. Prior written permission is not required for installing a water container.

39. **Removal of structures.**

To remove all structures from the Plot either when they fall into disrepair or on the termination of the tenancy.

If the Tenant wishes to leave a structure on the Plot when terminating, the Landlord or their authorised agent will consult the likely future tenant to establish whether they are willing to accept responsibility for it. In the event that there is no likely future tenant, the Landlord or their authorised agent will inspect the structure and determine whether to allow it to be left.

Oncoming tenants are not obliged to buy structures left on the Plot and a refusal to pay or to pay the requested amount will not change their right to take over the Plot (where the departing tenant is not happy to allow the oncoming tenant to have the structures for free or for the amount offered, they should remove the buildings from the Plot before they terminate).

The Landlord or their authorised agent will remove and dispose of any unsuitable structures left on the Plot without prior agreement and the costs associated with this will be recovered from the terminating Tenant.

## **LANDLORD'S OBLIGATIONS**

40. **Rent.**

The Landlord or their authorised agent will inform the Tenant of any amounts owed as and when those amounts become due.

41. **Rent review.**

Any change to the Rent will be advised by letter from the Landlord or via the elected representatives of the authorised agent at the Annual General Meeting.

42. **Refunds.**

No refund will be given if the Plot is taken up and subsequently vacated during the rent year.

43. **Repairs.**

The Landlord or, where one exists, the authorised agent, will be responsible for the repair and maintenance of plot and site fencing that borders external areas or that borders site tracks / paths including gates in such fencing and of access tracks / paths on the site. The approach to this responsibility and the standard to which items are maintained will be determined by the available budget.

44. **Data protection and privacy.**

Details of the Landlords arrangements for data protection and privacy are set out in a privacy statements available at <http://www.durham.gov.uk/dataprivacy>. The arrangements of the Landlord's authorised agent are available from their elected representatives upon request.

## **DETERMINATION OF TENANCY**

45. The tenancy shall determine:

- a. immediately upon the death of the Tenant; or
- b. by either party giving the other 12 months' previous notice in writing expiring on or before the first day of November in any year (this time period can be reduced with the agreement of both parties); or
- c. by re-entry by the Landlord at any time after giving three months' previous notice in writing to the Tenant on account of the said land being required for purposes other than as an allotment garden or for roads or sewers necessary in connection with any of those purposes; or
- d. by re-entry by the Landlord at any time after giving one month's previous notice in writing to the Tenant:
  - i. if the Rent or any part thereof is in arrears for not less than forty days; or
  - ii. if there has been a breach by the Tenant of any term or condition of the tenancy; or
  - iii. if the Tenant moves outside of the administrative boundary of County Durham; or
  - iv. if the Tenant shall become bankrupt or compound with his creditors.

## **NOTICES**

46. Any notice required to be given by the Landlord to the Tenant may be signed on behalf of the Landlord by the Head of Legal & Democratic Services or such other Officer as the Landlord may from time to time designate. Such notices may be served on the Tenant either personally or by leaving it at their last known place of abode or by registered or recorded delivery letter addressed to there or by fixing the same in some conspicuous manner on the Plot.

Any notice required to be given by the Tenant to the Landlord shall be sufficiently given if signed by the Tenant and sent in a prepaid post letter to the Head of Legal & Democratic Services.

## **NOTES**

47. Any marginal notes to this Agreement shall not form part thereof, unless specifically referred to in any covering letter or previously agreed to by both parties.

## THE FIRST SCHEDULE

### EXCEPTIONS AND RESERVATIONS

- Right of entry** 1. The right with all necessary machinery equipment vehicle and horses to enter upon the said land or any part or parts thereof for the purposes of exercising any of the rights hereinafter excepted and reserved for the purpose of inspecting the state used and conditions of the said land or any neighbouring land of the Landlords and the making of any necessary tests thereon provided always that the Landlords shall make good all damage caused by or arising from such entry or at their option make reasonable compensation to the Tenant for any damage in consequence of the exercise of the rights hereinafter excepted and reserved.
- Wayleaves** 2. The benefit of all wayleave contracts (whether existing at the date of this Agreement or entered into during the continuance of this tenancy) and all other contracts existing at the date of this Agreement and affecting the said land or any part or parts thereof and all rents and other monies payable thereunder and the power to carry out at the Landlords cost anything required to be done thereunder by the Landlords.
- Right of way** 3. All rights of way (if any) hitherto used or enjoyed across the said land or any part or parts thereof whether by the Landlord or their tenants in respect of other property of the Landlords or otherwise howsoever.
- Planning Permission** 4. Consents under the Town and Country Planning Act for development involving change of use (including use of land for storage, keeping of horses, vehicles and caravans); and/or the erection of new structures (including sheds, greenhouses and poly-tunnels). The tenant shall be responsible for obtaining all such consents as required by the County Council local planning authority. Such consents must be obtained prior to implementation of any works or change of use. (Please refer to the enclosed Allotments and Planning Guidelines)
- Please also note that as Landlords, the Council has the right to refuse any such requests, irrespective of any application for planning permission. (Please read paragraph (10) (a) on page 3).
- Contracts** 5. The Contracts (Rights of Third Parties) Act 1999 is hereby excluded and shall not apply hereto.

**THE SECOND SCHEDULE**

**Subjections**

All public and private rights of way and all other easements and agreements (if any) affecting the said land or any part or parts thereof.

**The County Council of Durham**

SIGNED by: - )  
 )  
 )  
 )  
 )  
 Durham County Council. )  
 Duly authorised on behalf of the )  
 County Council. )  
 )  
 )

**The Allotment Tenant**

I have read and understood the attached terms of this tenancy agreement and have signed below to agree to be bound on these terms.

SIGNED by the said: - ) **Please sign your name below ↓**  
 )  
 )  
 «Tenant» )  
 )  
 )  
 )  
 )  
 Witnessed in the presence of: - )  
 **(Print witness name below ↓)** ) **Witness to sign their name below ↓**  
 )  
 (name of witness) ) (signature of witness)  
 )  
 )  
 )

Address of Witness: -.....

.....Postcode.....

In the event that the Tenant wishes to terminate the tenancy of an allotment, they **MUST** inform the Landlord. Under **NO** circumstances may the person giving up the allotment transfer an allotment to another person.

## Appendix 5: Allotment Transition Rules

Issue / activity	Time to change				Reason / explanation
	Immediate	1 year	5 years	Only when current tenant leaves	
Eligibility – Not resident in County Durham		✓			Allotments should benefit residents of County Durham and timeframe is consistent with how tenants moving out of area after implementation will be treated. In addition, it will allow the tenant sufficient time to harvest any produce currently growing on the plot.
Co-workers - Not registered or registered less than 5 years then the first person on the waiting list has priority	✓				If a co-worker has been registered for more than 5 years, they will take priority over the waiting list. To be promoted through existing tenants.
Plot-limits – Tenant has no more than two plots				✓	Provided all the plots are used correctly the tenant should not be required to give any up that are above the new limit. The waiting list has grown over the past 2 years, and this will allow more individuals to have a chance to grow their own food.
Animals – Permitted animals not previously authorised by the Council (i.e. hens, rabbits and pigeons)				✓	Provided that they do not prevent other requirements from being complied with (e.g. 50% cultivation). They should meet good welfare standards.
Animals – Small animals not permitted in the future (e.g. budgies, ferrets, guinea pigs, etc)				✓	Although non-permitted small animals aren't consistent with allotment use, leaving them on the site until the end of the current tenancy should not be detrimental to their welfare (conditional on animals being registered with DCC within 12 months and cultivation requirements being met).
Animals – Large animals not permitted in future (e.g. horses, pigs, goats, large birds, etc)			✓ or when it dies		Allotment plots cannot generally provide for the welfare needs of larger animals; however, finding an alternative location to keep them could take time (conditional on animals being registered with DCC within 12 months). Specific welfare concerns will be referred to the RSPCA and a shorter timescale will be set if they advise it is required. This is in line with Scrutiny recommendations.

Issue / activity	Time to change				Reason / explanation
	Immediate	1 year	5 years	Only when current tenant leaves	
Bees allowed – Not previously authorised by the Council.			✓		Provided there have been no problems caused by the presence of the bees there should be no requirement to remove them and 5 years is sufficient time for the plot holder to attend a BBKA training course (conditional on retrospective authorisation being requested from DCC within 12 months).
Re-use – Materials being kept on the plot for use in the future	✓				Materials brought onto site should be used within the main growing season.
Restriction on assignment – Plot being sub-let or similar	✓				Registered tenant should have to use the plot or their tenancy should be terminated and the plot be offered to the next person on the waiting list.
Use of land – Plot being used to run a business	✓				Allotments should not be used for business purposes for many reasons so any such activity should stop immediately.
Cultivation – 50% not cultivated and further 25% not in active use.	✓				There should be nothing to prevent tenants from starting to prepare the ground for cultivation within the standard 3 month enforcement window and then demonstrating continuing signs of progress. An exception will be given for any fenced off part of the plot that is in use for an activity granted a longer transition (for example, housing non-permitted animals).
Restrictions on cropping – More than 25% of the cultivated area given over to fruit bushes				✓	Provided the fruit bushes appear to be being actively harvested, the tenant should not be required to dig them up.
Restrictions on cropping – Fruit bushes planted within 1m of plot boundaries				✓	Provided the fruit bushes are not causing a nuisance to other tenants / neighbouring property owners, the tenant should not be required to dig them up.
Dogs – Kept permanently on plots.		✓			1 year should be sufficient time to relocate the dogs.
Weeds – Areas of the plot are covered in weeds	✓				There should be nothing to prevent tenants from taking action to clear and manage weeds within the standard 3 month enforcement window.
Fences, etc – Fence higher than permitted height				✓	Or until the current fence needs replacing / repairing as it would not be fair to expect current tenants to spend money dismantling and rebuilding good fences that they did not erect.

Issue / activity	Time to change				Reason / explanation
	Immediate	1 year	5 years	Only when current tenant leaves	
Fences, etc – Fence made of inappropriate materials				✓	Or until the current fence needs replacing / repairing as it would not be fair to expect current tenants to spend money dismantling and rebuilding good fences that they did not erect.
Fences, etc – Barbed wire used on fence	✓				To ensure the immediate removal of the safety risk posed by the barbed wire and the associated liability to the Council.
Fences, etc – Hedge higher than permitted height		✓			Tenants should be able to cut hedges back within the standard 3 month enforcement window; however, this will not be possible during the bird nesting season and where the hedge is significantly out of control
Fences, etc – Drainage ditch not maintained	✓				There should be nothing to prevent tenants from taking action to clear and maintain drainage ditches within the standard 3 month enforcement window.
Trees – Large trees already on plots				✓	Existing large trees will remain until they die or are removed by DCC; however, tenants will not be allowed to plant new trees.
Water – Tenant has already tapped into existing water supply				✓	Tenants should not be expected to undo something that they may not have done; therefore, DCC will need to sort out unofficial water connections at the end of the tenancy.
Buildings – Existing structures that are not one of the permitted types.				✓	Tenants should not be required to expend money on buildings that they did not erect or formally take responsibility for.
Buildings – Existing structures previously put up without consent				✓	Tenants should not be required to expend money on buildings that they did not erect or formally take responsibility for.
Buildings – Existing structures sited in locations not consistent with new policy				✓	Tenants should not be required to expend money on buildings that they did not erect or formally take responsibility for.
Buildings – Existing structures not complying with new construction requirements				✓	Tenants should not be required to expend money on buildings that they did not erect or formally take responsibility for.
Buildings – Existing structures not complying with new maintenance requirements	✓				There should be nothing to prevent tenants from maintaining or dismantling structures that are on their plot within the standard 3 month enforcement window.

Issue / activity	Time to change				Reason / explanation
	Immediate	1 year	5 years	Only when current tenant leaves	
Buildings – Existing structures not complying with the specific new rules on sheds, greenhouses / poly-tunnels, animal housing, compost heaps, and / or water containers				✓	Tenants should not be required to expend money on buildings that they did not erect or formally take responsibility for.
Buildings – Existing greenhouses and poly-tunnels not being used for cultivation	✓				There should be nothing to prevent tenants from taking action to cultivate in their existing greenhouses / poly-tunnels or from dismantling them to allow open cultivation.
Buildings – End of tenancy arrangements if new policy not followed				✓	Tenants should not be required to expend money on buildings that they did not erect or formally take responsibility for.
Vehicles – Vehicles currently parked on plots		✓			1 year should be more than sufficient time to find an alternative location to store the vehicle (conditional on at least 50% of the remaining plot area being used for cultivation).
Nuisance – Tenants currently causing a nuisance	✓				There should be nothing to stop tenants stopping the nuisance causing activity within the standard 3 month enforcement window.
Convictions / aggression – Tenants has already committed act				✓	Tenants should not have retrospective action taken against them for incidents / offences that occurred prior to the implementation of the new policy as they would not have been aware that such things would impact on their tenancy.
Rubbish – Currently stored on plots	✓				There should be nothing to stop tenants clearing rubbish from their site within the standard 3 month enforcement window.
Vermin – Plot currently infested with rodents	✓				There should be nothing to prevent tenants from taking action to prevent and treat infestation within the standard 3 month enforcement window.
Bonfires / burning – Tenant not complying with new policy when burning materials					To be consulted on separately
Adverts – Tenant currently displaying adverts on their plot	✓				There should be nothing to prevent tenants from removing any adverts within the standard 3 month enforcement window.

Issue / activity	Time to change				Reason / explanation
	Immediate	1 year	5 years	Only when current tenant leaves	
Inspection – Tenant not willing to allow plot to be inspected	✓				There should be nothing to prevent tenants from allowing the plot to be inspected within the standard 3 month enforcement window.
Termination – Tenant returns plot in worse condition than when they took it on				✓	Unless a signed record exists of the condition that the plot was in when the tenant took it on.

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## **Appendix 6 - Proposed approach for community management**

### **The proposed approach**

1. Local management arrangement (association) with core tenancy with options to enhance for associations
2. Leased for community management (associations) and so allows each site to become autonomous

Full lease – This would see the Council sign full responsibility of the site over to the Association on a 25 year lease and the group (association) would then become responsible for all aspects of its running including the landlord and enforcement responsibilities.

#### Local management arrangements (Association)

1. A new agreement between the Council and each site (Association) that includes:
  - a. A core set of tenancy clauses that will apply universally across all of DCC's allotment sites.
  - b. A supplementary set of tenancy clauses that will provide Associations with flexibility to determine major aspects of their tenancy agreement (see Annex A)
  - c. A range of support that the Council will provide to sites (see Annex B).
  - d. A set of good practice principles that sites agrees to fulfil to provide the Council with reassurance that allotment sites will be protected as valuable community assets for future generations (see Annex C).

### **Site Specific Tenancy Clauses**

Many aspects of the tenancy agreement will be standard across all sites including those run by community groups (Associations), for example, payment of rent, not causing a nuisance, tackling weeds and vermin, etc. There will, however, be the opportunity for sites to set the requirements that their tenants must comply with in the key areas that impact on the nature of the site and the experience of being a tenant.

The questions below are designed to help sites to think about the requirements that they want to have in force on their site(s). Responses to these will be used to draft a site-specific full agreement for each one, which will then be consulted on. Once agreed with the Committee, the final draft will need to be approved at a general meeting of the community group and it will then remain in place for at least 5 years.

#### **Cultivation & restrictions on cropping**

Unless a plot has been designated as a livestock or pigeon plot, the core tenancy requirement will be that 50% of the plot must be cultivated for fruit, vegetables or show flowers.

1. Given this, what would your site like to specify the remaining part of the plot can be used for and how much of the plot should be used for each purpose?
2. Does your site wish to limit that amount of the cultivated area that can be used for fruit trees and bushes to prevent tenants having a fruit only plot that requires little regular maintenance?

#### **Animals, livestock and dogs**

The core tenancy will allow any tenant to have hens, rabbits, pigeons, ducks or geese on their plot provided they still comply with the cultivation requirements. In addition, the option exists for plots to be designated as animal only plots in consultation with the Council.

3. In line with the above, which of the following other animals would you also want your tenants to be able to have on their plot?
  - a. Dogs
  - b. Other fowl (please specify)
  - c. Other (please specify)

### Beekeeping

Beekeeping will be permitted on sites directly run by the Council provided tenants comply with some basic requirements relating to training and the location of their hives; however, a different approach can be adopted for Association sites. Given this:

4. Do you want tenants to be allowed to keep bees on your site(s)?
5. What requirements would you want beekeeping tenants to comply with?

### Fences & Hedges

Internal fencing can help define plot boundaries and provide security for an individual tenant; however, it can hamper the ability of the Council of your inspection of a plot, be a barrier to creating a community spirit on sites, and be visually unappealing to current and potential tenants as well as neighbouring residents. Given this:

6. Does your site wish to set a maximum height for internal fencing?
7. Does your site wish to limit the types of material that can be used for constructing fences (for example, tenants on direct let sites will be restricted to using “wood or metal but not other recycled materials like old garage or household doors, tyres, vehicle bodies, etc”)?

### Drainage Ditches

Some sites and plots have specific drainage ditches which help prevent the site suffering from flooding issues and, where they exist, regular annual maintenance is vital to their effectiveness. Given this:

8. Does your site have any drainage ditches?
9. If your site has them, would you like the tenant or the site management to be responsible for their annual maintenance?

## Bonfires

The council is looking to review rules around bonfires on sites. Unless you decide not to allow any bonfires on your site, all tenants will only be permitted to burn material generated on the plot and they will have to avoid causing a nuisance to other tenants and neighbouring residents. Whilst this provides some control, sites may wish to consider other options to prevent problems between tenants or with neighbouring residents; therefore:

10. Do you wish to allow your tenants to be able to have bonfires on their plots?
11. If you do wish to allow bonfires, do you wish to place any of the following restrictions on your tenants:
  - a. The months of the year they can have bonfires?
  - b. The days of the week they can have bonfires?
  - c. The times of the day they can have bonfires?
  - d. The total number of tenants that can have a bonfire at any one time?
  - e. The equipment they must use when having a bonfire (for example, “an incinerator bin or similar”)?
  - f. The need for them to be present whilst the fire is burning?
  - g. Other (please specify)?

## Structures

All tenants will need to seek permission from the site committees before erecting any sheds, greenhouses, polytunnels, cages for produce or animals housing on their plot. In all cases, all structures will need to be no higher than 2.5m at the lowest point of their roof and they must not to prevent inspection of the plot and / or proper maintenance of the fence. Finally, the presence of any structure should not prevent the tenant from complying with the cultivation requirements in their agreement.

Outside of the above, are there any other restrictions you would want to have in place regarding structures:

12. Would you want tenant to seek permission before erecting other types of structure (for example, compost heaps)?
13. Would you want to limit the number of each type of structure that can be on a plot or the total number of structures that can be on the plot?
14. Would you want to restrict the materials from which structures can be build (for example, our direct let tenants will be restricted to structures purchased from a commercial garden / allotment manufacturer or those made using new or recycled timber, single pane glazing, horticultural PVC, and roofing felt or corrugated plastic / metal for the roof but not caravans, vehicle bodies or shipping containers)?

## Other

Are there any other issues or aspects of running the site that you would have expected to fall within the list of flexible clauses?

## **Support that will be provided to Community Run Sites by Durham County Council**

Recognising that a well-run community run site can deliver a better allotment site and the time commitment and pressures that can be involved, the Council will provide the following support:

For all sites (leased and community run)

1. Regular voluntary training courses on core site issues / tasks (for example, running an effective site, managing finance, dealing with conflict and complaints, data protection, etc).
2. Access to green waste compost, woodchip and road planings (it is hoped that an amount of compost per plot can be guaranteed; however, woodchip and road planing volumes are more variable so requests will be met on a first come first served basis as the product becomes available).
3. Advertising of vacant plots through to social media accounts of the nearest AAP.
4. Information regarding further funding opportunities as and when the Council become aware of them.

For DCC sites run by the community

1. A good practice guide that, amongst other things, will include templates of the following that can be adopted as is or be amended to suit specific site needs:
  - a. A constitution.
  - b. A financial procedure and template for annual accounts.
  - c. A 5-year financial plan template.
  - d. A complaints procedure.
  - e. A template for meeting minutes.
  - f. A template for recording site inspections.
  - g. Warning letter templates for use with tenancy breaches.
  - h. A draft GDPR privacy statement.
2. Free public liability insurance cover (subject to sites providing information required by the Council's underwriters).
3. Two complementary log-ons to the Council's allotment software package, which will provide instant access to the information we hold about the site(s) including tenant details, co-worker details and waiting lists. Additional log-ons will be available at cost price.

4. Managing the administration process of letting out vacant plots and tenancy terminations – This would include maintaining site waiting lists and co-worker details, offering out vacant plots and ensuring the completion of tenancy documentation
5. A pot of grant funding scheme that sites can apply to for capital works (for example, fence replacements, track resurfacing, the purchase of machinery, etc).
6. Regular liaison meetings from an Allotment Officer

### **Good Practice Principles**

Allotment sites are valuable community assets that the Council has an obligation for future generations. The way sites are run also impacts on tenants, current and future waiting list applicants and neighbouring residents, all of which the Council has a responsibility for.

Well run sites are very well placed to support the Council in these duties; therefore, we are asking our sites to sign up to the following basic principles of good practice.

1. Be formally constituted, and its business will be conducted in line with that constitution.
2. Have appropriate insurance in place to cover its activities, which will include £5 million of public liability cover as a minimum.
3. Prepare and maintain a 5-year financial plan, which will be used to determine the required plot rent.
4. Have a written policy regarding its procedures for managing the public money it collects in and spends.
5. Written procedure for dealing with complaints that is legal, fair and reasonable and that includes a right for the complainant to request a Council review of any decision.
6. Hold at least one general meeting per year where the elected committee will present a report on the activities of the past year, the accounts for the year and the forward plan before a vote is held to elect a committee for the forthcoming year.
7. Advertise and hold at least four committee meetings per year where their members can submit items for consideration / decision.
8. Provide its members with open access to the minutes of all general meetings and committee meetings (less issues relating to individual tenants, which will need to be redacted).
9. Operate within the Council's procedures for waiting lists, co-workers and plot allocations.
10. Keep a written record of all requests submitted by their members for matters in the tenancy agreement requiring prior approval and:
  - a. will only approve requests that are in-line with the tenancy agreement; and
  - b. in the case of requests to use plots solely for animals, will consult with the Council before granting approval.
11. Ensure its members comply with the requirements of the tenancy agreement that exists for their site(s) including by conducting two full site inspections per year and then seeing through appropriate enforcement action for any identified breaches (pictorial and written records of these should be maintained and action must be fair, reasonable, consistent and timely).
12. Refer relevant cases to the Council for Notice to Quit (NTQ) action in a timely manner.
13. Where tenants are granted permission to temporarily not comply with their agreement (for example, for health reasons), the Association will maintain a written record of this and ensure that basic arrangements are in place care for the plot so it is not detrimental to other tenants and neighbouring properties / land.

14. Join two Council liaison visits per year that will:
  - a. Consider the condition of the site and all plots.
  - b. Provide an opportunity for a two-way discussion about site issues.
  - c. Review compliance.
  - d. Result in an agreed timetable for action for any issues identified during the visit.

Note, requirements 1, 2, 3, 4, 5, 6, 8, and 11 can be fully or partially met through the support provided to sites by the Council.

The Council hopes that sites will operate in accordance with these principles and, therefore, be able to go on running their site(s) indefinitely.

Sometimes this is not the case, in these circumstances, we propose the following approach unless the seriousness of the issue justifies a quicker response:

- a. Referral to the site committee for consideration through the appropriate committee and feedback to the Council
- b. A meeting will take place between the Council and the Committee to allow the Council to highlight its concerns and provide at least 4 weeks for the Committee to take action to address the matters.
- c. The Council will arrange a meeting for all plot holders to allow the ongoing concerns to be highlighted and to provide at least 4 weeks for them to ensure their committee is addressing the matters (note, this is not a general meeting of the group so no decision can be made at it to change the committee); and
- d. A decision to terminate the partnership arrangements and so have the site return to direct management by the Council for a period of at least 3 years.

