



RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** on **WEDNESDAY 16 APRIL 2014**.

The decisions will come into force and may be implemented from **WEDNESDAY 30 APRIL 2014** unless the Overview and Scrutiny Management Committee or its Committees object to any such decision and call it in.

Review of in-house residential care homes [Key Decision CAS/07/13]

Summary

The Cabinet considered a report of the Corporate Director, Children and Adults Services on the outcome of the consultation carried out from October 2013 to January 2014 on the future of the five in-house residential care homes, making recommendations on the future of each of the homes.

On 9th October 2013, Cabinet agreed to consult on the future use of the five in-house residential homes. The Cabinet report set out in detail the reasons for, and, explained the need to revisit previous decisions made across all five homes, namely:

- Cheveley House, Belmont
- Feryemount, Ferryhill
- Grampian House, Peterlee
- Mendip House, Chester le Street
- Newtown House, Stanhope

In 1992, Durham County Council owned and managed over 50 residential care homes throughout the County and, at that time, in Darlington. Since that date due to a combination of reducing demands for the homes, rising costs and improved standards and investment by the independent sector, there has been a series of closures in all areas of the County. Durham County Council last reviewed its in-house residential care services in 2010 and subsequently decided at Cabinet in July 2010 to close seven homes, which left some parts of the County without any council managed homes.

Since 2010, Durham County Council has had to make very significant financial reductions and as a consequence of the challenging Medium Term Financial Plan (MTFP), the Council has had to review all of its services in the search for savings.

The Council undertakes regular reviews and monitoring visits in relation to external providers and it noted that many independent homes provide much higher standards of living accommodation than the Council's in-house homes. Recent surveys show that £4.19m would be required to be spent in the next ten years on repair and maintenance of the five in-house homes.

Demand for the council's own homes has reduced over time and it is unlikely that demand for the in-house residential homes will improve substantially in the future. The council is unable to directly provide nursing care. Many of the independent sector homes in the county are dually registered which means that they provide residential and nursing care. This can be a significant factor for older people and their relatives when choosing a home. The in-house homes are care homes only and the Council is legally prevented from running nursing homes. At 31st March 2014, the Local Authority was funding short and long-term places for 2428 older people in residential care homes and nursing homes of which 62 people (40 long term resident) were in the five Council run homes. 98% of people who have their residential care paid for by the Local Authority are in homes in the independent sector as well as those who choose to pay privately.

In addition to residential services, there are also day services operating and as at 31 March there were 160 older people using all in-house day service and 512 using independent sector services or purchasing day care through Direct Payments. Just over 5% of the total number of older people attending day care services were using the in-house residential care homes. Children and Adult Services established a panel of independent sector providers offering day services in April 2013. A significant amount of spare capacity exists within day services in Durham with a high percentage of providers having vacancies.

At 31 March 2014, the average cost to the Council for independent sector residential care was £473.59 per week. The cost of in-house residential care is significantly higher than that in the independent sector, averaging at £917.64 per week for 2013/14 and the Council must bear the fixed costs involved in providing places whether they are used or not.

On 9 October 2013, the Cabinet agreed to consult on three options for each home as follows:

- Option 1: Consult on the retention of each of the homes; Cheveley House, Feryemount, Grampian House, Mendip House and Newtown House undertaking repair and maintenance as required.
- Option 2: Consult on the closure of each of the homes; Cheveley House, Feryemount, Grampian House, Mendip House and Newtown House and commission alternative residential care provision and day services through the independent sector.
- Option 3: Consult on the potential for transferring each of the homes; Cheveley House, Feryemount, Grampian House, Mendip House and Newtown House to an alternative service provider.

A summary of the consultation was detailed in the report including feedback on the consultation on the potential for transferring each of the homes to an alternative service provider and a summary of the feedback from consultation and issues by

each individual home. A summary of the responses from services users to the question about moving out of their home, either temporarily or permanently, and of the overall submissions to the consultation was included in Appendix 5 of the report.

