



RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** on **WEDNESDAY 14 DECEMBER 2011**.

These decisions will come into force and may be implemented from **29 December 2011** unless the Overview and Scrutiny Management Committee or its Committees object to any such decision and call it in.

Council Tax – Calculation of Tax Base 2012/13 Key Decision CORP/R/11/4

Summary

The Cabinet considered a report of the Corporate Director, Resources to determine the Council's Council Tax Base which is an important component in the Council's budget setting process for 2012/13.

The Council Tax Base is a measure of the County Council's taxable capacity, for the purpose of setting its Council Tax. Legislation requires the Council to set out the formula for that calculation and that the tax base is formally approved. Section 84 of the Local Government Act 2003 enables authorities to set their Council Tax Base, other than by a decision of the full Council, therefore, allowing Cabinet to take the necessary decisions to determine the Council Tax Base for 2012/13.

Some of these properties will be exempt from council tax (e.g. dwellings occupied solely by students), whilst in single person households only 75% of the tax is payable. The number of dwellings, therefore, needs to be adjusted to reflect these features giving a net property base for each band.

The Council Tax varies between the different bands according to proportions laid down in legislation. These proportions are based around Band D, and are fixed so that the bill for a dwelling in Band A will be a third of the bill for a dwelling in Band H. Applying the relevant proportion to each band's net property base produces the number of 'Band D Equivalent' properties for the area.

The Band D Equivalent Tax Base is arrived at by anticipating the collection rate for the year. A forecasted collection rate of 98.5% was used for 2011/12 and it is proposed to use the same 98.5% in calculating the Tax Base for 2012/13.

Applying a 98.5% collection rate to the total Band D Equivalent Tax Base of 159,690.7 produces a final figure of 157,295.3, which compares to the 2011/12 figure for the County of 155,021.1. The main reason for the 2274.2 band D equivalent increase is a result of the Council's policy of nil discounts on long Term Empty Properties which is recommended to Council to come into effect from 1 April 2012.

The council tax base for the County Council will be used by the Police and Fire Authorities to set their council tax precepts for 2012/13 and will be included in the council tax bills sent to every council tax payer in the County.

The parish and town council, council tax bases will be used to calculate the parish and town council precepts in 2012/13 and will added to the council tax bills and sent to every council tax payer in the respective parish and town council areas.

Decision

The Cabinet: -

- (1) Approved the Council Tax Base for the financial year 2012/13 for the County, which has been calculated to be 157,295.3 Band D equivalent properties.
- 2) Approved collectively all the Parish Band D equivalents listed in the report.

Digital Durham - Superfast Broadband Key Decision CORP/R/11/2

Summary

The Cabinet considered a joint report of the Corporate Director, Resources, and Corporate Director, Regeneration and Economic Development that provided an update on progress with the Digital Durham Programme and the options for the programme in the areas of match funding, the procurement process, governance arrangements, and state aid implications. Agreement was sought on the preferred options.

ICT Services and Economic Development are working on the Digital Durham programme in order to ensure the maximum availability of superfast broadband across County Durham. The aim is to provide Superfast broadband (minimum 25Mbps) to every business, home and community in the County.

Superfast broadband is a key component to the future development of the economy. Estimates provided by Adroit Economics and Community Broadband Network in 2009 indicate that true superfast broadband to the whole of County Durham could provide £150million increase in Gross Value Added (GVA) and 16,000 new jobs over a 5 to 10 year period.

First generation broadband household take up in County Durham is relatively low when compared to other regions across the country at 39%, with the North East average at 54% and UK average at 59%.

Whilst the infrastructure is important, resolving issues of digital exclusion are also vital in ensuring all our residents, businesses and communities can access the benefits of superfast broadband.

The objective of the Digital Durham programme is to improve the economic and social wellbeing of all residents through the provision of superfast broadband access to all businesses, homes and communities in County Durham.

Access to digital services, through broadband, is essential for County Durham to provide services and information to businesses, customers and services users. This access is essential to enabling a modern economy and a research and learning service to customers.

Current private sector business plans would extend next generation broadband coverage (circa 50 Megabits per second) to only around 40% of the homes and businesses within the County. This would lead to significant disadvantage for the majority of residents and reduced competitiveness for many businesses within these areas.

Without public sector intervention many areas of County Durham risk being left far behind the 'knowledge economy', which will impair the Council's ability to deliver against all of its priority themes including delivery services via electronic means.