## Appendix 7 - Sites where the new tenancy agreements won't apply initially

Site	Association (A) or Direct Let (D)	Horses on site
<b>GARDEN EXTENSIONS</b>		
Blackhall Rocks - Broad Road	D	
Chester le Street - Crichton Avenue	D	
Medomsley - Broomhill Terrace	D	
South Moor - Oliver Street	D	
<b>GARDEN EXTENSIONS, GARAGES &amp; DRIVEWAYS</b>		
Annfield Plain - Loud Terrace	D	Yes
Blackhall Rocks - Railway Cottages	D	
Delves - Percy Terrace	D	
Fishburn - Clervaux Terrace	D	
Langley Moor - Black Road	D	
Medomsley - West View	D	
Trimdon Station - Deaf Hill Terrace	D	
<b>GARDEN EXTENSIONS, GARAGES &amp; DRIVEWAYS PLUS SOMETHING ELSE</b>		
Esh Winning - College View	D	
New Kyo - North Terrace	D	
Thornley - Hillside Crescent	D	
<b>GRAZING / STABLING</b>		
Annfield Plain - Loud Hill	D	
Craghead - Durham Road	D	Yes
Leadgate - Fourth Street Stables	D	Yes
White le Head - West Road	D	
Woodstone Village - Sydney Street	D	Yes
<b>GRAZING / STABLING &amp; WORK YARDS</b>		
Crookhall - Crookhall Compound	D	Yes
West Kyo - Harperley Road	D	
South Hetton – Station Hotel	D	Yes
<b>WORK YARDS</b>		
Kelloe - Ann Avenue	D	
Sherburn - Sherburn Sports Centre	D	Yes
<b>OPEN SPACE</b>		
Burnopfield - Birch Crescent		
Shotton Colliery - Brandling Court	D	
<b>OTHER</b>		
Craghead - Lambton Terrace	D	
Ferryhill - Dean & Chapter	D	
Haswell - Salters Lane	D	
Hesleden - Gray Avenue	D	
Leadgate - Bradley Bungalows	D	
Waldrige - Waldrige Road	D	

Waterhouses - Hedleyhill Terrace	D	
<b>Excluded from the new tenancy agreements/policy pending further assessment.</b>		
Bishop Auckland - Hazel Grove	D	
Blackhall Colliery - Corry Close	D	
Burnhope - Pavilion Terrace	D	Yes
Burnhope - West Terrace	D	Yes
Chester le Street - Glenmore Avenue	D	
Chester le Street - Picktree Lane	D	
Cockfield - Watery Lane	D	
Consett - Tinmill Place	D	
Cornsay Colliery - Hedleyhope Burn	D	
Coundon - South View	D	Yes
Craghead - Fawcett Hill Terrace (Association)	A	
Craghead - Provident Terrace	D	Yes
East Stanley - Cumbria Place The Kop	A	
Esh Winning - Hedleyhope Burn	D	Yes
Leadgate - Fourth Street Pigeons (Association)	A	
Leeholme - Sussex Street	D	Yes
Medomsley - Fines Road	D	
St Helen Auckland - Finchale Square	D	Yes
The Grove - Thornfield Road	D	

## **Allotment Improvement Programme**

### **Environment and Sustainable Communities 23 November 2022**

Members of the ESCOSC welcomed the opportunity to provide comment on the County Council's Allotment Policy at its meeting on 23 November prior to the policy being considered by Cabinet in the New Year.

Members were pleased to hear of the excellent progress made on the committee's review recommendations as they felt allotments was an area that had been neglected for a long time.

Members welcomed the initiatives being put forward in the report as this fitted with long term plans of the authority. Particular reference was made to the proposal for an allotment grants scheme to be introduced and members paid tribute to the expansion in staffing for allotments by the service which had obviously increased the service capacity to introduce those initiatives referenced within the report and presentation.

Members did raise concerns regarding those allotment sites that were not used for that purpose but were used as garage sites, as private gardens or used for business purposes and felt that if allotment plots/sites were being used for these purposes then as a minimum individuals should be paying the correct fees associated with the use of the land and not allotment fees. Members would like cabinet to strongly consider this element when making their decisions. To this end the plans for undertaking rent reviews were also supported by the Committee.

However, on the whole members did feel that the balance was right but that there was no place on allotments for large animals as the plots were not large enough to accommodate their wellbeing needs.

Members suggested that a strategy should be put in place regarding new allotment sites and to look for areas of land that could be utilised to accommodate new sites.

Members highlighted that if there were groups of residents that wanted allotments the local authority was obliged to find a suitable area of land to accommodate their request.

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**Cabinet**

**18 January 2023**

**Sufficiency and Commissioning  
Strategy for Looked After Children and  
Care Leavers 2022-2024**



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**Report of Corporate Management Team**

**John Pearce, Corporate Director of Children and Young People's Services**

**Sarah Burns, Joint Head of Integrated Strategic Commissioning for County Durham CCG and Durham County Council**

**Councillor Ted Henderson, Cabinet Portfolio Holder for Children and Young People's Services**

**Electoral division(s) affected:**

Countywide

**Purpose of the Report**

- 1 This report provides an Executive Summary in relation to the new Sufficiency and Commissioning Strategy for Children Looked After and Care Leavers 2022-24 (appendix 2 of this report).
- 2 The Strategy outlines the sufficiency position at a point in time, providing local intelligence and data and identifies a series of key priorities and actions which will improve the council's overall sufficiency of placement provision for children and young people who can no longer live with their family.

**Executive summary**

- 3 The Sufficiency and Commissioning Strategy sets out Durham's strategic approach to securing sufficient accommodation to meet the needs of our looked after children.
- 4 It considers the impact of the Covid-19 pandemic over the last 2 years, how this has affected our sufficiency and the steps we are taking to

ensure that our sufficiency offer is robust and continues to meet our changing needs.

- 5 The increasing demand and pressure placed on councils to meet their sufficiency duty is a position that is replicated across the UK and has recently been highlighted in the Independent Review of Children's Social Care by Josh MacAlister (May 2022) which proposes to "reset children's social care".
- 6 The Sufficiency Strategy outlines a number of challenges and pressures, including:
  - (a) an increase in the number of children and young people that we look after. Between March 2015 and March 2022, this has increased by 62%, with numbers continuing to increase to 1,034 as of the October 2022 and as predicted in the strategy;
  - (b) we have an increasing number of older teenagers coming into care, who are often difficult to find suitable provision for due to their needs;
  - (c) a small number of delayed discharges from tier 4 hospital, due to limited specialist local regulated provision;
  - (d) use of external residential provision has increase by 50% between 2020 and 2022;
  - (e) the need to increase the number of available foster carers to meet our increasing demand;
  - (f) increasing number of unaccompanied asylum-seeking children moving to Durham placing pressure on already stretched resources;
  - (g) placement stability – increasing number of breakdowns and moves;
  - (h) an increasing number of children, young people and families requiring support who are on the edge of care;
  - (i) more families require respite services for their children who have a disability, particularly overnight provision for children with complex needs.

- 7 The strategy identifies a series of objectives and short to medium term key priorities, many of which are ongoing and being developed, to improve and broaden our current sufficiency offer.
- 8 There are six overarching objectives within the strategy, including:
  - (a) grow our number of in-house foster carers, support the retention of carers and work with IFAs to ensure that children and young people can live with foster carer families when it is in their interests to do so;
  - (b) increase the number of adopters;
  - (c) continue to develop and broaden our residential homes offer and maximise opportunities with external providers when there is a case to do so;
  - (d) develop access to a diverse range of appropriate accommodation for Care Leavers;
  - (e) improve our sufficiency offer for UASC and reduce waiting times;
  - (f) broaden our short breaks offer for disabled children and their families.
- 9 Each objective proposes a series of key priorities / actions to support their delivery. A total of 39 priorities are identified. These are identified in Appendix 3 of this report.
- 10 Capital funding to the value of £2.2 million has been secured through DCC capital bidding rounds to support the development of new children's homes, which are in the process of being developed.
- 11 A further £1.6 million capital funding has been requested to support the development of specialist homes for children with disabilities and short break provision offering planned respite for children with complex needs.

## **Recommendation**

- 12 Cabinet is recommended to:
  - (a) consider and approve the Sufficiency and Commissioning Strategy for Looked After Children and Care Leavers set out in Appendix 2;

- (b) consider and approve the strategic priorities contained within Appendix 3.

## Background

- 13 The Council has a duty, as stated in section 22G of the Children Act 1989, to take steps to secure, as far as reasonably practicable, sufficient accommodation for looked after children within their local authority area. The 2010 guidance on the 'sufficiency duty' states that local authorities should have embedded plans, as part of their commissioning processes and through partnership working Health and other partners, to meet the duty. The Children Act 1989 also sets out Health's statutory duty in ensuring the timely and effective delivery of health services to children and young people who are looked after.
- 14 The sufficiency duty must take account of the requirement, under section 22C (5) of the Children Act 1989, that the overriding consideration for placing a child is that the placement must be the most appropriate available to meet the child's needs. If a child cannot live with their parent or a person with parental responsibility, preference must be given to a placement with a friend, relative or other person connected with the child and who is a local authority foster carer. Failing that, a placement must be found, as far as is reasonably practicable in all circumstances, that:
  - (a) is near the child's home;
  - (b) is within the local authority's area, unless that is not reasonably practicable;
  - (c) enables the child to live with an accommodated sibling;
  - (d) where the child is disabled, is suitable to meet the needs of that child; and
  - (e) does not disrupt his/her education or training.
- 15 The priorities and indicators within the Strategy will be monitored on a 6 monthly basis and used to understand and determine our ongoing changing needs in relation to placement sufficiency.

## Conclusion

- 16 As Corporate Parents we must ensure that we have a range of good quality local placement provision that is able to meet the varying needs of our looked after children and our care leavers.
- 17 The Strategy sets out our current position in being able to meet these needs and the challenges presented to us and outlines the key priorities that we will deliver over the coming two years to address gaps in

provision and to broaden our local sufficiency offer for children and young people.

### **Other useful documents**

Appendix 2 – Sufficiency and Commissioning Strategy for children looked after and care leavers 2022-2024.

### **Author**

Lindsey Herring

Tel: 03000 265766

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## **Appendix 1: Implications**

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### **Legal Implications**

The Local Authority has a legal duty to provide sufficient accommodation options for children and young people who are looked after and those that are care leavers.

The strategy outlines a number of key priorities which will enable us to continue meeting are changing needs and to minimise any reputational and political damage with regulators such as Ofsted.

### **Finance**

A number of the proposals set out in this strategy will require either capital and/or revenue investment in order to take forward.

These will be subject to individual business cases, setting out the rationale and justification for services and the funding requirements.

Capital funding of £2.2 million has been secured in previous years to develop a number of new children's homes. A further £1.6 million capital request is subject to ongoing consideration and will enable the development of some specialist homes for children with disabilities, which is an emerging sufficiency gap and identified in the July 2022 Ofsted Inspection.

Revenue budgets for new homes are being built based on the re-alignment of existing costs being paid for through the Looked After Children budget i.e. a child being stepped down from a secure home with an existing cost to the Local Authority or a child in an out of county high-cost placement that needs to move back into county provision. Work is ongoing with finance colleagues to consider individual young people and their accommodation costs, alongside revisiting the revenue budgets required to operate a children's home.

### **Consultation**

The Local Authority will be required to consult with elected members and local communities when developing many of the services as outlined in the strategy. This will be completed as part of the formal planning process.

### **Equality and Diversity / Public Sector Equality Duty**

The Authority is required to ensure that all looked after children have equality of opportunity, to ensure best outcomes.

## **Climate Change**

Not applicable.

## **Human Rights**

Young People who are in the care of Durham County Council have the right to be provided with suitable and appropriate local care which can meet their needs to enable them to successfully move into adulthood.

## **Staffing**

The strategy sets out the development of a range of new services which will broaden and enhance our current sufficiency offer. These services will require new staff to support their operational delivery. The recruitment of new staff is aligned with the development of new children's homes.

## **Accommodation**

The report provides information about the range of accommodation options available for our children and young people and also proposes a suite of new service developments to broaden and improve our sufficiency offer.

All proposed service development involving new accommodation will be subject to individual business cases.

## **Risk**

There is a significant risk to the Local Authority if we are unable to provide suitable local accommodation and care options for our children and young people.

There is both a legal and reputational risk to the Local Authority if it is unable to safely care for children and young people and offer a broad range of living arrangements to meet individual needs.

## **Procurement**

When commissioning new services, the Contract Procedures Rules will be adhered to, and Corporate Procurement Colleagues involved.

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## **Appendix 2: Sufficiency and Commissioning Strategy for children looked after and care leavers**

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See document attached separately.

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## **Appendix 3: Sufficiency Priorities**

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See document attached separately.

# **Sufficiency and Commissioning Strategy for Looked After Children and Care Leavers 2022-2024**

**May 2022**

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Please note that the most up to date available data has been used in the writing of this strategy.

Issue Date	Date of Next Strategy Review	Lead Service(s)
May 2022	January 2024	Integrated Commissioning Service

## **1. INTRODUCTION**

The Sufficiency and Commissioning Strategy sets out Durham's strategic approach to securing sufficient accommodation to meet the needs of our looked after children.

It looks closely at the impact of the Covid-19 pandemic, how this has affected our sufficiency and the steps we are taking to ensure that our sufficiency offer is robust and continues to meet our changing needs.

## **2. POLICY CONTEXT**

The council has a duty, as stated in section 22G of the Children Act 1989, to take steps to secure, as far as reasonably practicable, sufficient accommodation for looked after children within their local authority area. The 2010 guidance on the 'sufficiency duty' states that local authorities should have embedded plans, as part of their commissioning processes and through partnership working, to meet the duty.

The sufficiency duty must take account of the requirement, under section 22C (5) of the Children Act 1989, that the overriding consideration for placing a child is that the living arrangement must be the most appropriate available to meet the child's needs. Next, preference must be given to a living arrangement with a friend, relative or other person connected with the child and who is a local authority foster carer. Failing that, a living arrangement must be found, as far as is reasonably practicable in all circumstances, that:

- Is near the child's home;
- Is within the local authority's area, unless that is not reasonably practicable.
- Enables the child to live with an accommodated sibling;
- Where the child is disabled, is suitable to meet the needs of that child; and
- Does not disrupt his/her education or training.

## **3. BEING A CORPORATE PARENT**

Looking after and protecting children and young people from harm is one of the most important jobs that Durham County Council, as a Local Authority must undertake. Where a child cannot remain safely at home for whatever reason and comes into the care of the Local Authority and becomes 'Looked After' the council becomes the 'corporate parent' for that child. They are also the corporate parent for any young person who is under 25 and has been looked after for at least 13 weeks after their 14<sup>th</sup> birthday.

The term 'corporate parent' means the collective responsibility of the council, elected members, employees and partner agencies, for providing the best possible care and safeguarding support for the children and young people who

are looked after by the council. A child in the care of the council looks to the whole council to be the best parent it can be to that child. Every member and employee has a statutory responsibility to act for that child. Our commitment is to all children and young people living in foster care and children's homes, placed for adoption, those living in supported lodgings or at home under Placement with Parent Regulations, as well as those living in secure establishments or in custody.

#### **4. POSITION STATEMENT**

As an Authority we:

- Will work collaboratively with families and our partners to offer family support and enable children and young people to be cared for within their own families wherever possible.
- Offer a range of early help services to support children subject to a Child Protection Plan and their families and prevent entry into care. This includes Family Group Conferencing, our Supporting Solutions Service (Edge of Care service) and direct social work interventions from our One Point Service and Families First Teams.
- Will undertake robust assessment, planning and case review to ensure that we only look after children and young people for whom being in care is the only way of ensuring their safety, protection and development.
- Will continue to work with those with parental responsibility to help a child or young person in care return home safely, wherever this is possible.

When it is not possible for a child or young person to remain with their family, we will seek to provide high quality care which meets their individual needs and as near as possible to the child or young person's home to maintain links with birth parents, relatives and their communities (where appropriate).

As an Authority we:

- Will aim to secure legal and emotional permanence, preferably through adoption, Special Guardianship, Child Arrangement Orders or where this is not possible, through long-term foster care.
- Will maximise the use of internal foster care resources before using local external fostering agencies.
- Will avoid using children's homes except when it is in the best interests of the child / young person and meeting their complex needs.
- Are committed to be the best parent we can be for our Looked After Children and Care Leavers and strive to ensure that we deliver support and care that is as good as every good parent.
- Are committed to ensuring that Looked After Children and Care Leavers have the best opportunities available to them to achieve their potential and that these are at least as good as the opportunities available for all other children. We recognise that many children and young people face significantly greater levels of challenging circumstances before reaching

adulthood than their peers and that this may mean that they have the need for additional support.

- Are committed to ensuring that services are designed with and for Looked After Children and Care Leavers to meet their needs.
- Want all our Looked After Children to live in loving, stable and safe homes in a place that they can 'call home'.
- Want the people who are caring for them to be fun, loving, skilled, enthusiastic, ambitious and fighting their corner every step of the way.
- Want our children and young people to form good, trusting, nurturing relationships with their carers and have positive experiences.
- Want our children and young people to live in stable living arrangements and only having to move when it is in their best interests or when they have chosen to do so.
- Are ambitious for our children and young people and want to encourage them to dream big and fulfil their potential.
- Are committed to ensuring that they receive the best education in the best schools and get additional support if they need it; that they are well prepared for independence and work through apprenticeships, high quality training, supported into higher education and into university for those who aspire to do so.
- Want our children to be well, healthy and have good emotional and mental health.
- Want to celebrate their achievements, whether big or small so that they can be proud of themselves and know that we are proud of them.
- Want them to have fun and be able to develop their own interests and hobbies so that they can develop in confidence; develop friendships and memories that they can fondly look back on in later years.
- Are committed to listening to our children and young people, hearing what they have to say and acting on it wherever possible. We will develop our services based on this feedback and regularly check with them that we have got it right. We will be open to change and challenge.
- Want our care leavers to be well prepared for adulthood and ensure that they feel that they are part of a wider extended family who will be there for them if they are needed.
- Want our care leavers to feel safe and to receive the appropriate level of support and advice to enable them to transition to adulthood. This includes young people living in staying close arrangements and staying put arrangements with their carer(s) and having access to suitable high-quality supported living or independent living provision. We recognise how big a challenge this is and that many of our young people do this at a much younger age than many other young people.

- Want our young people to be able to make mistakes and know that they will be supported to learn and that someone will be there to help them pick up the pieces.

## 5. LISTENING TO CHILDREN AND YOUNG PEOPLE

As an authority we are committed to listening to children and young people and have embedded this practice across Children and Young People's Services. We work in partnership with a social enterprise called 'Investing in Children'. They deliver a range of children's participation services on our behalf and implement several schemes through a contract arrangement:

- Facilitation of young people's participation / reference groups;
- Facilitation of the eXtreme group to ensure that the voice of children and young people with disabilities are listened to and acted upon;
- Coordination of the Children in Care Council;
- Management of the Drive Project – enabling some young people to learn to drive;
- Management of the Freedom Card – enabling Looked After Children and their carers to access a range of leisure activities at a discounted price;
- Management and facilitation of the Investing in Children Membership Programme – services are reviewed annually to ensure that they meet investing in children criteria.
- Ensuring young people's views and thoughts are captured when we develop new services i.e., Edge of Care Home, recommissioning the Independent Fostering Agency Framework and the service specification for our new children's homes.

All teams across Children's Services have either achieved Investing in Children Membership or are working towards this. The 'Investing in Children membership', is a kite mark which demonstrates that Looked After Children and young people feel valued and are listened to by adults.

## 6. CHALLENGES

The Covid-19 pandemic has presented the council with many challenges over the last two years, in relation to sufficiency of living arrangements for children and young people and the ongoing work with social care providers to ensure that children's living arrangements are stable and that they continue to provide good quality care.

### **An increase in the number of Children Looked After by the Authority**

Whilst the number of children in need has been relatively stable over the last four years (3,570 in 2017/18, 3,571 in 2018/29, 3,551 in 2019/20 and 3,683 in 2020/21), the number of children looked after by the Local Authority has risen by 62% from 615 as of 31 March 2015 to 982 as of 31 March 2022. Based on recent increases, it is forecast that CLA numbers will increase to 1015 by

December 2022 (see Appendix 2 – Table 1). The current rate of CLA is 96 per 10,000 which is above the national average (67), however remains below the NE average (108).

From March 2020 we experienced an accelerated increase in the number of children looked after as a direct result of COVID, which was above the long-term forecast. Delays at court, as a result of the pandemic also prevented children and young people who had plans to return home to parents or family, from returning home, which resulted in fewer children leaving the care of the local authority. When courts re-opened this enabled an increasing number of children and young people to return home between June and August 2021 (Appendix 2 – Table 3), however with a steady increase in the number of children coming into care and a reduction in the number of children leaving care, the overall number of children that are looked after, has continued to increase, placing ongoing pressure on services across CYPS.

Our number of under 1-year olds (24%) remains around the regional 2020/21 benchmark (national – 20%; regional – 23%) and is the second lowest it has been over the last 12 months. The proportion of 16/17 year olds have increased to 13% over the last 12 months bringing us in line with statistical neighbour and regional average. Our biggest increase has been in relation to teenagers aged 14–15-year-olds, with a 31% increase. Our Sufficiency Strategy Action Plan focuses on the development of new smaller, local children’s homes to meet this increasing need.

There has been a growth in the number of older children looked after by the Local Authority, that present with complex needs and behaviours:

- Environmental factors: attachment difficulties, parental conflict, domestic abuse, homelessness.
- Internal factors: social communication difficulties including Autism, mental ill-health, behaviours that challenge services.
- External factors: interpersonal relationships, criminal and sexual exploitation, alcohol and substance misuse, serious youth violence and bail, licence and discharge conditions.

Where living with family cannot be maintained, securing safe, local accommodation and care that can meet the often be-spoke needs and requirement of this age group can be both complicated and very costly and represents a particularly volatile area of increasing demand.

This has presented many challenges for services across the Authority, ensuring that appropriate living arrangements that meet the individual needs of children and young people can be secured

### **Ensuring that our children and young people live locally**

The sufficiency duty requires Local Authority’s to “take steps to secure, as far as reasonably practicable, sufficient accommodation for looked after children within their **local** authority area.

A large proportion of our children and young people live in County Durham, with 70.3% living in county and 29.7% living in out of county arrangement. Of the

29.7% of children and young people that live outside of County Durham, 17.5% live under 20 miles from their originating home address and 12.2% of children and young people live 20 miles or more from their originating home address.

We always seek to secure appropriate living arrangements locally, when it is safe to do so and in the child or young person's best interests. A small proportion of children and young people need to live away from their local area (+20 miles) due to the immediate risks and challenges this presents, however some children and young people live in out of area provision, due to limited availability to meet young people's complex needs within County Durham. This Strategy outlines a range of development priorities which will create additional local sufficiency options, enabling a greater proportion of children and young people to live locally.

### **The Transforming Care Agenda**

During 2019 the Multi-agency Collaborative Care Meeting (MACC) was established. This ensures that all children and young people with a diagnosis of autism and/or a learning disability are offered a Care, Education and Treatment Review (CETR) prior to admission and discharge to or from hospital to ensure that they are in receipt of suitable support or care services within the community.

The numbers of County Durham children placed in Tier 4 beds remains relatively stable, although there is a notable increase in the number of children and young people being admitted who had not been previously known to social care services. There is also a high number of children and young people at risk of admission due to an eating disorder.

The Closure of West Lane Hospital in Autumn 2019 has resulted in Children and Young People requiring treatment in a Children's Mental Health in-patient setting often having to be placed far from home due to bed shortages in the area or placed on adult wards. Ferndene Hospital in Northumberland and Acklam Road provide tier 4 CAMHS hospital provision for children and young people, with 7 Durham young people currently inpatients at these settings.

The MACC group was re-launched in October 2020 and takes place monthly to ensure any urgent multi-agency discussions can take place as soon as possible, with professional seeking advice and guidance from the MACC group when they are concerned about children and young people who are at risk of in-patient admission.

Durham's new Rapid Response Service, providing support to children, young people and their families / carers, to prevent admission and readmission to tier 4 hospital provision, works closely with children and young people identified and discussed within the MACC meeting.

### **Mental Health Offer**

The emotional wellbeing and mental health of children and young people continues to be key priority for the council.

All children have been impacted one way or another during this period i.e., face to face family time moving to virtual means, children not being able to see their friends, not being able to participate in group activities and sports and most significantly, not accessing education for a substantial period of time. Whilst these restrictions are no longer in place and we learn to live with covid, the pandemic has had a lasting impact on many young people, particularly in relation to poor mental health, with a significant increase in demand on community health services.

The Council, TEWV and other health partners worked collaboratively to develop a new support offer for children, young people and their families to prevent admission to tier 4 mental health hospital provision, launching the Rapid Response Service (RRS) in July 2021.

The RRS was developed in response to an identified need for additional services to support young people and their families where there is a high level of risk of young people being admitted to hospital under the Mental Health Act. Support is focused specifically on young people who are identified in the Dynamic Support Register. The offer of support includes intensive support and packages of intervention tailored to the particular needs of the young person and their family / carers.

When children and young people need to be discharged from tier 4 hospital into the care of the Local Authority, there is often limited suitable local provision that can provide the specialist care and support that young people require. To enable the timely discharge of children and young people back into community-based provision, a dedicated specialist service is required. Work is ongoing to explore all available options to meet this particular sufficiency need, prior to any service development.

### **Sourcing suitable living arrangements and matching children and young people**

Over previous years, CYPS has rolled out signs of safety training and practice support across all Social Work Teams and this is now captured within our children and young people's risk assessments. Producing strength-based information has improved the quality of information that we share with a provider which improves opportunities for children and young people.

Matching children and young people in residential provision given existing young people in the setting and their presenting risks continues to present us with an ongoing challenge. Given the complexities of some of our children and young people we have a greater need for smaller regulated children's home settings which is identified as a priority within our Sufficiency Action Plan.