The consultation on the options for the future of Newtown House was unique in that a community proposal was received from an individual who was keen to explore the potential for enhanced community use of the whole Newtown House site, if the Council felt unable to agree to keep the home open on the current basis. The proposal in full was detailed in Appendix 7 of the report.

Options and Implications

Option 1: The Council consider retaining each of the homes; Cheveley House, Feryemount, Grampian House, Mendip House and Newtown House including determining whether to undertake repair and maintenance as required

This option would increase the number of residential care places for older people by a total of 39 beds across all four homes to 133 beds as intermediate care beds would no longer be required. Given the current occupancy rates and the lack of waiting lists for these homes, it is unlikely that this extra capacity would be taken up which would increase the unit costs. This option has the benefit of the permanent residents (42 as at 31 January 2014) being able to remain in situ and would result in relatively little change for the staff who work in the homes.

However, the homes are very costly to maintain and have a number of pressing maintenance issues which are already beginning to impact financially. The costs included in the report would not bring homes up to current market standards. Overall occupancy would be likely to reduce over time if remodelling were not carried out, but this would require additional time and money. Major work would involve moving service users on a temporary basis. Unit costs would remain expensive in comparison with the independent sector and would not represent value for money for the Council. Alternative savings options totalling up to £1.09m would be required in order to meet the Council's MTFP savings requirement in the short and longer term. The Council would be left with a service costing considerably more on a weekly revenue basis than could be procured through the independent sector. The difference using average figures amounts to in excess of £22,600 per annum per resident. This option would maintain the Council's position in the market as a provider of services at the current level but at a significantly higher unit cost than market rates. It would also mean that the Council would retain 172 permanent and temporary members of staff in employment.

Option 2: The Council consider the closure of each of the homes; Cheveley House, Feryemount, Grampian House, Mendip House and Newtown House and commission alternative residential care provision and day services through the independent sector

This option would require all permanent residents and respite and day care clients to move to alternative independent provision with Cheveley House, Mendip House, Feryemount, Grampian House and Newtown House being closed.

Value for money for the Council is more likely to be achieved through purchasing all provision from the independent sector – even after meeting any transitional costs. This would ensure that the required MTFP savings would be achieved.

Commissioning of all residential care and respite beds from the independent sector coupled with the closure of all five in-house residential care homes would affect 126 permanent members of DCC staff and 41 temporary members of staff with more than 1 years' service, and 5 part time temporary staff with under 1 years' service (as at 3rd February 2014).

Given the current market position, there is very little chance of one provider in the independent sector establishing a monopoly and it is highly likely that the market will remain competitive for the future. The Council would be able to avoid potential building maintenance and improvement costs of over £4m during the next ten years. Future demand for these services is unlikely to improve and people are likely to choose other homes for long-term care and respite care in increasing numbers. This option would mean the loss of jobs for 172 permanent and temporary members of staff.

Under this option a planned relocation of 40 permanent residents as at 31 March 2014 would have to take place, with support and assessments in place to assist them with this change and to accommodate their choice of home wherever possible. As at 2 April 2014 there were 711 vacancies in the independent sector in County Durham to assist with the choice of home (based on 100% check of independent sector homes).

Under this option a planned relocation of approximately 36 day service users would have to take place, with support and assessments in place to assist them with this change.

The extensive consultation exercise demonstrated the strength of feeling from a range of people. The Council's own homes are clearly highly significant for the people who live in them. The majority of the 40 residents (number of long term residents as at 31st March 2014) and their families do not want to move and are worried about the consequences should they have to do so.

These issues were considered alongside a range of factors:

- Research clearly suggests that the vast majority of older people would prefer to stay in their own homes for as long as possible.
- The demand for residential care has fallen over time and there is no reason to suggest that this trend will reverse. The council is likely to be able to continue to purchase places from the independent sector at a fee which represents good value for money.
- The homes represent poor value for money and require significant capital investment at a time when funding available to Local Authorities is shrinking.
- The case for making further investment would be to minimise disruption and change for existing residents. However the scale of any major improvement work required is likely to lead to a period of decanting residents.

