

Durham County Council

At a Meeting of **Cabinet** held in the **Council Chamber, County Hall, Durham** on **Wednesday 14 February 2024 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 J Shuttleworth

Apologies:

Apologies for absence were received from Councillor Mark Wilkes

1 Public Questions

In response to a question asked by the Chair of Riverside Residents Association Ltd, Councillor J Rowlandson, Cabinet Portfolio Holder for Resources, Investments and Assets thanked Mr. Brown for his question.

Councillor Rowlandson explained that the council was facing unprecedented financial pressure in setting the budget for 2024/2025 and into future years. The costs of delivering the original programme aspirations had increased from the original £62.8m estimate to in excess of £100m because of inflationary pressures, outside of the council's control. Delivery on the original aspirations would require a further £48 million of capital expenditure, which was unaffordable and unsustainable at the current time, given the unprecedented cost pressures faced and the uncertainty around future financial settlements beyond 2024/25.

In the current financial context and budget pressures facing the council at this time, taking on additional borrowing that would be required to fund that level of increase in capital expenditure was not affordable. However, the aspiration of the council remained unchanged and new build centres remained very much part of future plans, as and when funding allowed.

A further £10 million was being committed to the capital programme budget to improve Chester-le-Street and Seaham leisure centres. These improvements would be focussed on making a positive difference to the experience of customers, enhance site facilities, and ensure the centres were structurally and mechanically sound going forward. Once the council's budget report had been agreed by Council, a plan for the investment of the £10 million of additional investment in these centres would be developed and proposals shared as soon as possible after this time.

Proposals for the Riverside had reached a well-developed stage and had been subject to significant community consultation and engagement. Whilst being deliverable proposals, consultation outcomes showed that the plans attracted various areas of feedback and concern.

A significant element of the funding envelope earmarked to the Riverside project was predicated on a self-financing proposition, whereby the uplifted usage and income from the redeveloped facilities would pay for the majority of the capital borrowing.

On the balance of feedback, through consultation to date, any project taken forward at the Riverside needed to be considerate of wider opportunities for physical activity and community engagement, and target investment to derive the most benefit for a broader spectrum of the community. This changed the context considerably from the previous plans and proposals that were consulted on, which were largely based upon self-financing developments at the site.

Given this change in emphasis, it would be necessary to continue to manage the Riverside in its current format for the time-being. The council could then proceed to explore subsequent opportunities with stakeholders to develop the wider site, with such developments predicated upon suitable funding opportunities becoming available.

2 Minutes of the meeting held on 17 January 2024

The minutes of the meeting held on 17 January 2023 were agreed as a correct record and signed by the Chair.

3 Declarations of interest, if any.

Councillor T Henderson, Cabinet Portfolio Holder for Children and Young People's Services declared an other relevant interest in relation to Item No 6 (Proposal to Close Rookhope Primary School on 31 August 2024) as governor within the Upper Dales Federation

4 Medium Term Financial Plan 2024/25 to 2027/28 and Revenue and Capital Budget 2024/25 - Report of Corporate Director of Resources (Key Decision: CORP/R/2024/001)

The Cabinet considered a report of the Corporate Director of Resources which provided comprehensive financial information to enable Cabinet to agree the 2024/25 balanced revenue budget, an outline Medium Term Financial Plan MTFP(14) 2024/25 to 2027/28 and a fully funded capital programme to be recommended to Council on 28 February 2024 (for copy of report see file of minutes).

Councillor R Bell, Deputy Leader of the Council and Cabinet Portfolio Holder for Finance highlighted that the report was the fourth and final report on the 2024/25

budget proposals and MTFP14 forecasts in advance of the budget setting process that would take place on 28 February. It represented the culmination of months of work by officers right across the council and included:

- a comprehensive overview of the budget pressures faced;
- the announcements made in the Autumn Statement in November; and
- the provisional Local Government Finance Settlement published in December.

Significantly it included details of the final Local Government finance settlement published on 5 February, which provided some much needed additional funding of £5.9m. This had made the scenario a little more comfortable next year in terms of the level of reserves needed to apply to balance the budget.