As our use of externally commissioned children's residential home provision has increased by 50% between 2020 and 2022, with 69 children and young people living in children's homes managed by providers, we have developed a dedicated brokerage function within our Commissioning Service, to support with the increasing number of children's home searches and activity. This investment consists of a new Placement Team Manager post and two additional Placement Officer posts, to support the existing post within the Commissioning Service.

## **Availability of Foster Carer Households**

The availability of foster carer households for children and young people, particularly those aged 13+, continues to be a pressure across the service. This has resulted in a small number of children and young people accessing children's homes given the lack of availability. These young people's plans continue to be monitored closely.

The number of children and young people living within in-house foster care provision reduced to 375 in November 2021, however this has gradually increased, month on month, with 408 children and young people currently living within in-house foster carers (41.3% of all CLA). Covid had a significant impact on the availability of in-house foster care provision.

Due to limited availability in-house, this has placed a reliance on the use of IFAs, which peaked at 174 in February 2022, however over recent months has started to gradually reduce.

It is our ambition to care for an increasing number of children and young people with Durham foster carers, with a target of 48% by March 2023. As such, we continue to focus on the recruitment of new foster carers for teenagers, sibling groups, UASC, children with a disability and respite for children with a disability, whilst continuing to support the retention of current foster carers.

## **Unaccompanied Asylum-Seeking Children (UASC)**

In line with the new mandatory National Transfer Scheme, Durham is required to accept approximately 4-5 UASC per cycle, with over 50 UASC expected over the coming months. The Local Authority must identify suitable care or support arrangements, dependent on each young person's needs. To date, the majority of young people referred have been aged 16+ and their needs have been primarily met in Supported Lodgings or Supported Accommodation, with a smaller proportion of children identified as being under the age of 16.

Identifying suitable living arrangements for this cohort of children and young people, does present sufficiency challenges i.e., suitable living arrangements need to be sourced within 10 days, there is limited information available about UASC, many UASC wish to live in cities and not rural areas (Durham is predominantly rural) and there are already pressures in relation to securing regulated provision for children that are under the age of 16.

Whilst our UASC require accommodation, care and support, it is important that they can access other key services such as health, education, mental health, advocacy, translation services and an independent visitor, when there is a requirement for one.

The offer available to UASC is being developed on both a regional and local level to ensure there is sufficient capacity to meet our ongoing needs. Sufficiency options to improve capacity are currently being developed, within our wider supported accommodation provision.

## **Children's Home's in County Durham and securing 'local' provision through a Durham First Approach**

Durham has the highest percentage of children's homes per population in the region, with 467 children's homes in the North-East (81%) judged good or above (August 2021), which is a reduction from 88% in August 2019.

Whilst there is a high percentage of children's homes in Durham given its rural nature and more affordable property, there is also a high proportion of children placed in these homes from Local Authorities across the country, which often makes it difficult to identify suitable, local children's home provision for Durham children and young people and places significant pressure on services such as the Police, CAMHS and Education.

In order to maximise our access to local children's home provision, we remain in regular contact with providers to understand current and future vacancies, so children who require children's homes provision, can access this in a planned way.

We continue to work with external providers to shape and influence the services that they are developing for children and young people and to ensure that these meet our sufficiency needs, particularly smaller solo or dual registered homes, where there is an increasing demand for this type of provision.

When providers seek to develop new homes that do not meet our local needs, we positively challenge these during the early stages of their development and through the statutory planning process taking into account Planning Policy Guidance (Children's Home Planning Policy 18).

We work closely with Durham Police to consider new developments and sign-post providers to the police for locality risk information when considering the suitability and safety of a location.

Where the council has a definitive need for the service that is being developed, we ask that the provider enters into a 'Durham First Approach', enabling Durham County Council to access local provision or services, first and foremost. This approach enables us to secure provision in the local area, as it is generally in children and young people's best interests to live within Durham, close to family, friends and support networks. However, it should also be recognised that some young people benefit from living at distance, either due to risks in the local area or the need to access more specialist provision out of area.

### **Supporting Stability of Living Arrangements**

Given an increasing number of breakdowns in children and young people's living arrangements and moves, there is an ongoing drive to support stability and to offer increased support and intervention to carers if there is a risk of breakdown, across all our types of living arrangements. Those carers who work with children and young people with particularly complex and challenging behaviours often require support or respite for short periods of time.

To respond to this particularly need, we are taking steps to develop and implement an improved support offer for our in-house foster carers. This consists of a 'wrap around support' team that will work intensively with our foster carers to promote stability and prevent breakdown of living arrangements. The Mockingbird Model is also being implemented which will offer improved support networks and respite for our foster carers.

To further support our children, young people with disabilities and their carers, we also plan to develop our in-house foster care offer to enable children and young people to access planned respite, as we have an increasing demand for respite at our Short Break Children's Home (Parkhouse) and this will enable us to expand our respite offer.

### **Families on the Edge of Care**

Families on the edge of care, often require outreach support and respite to prevent children and young people from coming into care.

The Supporting Solutions Service has been operating since 2018 offering crisis support to young people aged 11-17 and their families / carers. The service is expanding its offer, supporting children and their families / carers for children aged 7-11. The service offers:

- Edge of Care support – intensive intervention to young people, parents and carer where there has been a relationship breakdown and without support it is likely that the young person may need to become looked after or experience a move.
- Family Group Conference – support to families to identify and establish a sustainable plan to meet the needs of children and young people within their family unit.
- Missing from Home Coordinator – co-ordination and deliver of services for children who are Missing from Home.
- Child Exploitation Workers – offering support and interventions to young people at high risk of child exploitation.
- Access to a crisis bed – providing an out of hours, one night only crisis bed for a young person when all other options have been explored and exhausted.

During 2020/2021 the service supported 179 young people and their families, in comparison to 101 young people supported in 2019/20. Of those young people support during 2020/21, 74% continued to live at home / with extended family or have remained in their long-term living arrangement. 28 young people (15%) who accessed support, became CLA after Supporting Solutions interventions and this is a clear increase from the previous year. These young people could not continue to live at home with family as it was not safe to do so. Some of these young people remained open to the Supporting Solutions Service in the hope that in the future a return to family care can be supported. 11 young people moved to a new living arrangement as relationships with carers had completed broken down.

The number of young people who remained open to an edge of care worker, has increased during 2020/2021, with 88 young people in 2019/20 and 132 young people in 2020/21, highlighting a 50% increase. This period covered the

second covid lockdown, when some families were struggling to care and support their children at home and required intensive support and ongoing interventions.

The service continues to demonstrate the positive work that it undertakes to support children to continue living with their family, where it is safe and possible to do so.

To further support our Edge of Care, Supporting Solutions Service, we plan to open a new Edge of Care home in summer 2023. The new home will support children and young people on the edge of care, offering planned respite. The home will also support children who are looked after and whose living arrangement may be at risk of breaking down. This will enable CYPS to broaden its current Edge of Care offer with dedicated respite provision.

### **Child Sexual Exploitation – Adolescent Safeguarding and Exploitation Team**

There is an increase nationally, regionally and locally in Durham of adolescents experiencing extra-familial harm and young people presenting with complex issues including mental health and substance misuse who require a different model and approach outside of the traditional child protection framework and operating model.

The (ASET) Adolescent Safeguarding and Exploitation Team was established in early 2022 and consists of a Team Manager, Social Work Consultant and 6 Social Workers.

The vision for the team “is a future where young people feel safe beyond their own homes because their communities and our safeguarding system can, and will, protect them from harm”.

ASET will provide assessment and care-planning in line with statutory safeguarding procedures and deliver interventions to young people who are victims or at risk of extra-familial harm or experiencing complex issues and comorbidities. The team provides specialist advice and guidance to workers where a young person and/or their siblings are already open to services. This will reduce the need to change workers while ensuring young people receive a specialist service. ASET are a specialist knowledge hub who will provide advice and guidance and support the delivery of evidence-based practice while upskilling of the wider workforce.

### **Short Breaks for children, young people and their families**

Both during and following the pandemic the Council has experienced an increase in the demand for both non assessed and assessed short breaks, with an increasing number of families seeking support. It is important that assessments are holistic and understand the overarching needs of children and their families with a range of different options being explored, working with the voluntary community sector.

Following the pandemic, the provider market is in a weakened position, with the following intelligence gathered:

- Current providers on commissioning frameworks are not able to meet all needs – both volume and needs
- Ongoing staffing issues in relation to capacity
- New providers developing within the market, who require intensive development support
- Lack of experience in the workforce
- Difficulty meeting the needs of the most complex children and young people
- Ratio of support to children is increasing, therefore placing more pressure on providers and cost impact on the Council
- Delays in securing services for children, young people and their families / carers
- A reduction in families use of direct payments

Work is ongoing with the provider market to review the ongoing challenges and to develop creative solutions. An Action Plan is being developed which will capture all key improvement areas, including, exploring the development of:

- A long-term children's home for disabled children and young people;
- An improved overnight short break offer for children and young people with highly complex needs;
- In-house foster carers that can offer respite to disabled children and young people

### **Supported Accommodation for young people aged 16 and 17**

Our use of supported accommodation arrangements for young people aged 16 and 17 has more than doubled since pre-pandemic (22 in June 2021, increasing to 43 in April 2022). It is likely that demand will continue to increase as we receive UASC through the National Protocol Arrangements.

In order to broaden our Supported Accommodation Offer we will open our preferred provider list in October/November 2022, enabling new providers to join and deliver services to young people in Durham.

We will work with providers during 2023 in relation to the introduction of new national standards and the Ofsted-led registration and inspection framework, to understand any impact on sufficiency.

### **Supporting the Provider Market**

The Supporting the Provider Market Team within the Commissioning Service now works with providers offering services to children and young people to improve services and to support market stability and sustainability.

The team focuses on five key areas:

- Recruitment and retention of staff
- Training and development
- Proactive interventions
- Technology and innovation
- Provider interfaces with health and social care

The County Durham Care Academy managed within the team, offers a routeway course for individuals wishing to work in adult or children social care. The 6-week programme does not affect an individual's benefits and results in a guaranteed interview with a provider and a transferrable DBS.

The children's routeway has been piloted with Durham County Council's Children's Residential Service to support recruitment and will be rolled out to support a wider range of providers supporting children and young people in County Durham.

This new offer has come at a time, when many providers are struggling to recruit and retain staff, as the country continues to recover and adjust following the pandemic and workforce sectors evolve.

### **Spend Position**

The increasing number and complexity of children that are looked after by the council is continuing to result in increased social care costs for children and young people.

The outturn position for 2021/22 for CLA living arrangements, excluding in-house services was:

- Budget - £30.817m
- Actual - £33.993m
- Overspend - £3.176m

CLA budgets have increased year on year in line with increasing demand for services. This will increase by a further £2.863m in 2022/23 plus price inflation.

All costs are considered in a range of decision-making panels, where suitability of the living arrangement in line with the care plan and value for money are considered and scrutinised.

The priorities set out in this Strategy are subject to individual business cases, considering rationale, cost, impact, value for money and sustainability. Proposals will demonstrate best use of public funding, alongside our ongoing need to meet our sufficiency duty.

## **7. IN-HOUSE FOSTERING**

We have an extensive in-house fostering offer, which we utilise for children and young people who cannot live with their families and whose needs would be best met in a family environment.

- Pre-covid in March 2020, we had 430 children and young people living in in-house fostering households, accounting for 48% of all CLA.
- In December 2021, 41% (378) of our CLA were living in in-house fostering provision, which was a significant reduction and resulted in the increasing use of IFA provision.

- Of the 378 children living with an in-house foster carer as of December 2021.
- 1 in 5 children had been in their current living arrangement for 5 years or more (21%); almost a quarter (23%) have been living in their living arrangement for less than 6 months.
- We experienced a reduction in children placed with our in-house foster carers directly following the first national lockdown in March 2020 primarily as a result of carers own ill-health and concerns about taking new children into their own homes during the pandemic.
- As of May 2022, we have 411 children and young people (41% of CLA) that are accommodated in this type of living arrangement. There has been an increasing number of in-house foster care households made in the last two months.
- During 2021/22, 29 new foster carer household were recruited, against a target of 30 households.
- Our Marketing and Recruitment Strategy focuses on ongoing media campaigns using TV adverts, digital advertising, social media, radio and a new promotional sign located outside of County Hall.
- Work is ongoing to make improvements to the website.
- Almost half of enquiries (49%) in 2021/22 have come from the website enquiry form, followed by email (37%). Website hits are increasing month on month.
- Social media campaigns have been targeted based on ongoing demands. These include campaigns focusing on the recruitment of new foster carers for children with disabilities, UASC, teenagers and sibling groups.
- In order to remain competitive with the independent sector and to attract and retain foster carers we will review our current Payment for Skills Model. It is important that we develop a foster carer 'offer' where all carers are incentivised and incorporates the following: competitive financial incentives for caring for children/young people (particularly those with more specialist behavioural and health needs), good quality support and training and development. Whilst this will require changes to the payment structure, an increase in the number of these foster care households will be a key enabler in improving outcomes and reducing the overall cost of provision in the longer term.
- We are in the process of implementing a Mockingbird Model, which will ensure that our foster carers receive ongoing, appropriate, experienced support and planned respite when it is required. Hub carers are being appointed which will support stability and the retention of foster carers. The new service model is being launched in July 2022.

## Priorities

1. Recruit 35 new foster carer households in 2022/23 and a further 35 new foster carer households in 2023/24.
2. Develop and launch the new fostering website by December 2023.
3. Launch the Mockingbird Model to support our in-house foster carers in July 2022.
4. Review the current Payment for Skills Model in consultation with foster carers, which seeks to improve our sufficiency of in-house foster carers, by attracting new carers and retaining existing carers; and to implement the findings by October 2023.
5. Develop a 'wrap around support' team that will work intensively with our in-house foster carers to promote stability and prevent breakdown and implement by March 2023.
6. Develop the respite foster care offer for children and young people with a disability.

## 8. INDEPENDENT FOSTERING AGENCIES (IFAs)

When we are unable to meet the needs of our children and young people within in-house foster care provision, we approach Independent Fostering Agencies.

- Durham is currently part of the new NE12 Regional Framework, which enables the council to purchase independent foster carer household arrangements.
- From July 2022, IFA households are commissioned through one single regional commissioning solution, involving all 12 regional Local Authorities. Extensive consultation and market engagement has been carried out to help shape and influence a commissioning model, that meets the needs of Local Authorities and is fit for purpose for participating providers.
- As our CLA numbers have continued to increase, our reliance on IFAs has increased also, with 158 IFA arrangements in June 2021 (similar to pre-Covid rates of 159/18%) rising to 172 arrangements in April 2022, equating to 17.5% of all CLA living with IFAs.
- As of December 2021, 28% of our children and young people were living with an IFA household for 6 months or less; 14% between 6-12 months, 47% between 1 and 5 years; and 11% lived in an IFA household for 5 years or more, demonstrating the high proportion of children who have a plan of permanence and who are settled.
- Children and young people live in IFAs, primarily due to brothers and sisters needing to be placed alongside one another, limited availability within in-house foster care provision and matching criteria.

- Due to the increasing needs of a small cohort of young people, when a foster care can not be identified, a children's home has been considered and secured. This change in provision has been considered and informed by the care team with the change in the young person's care plan ratified.
- As our number of children and young people placed in in-house foster care starts to increase, we aim to reduce the number of children and young people living in IFAs by 15% by March 2024. This would equate to approximately 147 children and young people living in an IFA household.

### **Priorities**

1. We will continue to work regionally with other Local Authorities to ensure that the commissioning solution continues to be fit for purpose and to encourage off framework providers and new providers to join.
2. We will launch a new Provider Forum with our IFAs outside of our regional arrangements to share information about our demand, gaps in provision and to maximise effective partnership working.

## **9. ADOPTION**

Adoption gives vulnerable children, including many with complex needs and a history of ill-treatment, the greatest possible stability, in a permanent home with a permanent family.

In April 2021, Adopt Coast to Coast launched as the Regional Adoption Agency (RAA) for Durham County Council with two partners, Cumbria County Council and Together for Children who provide children's services on behalf of Sunderland City Council. The RAA is a partnership model whereby the central function of marketing and recruitment activity are centrally located in the hub with each partner retaining their adoption team who respond to enquiries in their allocated area and assess / support enquirers throughout their journey. All enquires received through the new enquiry and outcomes system where the enquirer has a Durham postcode, lives South of the Durham boundary or chooses Durham to receive the interest.

- In 2021/22 there has been 217 adoption enquiries, in comparison to 100 in 2020/21 and 165 in 2019/20.
- There was an 18% conversion rate from enquiries to approvals in 2021/22, a reduction in comparison to 2020/21 (41%) but an improvement from 2019/20 (15%).
- There were 66 placement orders in 2021/22, an increase from 2020/21 (58).

Recognising the sufficiency challenges across the region, a contract with ARC Adoption North-East provides the three spokes of Adopt Coast to Coast with exclusive access to prospective adopters they are assessing until they are approved as prospective adopters. This is in place to support early linking prior to a Placement Order being granted to reduce the time a child waits to be placed with their adoptive family.

## Priorities

1. To ensure that the transition to Adopt Coast to Coast does not impact on the recruitment improvements made in 2020-2022.
2. To work collaboratively with RAA partners to develop practice around linking and matching, to reduce the waiting time for children when being matched to their forever family.

## 10. IN-HOUSE CHILDREN'S HOME PROVISION

The council recognises that group living in residential homes is a positive choice for some young people and is the best way to meet their assessed needs.

We are committed to looking after as many of our own children as possible as we believe this enables children to be close to home and their family. This offers the best opportunity of achieving good outcomes and stability for children and young people. This approach also ensures that resources are used as effectively and efficiently as possible.

We are committed to ensuring that all of our children and young people with a plan of care are living in provision that is regulated with Ofsted.

### Existing Offer and Usage

- Durham continues to deliver an in-house residential home offer to children and young people. Eight of Durham's children's homes are rated by Ofsted to be 'good', one new home is awaiting its first Ofsted Inspection and one requires improvement with plans in place to address all areas of improvement.

**Table 1 – In-house residential home provision**

Children's Home	Type of Provision	Number of Beds	Age Group
West Rainton	Long-Term	3	12-17 years
New Lea House,	Long Term	4	12-17 years
High Etherley	Long Term	3	12-17 years
Framwellgate Moor	Long Term	5	12-17 years
Moorside	Long Term	5	12-17 years
Coxhoe	Long Term	3	12-17 years
Hickstead	Long Term	3	12-17 years
Orchard House	Long Term	3	12-17 years
The Manse	Medium / Long-term	2	12-17 years
Park House	Short Break/Respite for disabled children/ young people	6 + 1 emergency bed	7-17 years

### **Over the last 12-24 months we have:**

- Changed the registration of our children's home in West Rainton from a children's home for young children (7-11) which supports them to step down into foster care, into a home for young people aged 12+. The statement of purpose was reviewed to reflect our ongoing pressures for young people aged 12+. There are however an increasing number of younger children that require residential home provision, so we will seek to re-provide the step down to foster care model in the future.
- Re-provided our children's home previously at Cedar Drive. Our new children's home cares for up to three young people.
- Developed and opened a new children's home (Orchard House) for up to three young people.
- Developed a new smaller home for up to two young people aged 12-17. This was registered with Ofsted in June 2022.
- Used our short breaks home for both short breaks and short-medium term care arrangements, whilst alternative provision was identified for children and young people. This supported some of our immediate accommodation pressures but reduced the number of available overnight short breaks. The home has since reverted back to a short break only home with one emergency bed.
- Closed a children's home in Tow Law, as the building was no longer considered fit for purpose. An alternative property has been identified and the home is being re-provided.
- The council has increased its' number of long-term children's homes from 7 to 9, with 31 beds available for children and young people.

As of May 2022:

- 31 children and young people were accommodated within in-house children's home, in comparison with 26 children and young people accommodated in March 2020.
- An increasing number of females are accommodated in our in-house children's homes (52% as of May 2022 and 43% in March 2020). 42% are male and 6% are transgender.
- 45% of young people accommodated are aged 11-15 years old with this trend being consistent since 2019 (46% in October 2019); an increasing number of young people are aged 16+ (52%); with 3% of children under the age of 10 (1 child), which was 11% in 2020.
- We have 13 young people (42%) that will be turning 18 over the next two years, whereby improving the sufficiency across our children's homes and reducing our reliance on independent children's home providers. We will also focus on reviewing young people's care plans at the age of 16 to determine if children's home provision continues to be the most appropriate type of provision to meet their needs.

- There has been a lot of movement within our homes over the last 3 months with 9 new arrangements made. 11 young people have been in their home for less than 1 year; 8 young people have been in their home for just over 1 year.
- Our future demand for residential provision is dependent on the number of children that are becoming looked after and the complexity of their needs; the number of children that are due to exit the service and our plans for bringing children back into Durham from out of county provision. As our children looked after numbers continue to increase, children continue to present with a range of complex behaviours where their needs cannot be met in fostering provision and we are increasingly placing young people out of area, with demand for local residential provision continuing to be high. Whilst there is limited capacity to accommodate further young people and little flexibility within in-house homes to move children if a situation arises, this presents a clear rationale to grow and broaden our in-house offer.
- Given the ongoing demand for smaller children's residential homes to meet the needs of our complex and challenging young people who can't be safely matched into larger homes, we have secured investment to develop a number of new, smaller children's homes over the next 3 years.

### **Residential Transformation Programme – new children's homes**

Due to our ongoing demand for children's residential home provision, with up to 30 children and young people being searched for at any one time, and ongoing challenges identifying smaller homes that can safely manage the needs of some of our more complex children and young people, we are committed to developing a number of new smaller children's homes in County Durham.

This will ensure that we have sufficient, smaller local children's home provision, reducing the need to place children and young people at a distance or to place young people in unregulated arrangements for short periods of time. Homes will either be purchased, leased or new builds. Given the lead in time for purchasing / building and setting up children's home, a number of temporary medium-term options have / are being developed through lease agreements.

We are in the process of developing the following children's homes:

- Up to **4 x smaller children's homes for children and young people aged 12-17**. Two homes will each provide accommodation and care for two children, with a further two solo homes (with one overarching Registered Manager), each providing accommodation and care for one child. Two homes will be operational by the end of 2022, with the further two homes operational by the end of 2023.
- The development a new **Edge of Care Children's Home**. This new service will support our children and families on the edge of care preventing them from entering statutory services and will support children who are currently looked after, offering planning respite with a view to supporting stability and preventing breakdown. The home is forecast to be operational from summer 2023.

- **Re-provide a home for three children and young people** that was closed in 2020. The home is forecast to be operation in Autumn 2023.
- The ongoing development of a **'Peripatetic Residential Staffing Pool'**. This will provide greater capacity and will reduce our use of external agencies.
- We are continuing to improve our quality assurance and oversight, systems and records and investing in our workforce to ensure that services provided to Durham children and young people are good or above, in relation to Ofsted's Quality Improvement Framework.

Given the needs of children and young people, it is increasingly difficult to match children and young people into either a 4<sup>th</sup> or 5<sup>th</sup> bed within a children's home. This is evidenced in our occupancy information for larger homes. As such, all new homes developed will have an upper limit of three young people.

We propose to review the upper capacity of our established larger homes, when our new homes are developed, however this this must be considered carefully alongside our ongoing sufficiency needs.

Based on our ongoing sufficiency pressures we have identified gaps in the following types of service provision and will explore a range of delivery options including the development of services that DCC will operate, and provider delivered services:

- Children's home for disabled children and young people
- Specialist Short Break Home which offers planned respite for up to two young people with complex needs

The above gaps in service provision were also identified by Ofsted in their July 2022 inspection.

## **STAYING CLOSE**

When young people transition from their children's home and into supported accommodation or independence at the age of 18, this is often described as a 'cliff edge'. Staying Close looks to improve the outcomes for young people transitioning from their children's home, by providing continual, ongoing, familiar support from their keyworker or children's home staff as they transition into adulthood, for an agreed period of time.

The development of a Staying Close offer is a key priority and as such we now wish to develop and pilot this, capturing all learning and feedback and use this information to inform and shape Staying Close as we move forward.

We will be working closely with the DfE and other pilot providers / Local Authorities following a successful funding bid which will fund the programme over a 3-year period, enabling an increasing number of young people to access staying close, year on year.

## Priorities

1. Develop up to 4 x children's homes. Two will accommodate up to two children and young people and a further two homes will accommodate one young person each. Homes to be operational in 2022 and 2023.
2. Develop an Edge of Care home and open the home in summer 2023.
3. Re-provide a children's home for three young people by Autumn 2023.
4. Continue to develop the residential peripatetic staffing team to support capacity and reduce the use of agency staff within homes.
5. Continue to have close oversight of the residential workforce to ensure that the experience and skills of the workforce continues to meet our sufficiency needs.
6. Continue to review the upper bedding capacity in our existing children's home, taking into account ongoing sufficiency press
7. Re-provide a step down to foster care children's home for younger children, by reviewing the use of our existing children's homes.
8. Develop a children's home for disabled children and young people, in line with feedback from Ofsted. We will consider both DCC and provider led options, including new build options.
9. Develop a specialist short break home which offers planned respite for up to two children / young people with complex needs. We will consider both DCC and provider led options, including new build options.
10. Develop a Staying Close Pilot Programme for a small group of identified young people.