We realise that our vision is ambitious and will require a concerted effort from many people over the coming years but the Digital Durham programme will coordinate activities and source funding to deliver next generation broadband to the remaining 60% of the population and business communities.

Ofcom has published data regarding current broadband availability. This is based on average broadband take up, the percentage receiving less than 2Mbps download speed, average modem sync speed and superfast broadband availability. Ofcom designated County Durham as having a broadband rating of 5 which is the lowest possible based on take up and provision. Cumbria is also ranked as 5, Northumberland is ranked as 4, Sunderland and Hartlepool are ranked as 3 with the rest of the Tyne and Wear and Teeside authorities ranked as 2.

The Government has set an objective of the minimum standard of 2Mbps download speed and upload and 0.5Mbps for all homes in the UK to be achieved by 2015. The European Union has set an objective of 30 Mbps for all areas within Europe by 2020.

Decision

The Cabinet:

- I. Supported a £1.1m bid against the 2012/13 to 2015/16 Capital Programme to provide secured capital funding to match the DCC BDUK allocation in full, with the opportunity for this to be enhanced or offset by ERDF grant funding, or other sources, should this become available in due course.
- II. Delegated authority to the Corporate Director Resources and Corporate Director Regeneration and Economic Development in conjunction with the Cabinet portfolio holders for Resources and Regeneration and Economic Development to enter into a formal administrative arrangement between the two Councils, Durham and Gateshead.

- III. Delegated authority to the Corporate Director Resources and Corporate Director Regeneration and Economic Development in conjunction with the Cabinet portfolio holders for Resources and Regeneration and Economic Development to:
 - a. Adopt the BDUK procurement framework as long as the responses from BDUK will enable the Digital Durham Programme to achieve its objectives.
 - b. Or if the responses do not further the objectives then pursue our own procurement exercise using a competitive Dialogue process.

- IV. Delegated authority to the Corporate Director Resources and Corporate Director Regeneration and Economic Development in conjunction with the Cabinet portfolio holders for Resources and Regeneration and Economic Development to:
 - a. Enter into a governance model based on a contractual, service supply arrangement with the private sector partner, as long as the responses from BDUK will enable the Digital Durham Programme to achieve its objectives.
 - b. Or if the responses do not further the objectives then explore other governance models through our own procurement exercise using a competitive Dialogue process.

- V. Delegated authority to the Corporate Director Resources and Corporate Director Regeneration and Economic Development in conjunction with the Cabinet portfolio holders for Resources and Regeneration and Economic Development to:
 - a. Follow the BDUK State Aid application as long as the responses from BDUK will enable the Digital Durham Programme to achieve its objectives.
 - b. Or if the responses do not further the objectives then proceed with our own State Aid application.

Stock Options Appraisal Project – Update and Next Steps Key Decision R&ED/02/11

Summary

The Cabinet considered a report of the Corporate Director, Regeneration and Economic Development that advised of the outcome of financial analysis and consultation on potential options for the future financing, ownership and management of Durham County Council's housing stock. Approval was sought of the proposed next steps in the appraisal process and in determining the best options or mix of options for the future of the housing stock.

The Council has landlord responsibility for almost 19,000 homes across County Durham. The Council currently uses a variety of housing management organisations to deliver services to customers. These include two ALMOs and one in house management organisation.

From April 2012 the Government proposes to introduce a system of self financing that will allow the Council to retain its rental income in exchange for a one off debt

allocation to settle existing HRA housing subsidy arrangements. Durham's debt settlement is projected to be in excess of £216M. The Government proposes to cap the Council's ability to borrow at the debt settlement level to control public sector borrowing.

The HRA self financing business plan highlights shortfalls of capital resources against spending needs of £63M over the first 10 years of the business plan. The deficit is exacerbated by the Council's inability to borrow above its debt cap to supplement its business plan. The Council can manage these issues in a variety of ways.

The central issue for Durham County Council is that the operation of the debt cap under self financing is incompatible with the investment needs of the Council's housing stock, particularly in the early years of the business plan. Therefore the Council should consider the exploration of a solution that enables the Council and its providers to access required levels of funding and achieve the full investment profile in all years. This includes a consideration of the transfer of the housing stock.

