

DURHAM COUNTY COUNCIL

At a Meeting of **Cabinet** held in Council Chamber, County Hall, Durham on **Wednesday 8 February 2023 at 9.30 am**

Present:

Councillor A Hopgood (Leader of the Council)

Cabinet Members:

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

Apologies:

Apologies for absence were received from Councillor Chris Hood

Also Present:

Councillor Joan Nicholson

1 Public Questions

Mr Roger Cornwell referred to the Cabinet meeting held on 6 April 2022 at which Cabinet agreed to consult on the second draft of the County Durham Parking and Accessibility Supplementary Planning Document. The consultation ended on 7 June 2022 and whilst the supporting information for the consultation said that it was expected that the document would be adopted in the autumn under delegated powers, this had not taken place. Mr Cornwell commented that planning applications were in progress where parking provision is a consideration and he pointed out that having an adopted Supplementary Planning Document would be more relevant and material than the interim document currently available. Mr Cornwell asked what was the reason for the delay and when the Supplementary Planning Document would be adopted.

Councillor E Scott, Cabinet Portfolio Holder for Economy and Partnerships thanked Mr Cornwell for the questions and explained that substantial feedback was received from stakeholders as part of the second consultation on the Parking and Accessibility SPD in June 2022. Within the responses, different perspectives on the quantum of parking spaces required on both commercial and residential development sites were noted therefore getting the parking provision correct on new developments required striking a balance between the needs of different stakeholders. For example, on residential developments, the Council must consider the needs of residents who require sufficient secure off-street parking and the needs of residents moving around developments, including those with mobility issues. The Council must also consider the designs required by developers to make new housing attractive and viable as well as providing sufficient space for service and delivery vehicles.

Members and officers were therefore in the process of understanding the different stakeholder perspectives in the consultation responses and the implications of the proposed guidelines on development viability. This measured response was required to ensure the most appropriate future standards for the County will be adopted. A report will be brought back to Cabinet seeking approval once Cabinet is confident that parking guidelines are correct to meet the needs of residents, stakeholders and developers for future years.

2 Minutes

The minutes of the meeting held on 18 January 2023 were agreed as a correct record and signed by the Chair.

3 Medium Term Financial Plan 2023/24 to 2026/27 and Revenue and Capital Budget 2023/24 - [Key Decision: CORP/R/22/01]

The Cabinet considered a report of the Corporate Director of Resources which provided comprehensive financial information to enable Cabinet to agree the 2023/24 balanced revenue budget, an outline Medium Term Financial Plan MTFP(13) 2023/24 to 2026/27 and a fully funded capital programme to be recommended to Council on 22 February 2023 (for copy of report see file of minutes).

Councillor R Bell thanked the Corporate Director and his team for the report and the culmination of a huge amount of work. The report provided a comprehensive overview of the budget pressures faced, the announcements made in autumn statement and provisional local government finance settlement in December. Councillor R Bell referred to the enormous cost pressures faced in Adult and Children's social care which were unavoidable and excluded pay inflation. Councillor R Bell reiterated his previous comments made regarding the low tax raising capacity faced by the Council, a matter he had consistently raised with the government, most recently during the Local Government Finance Settlement. The Council were also seeing significant and cost pressures in Home to School Transport costs. Budget pressures faced from gas and electricity prices had subsided since previous estimates. In overall terms, the Council faced spending pressures of £78.9m next year which included around £19.5m for pay inflation, with £7m of this relating to the shortfall in the current budget following the local government pay award. Councillor R Bell asked Cabinet to note that the majority of costs were inflationary, and demand driven and not choices the Cabinet had. The Council had an ambitious capital programme of £122m of new investment added. This included further significant investment in schools, highways infrastructure and in towns and villages which amounted to a capital programme of £778m over the next four years and built upon on the significant planned investment in leisure centres and other buildings, by far the largest level of capital investment ever seen by the Council. Additional funding by government next year, plus the council tax raising powers would help in dealing with the financial situation. The uncertainty

from 25/26 onwards meant that there could be significant challenges ahead. The budget proposals included increases in line with clear government expectations. The council would need to continue to be flexible and agile as it moved forward. Protection was offered for the most vulnerable residents across the County.