## 11. EXTERNAL CHILDREN'S HOME PROVISION

Given our increasing demand for children's home provision and the lack of in-house capacity, we are placing more children with external residential providers.

There are currently 41 registered children's homes in the County Durham area:

- 1 x Secure Children's Home operated by Durham County Council
- 9 x Children's Homes operated by Durham County Council
- 31 x Private/Voluntary Sector Children's Homes

Private and voluntary sector children's homes meet a range of needs i.e., emotional behavioural difficulties, learning disabilities, sensory needs and physical disabilities. The size of homes ranges from 8 beds to 1 bed, with the average home caring for 4 young people.

A high proportion of children and young people from out of area, are accommodated in children's home in County Durham.

## Existing Offer, Usage and Gaps

- We are using 47 external residential home providers as of 4 April 2022, in comparison to 27 providers in March 2020. Our use of the external market has increased significantly.
- 7% of CLA are now living in external residential homes, in comparison with 3.6% in 2019.
- As of February 2022, there was a 3% increase in the overall number of new CLA starts since March 2020, and a 31% increase in 14–15-year-olds in external children's homes. Demand is therefore not being driven by new young people coming into care, but by movement within existing looked after children and young people.
- We have had an 82% increase in the use of external residential homes since pre-covid, with 31 living arrangements in March 2020 increasing to 69 living arrangements in April 2022.
- We have seen an increase in the number of young people who have entered care and been accommodated in a children's home, rather than a foster carer household, due to their level of needs and complexity.
- We have started to place a small number of under 10-year-olds in residential homes, compared to zero children in March 2020. This highlights the increasing complexity of our younger children, and the inability to meet their needs within foster care provision.
- 40% of our children living in external residential homes are aged 14-15, in comparison to 16% in March 2020 (26 compared to 6 children, a 333% increase).
- 4 in 10 moves to external children's homes are from another external children's home. 45% of these are aged 14-15. 66% are age 13-15. This highlights providers difficulty in sustaining living arrangements for children and young people.
- There are very few 1 or 2 bedded homes in County Durham, that can offer specialist care and support to meet the needs of our most challenging children and young people. We have an increasing need for smaller homes and as such are working with a number of providers to shape and influence the services that they are developing.
- In 2016, the council joined the Regional Children's Home Framework, given our increasing use of external residential home provision. Whilst we continue to be part of this regional solution, Durham makes very few children's home arrangements with framework providers, with many providers choosing to remain off framework.
- Given the significant demand for external children's home provision (with demand often outstripping supply), independent providers can be selective regarding any future admissions, which often results in the most challenging

and high-risk young people with limited home opportunities, being placed at a distance. Given the lack of suitable local provision, we must therefore develop services that can meet this need.

- Whilst our use of parent and child residential units remains relatively low, when we need to secure this type of arrangement for a parent and their child, which is often directed by court, there are limited local options available.

### **Durham First Approach**

Due to the ongoing pressures in securing appropriate, local children's home provision, whilst we continue to focus on developing and broadening our in-house children's home offer to meet a range of needs, it is equally important to work closely and in partnership with the private and voluntary sector to ensure that we have a mixed sufficiency offer that Durham children and young people can access.

A 'Durham First Approach' has been adopted which allows us to shape and influence new services being developed by external providers, so these meet our sufficiency needs and to ensure that Durham has access to these services first and foremost. This usually takes place prior to the formal planning process and has resulted in the size of the development being reduced and the scope of the service being adjusted, so that services met Durham's sufficiency needs.

There are a number of new homes currently being developed which will result in 10 new vacancies in the county which can be accessed by Durham children. To date we have worked with providers to develop five Durham First homes, which can be accessed subject to suitable matching and assessment of risks.

All providers delivering care to children and young people are allocated a Link Officer with the Commissioning Service. Link Officers offer support and guidance, have oversight of complaints and LADO involvement and develop a positive working relationship with the provider.

### **Step Down Provision from Tier 4 Mental Health Hospital**

During 2021/22, we have had to secure provision within the community for a number of children and young people that have been discharged from Tier 4 hospital. Given the complexity and the ongoing risk that children and young people continue to present this is often difficult; and sometimes results in a delayed discharge from hospital, requiring the development of bespoke regulated living arrangements, which requires a significant lead in time.

It is important that we develop a dedicated regulated offer that can support children and young people for a period of time, until the young person can be carefully transitioned into their long-term community living arrangement or is able to go home. Whilst the provision will provide onsite ongoing intensive care and support for a small number of young people, the service would also be able to provide an element of out-reach wrap around support to young people not accommodated on site, but who are at risk of being admitted to hospital. We will explore options for developing an Intensive Home Treatment Plus Model that is able to provide specialist support into the service and into the homes of

identified young people who are looked after and at risk of admission to hospital.

### **Priorities**

1. We will continue to work with providers to sustain children and young people's children's home provision, offering support and solutions which minimises moving children and young people.
2. We will continue to work closely with providers that wish to develop new Durham First services in County Durham, to shape services and to positively challenge development when this does not meet our needs.
3. We will explore options for working in partnership with a provider to develop a solo / dual registered children's home in County Durham, specifically for our use.
4. We will review our potential future use of parent and child residential units and encourage providers to develop these services when there is an identified need.
5. We will continue to play an active role in the NE12 regional consortia, working with neighbouring Local Authorities, to understand regional challenges, demand and to work collaboratively.
6. We will launch a new Provider Engagement Forum in July 2022 with our residential home providers. This will be specific to Durham's local needs.
7. We will work with health partners to develop a new registered step down from hospital offer to meet the needs of children and young people who are in our care and who have ongoing mental health needs.
8. As our capacity increases within in-house children's home provision, we will review our out of county living arrangement, to understand which children and young people have a plan to move back into the area.

## **12. SUPPORTED ACCOMMODATION AND CARE LEAVERS**

Supported accommodation provides a stepping-stone for our young people aged 16 and 17 and care leavers, supporting the development of skills for life as young people transition into adulthood.

Many young people's needs can not be met in traditional accommodation options such a children's homes, with assessments determining that young people no longer require care but would benefit from ongoing support in their day to day lives.

- Our use of supported accommodation provision has increased since pre-covid by 187% (15 YP increasing to 43 YP), which accounts for 4% of our CLA.

- In 2020/21 we had 78 care leavers aged 17-18 that we supported, which is a slight reduction, from 84 in 2019/20. The number of care leavers aged 19-21 has however increased from 175 in 2019/20 to 197 in 2020/21.
- In 2020/21 we had 275 eligible care leavers aged 17-21 and 278 eligible care leavers as of the 8<sup>th</sup> April 2022, with number remaining relatively static over the 2 year period.
- 92% of our care leavers aged 17-18 are in suitable accommodation, which is above the national benchmark (91%) but below the statistical neighbour (93%) and regional (94%). Our number of care leavers aged 19-21 in suitable accommodation is also 92%, which is above the national (88%) and regional benchmark (91%) and on par with the statistical neighbour benchmark.

### Supported Accommodation Offer

In order to meet the accommodation and support needs of our 16- and 17-year-olds, Durham has a range of 16+ unregulated accommodation options. These include:

<p><b><u>In-House Provision:</u></b> Supported Lodging Carers</p> <p><b><u>Commissioned Services:</u></b> Hedley House – Changing Lives (block contract) Staying Put (through IFAs) YMCA (spot purchase) ROC Solid (spot purchase) Moving on (spot purchase) Jigsaw Recovery Project (spot purchase) Home Group Staying Close (see in-house residential)</p> <p>Durham Local Letting Agency for general needs housing options for young people.</p>	<p>Low-Medium Level Needs</p>
<p><b><u>Commissioned Services:</u></b></p> <p>Supported Living Provider Panel for young people aged 16-17 who have needs that challenge services – consisting of 11 providers</p>	<p>High Support Needs</p>

The current supported accommodation provider panel is due to be opened in October 2022, giving new providers an opportunity to join and deliver services for young people, whose needs are best met in a solo occupancy accommodation. This will broaden our current availability of supported accommodation services for young people.

## **New National Standard and Ofsted-led registration and inspection**

We will be working with supported accommodation providers when further information is published by Ofsted in relation to the new national standards and the registration and inspection regime.

Discussion will be facilitated through Provider Engagement Forums to understand any additional support required, the potential impact on providers due to regulatory changes and to understand any emerging gaps in service provision.

## **Homelessness**

When young people aged 16 and 17 present as homeless, they are assessed as being children in need, (CLA would not be considered as homeless) and are considered within joint housing protocol meetings, to explore suitable accommodation and support, if their assessed needs can be met through support accommodation.

Housing Solutions have a dedicated officer who works with Care Leavers to assist within the Homeless Reduction Act when a care leaver is homeless or threatened with homelessness, to help access the most appropriate accommodation to meet their needs.

Housing Solutions will work with the care leavers social worker or young person's advisor using the Care Leavers Accommodation and Support Protocol, to help source accommodation and discuss any additional support requirements that may need as part of their pathway plan.

## **Priorities**

1. To review the marketing and recruitment strategy for Supported Lodging providers, which seeks to recruit new carers.
2. We will open up the Supported Accommodation Provider Panel for young people in October 2022, broadening our pool of providers.
3. Establish a new Provider Engagement Forum with supported accommodation providers.
4. We will work with supported accommodation providers in relation to the regulation of provision, to understand any potential impact or emerging gaps in provision.

## **13. UNACCOMPANIED ASSYLUM-SEEKING CHILDREN (UASC)**

Durham is working in partnership with regional Local Authorities to explore how best to meet the needs of UASC coming into the region, alongside the development of regional and local commissioning solutions. This includes:

- The North-East Migration Partnership acting as a brokerage service on behalf of all 12 regional LAs, when seeking to identify appropriate provision

for under 16's from IFAs through the NE12 Tyne Tees Regional IFA Commissioning Solution.

- The allocation and management of the UASC living arrangements are made based on their location. This does not change the number of UASC allocated to each LA.
- The targeted recruitment of foster carers and supported lodging providers that can care for UASC.
- Development of pooled resources i.e., training, legal and age assessments, pathways and living skills documentation.
- Exploring the development of a regional short-term residential service, where UASC live whilst assessments are concluded, and independent living skills are developed. This type of service would enable LAs to meet the 10-day lead in time for placing children and young people, when all other options had been explored.

As demand for suitable provision will continue and will not reduce, our accommodation options must also be expanded to meet this unprecedented need. One single service will not meet our overarching accommodation and support needs, instead a range of sufficiency options need to be explored and developed.

### **Priorities**

1. Work with local supported accommodation providers to explore the extension of existing services to meet our increasing accommodation and support needs for UASC.
2. Consider options to develop a local supported accommodation and assessment hub, which will assess UASC over a 6 – 12-week period, before moving young people onto suitable supported accommodation.
3. Continue to work in partnership with regional LAs to develop a commissioning solution for UASC.

## **14. SHORT BREAKS FOR DISABLED CHILDREN AND THEIR FAMILIES / CARERS**

The Council has a legal duty under the Children Act 1989 to provide services for children in need and their families. This includes children who are disabled.

Parent and carers of children and young people with special educational needs and / or disabilities tell us that they often need a short break from their caring role. Children and young people would ordinarily take part in social opportunities outside of their education, providing a break for their parent / carer which is intended to prevent children requiring statutory services or becoming looked after.

The Council provides a two-tier short break offer:

- (i) Non-Assessed Community Short Breaks – providing 2-3 hours of community activities, which offer support and a regular break to parents and carers
- (ii) Assessed Specialist Enhanced Short Breaks – offering enhanced support to children and young people with more complex needs, which enables young people to access the community and overnight respite following a statutory assessment. This can be secured through the following:
  - a. Direct payment – personalised response for the family
  - b. Domiciliary Care – going into the young person’s home to provide assistance with personal care, feeding, washing, sitting services etc
  - c. Health services – into the home for children with health needs
  - d. Specialist community-based services – hub-based delivery in very small groups or outreach into the community
  - e. Overnight respite within a regulated residential setting

### **Responsiveness, Gaps and Challenges**

- Some providers are unable to offer non assessed short breaks to children and their families as they are unable to provide specialist support required by children.
- As of the 1 April 2022, 242 statutory short break assessments identified that a short break service should be commissioned for a young person and their family. Of the 242 assessments:
  - 1.7% - had been agreed at panel and were due to be actioned
  - 4.6% - no service had been identified
  - 10.3% - service identified but not yet commenced
  - 83.4% - service is being delivered
- There has been a drop in families use of direct payments, with further work ongoing to understand why this is the case, however early indication is that there are ongoing problems in relation to attracting direct payment workers.
- There has been a significant increase in demand for specialist community short breaks, however providers have often been unable to respond to needs. This is in terms of both volume and complexity of children and a lack of providers within the market. During the pandemic some families were waiting 12 months for support due to provider availability.
- The market is unable to respond to overnight respite referrals due to limited availability. There is also limited availability within DCC’s in-house respite home, Park House, due to a number of young people being accommodated on a longer-term basis (until they can be transitioned into an alternative home), which is bed blocking.

- There is limited-service provision within hospices, due to inadequate Ofsted judgements, leaving fewer beds available.

## **Priorities**

1. In order to commission services in line with needs, a whole system approach is required to re-shape, stabilise, capacity build and upskill the market.

A Sufficiency Action Plan will be developed and implemented which will Short Breaks highlight the range of actions that will be taken forward to address the ongoing challenges and gaps in provision, and to improve both the universal and statutory short breaks offer for children, young people and their families / carers. This includes:

### Non-Assessed Community Short Breaks:

- A. Ensure that organisations maximise inclusion for disabled children in community activities across County Durham and have the right skills and experience to respond to young people's needs.
- B. Further invest to enable children and young people with disabilities to access local universal activities, ensuring that parents / carers access regular breaks when these are needed and reducing the reliance on commissioned assessed services, preventing escalation of family needs.
- C. Continue to commission a menu of community activities for children unable to access the community due to their disability, without the need for a statutory assessment, whilst ensuring that providers are upskilled to respond to specialist needs.

### Assessed Specialist Enhanced Short Breaks:

- D. Ensure that the provider market has the capacity, experience and skills to meet to children and young people's short break needs, either at home, in the community or in a residential setting.
- E. Develop specialist and inclusive community hubs to enable complex young people to be supported within their local area.
- F. Review overnight respite provision at Park House, alongside the wider overnight respite offer in the region, propose options to meet all needs, including those young people with complex disabilities / challenging behaviours that post a risk to other children. Develop a model and service provision for overnight respite (this action overlaps with Priority Number 9 within the In-House Residential Homes section of this strategy).
- G. Change our commissioning approach to block investment with existing providers to develop, stabilise and upskill the workforce so it can respond to short break demand, particularly for those young people with autism and challenging behaviours.

## 15. CONCLUSION

The aim of this Strategy is to ensure that children and young people in care live in stable, high-quality settings, where their needs can be met and their outcomes improved, enabling them to return home where this is in their best interests.

As corporate parent, the whole Council has a role to play to improve the outcomes for Durham's looked after children and care leavers. This Strategy and the delivery of its outcomes form just one part of our overall approach to supporting looked after children and care leavers and those on the edge of care and should be read in conjunction with other local strategies for children and families in need of support and protection.

## 16. PRIORITIES

Based on the analysis of the needs of looked after children and care leavers, an understanding of the market locally and a range of research, four main objectives have been identified within this Strategy to contribute to achieving the authority's sufficiency duty and meeting the best possible outcomes for children and young people.

The six objectives are set out in Appendix 1 of the Strategy and will shape the activities, we as an authority believe will best deliver this outcome.

As we make progress with these objectives, we will achieve the quality, sufficiency and value for money we need in order to achieve the best for children and young people in County Durham

## 17. INDICATORS

A range of 'Indicators' have been identified and will be reviewed on a 6- monthly basis, to help inform and assess the Authority's effectiveness in delivering its overall sufficiency duty.

These are set out in the table below.

1.	Number of children that are looked after
2.	Number of children that are adopted
3.	Number of children living with in-house foster carers
4.	Number of children living with independent fostering agency carers
5.	Number of children living in in-house children's homes
6.	Number of children living in external children's homes
7.	Number of children living in supported accommodation / living
8.	Number of UASC accommodated
9.	Number of living arrangements endings which are at the carers request due to a child's behaviour (looking at age of the child and length of time in their living arrangement)
10.	Percentage of children who are looked after with 3 or more living arrangements during the year

11.	Percentage of children looked after continuously for 2.5 years or more aged under 16 who are living in the same living arrangement for at least 2 years
12.	Number of children with a plan of permanence
13.	Percentage of care leavers living in suitable accommodation
14.	Number of unregulated living arrangements made for children who required care
15.	Number of out of county living arrangements made
16.	Number of children and young people with a disability who live with their family and who are accessing respite

## KEY PRIORITIES

No	Overarching Objective	Priorities	Completed by
1	<b>Grow our number of in-house foster carers, support the retention of carers and work with IFAs to ensure that children and young people can live with foster carer families when it is in their interests to do so</b>	Recruit 35 new foster carer households in 2022/23 and a further 35 new foster carer households in 2023/24	March 2023 and March 2024
		Develop and launch the new fostering website	December 2023
		Launch the Mockingbird Model to support our in-house foster carers	July 2022
		Review the current Payment for Skills Model in consultation with foster carers, which seeks to improve our sufficiency of in-house foster carers, by attracting new carers and retaining existing carers and implement findings	October 2023
		Develop a 'wrap around support' team that will work intensively with our in-house foster carers to promote stability and prevent breakdown	March 2023
		Develop the respite foster care offer for children and young people with a disability	September 2022 – March 2024
		We will continue to work regionally with other Local Authorities to ensure that the new commissioning solution continues to be fit for purpose and to encourage off framework providers and new providers to join.	April 2022 – March 2024
		We will launch a new Provider Forum with our IFAs outside of our regional arrangements to share information about our demand, gaps in provision and to maximise effective partnership working.	September 2022

2	<b>Increase the number of adopters</b>	Ensure that the transition to Adopt Coast to Coast does not impact on the recruitment improvements made in 2020-2022.	March 2024
		Work collaboratively with RAA partners to develop practice around linking and matching, to reduce the waiting time for children when being matched to their forever family.	March 2024
3	<b>Continue to develop and broaden our residential homes offer and maximise opportunities with external providers when there is a case to do so</b>	Develop up to 4 x smaller children's homes. Two will accommodate up to two children and young people and a further two homes will accommodate one young person each. Homes to be operational in 2022 and 2023.	December 2022 and December 2023
		Develop an Edge of Care home	August 2023
		Re-provide a children's home for three young people	November 2023
		Continue to develop the residential peripatetic staffing team to support capacity and reduce the use of agency staff within homes.	April 2022 – March 2024
		Continue to have close oversight of the residential workforce to ensure that the experience and skills of the workforce continues to meet our sufficiency needs.	April 2022 – March 2024
		Continue to review the upper bedding capacity in our existing children's home, taking into account ongoing sufficiency press	April 2022 / March 2024
		Develop a step down to foster care children's home for younger children, by reviewing our existing children's home provision	March 2024
		Develop a children's home for disabled children and young people, in line with feedback from Ofsted. We will consider both DCC and provider led options, including new build options.	March 2025

	Develop a specialist short break home which offers planned respite for up to two children / young people with complex needs. We will consider both DCC and provider led options, including new build options.	March 2025
	Develop a Staying Close Programme for a small group of identified young people	July 2022 – March 2025
	We will continue to work with providers to sustain children and young people’s residential home arrangements, offering support and solutions which minimises moved for children and young people.	April 2022 – March 2024
	We will continue to work closely with providers that wish to develop new Durham First services in County Durham, to shape services and to positively challenge development when this does not meet our needs.	April 2022 / March 2024
	We will review our potential future use of parent and child residential units and encourage providers to develop these services when there is an identified need.	March 2024
	We will explore options for working in partnership with a provider to develop a solo / dual registered children’s home in County Durham, specifically for our use.	April 2022 – March 2024
	We will continue to play an active role in the NE12 regional consortia, working with neighbouring Local Authorities, to understand regional challenges, demand and to work collaboratively.	April 2022 – March 2024
	We will launch a new Provider Engagement Forum with our residential homes providers. This will be specific to Durham’s local needs.	July 2022
	We will work with health partners to develop a new registered step down from hospital offer to meet the needs of children and young people with ongoing mental health needs.	March 2024

		As our capacity increases within in-house residential home provision, we will review our out of county living arrangements, to understand which children and young people have a plan to move back into the area.	Ongoing
4	<b>Develop access to a diverse range of appropriate accommodation for Care Leavers</b>	Review the marketing and recruitment strategy for Supported Lodging providers	March 2023
		We will open up the Supported Accommodation Provider Panel for young people with complex needs, broadening our pool of providers.	October 2022
		Establish a new Provider Engagement Forum with supported accommodation providers.	September 2022
		Work with supported accommodation providers in relation to the regulation of provision, to understand any potential impact or emerging gaps in provision.	August 2022 – March 2024
5	<b>Improve our sufficiency offer for UASC and reduce waiting times</b>	Work with local supported accommodation providers to explore the extension of existing services to meet our increasing accommodation and support needs for UASC.	December 2022
		Consider options and funding opportunities to develop a local supported accommodation and assessment hub, which will assess UASC over a 6 – 12-week period, before moving young people onto suitable long-term supported accommodation.	December 2022
		Develop a new supported accommodation assessment service for UASC	September 2023
		Continue to work in partnership with regional LAs to explore opportunities for joint commissioning	April 2022 – March 2024
6	<b>Broaden our short breaks offer for disabled children and their families</b>	Develop a Short Breaks Sufficiency Action Plan which highlights the range of actions that will be taken forward to address the ongoing challenges and gaps in provision, and to improve both the universal and statutory short	July 2022

		breaks offer for children, young people and their families / carers	
		<p>Deliver a programme of non-assessed community short break improvements:</p> <ul style="list-style-type: none"> <li>(i) Ensure that organisations maximise inclusion for disabled children in community activities across County Durham and have the right skills and experience to respond to young people's needs.</li> <li>(ii) Further invest to enable children and young people with disabilities to access local universal activities, ensuring that parents / carers access regular breaks when these are needed and reducing the reliance on commissioned assessed services, preventing escalation of family needs.</li> <li>(iii) Continue to commission a menu of community activities for children unable to access the community due to their disability, without the need for a statutory assessment, whilst ensuring that providers are upskilled to respond to specialist needs.</li> </ul>	July 2022 – March 2024
		<p>Deliver a programme of assessed specialist enhanced short breaks:</p> <ul style="list-style-type: none"> <li>(i) Ensure that the provider market has the capacity, experience and skills to meet to children and young people's short break needs, either at home, in the community or in a residential setting.</li> <li>(ii) Develop specialist and inclusive community hubs to enable complex young people to be supported within their local area.</li> <li>(iii) Review overnight respite provision at Park House, alongside the wider overnight respite offer in the region, propose options to meet all needs, including those young people with complex disabilities / challenging</li> </ul>	July 2022 – March 2024

		<p>behaviours that post a risk to other children. Develop a model and service provision for overnight respite (this action overlaps with Priority Number 9 within the In-House Residential Homes section of this strategy).</p> <p>(iv) Change our commissioning approach to block investment with existing providers to develop, stabilise and upskill the workforce so it can respond to short break demand, particularly for those young people with autism and challenging behaviours.</p>	
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KEY DATA TO SUPPORT THE STRATEGY

-All data is based on information available as of 31 March 2022-

Table 1: CLA Forecast (April 2022 onwards)