- Such work and the revenue implications of retaining the council run homes severely restrict the Council's ability to make investments elsewhere.

Decision

The Cabinet agreed the following recommendations:

- a. **Cheveley House, Belmont**
To close Cheveley House, and delegate to the Corporate Director for Children and Adults Services, in conjunction with the Portfolio holder, responsibility for developing and implementing a plan to close the home and re-provide for existing service users in a time scale which minimises and manages risk.
- b. **Feryemount, Ferryhill**
To close Feryemount, and delegate to the Corporate Director for Children and Adults Services, in conjunction with the Portfolio holder, responsibility for developing and implementing a plan to close the home and re-provide for existing service users in a time scale which minimises and manages risk.
- c. **Grampian House, Peterlee**
To close Grampian House, and delegate to the Corporate Director for Children and Adults Services, in conjunction with the Portfolio holder, responsibility for developing and implementing a plan to close the home and re-provide for existing service users in a time scale which minimises and manages risk.
- d. **Mendip House, Chester-le-Street**
To close Mendip House, and delegate to the Corporate Director for Children and Adults Services, in conjunction with the Portfolio holder, responsibility for developing and implementing a plan to close the home and re-provide for existing service users in a time scale which minimises and manages risk.
- e. **Newtown House, Stanhope**
To close Newtown House and delegate to the Corporate Director for Children and Adults Services, in conjunction with the Portfolio holder, responsibility for developing and implementing a plan to close the homes and re-provide for existing service users in a time scale which minimises and manages risk.
- f. **Disposal of Assets**
To delegate to the relevant officers the decision that the home is surplus to County Council requirements and to take action to dispose of it on the open market.

Proposal to change the age range of Belmont C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close Belmont Infant School from 31 December 2014 [Key Decision: CAS/09/13]

Summary

The Cabinet considered a report of the Corporate Director, Children and Adults Services which sought approval to change the age range of Belmont C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close Belmont Infant School from 31 December 2014, taking account of the Local Authority's duties as prescribed in the Education and Inspections Act 2006 to secure sufficient school places, and to secure good outcomes for all children and young people in their local area.

The report stated that officers within the Education Service believe that the long term viability of separate Infant and Junior Schools is uncertain due to changes in school funding which will come about as a result of the introduction of the National Funding Formula in 2015. This may result in a significant reduction to the value of the lump sum to all schools which will result in small schools experiencing an increased budget pressure in future. In essence, the higher the number of pupils on a school roll, the more financially secure a school will be, as economies of scale apply.

Discussions with the schools and Church of England Diocese about amalgamating Belmont Infant School and Belmont C of E (Controlled) Junior School began in September 2013. Following these initial discussions, using delegated powers, the Corporate Director, Children and Adults Services approved the commencement of consultation on the proposal to change the age range of Belmont C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close Belmont Infant School from 31 December 2014.

Consultation documents were distributed widely on 4 November 2013. A series of meetings were held between 7 November and 12 November 2013 so that Governors, staff, Parish Councils, parents, pupils and the local community could share their views with the Local Authority. Details of these meetings were included in the report. The Council allowed 6 weeks for consultation (4 November to 13 December 2013). A full summary of the consultation responses was contained in Appendix 2 of the report.

The responses to the consultation were considered by officers in the County Council. Whilst there were almost as many responses (13) not in support of the proposal as there were in support of it (14), the responses received provided no evidence that not implementing the proposal would address the concerns over the future sustainability of small schools. Furthermore the responses did not suggest that leaving the two schools as separate schools would have the benefits that 'all through' primary schools have including continuity and progress of learning between 4 and 11, a single application of assessment criteria and pupil teaching and access to a curriculum planned and assessed across the full primary range.