The 2024/25 budget required provision for significant inflationary pressures, including the impact of the National Living Wage increase from April, which had a significant bearing on Adult Social Care contracts. Enormous and unavoidable cost pressures in statutory Adult and Children's Social Care, totalled £35.976 million next year and put a squeeze on other budgets, particularly discretionary spend areas. Additional revenue generated from an Adult Social Care precept and specific grant funding for these areas fell well short of the cost pressures faced, in part due to the low tax raising capacity of the Council. This matter had been consistently raised with Government.

Forecasts had been updated in relation to cost pressures in Home to School Transport. This would need a budget increase of £2.5m next year (£1.5 million more than was previously forecast) and for placements costs for Children Looked After would require a budget increase of £12 million next year (£2 million more than previously forecast).

Councillor Bell explained that the escalation in costs was a sector wide problem, particularly in areas with higher levels of deprivation and in larger counties such as Durham. In overall terms, the Council faced spending pressures totalling £61.8 million next year. £10 million related to the use of reserves in the current year to balance the 2023/24 budget. The budget made provision for £1m of investment in Employability Services. This was to partially mitigate the loss of European Social Fund Grant as it is replaced with UK Shared Prosperity Grant Funding. There was also some modest growth included to make the Find and Fix Team permanent (£300k) and to strengthen Information and Data Governance arrangements, alongside funding to extend the Park and Ride provision (£240k) to better service the Aykley Heads North site (£275k).

The Governments Core Spending Power calculations indicated a 7.6% increase next year, slightly higher than the 7.5% national average increase, though disappointingly Durham still lagged behind the national average Core Spending power per dwelling, mainly due the inherent low tax raising capacity.

It was important to note that the Core Spending Power calculation assumed an increase in council tax by 4.99%. There had to be careful consideration of any new

prudential borrowing commitments given the financial outlook. It would be reckless and irresponsible to do otherwise, and the Cabinet was neither.

Despite constraints, the budget proposals included £93 million of new capital investment, including further significant investment in schools including new builds, highways and bridges infrastructure, in furtherance of Net Zero aspirations, and £10 million of additional investment in the Leisure Transformation Programme which was being ring fenced to Chester-le-Street and Seaham Leisure Centres to improve facilities for local residents.

The overall capital programme totalled £513.7 million over the next four years. This significant level of capital investment did come at a cost with £12.7 million of revenue budget growth required to finance the additional prudential borrowing needed across the MTFP planning period, much of which was linked to current commitments.

The savings proposals were largely in line with the proposals previously considered. In line with the motion agreed by Council in January, Cabinet would undertake an evidenced based review the withdrawal of the Free after Two initiative to inform options going forward with a report scheduled to come to Cabinet in September, with an opportunity for Overview and Scrutiny to be involved in the review of the process.

Councillor Bell thanked everyone involved for participating in the budgetary consultation process. The updated deliberations by the Corporate Overview and Scrutiny Management Board were set out in detail in the report. This had been carefully considered in finalising the plans included at Appendix 4.

The total identified savings across the MTFP14 planning period were £16.360 million, with £8.083 million (49.4%) falling into next year.

The budget proposals included Council Tax increases in line with the expectations set by the Government and took into account the Council Tax core referendum limits of 2.99% and the Adult Social Care Precepting powers of an additional 2% next year. The forecasts for 2025/26 and beyond only factored in a 2.99% increase. It was unclear whether the Adult Social Care Precept would continue beyond 2024/25.

There was a clear expectation from Government that additional flexibilities are taken and the strong recommendation from the Council's S151 officer is that they are taken.

Assuming that Council agrees the Council Tax increases factored into the report and the updated savings proposals delivered, then the budget shortfall next year would be £3.720 million – rising to £37.833 million over the four-year planning period.

Estimates beyond next year were more indicative and would undoubtedly change. The significant uncertainty over funding settlements beyond 2024/25 could materially change the medium term forecasts. However, based on these forecasts,

savings of circa £16.8 million would be required to set a balanced budget in 2025/26.

Achieving savings of such magnitude was a significant undertaking and work on this had already commenced. The Council would continue to be flexible in its approach in terms of planning for the next four financial years to continue to be able to support residents in County Durham in the best way possible.