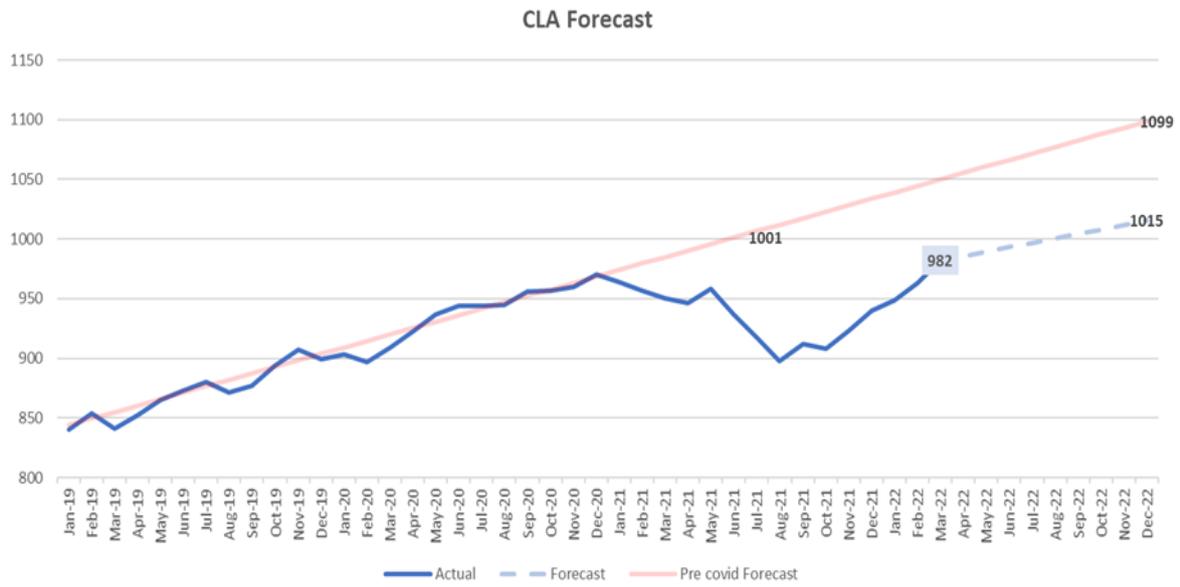
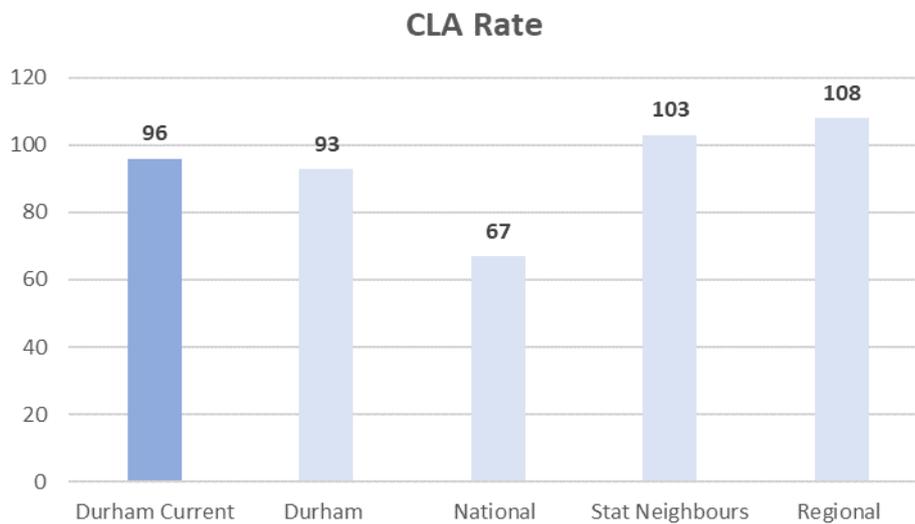
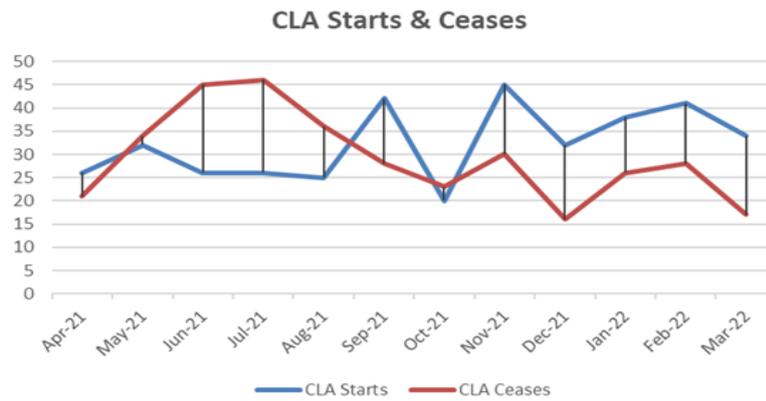


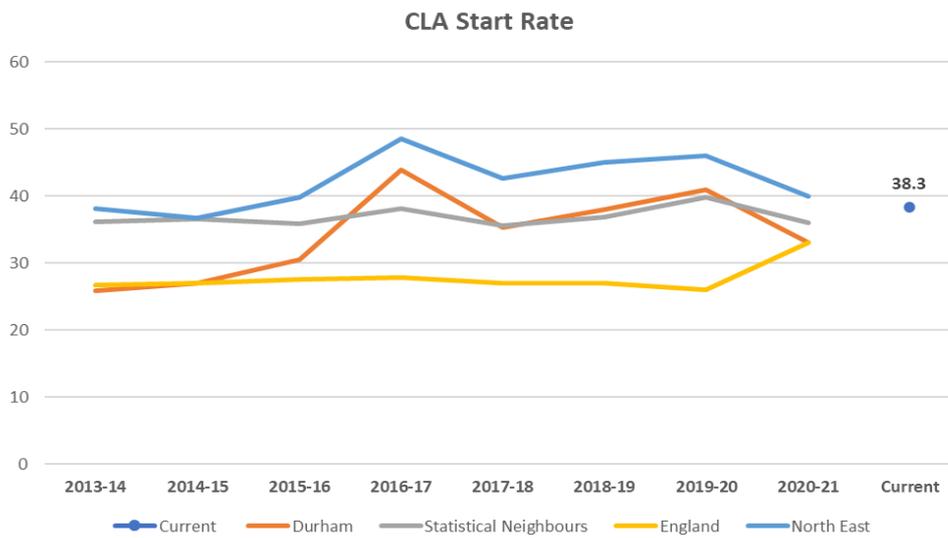
Table 2: Comparative CLA rate (per 10,000 population)



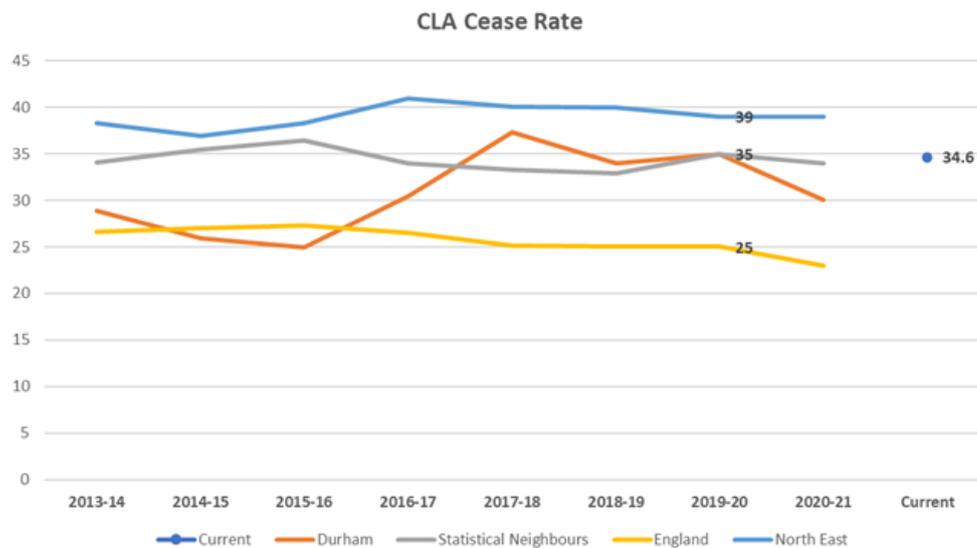
**Table 3: CLA Starts and Ends**



**Table 4: CLA Start Rate**



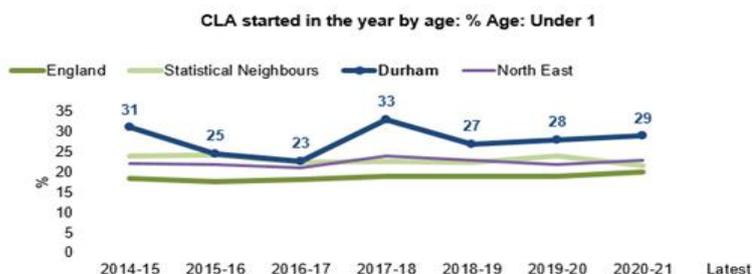
**Table 5: CLA Cease Rate**



**Table 6: Under 1 CLA starts**

Select Indicator from drop down list  
(LAC2.11) CLA started in the year by age: % Age: Under 1

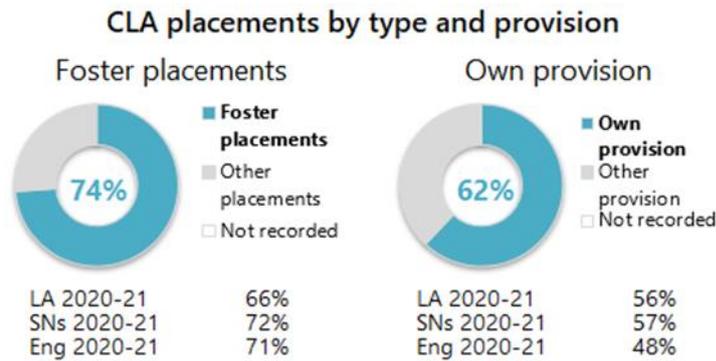
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Latest	% change from '19-20 to '20-
Durham	31	25	23	33	27	28	29		Up 4%
England	19	18	18	19	19	19	20		Up 5%
Statistical Neighbours	24	24	23	23	23	24	22		Down -10%
North East	22	22	21	24	23	22	23		Up 5%



**Table 7: CLA Analysis**

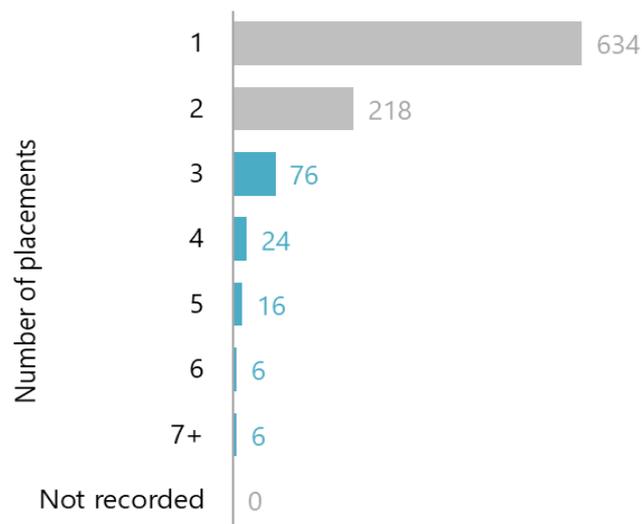
CLA Placement Type Analysis											
Placement Type	04-Jun-19		11-Mar-20		04-Apr-22		No. change	% change on Jun19	No. change	% change pre-COVID	
	No.	%	No.	%	No.	%					
External Residential	31	4%	38	4%	69	7%	38	123%	31	82%	
Friends and Family	134	15%	126	14%	143	15%	9	7%	17	13%	
IFA	126	15%	159	18%	172	17%	46	37%	13	8%	
In House Foster Care	422	49%	430	48%	411	42%	-11	-3%	-19	-4%	
In House Residential	31	4%	26	3%	31	3%	0	0%	5	19%	
Independent Living	9	1%	8	1%	4	0%	-5	-56%	-4	-50%	
NHS/Health Trust	2	0%	1	0%	1	0%	-1	-50%	0	0%	
Placed For Adoption	24	3%	23	3%	38	4%	14	58%	15	65%	
Placed With Parents	66	8%	62	7%	63	6%	-3	-5%	1	2%	
Full Care Order	57	7%	47	5%	47	5%	-10	-18%	0	0%	
Interim Care Order	9	1%	15	2%	18	2%	9	100%	3	20%	
Residential School	2	0%	2	0%	0	0%	-2	-100%	-2	-100%	
Unapproved Carers - Court Directed*					1	0%					
Unapproved Carers - Not Court Directed*					1	0%					
Unregistered Placement*					2	0%					
Secure	1	0%	1	0%	4	0%	3	300%	3	300%	
Supported Lodgings	12	1%	15	2%	43	4%	31	258%	28	187%	
YOI/Prison	1	0%	1	0%	0	0%	-1	-100%	-1	-100%	
<b>Grand Total</b>	<b>866</b>	<b>100%</b>	<b>902</b>	<b>100%</b>	<b>983</b>	<b>100%</b>	<b>117</b>	<b>14%</b>	<b>81</b>	<b>9%</b>	

**Table 8: Living Arrangement by type and provision**

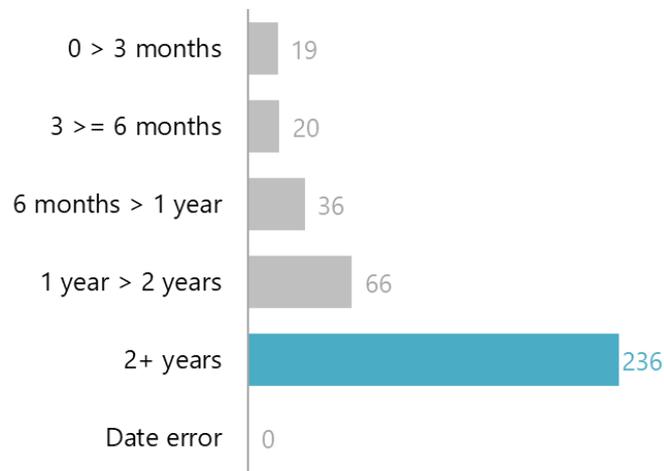


Placement type (open CLA)	Own LA	Private	Other	Total
Foster placement	550	161	12	723
Placed for adoption	11	0	27	38
Placed with parents	0	0	64	64
Independent living	13	24	11	48
Residential employment	0	0	0	0
Residential accommodation	0	0	0	0
Secure Children's Homes	2	1	0	3
Children's Homes	31	69	0	100
Residential Care Home	0	0	0	0
NHS/Health Trust	0	0	1	1
Family Centre	0	0	0	0
Young Offender Institution	0	0	0	0
Residential school	0	0	0	0
Other placements	0	0	0	0
Temporary placement	0	0	0	0
<b>Total placements</b>	<b>607</b>	<b>255</b>	<b>115</b>	<b>977</b>

**Table 9: Number of moves in the last 12 months**



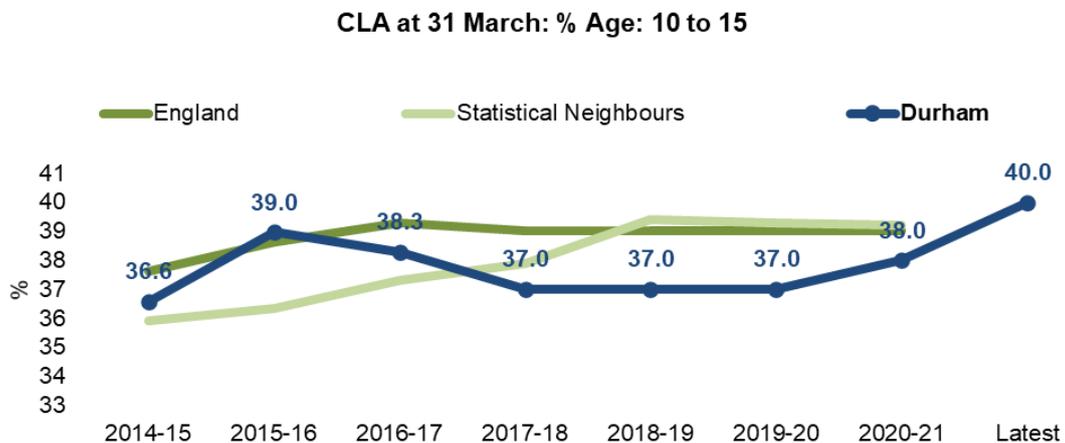
**Table 10: Duration of latest living arrangement for each current CLA aged under 16 who have been looked after for 2.5 years or more**



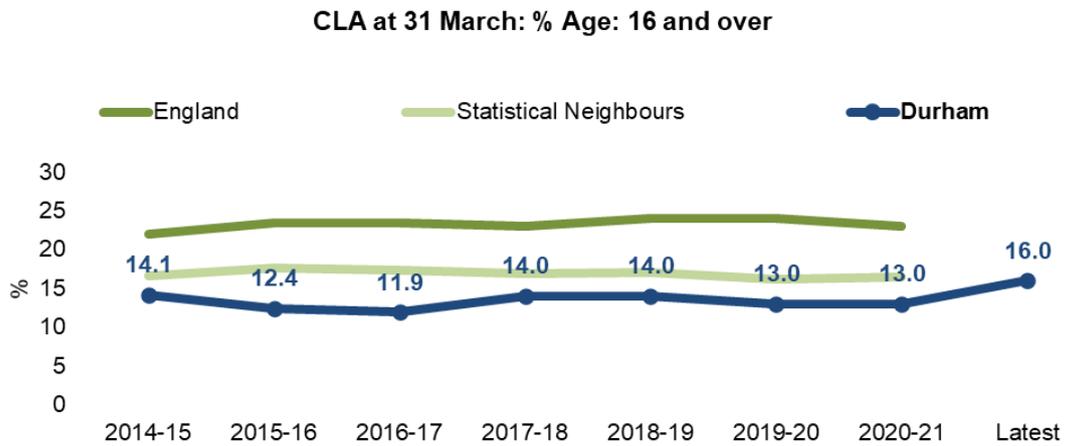
**Table 11: Adoption year on year comparative data**

	Initial enquiries	Conversion Rate	Approvals of prospective adopters	Placement Order	Matched
<b>2019/20</b>	165	15%	25	66	64 (24 with in-house carers)
<b>2020/21</b>	100	41%	41	58	60 (42 with in-house carers)
<b>2021/22</b>	217	18%	40	66	65 (31 with in-house carers)

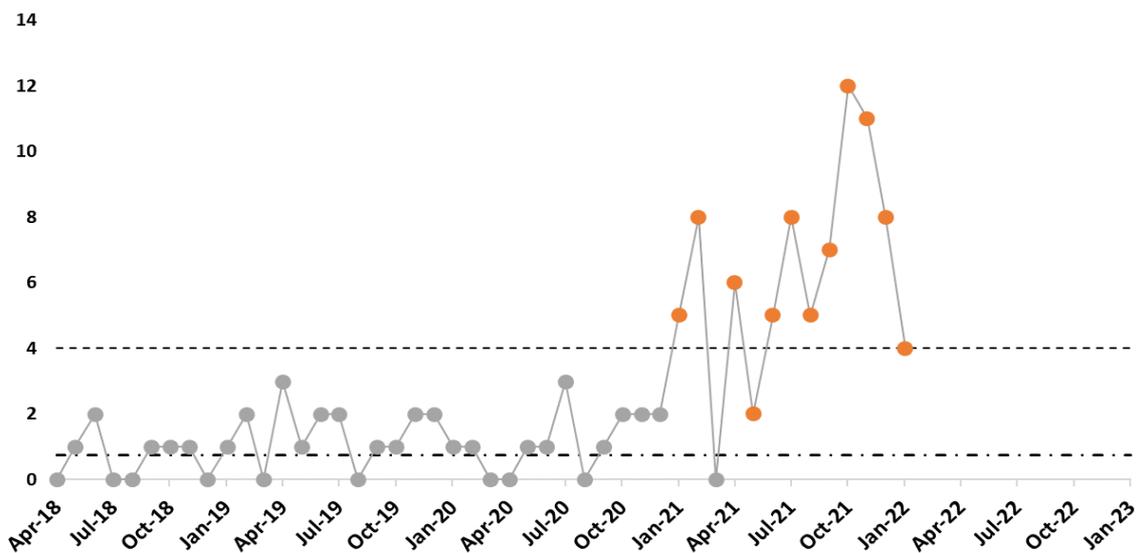
**Table 12: CLA age profile (as of 31 March 2022)**



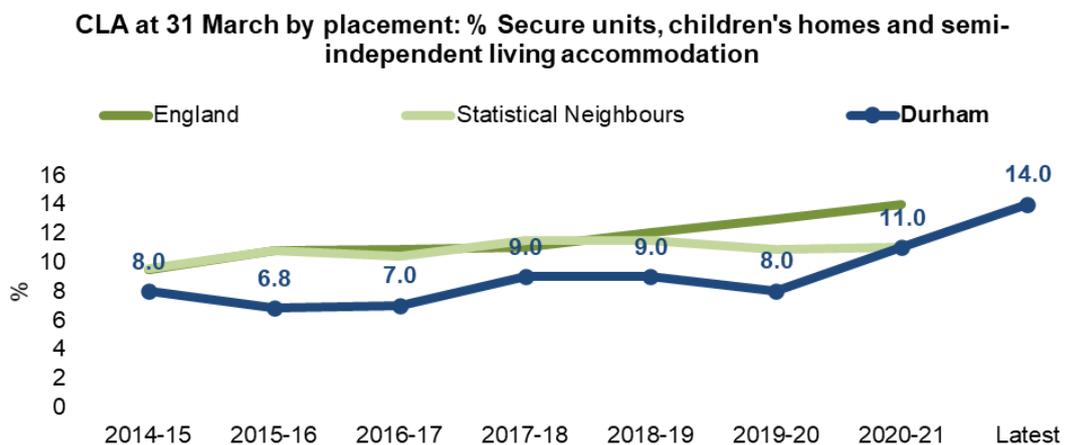
**Table 13: CLA age 16 and over (as of 31 March 2022)**



**Table 14: External Children’s Home Usage Trends**



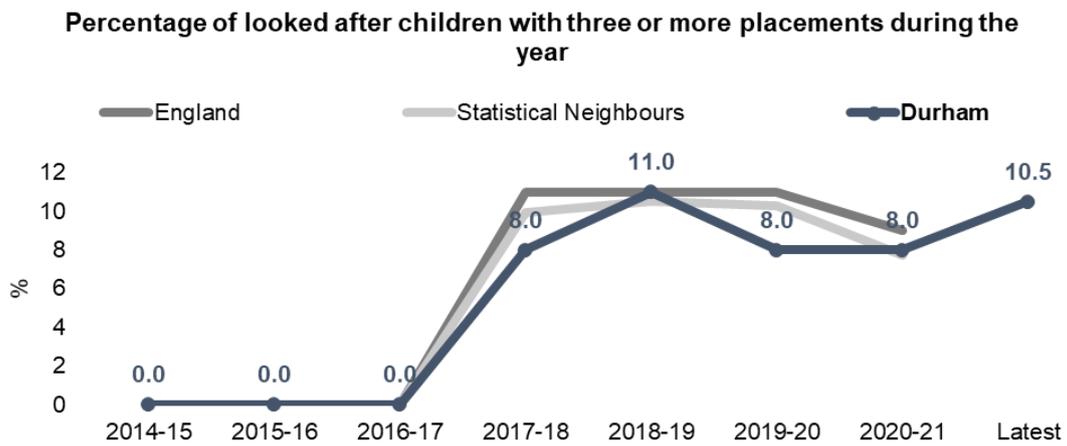
**Table 15: CLA at 31 March**



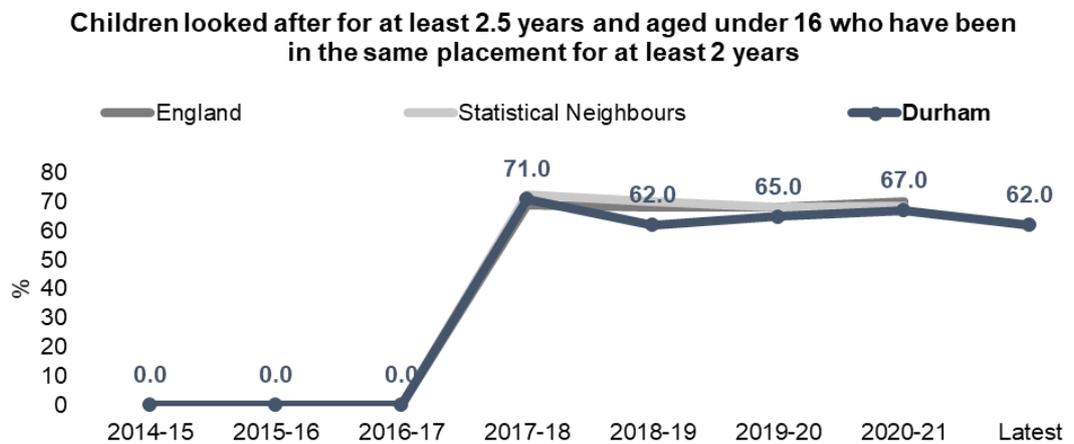
**Table 16: Stability**

Regional Benchmarking	North East	Darlington	Durham	Gateshead	Hartlepool	Middlesbrough	Newcastle upon Tyne	North Tyneside	Northumberland	Redcar and Cleveland	South Tyneside
Placement stability (LAC at end of period with 3 or more placements/LAC at end of period with 3 or more placements/LAC at end of period)	8.5%	10.0%	10.5%	8.7%	2.6%	10.3%	7.4%	10.0%	9.3%	9.0%	8.8%
Placement stability (Number of Children Looked After for and aged under 16 at end of Month, and in 2 Years) – number who have been in at least 2 years/LAC at least 2.5 years at end of period	69.0%	73.5%	62.0%	71.3%	73.6%	63.1%	69.5%	69.0%	68.1%	71.3%	68.8%

**Table 17:**



**Table 18:**



## Impact of sufficiency strategy and additional resources

### In-house Residential Home Provision

#### *Current Provision*

- 31 beds available across children's homes (medium/long term living arrangements)
- 6 beds current available in our short breaks home (with one additional emergency bed).