After full consideration of all the responses to the consultation and in the absence of a new option that the Council wished to consider, a decision was taken to publish a proposal to change the age range of Belmont C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close Belmont Infant School from 31 December 2014. A statutory notice was published on 9 January 2014.

Once the proposal was published there followed a statutory 6 week representation period during which comments on the proposal could be made. This representation period was the final opportunity for people and organisations to express their views about the proposal.

Cabinet also considered the views of all those affected by the proposal including: pupils, families of pupils, staff, other schools, local residents, diocesan bodies and other providers and other Local Authorities. This included statutory objections and comments submitted during the representation period.

Decision

The Cabinet agreed to change the age range of Belmont C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School; and, to close Belmont Infant School from 31 December 2014.

Durham City Regeneration Masterplan [Key Decision R&ED/07/13]

Summary

The Cabinet considered a report of the Corporate Director, Regeneration and Economic Development advising Cabinet of the background to the preparation of a dedicated regeneration masterplan for Durham City and to seek endorsement to a recommendation to implement the masterplan in association with key partners and potential investors.

The masterplan (with its accompanying delivery plan) aims to express the council's regeneration priorities for the City of Durham over the forthcoming 5 years. It is recognised that several of the major infrastructure projects and key development sites will not come forward until later in the County Durham Local Plan period.

The regeneration masterplan supports the principles underlying the delivery of those major projects in accordance with the County Durham Plan and indicates the general criteria that the council will employ in determining support for new projects and investments. The masterplan will be subject to ongoing, regular review.

The delivery plan identifies key public sector activity and investment for major projects of circa £130 million that has the capacity to generate an estimated £850 million from the private sector.

There is clear potential within Durham to accommodate growing sectors of the economy, to broaden its offer to visitors and to offer homes to a growing population. To help to realise that potential, a regeneration masterplan has been produced to outline the strategic context for how the city can develop, the principles which should guide investment and the current programmes of regeneration and investment activity which are underway or planned.

The main aims of the masterplan are to:

- help focus and co-ordinate regeneration activity and projects in Durham and to enable their delivery;

- contribute to the delivery of the emerging County Durham Local Plan and Infrastructure Delivery Plan;
- inform ongoing and future consultation with partners, stakeholders and the community;
- help to progress proposals with investors, developers and landowners; and,
- raise Durham's profile in order to attract and stimulate further investment in the city.

The masterplan is based upon a three strand approach to achieving growth for Durham:

- **Establishing a central business quarter** - to attract emerging high growth sectors and to increase private sector employment to create a more balanced economy.
- **Releasing land for new homes** – to support the needs of a growing population and to improve the housing mix in order to make Durham a more attractive place to live.
- **Developing Durham's leisure tourism offer** – broadening what Durham has to offer to a larger range of tourists including young people and families, in order to make it a genuine '48 hour stay' visitor destination and to capture more visitor investment in the local economy.

The masterplan outlines a framework within which the council will work with key partners and potential investors to deliver the three strands while protecting heritage assets and ensuring that the necessary supporting infrastructure is put in place.

The masterplan draws upon the spatial approach that reinforces Durham City as a key location for new development in County Durham and identifies approximately 23 hectares of employment land, 5,220 houses and 5,800 sqm of new convenience retail floorspace. The Local Plan, as it moves to Examination in Public, has identified that it will:

- Stimulate private investment in the city
- Support the vitality and viability of the city centre;
- Help realise the potential of the city for tourism, retailing and leisure;

Development will be phased into cohesive and financially viable packages in order to maximise positive impact. Baseline information gathering has been undertaken with key stakeholders and there has been consultation during the drafting stages of masterplan with the Durham City Board of the County Durham Economic Partnership, the Durham Area Action Partnership and Elected Members. Furthermore, the masterplan underwent a period of public consultation in October and November 2013, contemporaneous with consultation on the Pre-Submission Draft of the County Durham Local Plan.