A 4.99% increase in Council Tax next year represented an increase of around £1.15 per week for the majority of households across the County who reside in a Band A property, with those on low incomes fully protected through the Local Council Tax Reduction scheme.

It was important to follow the advice of the S151 officer regarding sufficiency of reserves. Whilst financial resilience had reduced in recent years, the Council were still in a stronger position than many other councils.

It was simply not sustainable to underpin the budget indefinitely from reserves. Utilising the MTFP reserve next year would allow some time to develop savings proposals to help minimise, as far as possible, the impact on front line service delivery.

Councillor Bell welcomed the addition of more overt links to the corporate plan objectives within the capital programme tables and in the Capital Strategy which had been added in response to an action arising from the CIPFA Peer Review.

The Leader of the Council then thanked officers for the work undertaken to prepare the 2024/25 budget proposals and MTFP14 update report and Councillor Bell and others for their contributions.

As had been highlighted, the budget was dominated by unavoidable inflationary and demand pressures, particularly in statutory Adult and Childrens Social Care services. The Leader expressed her disappointment that the Council had to find £2.6 million next year to fund the gap between the Housing Benefit paid out in respect of temporary and supported housing linked to homelessness and the subsidy or grant claimed back on such payments. The Leader commented that it was simply not correct that council tax payers in County Durham should subsidise this.

The Leader of the Council welcomed the receipt of the additional funding announced on 24 January but expressed her frustration that the Government left the announcement so late and that it wasn't conducive to good financial planning to have such late announcements and a one year settlement.

At each stage of the budget setting process the Cabinet had sought to involve scrutiny and the report included details of the feedback from those meetings and from wider engagement through the Area Action Partnerships, Business Rate Payers and with Trade Unions on the budget strategy and savings proposals.

It was frustrating to lag behind the national average core spending power per dwelling and as the report outlined, if we had the funding in line with the national average per dwelling, be it from additional government grant or from council tax revenues, then a further £42 million would have been available to Durham next year.

The savings proposals set out in the report had been updated and totalled £8.083m next year. With the additional funding announced on 24 January the overall position had improved since previous forecasts, however, the Council were still faced with using £3.72 million of reserves to balance the budget next year if the Council increase Council Tax by the maximum permitted without a referendum, which it was expected to do by the Government.

The additional funding next year had reduced the reliance on reserves to balance the budget by £5.9 million. Had the funding not been received, the use of reserves would have been £9.6 million. Put simply, sufficient income could not be raised from council tax to fund the cost pressures faced and the Government was not meeting the gap, meaning savings had to be constantly sought, just to stand still.

There remained significant uncertainty over funding beyond 2025/26 and this, together with unavoidable inflationary and demographic pressures in budgets, remained a significant risk in MTFP planning and budget setting in future years.

The funding system within Local Government was broken and required urgent reform if councils like Durham were to survive and thrive going forward. No-one appeared to be committed to increasing the funding available to councils at this stage. The Government needed to change the distribution mechanism, placing greater emphasis on council tax equalisation and on deprivation. Utilising reserves to balance the budget was clearly not a sustainable position to be in and could only be accommodated on a short term basis.

The Leader of the Council noted with interest the criticisms the council had faced from opposition groups and some MPs over the use of reserves since 2021, however, looking back, the former administration applied reserves to balance their budget also, with £12.6 million used in 2017/18 alone.

As the Leader of the Council had stated many times previous, increasing the council tax was a decision that should not be taken lightly and the squeeze on the cost of living for all our residents had to be recognised. However, not increasing council tax was simply not a sustainable or prudent strategy to adopt and would not be in line with the Governments expectations or with the advice from our s151 officer.

It was effectively a binary choice between implementing council tax increases vs increasing the cuts to vital public services. It was important to recognise that those on low incomes in County Durham were afforded significant protection through the Council Tax Reduction Scheme, and the Leader was proud that the County Council had endorsed the continuation of the scheme into next year, which unlike virtually every other Council in the country does not seek to limit or cap the level of support working age households can receive.

The capital programme had to be tailored to the resources available at the time and whilst there was a desire to see further significant investment into leisure centres and other facilities, there was no way of being able to afford to commit any more funding at this time.