The Leader of the Council thanked officers for all their work in preparation of the budget proposals. The budget for 2023/24 was dominated by unavoidable inflationary pressures. However, the Council was still able to set a balanced budget and in doing so accommodate a substantial capital programme, the largest the Council had ever seen. This was a clear demonstration of the scale and ambition of the Joint Administration. Overview and Scrutiny had been involved at each stage of the budgetary process and the report included feedback from those meetings and from wider engagement with national non-domestic ratepayers, Trade Unions, and the Area Action Partnerships. The Council found itself frustrated lagging behind the national average for core spending power per dwelling. The scale of the challenges faced by unavoidable cost pressures from inflationary increases in pay, waste and transport contracts, national living wage increases and home to schools' transport budgets were unprecedented and could not be understated. There was significant uncertainty over funding beyond 2025/26 and this, together with unavoidable inflationary and demographic pressures, remained a significant risk for Medium Term Financial Planning in future years. Using reserves was not a sustainable position and could only be accommodated on a short-term basis. Increasing council tax was a decision was not taken lightly considering the cost of living at the present time. Not increasing Council Tax was not a sustainable or prudent strategy to adopt and would not be in line with government expectations and advice from the Council's Section S151 officer. The Leader explained that the 2023/24 budget and MTFP position would be much worse if Council Tax was not increased. In the absence of more funding being made available by government it was effectively a binary choice of implementing Council Tax increases or increasing the cuts to vital public services. It was important to recognise those on low incomes in County Durham were afforded significant protection through the Council Tax Reduction Scheme which had been endorsed by the Council. Support was also available to financially vulnerable houses through different means. Having implemented the review of reserves set out in the January cabinet report increased the corporate capacity to balance the budget in future years. It was important to follow the advice of the S151 officer particularly around adequacy of reserves. The Leader had consistently said over the last nine months that it was important that the Council have a well-managed MTFP process, planned well ahead, where tough decisions can be taken on Council tax and savings, against a backdrop of not using reserves to unsustainable levels.

Councillor J Shuttleworth, Cabinet Portfolio Holder for Rural Communities and Highways highlighted that everyone faced financial challenges. It was important to present a balanced budget focussed on priorities in the County. The budget proposals set out in the Cabinet report placed the Council in a much better position than many other Councils across the Country and across the North East.

Councillor M Wilkes, Cabinet Portfolio Holder for Neighbourhoods and Climate Change explained that the public would expect the Council to use some reserves at these difficult times, to look at savings whilst protecting frontline services and

increase income. The Council were doing all of this and more. The Council and its officers had worked extremely hard over the last year or so to remove waste and the Council were in a better position as a result. Despite the savings made, despite the use of reserves and despite income generation, the Council were still asking residents for a core council tax rise. It was clear that the Council tax system was completely broken and there was an urgent need to look at a proportional system which rested with the Government.

Resolved:

Upon a recorded vote being taken Cabinet unanimously agreed to recommend to full Council, approval of the recommendations set out in the report.

4 Declarations of interest

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

5 School Admission Arrangements Academic Year 2024/25 [Key Decision: CYPs/01/2023]

The Cabinet considered a report of the Corporate Director of Children and Young People's Services which sought approval of the proposed admission arrangements and oversubscription criteria for Community and Voluntary Controlled Schools for the 2024/25 academic year (for copy of report see file of minutes).

Councillor T Henderson, Cabinet Portfolio Holder for Children and Young Peoples Services informed Cabinet the proposed admission arrangements had been devised following consultation with schools, other admission authorities, governing bodies, and parents. There were no changes proposed to the Admission Arrangements for 2023/24 apart from to admission numbers for a small number of schools and academies. The admission arrangements ensure that as many parents as possible are provided with a place at one of their preferred schools.

Councillor J Shuttleworth, Cabinet Portfolio Holder for Highways and Rural Communities, explained that the arrangements were clear to understand it was pleasing to note a high percentage of pupils were accommodated at their preferred school.

Resolved:

That the recommendations in the report be approved.

6 Council Plan 2023/24 to 2026/27 Refresh [Key Decision: CORP/R/22/04]

The Cabinet considered a report of the Chief Executive, presented the Head of Corporate Affairs, which presented the draft refresh of the Council Plan covering the four-year period 2023-2027 prior to submission to Council for approval (for copy of report see file of minutes).

The Head of Corporate placed on record his thanks to the Head of Policy Planning and Performance who retired in January and was largely responsible for the content of the report.

The Leader of the Council explained that the report set out details of the updated Council Plan, covering the period 2023 to 2027. It did not and could not include a list of everything the Council does and was underpinned by a wide range of specific strategies and service specific action plans.