Decision

The Cabinet agreed that:

1. The Council should continue to make arrangements for the implementation of self financing, including continued discussions regarding a potential stock retention scenario by:
 - Assessing the impact of the final determinations of self financing debt allocation, on both the HRA MTFP and the 30 year business plan. The 30 year business plan should also be updated to take into account any changes in our long term assumptions i.e. inflation and interest rates.
 - Completing a transparent review of self financing, including a final analysis of the number, shape and organisational structures of retained housing management arrangements.
 - Developing a comprehensive Asset Management Strategy that considers the long term sustainability of neighbourhoods and stock types; develops a comparable investment standard across all areas informed by customer consultation; and links asset modelling and business plan efficiencies to secure financial viability.
2. During this process the Council should continue to explore options for the transfer of its housing stock by:
 - Considering the guidelines set out in the revised Housing Transfer Manual once published by the DCLG;
 - Reviewing the tenanted market value of the stock and the issues associated with debt reduction and value for money and determine optimum transfer combinations that maximise investment for the whole stock;

- Increasing communication with DCLG and the HCA;
- Developing a comprehensive communication and consultation strategy to raise awareness amongst all stakeholders of the role of the Council, promote transfer options, explain the implications of stock transfer and include a plan for engaging with hard to reach groups.
- Aiming to submit a formal transfer proposal where feasible to the DCLG by the end of December 2012.

Blue Badge Reforms

Summary

The Cabinet considered a report of the Corporate Director, Adults, Wellbeing and Health that provided information relating to the Blue Badge (Disabled Persons Parking) Reforms and which sought an increase in the fee for a Blue Badge.

The Blue Badge Scheme was introduced in 1971 under Section 21 of the Chronically Sick and Disabled Persons Act 1970 ('the 1970 Act') and gives a concession to disabled people to park where particular restrictions may otherwise apply.

There are approx. 2.5m blue badge holders nationwide, with 35,000 in Durham. 8,000-9,000 Blue Badge holders renew their badge each year. There are approx 3,000 new applications per annum.

In February 2011, the Government announced a major programme of reforms to the Blue Badge scheme to bring about improvements and more effectively address abuse and fraud. Two changes were introduced in June 2011 relating to eligibility for a Blue Badge:

- An increase in the age that badges can be issued to children with specific medical conditions (from age 2 to age 3),
- Continuous entitlement for severely disabled service personnel and veterans linked to specific tariffs of award under the Armed Forces Compensation Scheme

Additionally, further changes are due to become effective on 1st January 2012 including:

- The creation of a national service (Blue Badge Improvement Service) with responsibility for providing all Blue Badges.
- A legislative change to change to the design of the Blue Badge*.
- A legislative change in the maximum fee that Local Authorities can charge for a badge up to a maximum of £10*.

* Legislation laid before Parliament in November 2011.

Local Authorities will continue to be responsible for decisions on whether or not an applicant is eligible for a blue badge and enforcement of the scheme.

The BBIS will be responsible for the production and distribution of all Blue Badges from 1st January 2012 and will charge Local Authorities £4.60 (plus VAT) for every badge produced. VAT can be re-claimed by the Council. This charge has been contractually fixed for 5 years and will include the following services:

- New high quality and secure blue badge design
- Clock for display in the car to indicate the time a car was parked and leaflet explaining rights and responsibilities
- Delivery of the Badge through 2nd Class post
- National database to deliver a country wide service to help combat fraud/abuse
- On-line application, eligibility checker and payment facility
- New national helpline

Decision

The Cabinet agreed:

- To a £10 fee being implemented for a Blue Badge effective from 1 January 2012.
- That fast tracked Blue Badges for people with a terminal illness continue to be provided free of charge.

Voluntary and Community Sector Strategy

Summary

The Cabinet considered a report of the Assistant Chief Executive that sought agreement to improve how we support front line voluntary and community sector (VCS) organisations in County Durham.

The County Council has a strong commitment to supporting frontline VCS organisations and recognises the valuable roles they play within County Durham. The VCS in County Durham is very diverse, ranging from small community organisations to very large organisations with many employees.

Recent national and regional evidence illustrates the difficulties presently facing the VCS, following the Comprehensive Spending Review and Government's policy changes. This evidence also shows that infrastructure organisations are facing increasing demands from front line organisations.