It was important to follow the advice of the Section 151 Officer in terms of the adequacy of reserves and ensure the financial resilience of the Council. It was more important than ever to have a well-managed medium term financial planning process, planning sufficiently well ahead and taking tough decisions on council tax and on savings, ensuring that reserves were not being used to unsustainable levels going forward.

Councillor T Henderson, Cabinet Portfolio Holder for Children and Young Peoples Services explained that the service had worked extremely hard to deliver a high quality services to children and families, including the most vulnerable. Councillor Henderson highlighted some of the positive impacts achieved including the family hubs, 'good' rated adult and community learning service, positive inspection of the care leavers service, and positive inspection reports for all children homes and Aycliffe Secure Unit.

Councillor C Hood, Cabinet Portfolio Holder for Adult and Health Services explained that for many years, adult care, as a service, had focussed on supporting people to be as independent as they could be to enable individuals to remain in their own homes and communities. This had been done by investing in key services such as reablement and intermediate care. In doing so, the Council had also worked closely with NHS colleagues to support hospital customer discharge and ensured a diverse quality care market to meet people's needs through our commissioning team.

Councillor Hood was pleased that County Durham did not have waiting lists for care packages. Performance, with the support of our partners, on early discharge was amongst the very best in the country. Unlike many other areas of the country, Durham had been able to manage demand, help more people to retain their independence and reduce unnecessary admissions to residential care, thereby avoiding some of the demographic pressures that other areas faced. The complexity of people's needs had increased. This put huge pressure on staff, partners, unpaid carers and services to ensure that services flex to meet the demand and need. This brought financial pressures through increased costs of care. National Living Wage increases in recent years had driven huge cost increases into adult social care provider contracts. Budgets were well managed but were under significant pressure. Councillor Hood explained that a long term funding solution was still needed, particularly for authorities like Durham where the proportion of self-funders were much less than more affluent areas, meaning that the council had to meet the cost of the services people required and therefore had more reliance on government funding to help meet those costs given the low tax base and lower tax raising capacity.

Cllr J Shuttleworth, Cabinet Portfolio Holder for Rural Communities and Highways highlighted some of the progress within his portfolio. The Council, despite hyperinflation, had continued delivering improvements to the highways network for

the benefit of residents and businesses. Road maintenance was to be prioritised alongside the local transport plan grant with £5m being put into the highway network, alongside the government pothole money to continue improvement of classified and unclassified roads. In addition to this, it was recognised that the County relied on hundreds of highways structures and bridges and £5m of funding had been allocated to go towards additional bridge inspections, investigations and maintenance planning. This was something that the Council had not done previously, but would pay dividends in the future.

Resolved:

Cabinet unanimously agreed to recommend to full Council, approval of the recommendations set out in the report.

5 School Admission Arrangements Academic Year 2025/2026 - Report of Corporate Director of Children and Young People's Services (Key Decision: CYPS/2024/001)

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 2025/26 academic year (for copy of report see file of minutes).

Councillor T Henderson, Cabinet Portfolio Holder for Children and Young People's Services explained that the process had been extensively consulted upon. No changes had been proposed to the admission arrangements for 2024/25, with the exception of a change to a small number of admission numbers for some Academies. Councillor Henderson highlighted that the County regularly achieved 92% of first preferences being offered to pupils and parents which comfortably exceeded the first preference percentage by other councils regionally and nationally.

Councillor C Hood, Cabinet Portfolio Holder for Adult and Health Services said that the arrangements were clear, easy to understand and would help parents and carers with their preferred choice of school.

Resolved:

That the recommendations in the report be approved.

6 Proposal to Close Rookhope Primary School on 31 August 2024 - Report of Corporate Director of Children and Young People's Services (Key Decision: CYPS/2024/002)

The Cabinet considered a report of the Corporate Director of Children and Young People's Services that sought approval to close Rookhope Primary School on 31 August 2024, taking account of the Local Authority's duties as prescribed in the Education and Inspections Act 2006 to secure sufficient places and to ensure good outcomes for all children and young people in the local area. (for copy of report see file of minutes).