#### *Additional Provision to be developed to meet need*

#### *Funding approved*

- 9 beds for children and young people with emotional behavioural difficulties who require smaller homes
- 3-4 beds for children on the edge of care beds who require planned respite from their family

#### *Funding / Arrangements to be approved*

- 3 beds for children and young people with a disability
- 2 beds for children and young people with a disability who have complex needs and need to access a planned short break in a smaller setting
- 3 specialist beds for children and young people stepping down from tier 4 hospital provision
- 1-2 beds for children and young people with complex needs who need to live in a smaller setting (delivery in partnership by a provider)

### **Up to 23 additional residential children's home beds**

For further information contact:

[AHS.Commissioning@durham.gov.uk](mailto:AHS.Commissioning@durham.gov.uk)

Please ask us if you would like this document summarised in another language or format.



Braille



Audio



Large print

[altformat.CAS@durham.gov.uk](mailto:altformat.CAS@durham.gov.uk)  
03000 261 381

## Appendix 3: Sufficiency Priorities

No.	Overarching Objective	Priorities	Completed by
1	Grow our number of in-house foster carers, support the retention of carers and work with IFAs to ensure that children and young people can live with foster carer families when it is in their interests to do so	Recruit 35 new foster carer households in 2022/23 and a further 35 new foster carer households in 2023/24	March 2023 and March 2024
		Develop and launch the new fostering website	December 2023
		Launch the Mockingbird Model to support our in-house foster carers	July 2022
		Review the current Payment for Skills Model in consultation with foster carers, which seeks to improve our sufficiency of in-house foster carers, by attracting new carers and retaining existing carers and implement findings	October 2023
		Develop a 'wrap around support' team that will work intensively with our in-house foster carers to promote placement stability and prevent placement breakdown	March 2023
		Develop the respite foster care offer for children and young people with a disability	

No.	Overarching Objective	Priorities	Completed by
			September 2022 – March 2024
		We will continue to work regionally with other Local Authorities to ensure that the new commissioning solution continues to be fit for purpose and to encourage off framework providers and new providers to join.	April 2022 – March 2024
		We will launch a new Provider Forum with our IFAs outside of our regional arrangements to share information about our demand, gaps in provision and to maximise effective partnership working.	September 2022

<b>2</b>	<b>Increase the number of adopters</b>	Ensure that the transition to Adopt Coast to Coast does not impact on the recruitment improvements made in 2020-2022.	March 2024
		Work collaboratively with RAA partners to develop practice around linking and matching, to reduce the waiting time for children when being matched to their forever family.	March 2024
<b>3</b>	<b>Continue to develop and broaden our residential homes offer and maximise opportunities with external providers when there is a case to do so</b>	Develop up to 4 x smaller children's homes. Two will accommodate up to two children and young people and a further two homes will accommodate one young person each. Homes to be operational in 2022 and 2023.	December 2022 and December 2023
		Develop an Edge of Care home	August 2023
		Re-provide a children's home for three young people	November 2023
		Continue to develop the residential peripatetic staffing team to support capacity and reduce the use of agency staff within homes.	April 2022 – March 2024

		Continue to have close oversight of the residential workforce to ensure that the experience and skills of the workforce continues to meet our sufficiency needs.	April 2022 – March 2024
		Continue to review the upper bedding capacity in our existing children’s home, taking into account ongoing sufficiency press	April 2022 / March 2024
		Develop a step down to foster care children’s home for younger children, by reviewing our existing children’s home provision	March 2024
		Develop a children’s home for disabled children and young people, in line with feedback from Ofsted. We will consider both DCC and provider led options, including new build options.	March 2025
		Develop a specialist short break home which offers planned respite for up to two children / young people with complex needs. We will consider both DCC and provider led options, including new build options.	March 2025

		Develop a Staying Close Programme for a small group of identified young people	July 2022 – March 2025
		We will continue to work with providers to sustain children and young people’s residential home arrangements, offering support and solutions which minimises moved for children and young people.	April 2022 – March 2024
		We will continue to work closely with providers that wish to develop new Durham First services in County Durham, to shape services and to positively challenge development when this does not meet our needs.	April 2022 / March 2024
		We will review our potential future use of parent and child residential units and encourage providers to develop these services when there is an identified need.	March 2024
		We will explore options for working in partnership with a provider to develop a solo / dual registered children’s home in County Durham, specifically for our use.	April 2022 – March 2024
		We will continue to play an active role in the NE12 regional consortia, working with neighbouring Local Authorities, to understand regional challenges, demand and to work collaboratively.	April 2022 – March 2024

		We will launch a new Provider Engagement Forum with our residential homes providers. This will be specific to Durham’s local needs.	July 2022
		We will work with health partners to develop a new registered step down from hospital offer to meet the needs of children and young people with ongoing mental health needs.	March 2024
		As our capacity increases within in-house residential home provision, we will review our out of county placements, to understand which children and young people have a plan to move back into the area.	Ongoing
<b>4</b>	<b>Develop access to a diverse range of appropriate accommodation for Care Leavers</b>	Review the marketing and recruitment strategy for Supported Lodging providers	March 2023
		We will open up the Supported Accommodation Provider Panel for young people with complex needs, broadening our pool of providers.	October 2022
		Establish a new Provider Engagement Forum with supported accommodation providers.	September 2022
		Work with supported accommodation providers in relation to the regulation of provision, to understand any potential impact or emerging gaps in provision.	August 2022 – March 2024
<b>5</b>	<b>Improve our sufficiency offer for</b>	Work with local supported accommodation providers to explore the extension of existing services to meet our increasing accommodation and support needs for UASC.	December 2022

	<b>UASC and reduce waiting times</b>		
		Consider options and funding opportunities to develop a local supported accommodation and assessment hub, which will assess UASC over a 6 – 12-week period, before moving young people onto suitable long-term supported accommodation.	December 2022
		Develop a new supported accommodation assessment service for UASC	September 2023
		Continue to work in partnership with regional LAs to explore opportunities for joint commissioning	April 2022 – March 2024
<b>6</b>	<b>Broaden our short breaks offer for disabled children and their families</b>	Develop a Short Breaks Sufficiency Action Plan which highlights the range of actions that will be taken forward to address the ongoing challenges and gaps in provision, and to improve both the universal and statutory short breaks offer for children, young people and their families / carers	July 2022
		<p>Deliver a programme of non-assessed community short break improvements:</p> <ul style="list-style-type: none"> <li>(i) Ensure that organisations maximise inclusion for disabled children in community activities across County Durham and have the right skills and experience to respond to young people’s needs.</li> <li>(ii) Further invest to enable children and young people with disabilities to access local universal activities, ensuring that parents / carers access regular breaks when these are needed and reducing the reliance on commissioned assessed services, preventing escalation of family needs.</li> </ul>	July 2022 – March 2024

		(iii) Continue to commission a menu of community activities for children unable to access the community due to their disability, without the need for a statutory assessment, whilst ensuring that providers are upskilled to respond to specialist needs.	
		<p>Deliver a programme of assessed specialist enhanced short breaks:</p> <p>(i) Ensure that the provider market has the capacity, experience and skills to meet to children and young people's short break needs, either at home, in the community or in a residential setting.</p> <p>(ii) Develop specialist and inclusive community hubs to enable complex young people to be supported within their local area.</p> <p>(iii) Review overnight respite provision at Park House, alongside the wider overnight respite offer in the region, propose options to meet all needs, including those young people with complex disabilities / challenging behaviours that post a risk to other children. Develop a model and service provision for overnight respite (this action overlaps with Priority Number 9 within the In-House Residential Homes section of this strategy).</p> <p>(iv) Change our commissioning approach to block investment with existing providers to develop, stabilise and upskill the workforce so it can respond to short break demand, particularly for those young people with autism and challenging behaviours.</p>	July 2022 – March 2024

**Cabinet**

**18 January 2023**

**Acquisition of property for use as  
Children's Homes**

**Ordinary Decision**



---

**Report of Corporate Management Team**

**John Pearce, Corporate Director of Children and Young People's  
Service**

**Amy Harhoff, Corporate Director of Regeneration and Economic  
Growth**

**Councillor James Rowlandson, Cabinet Portfolio Holder for  
Resources, Investment and Assets**

**Councillor Ted Henderson, Cabinet Portfolio Holder for Children  
and Young People's Services**

**Electoral division(s) affected:**

Countywide

**Purpose of the Report**

- 1 To expedite the acquisition process and enable fair competition with other buyers when purchasing properties for use as children's homes.
- 2 To increase the delegated authority to Officers for acquisition of property for use as children's homes.

**Executive summary**

- 3 The Council has a duty, as stated in section 22G of the Children Act 1989, to take steps to secure, as far as reasonably practicable, sufficient accommodation for children looked after within their local authority area. This is often referred to as the Council's "sufficiency duty".

- 4 There has been a 148 percent increase in the use of external residential provision since June 2019, and a 103 percent increase since March 2020 (start of Covid).
- 5 As of February 2022, 40 percent of all children in residential care provision were living outside of County Durham (37 out of 92), so the Council is placing children and young people at a distance, due to the lack of local placements, which is often not in their best interests.
- 6 Children and young people are presenting with increasing needs, many of which require small children's home settings. It is important that the Council has a broader range of local provision to meet children and young people's individual needs and to prevent children from being placed at a distance from home.
- 7 The Council has adopted a Sufficiency Strategy for Children Looked After and Care Leavers to help discharge its sufficiency duty. A key objective of that Strategy is to "continue to develop and broaden our residential homes offer" to meet our increasing demand for services through the development of a suite of new smaller children's homes which will be operated by the Local Authority and will meet the needs of our most vulnerable young people.
- 8 Due to an increasing number of children looked after and their increasing needs, the Council is facing challenges in meeting its sufficiency duty as we currently have insufficient resources to meet this objective and the number of placements we currently have are outstripped by the demand for placements.
- 9 The increasing demand and pressure placed on councils to meet their sufficiency duty is a position that is replicated across the UK and has recently been highlighted in the Independent Review of Children's Social Care by Josh MacAlister (May 2022).
- 10 The Council has attempted to purchase several properties and has often been unsuccessful due to:
  - the approval process requires us to place offers subject to Planning Permission for change of use, which can take time and vendors usually accept offers from buyers who can proceed quickly;
  - external market forces, coupled with the need to be prudent with the public purse, means the Council misses out on securing potentially suitable properties for use as children's homes as it is often outbid;

- the Head of Corporate Property and Land currently has delegated authority to approve the principle of acquiring property at a price not exceeding £250,000. Four-to-five-bedroom properties often cost more than this, approval to require such properties requires Cabinet approval, which can delay the Council's ability to make offers on properties.
- 11 Where we have been unable to find the capacity we need locally, we have a resolution of last resort to find provision outside of the County. To address this issue, we need to increase the in-house provision that the Council can provide, so we have placements we can be proud of.
- 12 The approach to acquiring property for use as children's homes has been reviewed. This report sets out the outcome of that review and recommends changes to the approach which are intended to reduce the timescales for acquiring property, refurbishment, and registration as a children's home and in turn increasing the Council's in-house provision.

### **Recommendation(s)**

- 13 Cabinet is recommended to:
- (a) note the contents of this report;
  - (b) approve the revised approach to acquiring property for the purposes of purchasing children's homes as attached at Appendix 3;
  - (c) delegate authority to the Corporate Director of Regeneration and Economic Growth, in consultation with the Corporate Director of Resources as Section 151 Officer, the Cabinet Portfolio Holder for Resources, Investments and Assets and the Cabinet Portfolio Holder for Finance to approve the acquisition of property up to the value of £500,000 where the property is to be used as a children's home only;
  - (d) agree that as a rarity, the acquisition of new children's homes is deemed a priority so that teams involved in the process can expedite them.

## Background

- 14 The Council has a duty, as stated in section 22G of the Children Act 1989, to take steps to secure, as far as reasonably practicable, sufficient accommodation for children looked after within their local authority area.
- 15 The 2010 guidance on the 'sufficiency duty' states that local authorities should have embedded plans, as part of their commissioning processes and through partnership working, to meet the duty.
- 16 The pandemic has presented the Council with many challenges over recent months, which we continue to work through day-to-day and is captured in the data below:
- a 103 percent increase in the use of external residential provision since March 2020, and a 148 percent increase since June 2019;
  - more children being placed away from home in out-of-county residential provision. As of February 2022, 40 percent of all children in residential care provision were living outside of County Durham (37 out of 92);
  - in the year April 2022 to March 2023, to date we have a total of 105 children in residential care provision, with 51 placed outside of the county. Of the remaining 54 residing within the county, 31 are in Council in-house provision and 23 in independent registered residential provision.
- 17 Our Sufficiency Strategy for Children Looked After and Care Leavers sets out our overarching priority, which continues to be:
- 'To constantly review our sufficiency gaps, secure appropriate accommodation and care for children and the development of new solutions to meet our changing needs.'
- 18 A key objective within the Sufficiency Strategy is to 'continue to develop and broaden our residential homes offer' to meet our increasing demand for services through the development of a suite of new smaller children's homes which will be operated by the Local Authority and will be appropriate for our young people with most complex needs.
- 19 Historically, we have done this, but it has become increasingly challenging due to it being specialist in nature and the lack of placements available, particularly older children/teenagers, children with very complex needs or children/young people who are at risk due to exploitation.

- 20 The growing number of children looked after and those with increasing needs, means the Council is facing challenges in meeting its sufficiency duty as we currently have insufficient resources to meet this objective and the number of placements we currently have are outstripped by the demand for placements.
- 21 The increasing demand and pressure placed on councils to meet their sufficiency duty is a position that is replicated across the UK and has recently been highlighted in the Independent Review of Children's Social Care by Josh MacAlister (May 2022).
- 22 The number of newly registered children's homes in England has risen by 3 per cent between April and August 2021, but this doesn't directly correlate with local authority sufficiency improving partly due to children in care numbers rising. It is becoming increasingly more challenging to place young people who need residential care in appropriate local provision at a reasonable cost<sup>1</sup>. This is the driver for Durham County Council expanding its in-house residential provision over the next two to three years whilst also focusing on quality and outcomes of its existing provision.
- 23 The number of foster placements available in England hasn't risen in line with the number of children in care; the number of approved foster carers rose 9 per cent between 2015 and 2021, whereas the number of children in care rose 11 per cent during the same period. Of the approved foster carers in England 65 per cent are over 50 years old and 25 per cent are over 60 years old giving further cause for concern over the future capacity in foster care in England<sup>2</sup>.
- 24 When looking for a suitable property to use as a children's home there are many factors to consider. The location of the property is key ensuring that it is a safe area where young people can thrive. The property itself needs to have enough space for young people with a good layout; parking is important, as is proximity to neighbouring houses.
- 25 The challenges in finding such properties have been exacerbated since the rise in house prices, lack of availability of suitable properties, and the buoyancy of the local housing market.
- 26 Vendors are sometimes reluctant to sell their house to be used as a children's home due to concerns from neighbours. Concerns are often

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<sup>1</sup> Source: Ofsted Fostering in England 2020 to 2021 Main Findings report (published Nov 2021)  
[Fostering in England 2020 to 2021: main findings - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/1014411/Fostering_in_England_2020_to_2021_main_findings.pdf)

<sup>2</sup> Source: Ofsted Fostering in England 2020 to 2021 Main Findings report (published Nov 2021)  
[Fostering in England 2020 to 2021: main findings - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/1014411/Fostering_in_England_2020_to_2021_main_findings.pdf)

raised when the Council makes Members and the local community aware of plans to set up a children’s home; these are understandable, and we work to reassure them by explaining how our children’s homes are run as well as our regulatory commitments.

27 The Council is currently developing nine new homes:

- (a) we are seeking either two-to-three-bedroom homes for one-to-two children, or four-to-five-bedroom homes for three-to-four children;
- (b) four are ongoing with properties identified and being progressed;
- (c) five are to be developed;
- (d) costs for properties acquired for use a Children’s Residential Homes outlined in (a) above to date:

<b>Home</b>	<b>Purchase Price</b>	<b>Refurbishment Cost (including security measures)</b>
H	£335,000	£61,825
O	£275,000	£132,750
E	£250,000	Costs being finalised
<b>Total</b>	<b>£860,000</b>	<b>£194,575</b>

28 In the year 1 April 2022 until 31 March 2023, the Council will spend £15,217,344 on 51 registered placements outside of the county, where we do not have sufficient in-house or local provision available. This equates to an average of £298,379 per placement per year.

29 In the same period, the Council has 31 in-house local placements at a cost of £7,883,998 for a year, equating to £254,323 for each placement and a further 23 local independent residential placements making a total of 54. Acquiring more properties to use as children’s homes will result in savings of £44,056 per placement per year, as well as better meeting the needs of our children and young people in care.

### *Context*

30 In addition to the information above, the recommendations in this report should be set against the following:

- (a) the children and young people that the Council is ultimately trying to improve availability of placements for, have been removed from their family due to neglect, physical and sexual abuse, domestic violence, or substance misuse, and have often been subject to significant trauma already;
- (b) we are 'corporate parents' and have a duty of care for children and young people, ensuring they are safe, nurtured and live in good quality living arrangements;
- (c) the Council has ongoing significant sufficiency pressures and needs to be able to develop new services in a 'timely and effective' way that respond to our ongoing needs and jointly owned across the Council;
- (d) we need to ensure that all our children live in regulated placements when they have care needs and that we have more local provision to prevent children and young people from being placed at a distance, which is often not in their best interests;
- (e) the need for additional residential placements for County Durham children has repercussions across the system. There are children in our acute hospital beds who remain beyond their need for inpatient medical intervention because there are no social care residential placements available to meet their needs. A quicker process to purchase additional capacity would support the integrated commissioning team in ensuring the right services are available for our children and young people;
- (f) market commentary. Source: Jackson-Stops Estate Agents based on data from Rightmove (March 2022):
  - (i) Durham has the lowest number of homes for sale with one home for sale for every 1,693 residents and the next lowest being West Midlands with one home available per 445 residents. The average in England is 255 people to every residence. (Based on 46 counties, excluding London);
  - (ii) this lack of available properties is leading to higher house prices as demand continues to remain strong;
  - (iii) in the six months to September 2022, the average UK house price has increased to a record high of £282,753 despite inflationary pressures on households, including from energy, fuel, food, and recent interest rate rises. Whether the market will remain as competitive as the cost-of-living and mortgage interest rate increases are felt by households is not yet clear;

- (g) as custodians of the public purse, the council should not purchase a property over Market Value (MV). In the Council's case MV is defined by our own in-house RICS Registered Valuers who use comparable sales evidence and data to determine the value of the property to be purchased. The Council must also comply with Subsidy Control rules where appropriate.

### *Corporate Parent*

- 31 Local authorities must provide the care, support, and security that young people need if they can't stay at home safely and become the young people's 'corporate parent'.
- 32 Everyone should be looking out for our children and young people, and every councillor and Council employee has a role to play as the eyes and ears of the community.
- 33 Being a corporate parent means doing whatever we can to support young people in our care and our care leavers, to help them achieve their full potential and have the best possible outcomes.

### *Process Review*

- 34 In February 2022, the Transformation Team was commissioned to conduct an end-to-end process review from identification of need for a property to the home being operational and fully staffed in consultation with all teams involved. Its aim was to understand the actions necessary to reduce the overall timescale of the process to secure suitable, local provision of placements to help fulfil our sufficiency duty and improve outcomes for children and young people in our care.
- 35 The overarching outcome for the process review was expressed in the Goal Statement, which was to have:
  - 'A seamless efficient and effective process which enables all our children looked after to have the opportunity of a good quality home within County Durham.'
- 36 If the key objectives are achieved, the high-level benefits will be:
  - (a) reduced time in the overall process;
  - (b) increased collaboration;
  - (c) increased transparency of process and expectations;
  - (d) improved outcomes for the children and young person;
  - (e) our Statutory requirements are met.

- 37 This process review looked only at the provision of children's residential homes, and their flow through the existing processes considering what was required to reduce the timescale. We were not seeking to change existing processes, as due to the small number of properties we are seeking, this is a rarity.
- 38 The review was conducted between March and August 2022 and identified several areas to address to reduce the overall timescale and remove obstacles from the process for provision of children's residential homes.

## Findings

- 39 At the time of the review there was a sellers' market with homes selling fast, often above asking price or above where the Council's RICS Registered Valuers suggest the property values are; therefore, we are often outbid, due to our obligations to be prudent with the public purse.
- 40 It should be noted that there are predictions for a five to fifteen percent drop in house prices over the next six months, as the market is changing and interest rates are increasing, so the sellers' market that we were experiencing may begin to slow.
- 41 Under Table 3 of the Officer Scheme of Delegation (within Part 3 of the Constitution) the Corporate Director of Regeneration and Economic Growth currently has delegated authority to approve the principle of acquiring property at a price not exceeding £250,000. However, the cost of four-to-five-bedroom properties often exceeds this, with recent purchases costing £275,000, £335,000, and more recently £450,000.
- 42 Planning permission is required to use a property as a children's home. Therefore, currently offers to acquire properties for this purpose are made subject to planning permission being granted.
- 43 Vendors are not keen to sell 'subject to planning' (for change of use) as they want their sale to happen quickly and with many potential buyers for their property, they have no reason to accept our conditional offer.
- 44 As vendors are usually living in the property they are selling, they are unable to accommodate too many visits for inspections, which delays full condition surveys and commencement of our design process. The Council's process is different from that of a normal house purchase, with this being one of the ways.
- 45 It is not uncommon for local communities to oppose proposals to open Children's Homes in their areas due to concerns regarding the misconception that Children's Homes attract crime and disorder. This can also impact on vendors' willingness to sell their properties to the

Council. To help alleviate these concerns, it is important that Officers work closely with all Elected Members, particularly those representing areas where a children's home is to be located to ensure that Members understand the Council's role as a Corporate Parent, the sufficiency duty and how the homes operate, to help overcome local concerns and opposition.

- 46 Where offers are rejected or following an accepted offer, the sale which is subject to contract does not proceed for any reason, the search for property must start again, and the time and resources expended by all involved in the process, to that point, is wasted.
- 47 Due to the amount of workflow through the existing processes, the progress of these properties can be affected by waiting time, which can contribute to longer timescales until a children's home is ready for occupation.

### **Proposed Approach**

- 48 In response to the findings of the review, the following approach is proposed:

#### *Delegation*

- 49 It is recommended that the existing delegated authority to Officers to authorise the acquisition of property is increased from £250,000 to £500,000 where the purpose of the acquisition is to provide a Children' Home.
- 50 As set out above, the intention is to acquire five properties by the end of 2023, which means that Officer delegated powers for this purpose will be used infrequently. It is recommended that the delegation is to the Corporate Director of Regeneration, Economy, and Growth in consultation with the Corporate Director of Resources in their capacity as section 151 Officer. It will also be a requirement that the relevant Cabinet Portfolio Holders are consulted on the proposed acquisition.

#### *Planning Permission*

- 51 It is recommended that offers to acquire property for the purpose of a Children's Home are not subject to planning permission. This will ensure that the Council is better placed to secure properties in a challenging housing market. Planning Permission will still be sought but not a condition when making the offer.
- 52 As with all property purchases, offers are subject to contract so due diligence will still be applied throughout the process and the Council can withdraw from a sale if it does not meet the necessary standards and

requirements or other concerns arise as part of the due diligence process.

- 53 Removing the requirement for an offer to be subject to planning permission will:
- (a) increase our opportunity for offers to be accepted by levelling the playing field with other buyers and shorten the property search time;
  - (b) allow parts of the process to run concurrently rather than linear, resulting in a contribution to reducing the timescale of the whole process by five months;
  - (c) enable more of the process to run concurrently and condition surveys and the design process to start much earlier, reducing the overall timescale from viewing to occupancy by four-to-five months;
  - (d) enable Member engagement at an earlier point in the process;
  - (e) enable a pre-planning application to be submitted earlier in the process;
  - (f) enable early engagement work to be carried out with communities in the locality of the property;
  - (g) as few properties are required (five more by end of 2023), there are very few opportunities for risk as this is a rarity;
  - (h) allow young people to move into an Ofsted registered home more quickly, enabling children looked after to have the opportunity of a good quality home within County Durham;
  - (i) a summary of the existing process and the proposed bespoke process for acquiring properties for use as children's homes are attached at Appendix 2 and 3.
- 54 If the contracts are exchanged and planning permission for change of use is not granted, the Council may need to sell the property, if we do not have another use for it, and may or may not achieve the purchase price. It is unlikely we would be able to sell it for more than we paid for it within the short period of council ownership i.e., six-to-twelve months.
- 55 This risk can be mitigated by the following:
- (a) we use the pre-planning application to seek guidance from planners about the suitability of the proposal in line with planning policy guidance and they link in with highways and police at that

stage and consider the proposal from a risk and parking perspective;

- (b) in some cases, exchange of contract would occur prior to planning permission being granted, though we would not proceed to exchange contracts unless we were reasonably confident that it would be granted following pre-planning advice and engagement with local Elected Members and communities;
- (c) as the offer will be subject to contract, we can pull out of a sale at our discretion, if necessary, prior to contract exchange;
- (d) getting Members and communities engaged earlier gives more time to offer assurances and promote the importance of providing stable living environment for young people who need it, reducing the risk of contested planning applications;
- (e) checking in with the police regarding locality risks and suitability of the area, means we can pull out early, prior to most of the work commencing, if the locality is unsuitable;
- (f) as few properties are required (up to five more by end of 2023), there are very few opportunities for risk as this is a rarity;
- (g) not having good quality, registered local placements carries a greater risk than proceeding prior to planning permission being granted.