Decision

The Cabinet:

- approved the report and masterplan for implementation with other partners, businesses and interest groups, and
- agreed that the Corporate Director Regeneration and Economic Development, in consultation with the Cabinet Portfolio Holder, produces an Investment Prospectus, in accordance with the masterplan and delivery plan, in order to brief prospective investors as to opportunities in the city.

Durham City Strategic Sites & Infrastructure Delivery Strategy

Summary

The Cabinet considered a joint report of the Corporate Director, Regeneration and Economic Development and the Corporate Director, Resources which provided details of the delivery and financing of the strategic regeneration sites and associated infrastructure priorities of Durham City, as consulted upon within the pre submission draft document of the County Durham Plan.

Durham County Council has undertaken the preparation of its statutory planning documents in line with national guidance. The Council is preparing to submit the preferred option for independent examination. The legislative process stipulates that there is a requirement to demonstrate deliverability of the strategic housing and employment sites contained within the preferred option. This has been reinforced by recent advice from a planning inspector that a delivery plan needs to be in place to support the emerging plan.

The proposals in the County Durham Plan are based on the premise that Durham City is the key economic driver for the County. To achieve this more jobs are required to be located in and around the City itself. This needs to be supported with an attractive mix of quality housing provided locally, to ensure that investment is attractive to prospective investors and businesses and the economy can grow in a sustainable manner.

To achieve the delivery of the strategic employment and housing sites relies on improving transport infrastructure to ensure the highway network is capable of facilitating the proposed level of development and economic growth. The strategic employment and housing sites and the investment into transport infrastructure (including the Western and Northern Relief Roads) are intrinsically linked in delivering the economic ambitions of the County Council and the role Durham City is expected to take in driving the sub regional economy forward.

The Plan highlights Durham City as a key location for new development in County Durham and identifies;

- (i) Aykley Heads as a Strategic Employment Site, predominately for approximately 700,000 sq ft of office development alongside a mix of other uses including housing;

(ii) Sniperley Park, North of Arnison, and Sherburn Road as Strategic Housing Sites;

(iii) North of Arnison for new convenience retail floor space and North Road and Claypath as regeneration areas;

(iv) The construction of the Western Relief Road early in the Plan period is vital in enabling the housing sites at Sniperley, North of Arnison and Merryoaks to be delivered, with the construction of the Northern Relief Road to follow later in the Plan. Both of the new roads together provide the basis of a comprehensive and complementary highway solution for the City to achieve the economic ambitions and housing growth projections of the plan and enhance the employment, tourist and shopping potential of the City thereof.

(v) The redevelopment of land and buildings around the historic core of the City as important in supporting its key role as an employment, housing, retail and tourism centre; and

(vi) The vitality and viability of the City Centre.

The County Durham Plan details housing need projection figures for Durham, which show that, to support the population, migration and job growth and to minimise commuting and promote sustainable living, the Council needs to provide sufficient housing to accommodate future population growth, including those that move into the County. This requirement has been calculated as 31,400 new homes and households by 2030.

The Plan identifies that 5,220 of these homes should be provided in Durham City. In order to meet the development needs of Durham City and to encourage economic growth in County Durham. Development will comprise of approximately:

2,500 houses on Sniperley Park;
1,000 houses on North of Arnison;
475 houses on Sherburn Road; and
250 houses at Merryoaks

The remaining housing units will be delivered via smaller sites throughout the city.

The implementation of the preferred approach detailed in the report will entail the Council making decisions and taking actions that will involve significant financial and operational risks. There will be a series of key decisions and a full risk assessment will need to be undertaken at the detailed business plan stage of each element of the programme. A draft list of key risks was outlined in Appendix 1 of the report.

The following actions to be undertaken include:

- Continued refinement of the assumptions and evidence base;
- Market testing of house values and build out rates;

- Further analysis of demand from niche businesses and sectors including financial services and medical science sectors that would occupy Aykley Heads strategic employment site; and
- The establishment of a project board with a mandate to deliver the strategic employment site and consider the Councils Headquarters relocation, supported by the current capital bid once approved and empowered to establish the relevant skills and expertise within a dedicated team of staff and expertise.