Councillor A Shield, Cabinet Portfolio Holder for Equality and Inclusion appreciated that school reorganisation, particularly school closures, could be of local concern. Local communities often see schools as being at the heart of the community. However, this report made a compelling case for the closure of a local primary school. Schools needed to be sustainable to meet the challenges in a rapidly changing educational environment. Currently there would be five pupils on roll at the school which impacted on the school's viability and made it difficult to provide children with a broad and balanced curriculum. The five children on roll are currently being taught at St. John's Chapel Primary School. The objectives of this proposal would significantly enhance the quality of education provision for these children within their local community, whilst ensuring that the choice of provision and curriculum breadth are enhanced. The breadth of curriculum and the opportunities for social development of local children had been enhanced by them being educated at St John's Chapel.

Rookhope Primary School had the lowest pupil numbers of primary schools in County Durham and no pupils started in reception in September 2022, nor September 2023. There was no anticipated development in this part of the County that would increase these numbers which clearly indicated that the school cannot remain financially or educationally viable.

Councillor C Hood, Cabinet Portfolio Holder for Adult and Health Services explained that taking a decision to close a local school, especially in a remote rural area, was not an easy decision to make. Having considered all the factors in the report, unfortunately, there was no alternative but to close the primary school. The proposal provided a solution to the issues currently being faced by Rookhope Primary School of extremely low to zero people numbers and the consequent impact on the quality of education and social experiences the school could provide. The proposal to close the school was in the best interests of children and their families from an educational perspective and it would therefore have a positive impact for those living in the local area. Closing Rookhope Primary School was the only means of providing a sustainable future for education in the Upper Durham Dales area.

Councillor T Henderson left the meeting.

Councillor J Shuttleworth explained that the decision was a very emotive issue for him personally, with the school having served Rookhope since 1872. The closure of the Blue Circle cement works in 2002, led to 72 children leaving the school as 55 families moved away. Councillor Shuttleworth did not like the decision, but accepted it was in the best interests of the children, families and local community.

Resolved:

That the recommendations in the report be approved.

Councillor T Henderson rejoined the meeting.

7 Council Plan 2024 - 2028 - Report of Chief Executive (Key Decision: CORP/R/2024/003)

The Cabinet considered a report of the Chief Executive which presented the draft refresh of the Council Plan covering the four-year period 2024-2028 prior to submission to Council for approval (for copy of report see file of minutes).

The Leader of the Council thanked the Head of Corporate Affairs for presenting the report, his team and all the officers and elected members involved in updating the Council Plan.

In June 2022, the Council agreed to receive an updated and refreshed Council Plan on an annual basis going forward presented to County Council alongside the MTFP and budget setting reports in February.

This was the third review since that decision had been taken. The Council had responsibility for a wide range of public services and has a significant role to play in improving the lives of everyone who lives in, visits or works in County Durham.

The County had both opportunities and issues that needed to be addressed. Many issues faced by residents could not be solved by the council alone and many required structural or policy changes at a national government level. However, the Council could make a positive difference through its democratically elected mandate and role as a leader of place. The plan sets out the Council's ambitions for doing so.

The Joint Administration also recognised the critical importance of working in partnership with others across the public, private, voluntary and community sectors. This is why the Council Plan set out the Council's role in delivering the partnership developed County Durham Vision 2035.

The updated Council Plan, covering the period 2024 to 2028 was underpinned by a wide range of specific strategies and service specific action plans. The plan provided a sharper focus on the Council's ambitions, with more transparent links to the detail of supporting strategies set out within the document.

The plan ensured that resources were being used in a transparent and effective way, by setting out priorities to support our economy, our people, our environment, our communities, and to further improve the efficiency and effectiveness of our council for everyone's benefit.

Ultimately it set the Council's ambitions and approach to directing resources, including in the Medium term Financial Plan. Over the last year the Joint Administration had been focussed on the delivery of things that mattered to local people and local communities. Things which supported improved health, wealth and prosperity across the County. For example, the Inclusive Economic Strategy agreed in December 2022 alongside a range of significant capital investments. The progressing of the reopening of the former DLI building as a cultural venue and the significant strides made in terms of turning the redevelopment of Aykley Heads from a concept into reality, as part of ambitious plans for economic growth.

In November 2023, Ofsted carried out a focused visit looking at our arrangements for care-experienced young people - specifically the quality of preparation for adulthood, the quality and suitability of accommodation and care leavers with specific needs. Feedback was positive and identified that “leaders have a detailed understanding of the strengths of this area of service and where further improvements can be made. Senior leaders have further developed and improved services for care-experienced young people”.