### *Prioritisation*

- 56 It is recommended that as a rarity (less than five properties to be purchased by the end of 2023), the acquisition of new children's homes is deemed a priority so that teams involved in the process can expedite them.
- 57 Prioritising new children's homes above other projects may displace other work initially, with the impact being greater at the onset, for a short period of time. The children's home is then programmed into future work, so no longer impacts other projects.
- 58 Where other projects are displaced and the extended timescales could impact significantly on the other project, communication will be required to manage expectations, or where there is a likelihood of more serious consequences, an assessment of risk to both projects should be carried out to prioritise the order of work between them.

## *Market Value*

- 59 Very rarely, offers may be required at higher than the market value assessment to secure properties in the current market, where few suitable properties are available. Each case would be considered on its own merits. The Service and Finance would need to evidence that it could be justified due to the cost savings year-on-year. Business Cases would be submitted for these offers to Head of Corporate Property and Land and if agreed, signed off by the Section 151 Officer.

## *Corporate Parent*

- 60 Raise the profile with Elected Members and throughout the Council of what it means to be a Corporate Parent. This would involve delivering a session on our responsibilities as a Corporate Parent, how it fits with our sufficiency duty and what we can all do to be good Corporate Parents.

## *Audit*

- 61 Whilst there is a risk that, having purchased a property, planning permission for use as a Children's Home is refused, it is considered that the level of the risk given the small number of properties is low and that appropriate mitigations can be put in place to manage the risk. There is a greater risk to the Council if it is unable to secure further in-house provision and discharge its sufficiency duty. Not only will this have a negative reputational impact on the Council, more importantly it will have a negative impact on the lives of children and young people in our care who are unable to have a placement in a good quality registered home within the county.

## **Conclusion**

- 62 We are currently facing challenges to meet our statutory duty to provide enough good quality provision of registered Children's Homes that meet the needs of children and young people with the most complex needs within County Durham.
- 63 The proposed solution offers a proportionate response to the current issues in securing properties for use as Children's Homes and by reducing the timescale by four-to-five months, it will enable all our children looked after to have the opportunity of a good quality home within County Durham.
- 64 The recommendations proposed in this report, while not risk free, will significantly contribute to us meeting our statutory duty. The option to do nothing carries greater risk.

65 If agreed, the proposed solutions will be developed and implemented in consultation and collaboration with the nominated people involved in the process, to enable us to achieve our goal of having a seamless, efficient, and effective process for all our children looked after to have the opportunity of a good quality home within County Durham.

### **Background papers**

- Independent Review of Children’s Social Care by Josh MacAlister (May 2022). [The-independent-review-of-childrens-social-care-Final-report.pdf \(childrensocialcare.independent-review.uk\)](https://www.childrensocialcare.independent-review.uk)
- Ofsted Local authority and children’s homes in England inspections and outcomes – Autumn 2021 [Main findings: Local authority and children’s homes in England inspections and outcomes - autumn 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)
- Source: Ofsted Fostering in England 2020 to 2021 Main Findings report (published Nov 2021) [Fostering in England 2020 to 2021: main findings - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

### **Other useful documents**

- None

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## **Appendix 1: Implications**

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### **Legal Implications**

Section 22A of the Children Act 1989 places a duty on the local authority to provide children in their care with accommodation. Section 22G requires local authorities to ensure they secure, so far as is reasonably practicable, sufficient accommodation within their area which meets the needs of children that the local authority is looking after and whose circumstances are such that it would be consistent with their welfare to be provided with accommodation that is in their local area (Sufficiency Duty).

The acquisition of property is an executive function. Cabinet therefore can delegate authority to Officers to acquire property on terms that it considers appropriate. Delegating authority to Officers does not prevent Cabinet exercising the authority if it is considered appropriate. It is a requirement that relevant Cabinet Portfolio Holders are consulted by Officers prior to exercising delegated authority. If Cabinet agrees to amend the Officer scheme of delegation, the Constitution will be amended as part of the annual review. Until such time as the Constitution is amended, this report and minute from the relevant Cabinet meeting will be the authority for exercising the delegated powers.

### **Finance**

We are currently developing nine new homes with four properties identified and being progressed and five more to be developed.

Costs for properties acquired for use as Children's Residential Homes outlined above to date are: £335,000 with £61,825 refurbishment costs; £275,000 with £132,750 refurbishment costs; and £250,000 with refurbishment costs being finalised. The total spent on the acquisition of properties so far is £860,000 for the purchase costs and £194,575 with some to be finalised for refurbishment.

In the year 1 April 2022 until 31 March 2023, the Council will spend £15,217,344 on 51 registered placements outside of the county, where we do not have sufficient in-house or local provision available. This equates to an average of £298,379 per placement per year. During the same period, the Council has 31 council-owned local placements at a cost of £7,883,998 for a year, equating to £254,323 for each placement. Acquiring more properties to use as children's homes will result in savings of £44,056 per placement per year, as well as better meeting the needs of our children and young people in care.

## **Consultation**

As part of the Pre-Planning process, consultation is carried out with the Chair of Parenting Panel, the Portfolio Holder for Children and Young People's Services and at the same time, the Police to obtain a Locality Risk Assessment.

This is followed by consultation and engagement with Elected Members of the locality of the proposed Children's Homes, neighbours, and the nearby local community to explain what we are proposing, why and to and questions and allay any concerns they may have.

## **Equality and Diversity / Public Sector Equality Duty**

The Authority is required to ensure that all looked after children have equality of opportunity, to ensure best outcomes.

## **Climate Change**

No implications.

## **Human Rights**

Young People who are in the care of Durham County Council have the right to be provided with suitable and appropriate local care which can meet their needs to enable them to successfully move into adulthood. This could also lead to care experienced Adults taking legal action against the Local Authority for failings to either keep them safe legally or provide suitable provisions for their care as outlined in the Care Act.

## **Crime and Disorder**

There is a misconception that Children's Homes attract crime and disorder.

The Police carry out research into the area of any proposed Children's Home and provide a Locality Risk Assessment to help to minimise any risks of harm to the children and young people who will live in the property.

## **Staffing**

This report proposes that the Council prioritise these properties when required and this work will be carried out by existing staff. There will be implications on workloads, particularly around managing displaced work, though as there are very few properties required this will not occur very often.

Each new Children's Home will require staffing and recruitment will be necessary as there is no capacity currently available within the Service.

**Accommodation**

We are developing nine new homes in total: four are ongoing with properties identified and being progressed, and five are to be developed.

**Risk**

The risks and mitigations are identified within the report.

**Procurement**

No implications.

## Appendix 2: Current process for acquisition and development of Children's Homes

The current process is linear and takes approximately fourteen months from start to completion.

Step	Process	Check point	Yes	No
1	Property search and viewing	Does property look suitable?	Move to next step	Restart process
2	Valuation, offer and agreement to proceed with offer	Is offer accepted?	Move to next step	Negotiate, if possible  Restart process
3	Commence Legal Process  Condition Inspection, investigations, and costings  Police Risk Assessment on area	Any major concerns?	Withdraw offer and restart process	Proceed with purchase  Move to next step
4	Pre-planning process  Briefing note to Chair of Parenting Panel and Portfolio Holder  Engage with local members, respond to queries	Any major concerns highlighted in pre-planning advice?	Withdraw offer and restart process	Proceed with purchase  Move to next step
5	Planning Process  Engage with members and local communities	Is planning permission granted?	Proceed with purchase  Move to next step	Hold planning committee if necessary  Appeal, if appropriate

Step	Process	Check point	Yes	No
				Withdraw offer and restart process
6	Exchange contracts	Are we content to sign?	Move to next step	Deal with any outstanding issues  If outcome not satisfactory, withdraw from sale
7	Design Process	Is everything as expected with property?	Move to next step	Address concerns
8	Mobilisation	Is everything as expected with property?	Move to next step	Address concerns
9	Construction, adaptations, snagging	Is everything ready to start work?	Move to next step	Address concerns
10	Furniture ordered and fit-out	Is construction/work to required specification and standard?	Move to next step	Address concerns
11	Make house homely	Is home ready for Ofsted visit?	Move to next step	Address concerns
12	Ofsted visit and registration	Is it up to Ofsted standard?	Home registered  Move to next step	Address concerns and arrange reinspection
13	Receive children	Complete	Complete	N/A

### Appendix 3: Proposed Bespoke Process for acquisition and development of Children’s Homes

The proposed bespoke process enables parts of the process to run concurrently and takes approximately nine-to-ten months from start to completion.

Step	Process	Check point	Yes	No
1	Property search and viewing	Does property look suitable?	Move to next step	Restart process
2	Valuation, offer and agreement to proceed with offer	Is offer accepted?	Move to next step	Negotiate, if possible  Restart process
3	Commence Legal Process  Condition Inspection, investigations, and costings  Pre-planning process  Briefing note to Chair of Parenting Panel and Portfolio Holder  Engage with local members, respond to queries  Police Risk Assessment on area	Any major concerns?	Withdraw offer and restart process	Proceed with purchase  Move to next step
4	Planning Process  Engage with members and local communities	Is planning permission granted?  (This could occur after step 6, though design work would not	Proceed with purchase  Move to next step	Hold planning committee if necessary  Appeal, if appropriate  Withdraw offer and

Step	Process	Check point	Yes	No
		commence unless planning permission is granted)		restart process (if contracts not exchanged)  If contracts exchanged - alternative use or resell the property
5	Exchange contracts	Are we content to sign?	Move to next step	Deal with any outstanding issues  If outcome not satisfactory, withdraw from sale
6	Design Process	Is everything as expected with property?	Move to next step	Address concerns
7	Mobilisation	Ready to start work?	Move to next step	Address concerns
8	Construction, adaptations, snagging  Furniture ordered and fit-out	Is construction/ work to required specification and standard?	Move to next step	Address concerns
19	Make house homely	Is home ready for Ofsted visit?	Move to next step	Address concerns
10	Ofsted visit and registration	Is it up to Ofsted standard?	Home registered  Move to next step	Address concerns and arrange reinspection
11	Receive children	Complete	Complete	N/A

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**Cabinet**

**18 January 2023**

**Mainstream Primary and Secondary  
Formula Funding 2023/24**

**Ordinary Decision**



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**Report of Corporate Management Team**

**John Pearce, Corporate Director of Children and Young People's Services**

**Councillor Ted Henderson, Portfolio Holder for Children and Young People's Services**

**Paul Darby, Corporate Director of Resources**

**Councillor Richard Bell, Deputy Leader and Portfolio Holder for Finance**

**Electoral division(s) affected:**

Countywide

**Purpose of the Report**

- 1 To provide an overview of the forecast Dedicated Schools Grant School Block and proposed local formula for allocating funding to individual schools in 2023/24, where the proposal is that the council continues to align the local mainstream primary and secondary formula funding in 2023/24 with the National Funding Formula (NFF).

**Executive summary**

- 2 The Schools Block is part of the Dedicated Schools Grant (DSG) and is the main source of funding for the mainstream primary and secondary funding formula. This provides the bulk of funding for these schools.
- 3 Mainstream primary and secondary funding formulas are set locally by each local authority and are used for allocating funding to individual schools. There is a single formula that applies for both primary and secondary schools, both maintained and non-maintained (academies).

- 4 Funding regulations limit the discretion of local authorities when setting local formulas and requires that these formulae distribute the majority of funding through pupil-led factors. Initial information in relation to funding levels for 2023/24 was released on 19 July 2022.
- 5 Nationally, core school funding, which includes the Schools Block and High Needs Block was due to increase in 2023/24 by £1.753 billion, representing a 3.5%% increase on the funding made available in 2022/23. The School Block was expected to increase by £1.158 billion (2.8%) and the High Needs Block by £0.565 billion (6.3%).
- 6 In the 2022 Autumn Statement published on 17 November 2022 the Chancellor of the Exchequer announced that core schools funding would increase by a further £2 billion in 2023/24, over and above the £1.753 billion announced earlier in the summer. Details of the split between the Schools Block and High Needs Block was announced in the Provisional Local Government Finance Settlement published on 19 December 2022.
- 7 A sum of £1.451 billion will be allocated to schools through a mainstream schools additional grant (MSAG) with an additional £0.400 billion allocated to the High Needs Block. The additional funding being provided amounts to £1.851 billion rather than £2 billion.
- 8 In total therefore additional funding will be allocated via the Schools Block and the MSAG of £2.639 billion next year, representing a 6.3% increase in funding year on year, with the High Needs Block receiving additional funding of £0.965 million, representing a 10.7% year on year increase.
- 9 For Durham it is forecast that for 2023/24 the Schools Block and MSAG funding will total £385.047 million. In 2022/23 Durham schools received £363.511 million via the Schools Block and the Supplementary Grant. In total Durham schools will receive additional funding of £21.536 million representing a 5.9% increase.
- 10 It is forecast that the council will receive a 2023/24 High Needs Block allocation of £89.812 million next year, compared to £80.409 million in 2022/23, resulting in a £9.403 million increase in funding and representing a year on year increase of 11.7%.
- 11 The funding floor, which guarantees a minimum increase in funding per pupil, has decreased from 2% in the current year to 0.50% next year. The funding floor only applies to the NFF, but in local formulas the Minimum Funding Guarantee (MFG) works in a similar way.
- 12 The local formula in Durham in 2022/23 is aligned to the National Funding Formula (NFF). The NFF is expected to replace local formulas

in the next few years, with a target of the NFF being implemented no later than 2027/28. For 2023/24 it is recommended that the council continues to set a local formula that is aligned to the NFF.

- 13 The council is planning to use growth funding to support one school experiencing basic need growth in pupil numbers (Framwellgate Primary).
- 14 The local formula factor values will be finalised upon receipt of the final DSG settlement in January and the full local formula will be included in the MTFP(13) and 2023/24 budget report in February 2023.

### **Recommendation(s)**

- 15 Cabinet is recommended to:
  - (a) Agree that in 2023/24 the local formula continues to be aligned to the National Funding Formula (as updated);
  - (b) Agree to the adjustment for basic need growth funding for Framwellgate Primary School; and
  - (c) Note that the formula factors will be finalised upon receipt of the finance settlement, with the detailed formula included in the MTFP(13) and 2023/24 budget report in February 2023.

## Background

- 16 The Schools Block is part of the Dedicated Schools Grant and is the main source of funding for mainstream primary and secondary funding formulas. These formulas are set by local authorities and provide the bulk of funding for mainstream primary and secondary schools and academies. For clarity, this report uses the term mainstream schools to refer to mainstream primary and secondary schools and academies. There are also mainstream nursery schools and primary and secondary special schools.
- 17 Formulas are based on amounts per pupil, with additions for premises-related costs and an allowance for any growth adjustments. Growth adjustments are used to provide for basic need growth that is not reflected in the formula, which uses lagged pupil numbers.
- 18 The DfE usually provides some details of funding during the summer: Units of Funding per pupil (UFs), premises-related funding and amounts per pupil for growth funding. Final allocations are not confirmed until December and use pupil numbers from the October school census.
- 19 UFs are calculated separately for primary and secondary pupils and are based on notional allocations to schools using the National Funding Formula, (NFF) and historic information about pupil numbers.
- 20 The Government's intention is to replace local formulas with the NFF. This would mean that schools' formula allocations would be determined nationally using the NFF for all schools in England. This is known as direct NFF.
- 21 The NFF already exists but is only used in determining allocations of funding to local authority Schools Blocks. These allocations use historic data and cannot be applied to individual schools.
- 22 Direct NFF allocations to individual schools is likely to replace local formulas in either 2026/27 or 2027/28. In the meantime, funding formulas continue to be set locally by each local authority. Funding regulations limit the discretion of local authorities over these formulas and require that these formulas distribute the majority of funding through pupil-led factors.
- 23 As part of the planning for implementation of the direct NFF, local formulas that do not already closely align to the NFF will be required to increase their alignment from 2023/24, and all local formulas will have to use NFF factors. The reason for this is that the ESFA wishes to minimise funding turbulence for schools when the direct NFF replaces local formulas. The ESFA refers to local formulas that are closely aligned to the NFF as 'mirroring' the NFF.

- 24 In Durham the local formula started to move closer to the NFF from 2018/19, with a view to minimising funding turbulence at the point that the NFF was mandated, and was as closely aligned as possible from 2021/22. Durham's 2022/23 formula is categorised by the ESFA as one that mirrors the NFF.
- 25 Pupil-led factors are a basic amount per pupil and formula factors for disadvantaged pupils. The factors also include a lump sum per school and a lump sum for schools in sparsely populated areas (together known as school-related factors), and some premises-related costs. The formula factors used, and the factor values (£/pupil or £/school) applied can be different for primary and secondary but are applied consistently across all schools in that phase.
- 26 The formula also guarantees schools a minimum amount per pupil and includes protection to ensure minimum increases in funding per pupil year-on-year.
- 27 The same formula is used for both schools maintained by the local authority and for academies, but for maintained schools the year's formula funding takes effect from 1 April and for academies from 1 September. The difference in dates reflects the difference in financial years for maintained schools and academies. The funding allocated through the formula for academies is deducted from the DSG paid to local authorities and is provided direct to academy trusts by the DfE, as part of their General Annual Grant.
- 28 Formula funding uses data from the October school census and is not updated for changes in pupil numbers during the year. This means that the pupil numbers used for funding for maintained schools is seven months old and is eleven months old for academies.

### **Schools Block funding for 2023/24**

- 29 Information about national funding for 2023/24 was released on 19 July 2022. The main points are summarised below:
- (a) Core school funding, which includes the Schools Block and funding for High Needs provision, (for pupils with Special Educational Needs and Disabilities), will increase in 2023/24 by £1.753 billion, which is a 3.5% increase on 2022/23. In addition, following the announcements made in the Autumn Statement and confirmed in the provisional local government finance settlement, mainstream schools will benefit from £1.451 billion of additional grant through the Mainstream Schools Additional Grant (MSAG) in 2023/24, and the High Needs Block has been increased by £400 million. In total therefore additional funding will be provided of £3.604 billion representing a 7.1% increase across all settings.

- (b) The additional Schools Block funding (excluding MSAG, which will be allocated separately) has been used to increase factor values in the NFF.
    - (i) The basic funding per pupil (AWPU: Age Weighted Pupil Unit) values have increased by 2.4%.
    - (ii) The deprivation factors have increased by 4.3%.
    - (iii) Other pupil-led factor values have increased by between 2.4%.
    - (iv) The lump sum has increased by 2.4%.
  - (c) The minimum per pupil funding guaranteed through the formula has increased by 2% to £4,405 per primary pupil and £5,715 per secondary pupil, compared to £4,265 and £5,525 in the current year.
  - (d) The NFF Funding Floor, which guarantees that pupil-led funding per pupil increases by a minimum percentage year-on-year, has reduced from 2% in the current year to 0.50% next year. The Funding Floor is not part of local formulas, which use a Minimum Funding Guarantee (MFG) to guarantee an increase in pupil-led funding per pupil. The MFG in local formulas in 2023/24 must guarantee an increase in the range 0.00% to 0.50%, compared to 0.50% to 2.00% in the current year.
- 30 A table showing the factors included in the NFF and comparing the 2022/23 and 2023/24 rates of funding, is included in Appendix 2.
- 31 MSAG allocations will be based on factors in the NFF and will be confirmed in May 2023. MSAG will be absorbed in the NFF from 2024/25, which will result in additional funding through local formulas from April 2024 for maintained schools and September 2024 for academies: academies will continue to receive MSAG from April to August 2024, when they will still be funded through the 2023/24 local formulas.
- 32 Although allocations to individual schools will not be announced until May 2023, the council will be able to estimate these allocations once the 2023/24 school data is released. At the point of drafting this report that data had not been released. The DfE has provided an indicative allocation of MSAG for schools in Durham, which would indicate that this will be circa £13 million.

## Schools Block Funding for Durham

- 33 The main changes to funding for 2023/24 are in the Units of Funding, and the changes are summarised in the table below:

Mainstream primary and secondary Units of Funding (UFs)	Financial Year 22-23	Financial Year 23-24	Increase £	Increase %
Primary Unit of Funding per Pupil	£4,860.24	£5,126.94	£266.70	5.49%
Secondary Unit of Funding per Pupil	£6,012.58	£6,359.17	£346.59	5.76%

- 34 The table below shows the total allocation using UFs and pupil numbers from the October 2022 school census:

	Primary	Secondary	Total £
Unit of Funding (UF, £/pupil)	5,126.94	6,359.17	
Number of pupils	37,549.50	27,017.00	
<b>Funding (UFs x pupils)</b>	<b>192,514,034</b>	<b>171,805,696</b>	<b>364,319,730</b>

- 35 The increase in UF values has resulted in an additional £19.105 million of funding compared to what funding would have been with 2022/23 UFs.
- 36 Comparing October 2022 to October 2021, primary pupil numbers have reduced by 609 (reducing DSG funding available to primary schools by c£3.0 million) and secondary numbers have increased by 447 (increasing funding available to secondary schools by c£2.8 million). Other changes to funding are:
- Funding for premises cost has increased from £6.063 million in 2022/23 to £6.106 million in 2023/24. This funding is based on the actual formula allocations for premises factors in the current year's formula.
  - Growth funding per pupil has increased. Growth funding is allocated where pupil numbers have increased for a group of schools. Schools are grouped according to their Middle Super Output Areas (MSOA), which are areas used for statistical purposes and are defined by the Office for National Statistics. Funding is provided at a rate per pupil and the funding per pupil rates have increased by 2.4% for 2023/24:

<b>Growth funding per pupil</b>	<b>Financial Year 22/23</b>	<b>Financial Year 23/24</b>
Primary	£1,485	£1,520
Secondary	£2,220	£2,275

- 37 The allocation of growth funding compares growth between the October School Censuses and the funding allocated for 2023/24, based on the changes between the October 2021 and 2022 school censuses, is £1.634 million. The table below shows details of the basis of this allocation.

	<b>Primary</b>	<b>Secondary</b>
Number of areas	66	28
Number of areas with growth	17	19
Average growth in pupil numbers	10.97	31.24
Total growth in pupil numbers	186.50	593.50
Amount per pupil	1,520	2,275
<b>Total allocation</b>	<b>283,480</b>	<b>1,350,213</b>

- 38 Schools in the county are allocated to 66 areas, but only 28 areas include secondary schools. The majority of primary areas have not seen pupil growth and only around two-thirds of secondary areas have seen growth. The average increases in numbers are small compared to typical school sizes.
- 39 The growth allocation of £1.634 million is £97,000 less than the allocation of £1.731 million in 2022/23.
- 40 The overall Schools Block allocation is shown in the table below:

	<b>2022/23 allocation £ million</b>	<b>2023/24 allocation £ million</b>	<b>Change £ million</b>
UF funding	345.214	364.320	19.105
Premises factor	6.063	6.106	0.043
Growth funding	1.731	1.634	(0.098)
<b>Total Schools Block</b>	<b>353.009</b>	<b>372.059</b>	<b>19.051</b>

- 41 It is important to note however that the 2022/23 Supplementary Grant funding of £10.502 million is being absorbed into the Schools Block. The net increase in funding therefore is £8.549 million. When allied with

the forecast circa £13 million of additional funding to be allocated from the MSAG it is forecast that additional funding for schools in 2023/24 will be circa £21.5 million representing a 5.9% increase on the current funding of £363.511 million.

- 42 For the High Needs Block it is forecast that the allocation of funding to the council will increase from £80.409 million to £89.812 million, an increase of 11.7%.

### **Local funding formula for Durham**

- 43 The local formula is determined by Cabinet, following consultation with schools and the Schools Forum.
- 44 The local formula in Durham for 2022/23 maintained alignment with the NFF, and as noted earlier, is categorised by the ESFA as mirroring the NFF. This means that the factor values were as close to the values in the NFF as possible. It is not possible to use the same factor values, because the values must be adjusted so that the overall allocation to schools through the formula matches the total funding available through the Schools Block.
- 45 If Cabinet agreed to set the 2023/24 formula on the same basis as in 2022/23, the local formula factors would be based on the NFF values, shown in Appendix 2, but adjusted to match the allocations to the funding available.
- 46 In considering setting the local formula for 2023/24, it is important to take account of the DfE's intention to replace local formulas with the National Funding Formula (NFF) and its requirement for formulas that do not mirror the NFF to increase their alignment to it from 2023/24.
- 47 The Schools Forum considered a report on the 2023/24 formula in September 2022 and did not raise any objections to continuing to align the local formula to the NFF. A consultation document was placed on the Extranet in October, inviting schools to express their views, but no feedback was received.
- 48 The Forum received a further report on 24 November 2022. At that point the Autumn Statement had been published and the additional funding being made available was known, however the split between the Schools Block and High Needs Block was not announced until the Provisional Local Government Finance Settlement was published on 19 December 2022.
- 49 The report to the Forum in November also outlined a proposal to request to disapply funding regulations in respect of Greenfield Community College, which has now ceased to be a split-site school and

will cease to receive funding through the formula in respect of being a split-site school and sharing facilities with a leisure centre. The disapplication request applies to the Minimum Funding Guarantee (MFG) calculation where this is no longer required. The school is aware of this and has no concerns about the request.