Decision

The Cabinet agreed:

- To continue the preparation for the release of the strategic housing sites at Sniperley Park and North of Arnison and develop further the design and delivery options of the Western and Northern Relief roads, subject to approval of the County Durham Plan;
- To continue preparation for the potential construction of the Western Relief Road for Durham City subject to agreement of the County Durham Plan; on the principle that the Council commits to financially supporting the delivery of the Western Relief road as outlined in the report;
- That the Council join the Sniperley LLP on the terms negotiated and enter an agreement to add the school playing fields subject to obtaining the necessary statutory consent.
- To provide in principle support to the delivery of the strategic employment site subject to a detailed development and financial appraisals being undertaken at each phase, with a further report being brought to Cabinet considering the Council's office accommodation requirements.

Regeneration of North Road Durham

Summary

The Cabinet considered a Joint Report of the Corporate Director, Regeneration and Economic Development and the Corporate Director, Resources which informed Cabinet of a proposal to regenerate North Road, Durham, through reallocation of Council owned land and property, improvement and alteration of transport infrastructure and third party land assembly; and to inform Cabinet of the funding mechanisms available.

The Council's Vision for Durham City is for sustainable economic growth, to be achieved by attracting additional businesses to the City, development of related infrastructure, new housing, associated transport and community facilities. Identified within the Regeneration Statement and the County Durham Plan, North Road is recognised as a significant gateway to the City and presented with the condition of the existing built environment in this location, presents a key regeneration opportunity.

Public consultation exercises have been carried out to understand public expectations for the North Road area, the main aspirations emerging from which were to; improve the links between the rail station and the city; improve the public realm and retail offer and to remove the bus traffic from North Road.

Further engagement with third party landowners to discuss these aspirations has confirmed their willingness to participate in a redevelopment scheme, if the Council were able to de-risk the project through property acquisitions and Highway alterations that could make the offer more attractive to the development market.

Given these aspirations, two principal areas of North Road were identified (shown in Appendix 2 of the report) for consideration as part of a possible scope to achieve this redevelopment of North Road; a 'core development zone' taking in the poorer building stock, bus station and A690 roundabout, along with a suggested zone for 'comprehensive consideration' to redevelop the Council controlled land adjacent to Milburngate, should the aspiration to remove or significantly reduce bus traffic from this location be realised. A project team including officers from Transport, Regeneration, Planning, Legal and Design was set up to ensure a collaborative approach in developing these aspirations.

To gain a firmer understanding of any likely appetite for redevelopment or investment, the project team has carried out an extensive soft market testing exercise. An online Market Consultation Document was published utilising the North East Procurement Organisation (NEPO) and extensive marketing of the 'development opportunity' across national property media and within the local North-East market, for a 6 month period between July 2012 and January 2013.

Whilst around 80 agents and developers obtained the document via the online portal, the Council received only one formal 'expression of interest' from a consortium of local landowners. Principal landowners of third party interests within the 'core development' site collaborated with a major town centre development company to propose a mixed-use scheme across North Road of approximately 300,000 sq/ft, incorporating a high footfall generator 'Anchor Store', such as a retail store or cinema operator, with associated smaller retail or restaurant operators at ground level and residential units on upper floors.

Upon reviewing the 'expression of interest', it was deemed indicative at best and did not provide an adequate level of detail on the redevelopment, transport implications, or provide any form of appraisal to provide the Authority with an understanding of financial implications associated with the redevelopment.

Based upon this position, work has been undertaken to consider the best way to bring forward the regeneration of North Road by resolving key risks or barriers to redevelopment and ensuring the overall development opportunity is more attractive to the commercial market. In order to achieve this position, DCC owned assets and underperforming key pieces of infrastructure have been examined in order to find ways to kick start the wider project.