There had also been a greater focus on our environment and Climate Emergency Response Plan, where good progress had been made against our ambitions.

Everyone could be rightly proud of our county, our heritage, our people and our culture. It was no coincidence that the County Council had been selected to lead on the Culture theme of the regions devolution plans.

Moving forward, sound management of resources would need to be maintained in delivering on our ambitions and priorities. It was also important to maximise the talents of our people and use technology to provide the best services possible within the resources available. To this end the plan also set out key performance indicators which would be used to measure the success of plans and the operational services delivered. The desire to provide transparency had been embedded in a more comprehensive performance report which had been received and commented upon by Cabinet over recent quarters.

Councillor S McDonnell, Cabinet Portfolio Holder for Digital Customer Services and Procurement commented that the Council Plan was shorter, sharper and as a consequence far easier document to digest. A summary of actions taken by the council, underpinned by a series of corporate strategies, service planning and performance arrangements provided detailed information.

To ensure transparency, key documents had been hyperlinked. The Plan set out the actions the Council would lead on and take forward which aligned to the County Durham Vision 2035. Councillor McDonnell was also pleased of the clear focus on environmental matters, listening to our communities and local businesses. She particularly liked the emphasis on the economic strategy which set out the unparalleled level of ambition the Council had for delivering a strong economy and the focus on services that were modern and digital by design, whilst providing alternative for people who are unable to access the internet.

Councillor J Shuttleworth, commented that the Council Plan was easier to understand and the council plan sets out our ambition in this area and how we will build further.

Councillor R Bell, Deputy Leader of the Council, welcomed the change in style and format. The ‘Our Council’ section focussed on finance and would commend that to members.

Councillor E Scott, Cabinet Portfolio Holder for Economy and Partnerships explained that the Council Plan demonstrated that the Council were creating the environment for others to flourish as an enabler and facilitator. Councillor E Scott

spoke of the opening of 'The Rising' at Raby Castle, the additional space at Locomotion which would house the biggest collection of railway vehicles in the world and plans for a new hotel at the county cricket club. In addition to this the Council had been awarded £1.2m from the Arts Council for the cultural sector, the Cabinet were progressing the DLI project with support of a culture trust outside of the council and the development of a network of employment land within the County. All of this was down to the hard work of the brilliant staff in regeneration in enabling to make this happen.

Councillor J Rowlandson, Cabinet Portfolio Holder for Resources Investments and Assets explained that thousands of children would be in employment at the end of the 10-year plan. The vision continued to evolve, with NetPark Phase Three, the exciting innovation centre at Aykley Heads and Industrial estates in Durham and Chester-le-Street continued to improve with further investment.

Resolved:

That the recommendations in the report be approved.

8 Solar Energy and Housing Needs Supplementary Planning Documents - Report of Corporate Director of Regeneration, Economy and Growth

The Cabinet considered a report of the Corporate Director of Regeneration, Economy and Growth which sought approval to commence consultation on the second drafts of the Solar Energy and Housing Needs Supplementary Planning Documents (SPDs). Both documents support the County Durham Plan (CDP) that was adopted in October 2020 (for copy of report see file of minutes).

Councillor E Scott, Cabinet Portfolio for Economy and Partnerships explained that the County Durham Plan was adopted in October 2020. The Solar Energy and Housing Needs Supplementary Planning Documents (SPDs) supplemented its content. Solar SPDs would support County Durham in achieving net zero carbon emissions by 2045 by providing guidance to ensure that solar panels were appropriately sited and designed. The Housing Needs SPD would help the Council meet the different housing needs in communities, including homes for older people. The importance of consultation was paramount and comments would be invited on the policies for six weeks to inform their final content.

Councillor J Rowlandson, Cabinet Portfolio Holder for Resources, Investments and Assets explained that the SPDs provided additional detail and clarity on what was required for new development to be acceptable, expanding on the policies of the CDP and provided certainty for developers and reassurance for residents.

Resolved:

That the recommendations in the report be approved.