The Government is seeking to reduce the public sector by transferring public services to private companies and employee-owned co-operatives, charities and

social enterprises. This is promoted as a radical shift in the balance of power to local communities and an opportunity for VCS organisations to take a stronger role, however the Government's policy sees very little distinction between the VCS and small businesses.

The VCS in County Durham needs to be well organised and well prepared in order to respond to this shift in policy and to take advantage of new opportunities.

To support frontline VCS organisations the County needs resilient and sustainable infrastructure, that will help address the key issues facing the County, has a strong strategic relationship with partners and targets its resources on frontline delivery to local communities.

Since April 2009 the Council has sought to establish a new working relationship with the VCS through infrastructure organisations as previous structures had developed around District Council boundaries and no longer provided value for money

As agreed by Cabinet in June 2010 this work has involved developing revised grant funding arrangements for VCS infrastructure organisations and commissioning an independent review of infrastructure provision to ascertain how best to configure future support for the sector.

There is consensus between council officers and organisations representing the VCS that changes are needed in County Durham. This has led to the development of the following shared vision for the future. However, there is no consensus at present on how this should be achieved. The vision is:

'To have a resilient and sustainable infrastructure for the voluntary and community sector, that helps address the key issues facing the County, has a strong strategic relationship with partners and targets its resources on frontline delivery to local communities'.

Decision

The Cabinet:

- Agreed the Council's vision for the future of VCS infrastructure support in the County.
- Agreed the establishment of a Working Group to develop a shared understanding of the needs, opportunities and capacity of frontline VCS organisations and allocate the Council's £200,000 and any funding provided by other public sector partners, agree targets and monitor the delivery of core services.
- Agreed the role and membership of a Working Group.
- Agreed to continue to support the merger of DRCC and Chester-le-Street CVS, including supporting the work of the Chief Officer of Chester-le-Street CVS to gather intelligence and expertise in this area.
- Agreed that VCS infrastructure support funding for 2012/13 should be allocated and provided via the Working Group to begin on July 1 2012 and give notice that the present arrangements from the Council will end

on June 30 2012 (quarter one) in order for an extended notice period to be given to the sector.

Review of Indoor Sport & Leisure Facilities Update - Ferryhill Leisure Centre

Summary

The Cabinet considered a report of the Corporate Director, Neighbourhood Services that sought approval to enter into discussions with Ferryhill Community Partnership for the lease of Ferryhill Leisure Centre.

On 2 March 2011 Cabinet approved the Sport and Leisure Strategy 2011-2014 and considered the outcome of a wide ranging review of Indoor Facilities, approving consultation on the potential closure or transfer of six indoor facilities to 3rd party operators.

Following an extensive consultation process, Cabinet considered a further report (13 July 2011) detailing the outcomes and making recommendations as to the future of the six facilities identified in the earlier report. Cabinet agreed to a number of recommendations, including the closure of facilities at Ferryhill, Glenholme and Sherburn; the commencement of discussions with Deerness Valley Gymnastics Club and Future Leisure in Coxhoe in order to transfer Deerness Leisure Centre and Coxhoe Leisure Centre to these organisations and for the Council to continue to retain and operate Abbey Leisure Centre on a restricted basis in order to minimise cost / achieve a net nil subsidy from the Council.

Whilst Cabinet recognised the extensive and inclusive consultation process that had been followed with regards to seeking alternatives to closure, it ultimately approved the closures of facilities at Ferryhill, Glenholme and Sherburn. At the same time Cabinet also highlighted its commitment to consider any further 3rd party submissions that might be received prior to the closure date that would result in the continued operation of the facilities, so long as this was at nil cost to the Council in terms of revenue and capital funding and that TUPE requirements had been fully met where appropriate.

At its meeting on 22 September 2011 Cabinet approved a report that saw Sherburn Leisure Centre transferred to Sherburn Parish Council. At the same meeting it was agreed to progress with the closure and demolition/disposal of indoor leisure facilities at Ferryhill and Glenholme from 1 October 2011.

In light of the undertaking to consider any further submissions (new proposals and/or variations and updates to proposals that were originally considered during the consultation process) Ferryhill Community Partnership subsequently contacted the Council to register their interest in operating from Ferryhill Leisure Centre.

A potentially viable business case for Ferryhill Leisure Centre has been identified resulting from a proposal made by Ferryhill Community Partnership. This requires consideration by Cabinet as it has the potential to amend the decision made on the 22 September 2011.