The Plan sets out the Council's ambitions, its desired outcomes, and its actions to deliver on these alongside a range of performance measures to track the performance of the council's services. It is an important document as it sets the Council's priorities and directs our resources.

The updated and refreshed Council Plan would be presented to County Council alongside the MTFP and budget setting reports in February. The overall style and tone of the document is in line with the Plan agreed in June last year.

Resolved:

That the recommendations in the report be approved.

7 Developer Viability, Affordable Housing and Financial Contributions, Housing Needs, Design Code and Trees, Woodlands and Hedges Supplementary Planning Documents

The Cabinet considered a report of the Corporate Director of Regeneration, Economy and Growth which sought approval to commence consultation on the second draft of the Developer Contributions Supplementary Planning Document and the first draft of the Housing Needs, County Durham Design Code and Trees, Woodlands and Hedges Supplementary Planning Documents. All four documents support the County Durham Plan, adopted in October 2020 (for copy of report see file of minutes).

Councillor E Scott, Cabinet Portfolio Holder for Economy and Partnerships explained that the County Durham Plan was adopted in October 2020 and the Council were bringing forward a number of supplementary planning documents over the next few years to supplement its content. The documents gave additional detail and clarity on what was required for new development to be acceptable and provided certainty for developers and reassurance for residents. These documents would be consulted upon till 11 April 2023.

Councillor M Wilkes, Cabinet Portfolio Holder for Neighbourhoods and Climate Change spoke of the importance of the supplementary planning documents and highlighted several proposals contained within the documents around green infrastructure and the protection of ancient woodland. Councillor Wilkes urged people to contribute to the consultations.

Resolved:

That the recommendations in the report be approved.

8 Public Space Protection Order - Aggressive begging in Durham City

The Cabinet considered a report of the Corporate Director of Neighbourhoods and Climate Change which provided the outcome of the consultation exercise which was carried out in relation to a potentially new Public Space Protection Order (PSPO) for aggressive begging in Durham City and to make a recommendation in respect of the proposed next steps (for copy of report see file of minutes).

Councillor J Shuttleworth, Cabinet Portfolio Holder for Rural Communities and Highways spoke of the important work carried out by the Safe Durham Partnership, Durham city safety group and others to keep the County safe. It was vital to examine every tool available to explore where benefits could be found. The Council had noted the results of the consultation to review the legal position and obtain the best advice available about a Public Space Protection Order for Durham City. Whilst the Cabinet were not minded taking this forward at the current time, it was important to highlight that the issue was not being unaddressed. Homeless support teams and enforcement teams within the City would continue and continuing legal powers would be used.

Councillor A Shield, Cabinet Portfolio Holder for Equality and Inclusion highlighted the importance of acting within the powers and resources the Council had at its disposal to tackle such problems. Councillor Shield explained that it was correct to consult on the proposed measures. The report did not set out any negative aspects and was positive. It was

encouraging that the report referred to ongoing work of the teams and providing support to those who genuinely required support.

Resolved:

That the recommendations in the report be approved.

9 Home to School Transport Services - Consultation

The Cabinet considered a joint report of the Corporate Director of Children and Young People's Services, the Corporate Director of Regeneration, Economy and Growth and the Corporate Director of Resources which sought approval to undertake a public consultation on proposals to transform Durham County Council's Home to School Transport Service for Children and Young People (for copy of report see file of minutes).

Councillor T Henderson, Cabinet Portfolio Holder for Children and Young People's Services explained that Home to School Transport was a vital service and complex operation working with over 300 contractors. Growing demand for the service and inflation had seen costs rise significantly over recent years. The County Council had a duty to provide free transport who met national criteria and it was noted that the current policy went beyond national criteria. A full programme of engagement would be rolled out and everyone, including those who may be affected by any policy change would be able to feed in their views.

Councillor E Scott, Cabinet Portfolio Holder for Economy and Partnerships explained that the report provided a clear overview of the challenges of Home to School Transport which had escalated over recent time due to Covid and other world events, including the difficulties around recruitment and retention of drivers and energy prices. Councillor Scott explained the importance of linking in the review with public transport provision across the County. The consultation would provide for a balanced programme of options and enable consultation on those aspects of provision

Councillor R Bell, Cabinet Portfolio Holder for Finance explained that Home to School Transport Budget was forecasting expenditure of £8.3m in 2023/24. This placed a lot of pressure on overall budgets and reviewing this area would potentially help tackle increasing levels of expenditure and offer value for money for Council Tax Payers.

Resolved:

That the recommendations in the report be approved.