- 50 Members of the Forum agreed to note the report and supported the disapplication request.
- 51 Bearing in mind these considerations, this report recommends that Cabinet agree to continue with the policy of aligning the local formula to the NFF.

### **Growth funding**

- 52 This funding is provided to local authorities to recognise that they need to provide additional funding to schools who are experiencing basic need growth, because of increases in pupil numbers. Basic need increases in pupil numbers are not included in the school census numbers used for formula funding and this means that schools with an increase in pupil numbers from September do not receive any funding for these pupils for the seven months after these pupils are admitted.
- 53 Growth funding cannot be used for increases in pupil numbers arising from increased popularity with parents, nor is there any adjustment to funding where pupil numbers are reducing because a school is becoming unpopular with parents.
- 54 Growth funding is part of the Schools Block and the amount added to the Schools Block is determined by changes in pupil numbers from one October census to the next. Funding is only provided where there is a net increase in either primary or secondary pupil numbers for schools in a Middle Super Output Area (MSOA). MSOAs are defined by the Office for National Statistics and usually contain a number of primary schools, but often just one secondary school.
- 55 The growth allocation in the Schools Block is not ring-fenced and if not used for growth forms part of the overall amount available for allocation through the formula.
- 56 In 2022/23 growth funding was provided to Framwellgate Primary School, following its agreement to a request from the council to increase its Published Admission Number in 2018 from 30 to 45. This means that, providing that it is admitting at its increased PAN, for each year for the first seven years of the increased PAN it is funded for fewer pupils than the number used in the formula. The school's numbers on roll from the October 2022 School Census are shown below:

	R	Y1	Y2	Y3	Y4	Y5	Y6	Total
Framwellgate Moor Primary	46	43	44	45	44	32	30	284

57 The table above highlights the increase in pupils in the five year groups, admitted since the increase in the PAN. The school admissions to reception in September 2022 are above the PAN.

58 The capacity of schools in the planning area is 1,155 and the number on roll is 1,089. This means that there are spare places in the planning area, but had Framwellgate not increased its PAN, the capacity would only be 1,050 and there would be a shortage of places in the local planning area from September:

Planning Area 35: Framwellgate Moor	PAN	Number of year groups	School capacity (PAN x year groups)	School capacity if no increase in PAN from Framwell-gate	Numbers on roll October 2021
Newton Hall Infant	60	3	180	180	154
Finchale Primary	30	7	210	210	213
Framwellgate Moor Primary	45	7	315	210	284
St. Godric's RC Primary	30	7	210	210	211
Blue Coat CE Junior	60	4	240	240	227
<b>TOTAL</b>			<b>1,155</b>	<b>1,050</b>	<b>1,089</b>

59 The increase in Framwellgate's PAN was 15 and this is the expected increase in numbers on roll from September 2023. For an increase of 15 pupils, the appropriate adjustment to numbers on roll is 7/12s of the increase, which would be 8.75 pupils. The council therefore intends to increase the October 2022 School Census pupil numbers for Framwellgate Moor Primary School by 8.75 for the purposes of determining the mainstream primary and secondary funding formula for 2023/24.

60 This adjustment is for one year only and the position will be reviewed again for 2024/25. Cabinet is recommended to agree to this adjustment.

## Conclusion

61 The DfE has provided information about Schools Block funding for 2023/24. The Schools Block is used to determine funding for the

mainstream primary and secondary funding formula, which is currently a local formula set by each local authority.

- 62 Nationally, core school funding, which includes the Schools Block and High Needs Block was due to increase in 2023/24 by £1.753 billion, representing a 3.5% increase on the funding made available in 2022/23.
- 63 In the 2022 Autumn Statement published on 17 November 2022 the Chancellor of the Exchequer announced that the core schools budget will increase by a further £2 billion in the 2023 to 2024 financial year, over and above the £1.753 billion announced earlier in the summer and referred to above. The local government financial settlement has subsequently confirmed that £1.451 billion of additional funding will be provided via the MSAG with an additional £0.400 billion to the High Needs Block.
- 64 In the 2023/24 financial year, mainstream schools will be allocated additional funding through the mainstream schools additional grant (MSAG). This is in addition to schools' allocations through the schools national funding formula.
- 65 Although allocations to individual schools will not be announced until May 2023, the council will be able to estimate these allocations once the 2023/24 school data is released.
- 66 At the point of drafting this report that data had not been released. The DfE has provided an indicative allocation of MSAG for schools in Durham and this would indicate that this will be circa £13 million. For a number of years Government policy has been that local funding formulas should eventually be replaced by the National Funding Formula (NFF), which is already used in determining funding for each local authority.
- 67 The local formula in Durham is already aligned to the NFF and the DfE is consulting about making changes to require all local formulas to comply more closely to the NFF as part of making progress towards the replacement of local formulas.
- 68 The council proposes to adjust pupil numbers, for formula funding purposes, for one school that is admitting additional pupils following a request to increase its Published Admission Number to accommodate a basic need for places.

## **Background papers**

- Autumn Statement, published 25 November 2022

- Provisional Local Government Finance Settlement, published 19 December 2022

### **Other useful documents**

- None

### **Author(s)**

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## **Appendix 1: Implications**

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### **Legal Implications**

Schools are largely funded by Dedicated Schools Grant (DSG).

The Dedicated Schools Grant is issued by the Department for Education, with the terms of grant given governed by section 16 of the Education Act 2002, which states that it is a ring-fenced specific grant that must be used in support of the schools' budget as defined in the School and Early Years Finance (England) Regulations.

Local authorities are currently responsible for establishing a local formula for distributing the funding to individual schools. This is subject to national regulations and statutory restrictions established by the Education and Skills Funding Agency.

Since 2013/14, local discretion over the funding formulae that can be applied has been significantly restricted, with local decision making limited to the application of a relatively small number of formula factors, most of which are pupil-led, with the rest being either school-led or relating to specific premises related costs.

The funding framework governing schools finance, which replaced Local Management of Schools, is based on the legislative provisions in sections 45-53 of the School Standards and Framework Act 1998. Under this legislation, the council is required to publish a Scheme of Financing for Schools.

The scheme sets out the financial relationship between the authority and the maintained schools that it funds, including the respective roles and responsibilities of the authority and schools. Under the scheme, deficits of expenditure against budget share (formula funding and other income due to the school) in any financial year are charged against the school and deducted from the following year's budget share to establish the funding available to the school for the coming year.

The Council is restricted by legislation from allocating funding to a particular mainstream school as its funding must come from the local formula.

### **Finance**

The Dedicated Schools Grant (DSG) is a specific earmarked grant provided by the Government which provides the major source of funding for schools and the provision of support to them. It is notionally split into four 'blocks': Early Years, High Needs Central School Services and Schools.

All DSG funding must be spent on schools or support to them.

Starting in 2018/19, funding allocations to each local authority's Schools Block of the DSG are based on notional funding for each school using the National Funding Formula, which is determined by the DfE. Individual local authorities use the Schools Block funding to set a local formula using the available funding and in accordance with funding regulations, which limit the discretion of authorities.

Local authorities will continue to set local formulas for the time being. DfE policy is that in the longer-term local formulas will be replaced by the NFF, which will determine allocations to individual schools. The Government is encouraging local authorities to align their local formula with the NFF and is consulting about requiring local authorities to move local formulas closer to the NFF.

The NFF puts more funding into pupil-led factors than school-led factors, which could create longer-term challenges for smaller schools, because the increase in pupil-led funding will be of less benefit to schools with smaller numbers of pupils. The NFF will include minimum funding levels which may reduce the amount that can be allocated through factors such as deprivation.

Nationally, core school funding, which includes the Schools Block and High Needs Block was due to increase in 2023/24 by £1.753 billion, representing a 2.8% increase on the funding made available in 2022/23.

In the 2022 Autumn Statement published on 17 November 2022 the Chancellor of the Exchequer announced that the core schools budget will increase by a further £2 billion in the 2023 to 2024 financial year, over and above the £1.753 billion announced earlier in the summer and referred to above. Details of the split between the Schools Block and High Needs Block was not announced until the Provisional Local Government Finance Settlement was published on 19 December 2022. Details of the split between the Schools Block and High Needs Block was announced in the Provisional Local Government Finance Settlement published on 19 December 2022.

A sum of £1.451 billion was allocated to schools through a mainstream schools additional grant (MSAG) with an additional £0.400 billion allocated to the High Needs Block. The additional funding being provided amounts to £1.851 billion rather than £2 billion.

The overall Schools Block allocation taking into account changes in pupil numbers between the October 2021 and October 2022 school censuses is shown in the table below. It is important to note that the additional £19.051 million detailed below includes £10.502 million of funding rolled into the School Block from the 2022/23 Supplementary Grant so the net increase in funding is circa £8.5 million:

	<b>2022/23 allocation £ million</b>	<b>2023/24 allocation £ million</b>	<b>Change £ million</b>
UF funding	345.214	364.320	19.105
Premises factor	6.063	6.106	0.043
Growth funding	1.731	1.634	(0.098)
<b>Total Schools Block</b>	<b>353.009</b>	<b>372.059</b>	<b>19.051</b>

The additional funding announced in the Autumn Statement will be allocated through the mainstream schools additional grant (MSAG) and will be in addition to schools' allocations through the schools national funding formula. The indicative allocation of MASG for Durham in 2023/24 is £13 million.

## **Consultation**

The Council must consult with schools and the Schools Forum before setting its local funding formula for mainstream schools. The latter is a statutory consultative body, mainly consisting of representatives of head teachers, governors and academy trusts, plus Trade Unions.

The proposals in this report were considered by Schools Forum, via its meetings on 28 September 2022 and 24 November 2022. A consultation document was made available to schools through the Schools Extranet, but no responses were received.

The Schools Forum raised no objections to the proposals and supported the disapplication request in respect of Greenfield Community College.

## **Equality and Diversity / Public Sector Equality Duty**

A draft Equality Impact Assessment is attached at Appendix 3.

Previous year's assessments have concluded that, with the exception of age, the formula does not differentiate according to any of the protected characteristics from an Equality Act perspective.

The differentiation in respect of age is in accordance with the factor values attached to each key stage in the education lifecycle, which is common practice and a key feature of the existing local formula across the country and the NFF and recognises differences in the provision required by pupils of different ages.

Faith schools receive less funding per pupil, on average, compared to non-faith schools. However, it should be noted that the formula does not differentiate between schools in terms of religion but does take account of additional needs in calculating allocations. A comparison of faith and non-faith

schools supports a view that differences between these types of school is a result of differences in the proportion of pupils who are eligible for additional needs funding.

Where funding reduces from year-to-year schools will continue to be supported to understand the implications, to forecast any budget shortfall and to identify appropriate savings that can be made to balance the budget. Where a staff restructuring is necessary schools will also continue to be supported through this process.

### **Climate Change**

None

### **Human Rights**

None

### **Crime and Disorder**

None

### **Staffing**

There are likely to be consequential restructuring and potential redundancies in schools where funding is reduced. Where these are maintained schools, these will be managed in line with the Councils HR policies and procedures.

### **Accommodation**

None

### **Risk**

There is a risk of that any decision by the council to diverge from the NFF will have to be reversed in the following year, because of planned restrictions on local discretion. This will give an inconsistent message to schools about funding, making it harder for them to plan and may result in some schools seeing a smaller increase in funding than they would otherwise.

### **Procurement**

None

## Appendix 2: National Funding Formula (NFF) factors

Category	Factor	2022/23 formula NFF values £	2023/24 formula NFF values £	Percentage increase
Basic funding per pupil	Primary	3,217	3,394	5.5%
	KS3	4,536	4,785	5.5%
	KS4	5,112	5,393	5.5%
Deprivation	Free School Meals Entitlement (Primary)	470	480	2.1%
	Free School Meals Entitlement (Sec)	470	480	2.1%
	FSM6 (Primary)	590	705	19.5%
	FSM6 (Secondary)	865	1,030	19.1%
	IDACI Band F (Primary)	220	230	4.5%
	IDACI Band E (Primary)	270	280	3.7%
	IDACI Band D (Primary)	420	440	4.8%
	IDACI Band C (Primary)	460	480	4.3%
	IDACI Band B (Primary)	490	510	4.1%
	IDACI Band A (Primary)	640	670	4.7%
	IDACI Band F (Secondary)	320	335	4.7%
	IDACI Band E (Secondary)	425	445	4.7%
	IDACI Band D (Secondary)	595	620	4.2%
	IDACI Band C (Secondary)	650	680	4.6%
	IDACI Band B (Secondary)	700	730	4.3%
	IDACI Band A (Secondary)	890	930	4.5%
EAL	Primary	565	580	2.7%
	Secondary	1,530	1,565	2.3%
Mobility	Primary	925	945	2.2%
	Secondary	1,330	1,360	2.3%
LPA	Primary	1,130	1,155	2.2%
	Secondary	1,710	1,750	2.3%
Minimum per-pupil funding	Primary	4,265	4,405	3.3%
	Secondary	5,525	5,715	3.4%
Lump sum	Primary	121,300	128,000	5.5%
	Secondary	121,300	128,000	5.5%
Sparsity	Primary	55,000	56,300	2.4%
	Secondary	80,000	81,900	2.4%

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## Appendix 3: Equality Impact Assessment

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### Durham County Council Equality Impact Assessment

**NB:** The Public Sector Equality Duty (Equality Act 2010) requires Durham County Council to have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between people from different groups. Assessing impact on equality and recording this is one of the key ways in which we can show due regard.

#### Section One: Description and Screening

<b>Service/Team or Section</b>	Financial Services, School Funding Team
<b>Lead Officer</b>	David Shirer
<b>Title</b>	Mainstream primary and secondary formula 2023/24
<b>MTFP Reference (if relevant)</b>	
<b>Cabinet Date (if relevant)</b>	18 January 2023
<b>Start Date</b>	1 April 2023
<b>Review Date</b>	

#### Subject of the Impact Assessment

Please give a brief description of the policy, proposal or practice as appropriate (a copy of the subject can be attached or insert a web-link):

The Council is required to set a local formula to distribute funding to mainstream primary and secondary schools, including academies. Government policy is to replace local formulas with the National Funding Formula (NFF). There is no date for the replacement of local formulas, but it will be no earlier than 2026/27.

The recommendation to Cabinet is that the local formula should be fully aligned to the NFF, which was the basis agreed for the current year's formula. This means that the factor values will be as close to the values in the NFF as is possible. It is not possible to use exactly the same factor values, because the values must be adjusted so that the overall allocation to schools through the formula matches the total funding available.

A national EIA for the NFF is available through the gov.uk website:

NFF equalities impact assessment

(Pages 14 to 16)

This is relevant, because the recommended formula, is based on the NFF.

Who are the main stakeholders? (e.g. general public, staff, members, specific clients/service users):

Pupils, their families and school-based staff. Also affected are the Council, which is responsible for maintaining schools, academy trusts and Roman Catholic and Church of England diocese, in respect of voluntary controlled and voluntary aided schools.

## Screening

Is there any actual or potential negative or positive impact on the following protected characteristics?

Protected Characteristic	Negative Impact Indicate: Y = Yes, N = No, ? = unsure	Positive Impact Indicate: Y = Yes, N = No, ? = unsure
Age	N	N
Disability	N	Y
Marriage and civil partnership (workplace only)	N	N
Pregnancy and maternity	N	N
Race (ethnicity)	N	Y
Religion or Belief	N	N
Sex (gender)	N	N
Sexual orientation	N	N
Transgender	N	N

Please provide **brief** details of any potential to cause adverse impact. Record full details and analysis in the following section of this assessment.

How will this policy/proposal/practice promote our commitment to our legal responsibilities under the public sector equality duty to:

- eliminate discrimination, harassment and victimisation,
- advance equality of opportunity, and
- foster good relations between people from different groups?

The formula includes factors which act as proxy measures for pupils who are likely to need additional support to achieve the expected level of attainment, which will contribute to increasing equality of opportunity.

The formula does not differentiate between pupils from different groups and allocates funding on the basis of factors that are likely to be relevant to their educational needs.

## Evidence

What evidence do you have to support your findings?  
Please **outline** your data sets and/or proposed evidence sources, highlight any gaps and say whether or not you propose to carry out consultation. Record greater detail and analysis in the following section of this assessment.

NFF EIA (see link above)

Analysis in respect of faith schools (see below)

## Screening Summary

On the basis of this screening is there:	Confirm which refers (Y/N)
Evidence of actual or potential impact on some/all of the protected characteristics which will proceed to full assessment?	Y
No evidence of actual or potential impact on some/all of the protected characteristics?	N

## Sign Off

Lead officers sign off: David Shirer	Date: November 2022
Service equality representative sign off:	Date:

If carrying out a full assessment please proceed to section two.

If not proceeding to full assessment please return completed screenings to your service equality representative and forward a copy to [equalities@durham.gov.uk](mailto:equalities@durham.gov.uk)

If you are unsure of potential impact, please contact the corporate research and equalities team for further advice at [equalities@durham.gov.uk](mailto:equalities@durham.gov.uk)

## Section Two: Data analysis and assessment of impact

Please provide details on impacts for people with different protected characteristics relevant to your screening findings. You need to decide if there is or likely to be a differential impact for some. Highlight the positives e.g. benefits for certain groups, advancing equality, as well as the negatives e.g. barriers for and/or exclusion of particular groups. Record the evidence you have used to support or explain your conclusions. Devise and record mitigating actions where necessary.

Protected Characteristic: <b>Age</b>															
What is the actual or potential impact on stakeholders?	Record of evidence to support or explain your conclusions on impact.		What further action or mitigation is required?												
No adverse impact	Basic funding per pupil increases from primary (reception to Year 6) to KS3 (Years 7 to 9) to KS4 (Years 10 to 11). This is in line with normal practice in most authorities and the NFF and recognises the increasing cost per pupil as they get older: <i>As pupils progress through key stages, the breadth and complexity of the curriculum increases, requiring more subject experts, specialist teaching facilities and examination fees expenditure. (NFF EIA, paragraph 19, DfE).</i>		None												
<table border="1"> <thead> <tr> <th><b>Basic funding per pupil in 2023-24 NFF (£ / pupil)</b></th> <th>Primary</th> <th>KS3</th> <th>KS4</th> </tr> </thead> <tbody> <tr> <td>Non-faith schools</td> <td>3,394</td> <td>4,785</td> <td>5,393</td> </tr> <tr> <td>Faith schools</td> <td>3,394</td> <td>4,785</td> <td>5,393</td> </tr> </tbody> </table>				<b>Basic funding per pupil in 2023-24 NFF (£ / pupil)</b>	Primary	KS3	KS4	Non-faith schools	3,394	4,785	5,393	Faith schools	3,394	4,785	5,393
<b>Basic funding per pupil in 2023-24 NFF (£ / pupil)</b>	Primary	KS3	KS4												
Non-faith schools	3,394	4,785	5,393												
Faith schools	3,394	4,785	5,393												

Protected Characteristic: <b>Disability</b>		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
Limited positive impact	Most funding to meet the needs of children with disabilities is provided separately to this formula.	None

Protected Characteristic: <b>Marriage and civil partnership (workplace only)</b>		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
N/A		

Protected Characteristic: <b>Pregnancy and maternity</b>		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
None	This is not relevant to school funding	None

Protected Characteristic: <b>Race (ethnicity)</b>		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?

Protected Characteristic: <b>Race (ethnicity)</b>		
<p>Limited positive impact</p> <p>The transitional formula includes a factor in respect of pupils with English as an Additional Language providing slightly more resources to schools for such pupils.</p> <p>The transitional formula includes a mobility factor, which is potentially relevant to Gypsy/Roma pupils and pupils of Irish traveller heritage.</p>	<p>The formula includes factors which provide for additional needs relevant to race / ethnicity</p>	<p>None</p>

Protected Characteristic: <b>Religion or belief</b>		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
<p>The formula is applied to Roman Catholic primary and secondary schools and Church of England primary schools (there are no Church of England secondary schools). The formula does not differentiate between schools according to whether they are faith schools or not.</p> <p>Funding per pupil for faith schools is less than for other schools. The table overleaf</p>	<p>The proportion of pupils who are eligible for funding through additional needs factors is higher for non-faith schools in most categories which is predominately why faith schools will see a smaller increase in funding per pupil.</p> <p>See 'Appendix A' accompanying this EIA, which shows the proportions of faith and non-faith pupils who were</p>	<p>None</p>

Protected Characteristic: <b>Religion or belief</b>												
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?										
<p>shows funding per pupil from the 2022-23 formula, which is also based on the NFF:</p> <table border="1"> <thead> <tr> <th></th> <th>£/pupil</th> </tr> </thead> <tbody> <tr> <td>Primary Secular</td> <td>4,851</td> </tr> <tr> <td>Primary Faith</td> <td>4,720</td> </tr> <tr> <td>Secondary Secular</td> <td>6,103</td> </tr> <tr> <td>Secondary Faith</td> <td>5,665</td> </tr> </tbody> </table> <p>This is a result of applying the formula, which takes account of additional needs (deprivation, English as an Additional Language, mobility and Low Prior Attainment), where faith schools tend to have fewer eligible pupils.</p>		£/pupil	Primary Secular	4,851	Primary Faith	4,720	Secondary Secular	6,103	Secondary Faith	5,665	eligible for additional needs factors in the 2022-23 formula.	
	£/pupil											
Primary Secular	4,851											
Primary Faith	4,720											
Secondary Secular	6,103											
Secondary Faith	5,665											

Protected Characteristic: <b>Sex (gender)</b>		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
The formula does not differentiate between pupils on this basis and there are no single-sex schools affected by the formula		None

Protected Characteristic: <b>Sexual orientation</b>		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
None	The formula does not differentiate between pupils on this basis	None

Protected Characteristic: <b>Transgender</b>		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
None	The formula does not differentiate between pupils on this basis	None

## Section Three: Conclusion and Review

### Summary

**Please provide a brief summary of your findings stating the main impacts, both positive and negative, across the protected characteristics.**

With the exception of age, the formula does not differentiate according to protected characteristics. The differentiation in respect of age is in accordance with common practice that recognises differences in the provision required by pupils of different ages.

Faith schools generally receive less funding than non-faith schools. The formula does not differentiate between schools but does take account of additional needs. A comparison of faith and non-faith schools shows that the proportion of pupils who are eligible for additional needs funding in is smaller in faith schools.

There is a minimal positive impact in terms of disability as most funding to meet the needs of children with disabilities is provided separately to this formula. There is a minimal positive impact in terms of race as the formula includes a factor in respect of pupils with English as an Additional Language providing slightly more resources to schools for such pupils. Also, a mobility factor, which is potentially relevant to Gypsy/Roma pupils and pupils of Irish traveller heritage.

Will this promote positive relationships between different communities? If so, how?

No impact expected

### Action Plan

Action	Responsibility	Timescales for implementation	In which plan will the action appear?

## Review

Are there any additional assessments that need to be undertaken? (Y/N)	N
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## Sign Off

Lead officers sign off: School funding manager	Date: 3 Nov 22
Service equality representative sign off: E&D Team Leader	Date: 3 Nov 22

Please return the completed form to your service equality representative and forward a copy to [equalities@durham.gov.uk](mailto:equalities@durham.gov.uk)

**Appendix A: Comparison of proportions of pupils with additional needs between secular and faith Schools**

Additional needs category	Additional needs factor	Proportion of pupils eligible in secular schools	Proportion of pupils eligible in faith schools	Faith proportion less secular proportion
Deprivation	Free School Meals Entitlement (Primary)	33.27%	19.08%	-14.19%
	Free School Meals Entitlement (Secondary)	26.59%	15.36%	-11.23%
	FSM6 (Primary)	35.88%	21.33%	-14.55%
	FSM6 (Secondary)	34.22%	20.42%	-13.79%
	IDACI Band F (Primary)	13.70%	14.39%	0.69%
	IDACI Band E (Primary)	18.91%	10.12%	-8.79%
	IDACI Band D (Primary)	11.82%	8.64%	-3.18%
	IDACI Band C (Primary)	8.74%	6.37%	-2.37%
	IDACI Band B (Primary)	10.34%	7.17%	-3.17%
	IDACI Band A (Primary)	6.46%	5.15%	-1.31%
	IDACI Band F (Secondary)	13.35%	15.89%	2.54%
	IDACI Band E (Secondary)	16.62%	12.64%	-3.98%
	IDACI Band D (Secondary)	10.21%	12.28%	2.07%
	IDACI Band C (Secondary)	7.75%	6.50%	-1.25%
	IDACI Band B (Secondary)	9.63%	6.78%	-2.85%
	IDACI Band A (Secondary)	6.12%	3.21%	-2.91%
English as an Additional Language	Primary	1.39%	2.15%	0.75%
	Secondary	0.38%	0.31%	-0.07%
Mobility	Primary	3.58%	2.89%	-0.69%
	Secondary	2.31%	1.20%	-1.11%
Low Prior Attainment	Primary	30.26%	25.42%	-4.83%
	Secondary	34.50%	29.12%	-5.38%