9 Adoption of Rights of Way Improvement Plan and Delivery Plan - Joint Report of Corporate Director of Neighbourhoods and Climate Change and Corporate Director of Regeneration, Economy and Growth

The Cabinet considered a joint report of the Corporate Director of Neighbourhoods and Climate Change and Corporate Director of Regeneration, Economy and Growth which sought approval to for the adoption of the Public Rights of Way Improvement Plan 4 (ROWIP4). The report also explained the co-production and public consultation of ROWIP4 and the intention of the policies and the first three-year delivery plan (for copy of report see file of minutes).

In Moving the report, Councillor J Shuttleworth, Cabinet Portfolio Holder for Rural Communities and Highways explained that the Public Rights of Way Network was an important and sometimes overlooked part of the Highway asset. The ROWIP would encourage everyday activity and would have a positive impact on mental and physical wellbeing by users. The plan had a 10-year life span and was more strategic. It would support the green economy and protect the natural environment and would place the Council in a strong position to draw in external funding. The delivery plan reflected important strategy themes in linking settlements, accessibility and bridleways. It had been positive to see an extensive public response to the consultation. The final version had been amended to reflect the public responses received.

Councillor E Scott, Cabinet Portfolio Holder for Economy and Partnerships seconded the recommendations and in doing so explained that the plan would improve signage, bridleways, the Stockton/Darlington Heritage Walking and Cycle Route and public rights of way close to settlements. It also focussed on continuing engagement with communities when managing and protecting routes. It would also seek to protect landowners and residents by diverting PROW out of farmyards and ensure that everyone followed the countryside code.

Resolved:

That the recommendations in the report be approved.

10 Poverty Issues Annual Report - Report of Corporate Director of Resources

The Cabinet considered a report of the Corporate Director of Resources which provided an update on:

- (a) The most recent welfare, economic and poverty indicators for the county;
- (b) Core expenditure (funded by both central government and from council budgets) which specifically supports poverty related activities and enables support to be delivered to vulnerable households by the council and key partners;

- (c) Progress of the council and partners in addressing and alleviating poverty, including actions delivered in line with the poverty action plan and the support given in response to the financial impact of the cost-of-living crisis on vulnerable households; and
- (d) Priority actions to be progressed during 2024/25, as previously approved by Cabinet, which continue to reflect changes in the current poverty landscape, intelligence / learning over the last year and build on successful delivery to date (for copy of report see file of minutes).

Councillor A Shield, thanked the Corporate Director and his team, the Head of Transactional and Customer Services and the Assessment and Awards Manager for all of their hard work. Councillor Shield also acknowledged the work of the Poverty Action Steering Group and the OSC committee for their contributions. Councillor Shield explained that poverty was a multi-faceted issue and tackling such a complex problem needed a multi-faceted approach. Councillor Shield explained that the updated statistics contained in the report made for unpleasant reading. He highlighted that there was a strong safety net in place in County Durham, as strong as anywhere else and the Council and its partners could be proud of the support provided but accepted that this support on its own was simply not enough. Councillor Shield explained the major concerns over the future of the Household Support Fund. He had made several pleas to ministers regarding the level of uncertainty so close to the next financial year and was staggered that no announcements had been made. Now was not the time to withdraw support.

Resolved:

That the Annual Report be noted.

11 Any resolution relating to the exclusion of the public during the discussion of items containing exempt information

Resolved:

That under Section 100(a)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely discussion of exempt information as defined in paragraph 5 of Part 1 of Schedule 12A of the Act.

12 Levelling Up Funds Bids - Consideration of a potential claim for Judicial Review - Joint Report of Corporate Director of Resources and Corporate Director of Regeneration, Economy and Growth

The Cabinet considered a joint report of the Corporate Director of Resources and Corporate Director of Regeneration, Economy and Growth to consider whether to pursue judicial review proceedings in relation to the Council's unsuccessful bids to The Levelling Up Fund (for copy of report see file of minutes).

Councillor R Bell, Deputy Leader of the Council thanked the head of legal and Democratic Services for the report, considered it was not in the council or the public's interest to judicial review.

Councillor E Scott, Cabinet Portfolio Holder for Economy and Partnerships seconded the recommendation detailed in the report.

Resolved:

That the recommendations in the report be approved.