Decision

The Cabinet gave approval to commence discussions with Ferryhill Community Partnership for the lease of Ferryhill Leisure Centre, giving delegated approval for the agreement of the lease to the Corporate Director of Neighbourhood Services and Portfolio holder for Strategic Environment, subject to satisfactory arrangements relating to finance and operational matters being concluded by 31 March 2012 when the lease should be assigned to the partnership.

Conservation Area Character Appraisal Programme Boundary amendments and character appraisals for Edmundbyers, Eggleston, Ireshopeburn/Newhouse/West Blackdene, Muggleswick, Newbiggin and Shildon Conservation Areas

Summary

The Cabinet considered a report of the Corporate Director, Regeneration and Economic Development which advised that the Durham City Character Appraisal is underway and that public scoping events, including workshops, will be held during February/ March 2012 to ensure early public awareness, contribution to and understanding of the Appraisal process. This will be the first stage in the process of several engagement exercises during this intensive programme, prior to final Adoption targeted for the end of 2012.

Approval was sought to the amended boundaries and character appraisals for the Edmundbyers, Eggleston, Ireshopeburn/Newhouse/West Blackdene, Muggleswick, Newbiggin and Shildon Conservation Areas.

The Council has a statutory duty under s69(1) of the Planning (Listed Buildings and Conservation Areas) Act 1990 to designate any areas which they consider to be of special architectural or historic interest as Conservation Areas, and to review these from time to time. The Council has a further duty under s71(1) to formulate and prepare proposals for the preservation and enhancement of those areas.

There are currently 94 designated Conservation Areas within County Durham, many of which have not been reviewed since their original designation. The Design and Historic Environment Team is therefore undertaking a programme of reviews of all the existing areas, and preparing character appraisals as part of our proactive management of the historic environment.

The appraisal process allows for a review of whether designation is still warranted, and whether any extensions or amendments to the designated boundaries are required to strengthen the special interest of the area. This will support objective G7 of the RED Service Plan to enhance, conserve and maximise the value of Durham's built environment.

Character appraisals for seven conservation areas were adopted by the Council between December 2009 and March 2010. Approval is sought for amended boundaries to a further seven conservation areas (which includes the merger of two areas into one designation), and approval of six accompanying character appraisals.

Each character appraisal is an individual evidence based document that investigates, evaluates and records the unique significance of each area by assessing the diverse individual architectural and historic features that contribute to its overall special character. It also considers whether the boundary remains appropriate. Through this it increases our understanding of each designated area; guiding proposals for future management of change and aiding consistent decision making. The appraisal process has been undertaken with reference to PPS5 Planning for the Historic Environment, the accompanying DCLG Practice Guidance and the English Heritage publication Evaluating Place.

Decision

The Cabinet approved the amended boundaries and character appraisals for the Edmundbyers, Eggleston, Ireshopeburn/Newhouse/West Blackdene, Muggleswick, Newbiggin and Shildon Conservation Areas.

Business Durham: Business Space Plan 2011-2016

Summary

The Cabinet considered a report of the Corporate Director, Regeneration and Economic Development that presented the Business Durham: Business Space Plan 2011-2016, that puts forward the Council's strategic role and investment plan for its portfolio of business accommodation.

Durham County Council (DCC) owns over 52,800m² of managed workspace, office, industrial and science park accommodation which provides space for over 300 businesses, employing around 1600 people across County Durham.

Business Services, as part of Regeneration and Economic Development, took on responsibility for management of these business properties during 2010, with the exception of NETPark which continued to be managed by CDDC. The merger of Business Services and CDDC within RED, has now combined the entire property portfolio, including NETPark, within the newly created Business Durham.

The Business Space Plan 2011-2016 describes in operational detail how the properties can best meet demand for business space in County Durham; how they can encourage businesses to start-up and grow; what still needs to be done to establish effective portfolio management; what needs to be done to improve the condition of a significant number of properties; and how they can best maximise income to support the wider Business Durham service.

The newly created Business Durham Service has been established to support business growth and development. There is a clear opportunity for the business property portfolio to become key component of this new service and provide better accommodation that supports better and more competitive businesses. This will

require some targeted capital investment along with significant improvements to systems and process.

Decision

The Cabinet approved the Business Space Property Plan 2011-2016.

Colette Longbottom
Head of Legal and Democratic Services
16 December 2011