The scheme will require the Council to incur costs but should also result in the receipt of income. The costs and income will relate to both capital and revenue and were detailed in the report.

In order to move the project forward, the Project Team will undertake the following next steps:

- a. Complete the transport design and progress with the works to replace the Highway infrastructure as a first phase in the redevelopment, including public consultation.
- b. Solve or mitigate the legal and financial conditions placed upon the future land use of the existing bus station site.
- c. Refresh the land and property valuations previously carried out by the Council's Assets Team across all ownerships within the red line boundary of the project.
- d. Commence formal valuation and negotiation with third party owners within the red line boundary based on CPO terms; initially focussing on the acquisition of the 2 properties adjacent to Hopper House.
- e. Commence and complete the planning process in advance of production of a Tender for a design and build contract for the new bus station.
- f. Continue to engage with landowners to progress proposals for redevelopment, should the transport project be approved, to create a commercially attractive development opportunity that is feasible and viable to the investment market from the cleared bus station site.
- g. Liaison with stakeholders in ongoing. A public consultation is to be arranged and further consultations will take place as the proposals develop, as well as through the planning process.

Decision

The Cabinet:

- Gave in principle support to the scheme and agreed to the progression of the project as detailed in paragraph 39 of the report to achieve a revitalised gateway to the city with improved public realm, retail and pedestrian connectivity to key transport services by replacing the A690 roundabout with a controlled junction; relocating the bus station and associated routing within North Road and Milburngate, subject to financial resolution of the outstanding negotiations and public consultations.
- Agreed to the use of a methodology based on market value, backed by compulsory purchase order terms, to investigate, value, negotiate and acquire the land and property required to facilitate this redevelopment.
- Delegated authority to the Corporate Director Regeneration and Economic Development to acquire by agreement the property detailed in paragraph 22 of the report, in consultation with the Cabinet Portfolio Holder for Economic Regeneration.

Annual Review of the Constitution

Summary

The Cabinet considered a report of the Head of Legal and Democratic Services which presented proposals for the revision of the Council's Constitution. In accordance with the Local Government Act 2000, the County Council adopted the new Constitution for the Unitary Authority from 1 April 2009. Although legislation has been amended by the Localism Act 2011, a constitution is still required. An annual review of the Constitution is carried out each year by the Monitoring Officer. Amendments to the Constitution which have been approved by full Council since last year's annual review have been incorporated into the Constitution. The Monitoring Officer carried out the annual review of the Constitution which includes the review of the Delegations to the Chief Officers.

Decision

The Leader and Cabinet:

- I. Approved the delegating of executive powers as set out in the officer scheme of delegations.
- II. Recommended that Council agree the proposed revisions to the Constitution, including the delegations to Chief Officers contained, at the meeting of the Council on 21 May 2014.
- III. Recommended that Council authorise the Head of Legal and Democratic Services, following consultation with the Constitution Working Group, to make future changes to the Constitution to reflect decisions of the Council or a Council body or to comply with legal requirements.

Joint Strategic Needs Assessment 2013 and the review of the Joint Health and Wellbeing Strategy 2014-17

Summary

The Cabinet considered a report of the Corporate Director, Children and Adults Services which presented the key messages from the review of the Joint Strategic Needs Assessment (JSNA) 2013 and the Revised County Durham Joint Health and Wellbeing Strategy (JHWS) 2014-2017 (attached to the report as appendices 2 and 3 respectively).

The Health and Social Care Act 2012 places clear duties on local authorities and Clinical Commissioning Groups (CCGs) to prepare a Joint Strategic Needs Assessment and Joint Health & Wellbeing Strategy through Health and Wellbeing Boards. The JSNA is used to inform key strategies and plans, for example, the JHWS, Sustainable Community Strategy (SCS), Children, Young People and Families Plan, Clinical Commissioning Group Plans and Durham County Council's Council Plan.

Extensive consultation has taken place on the JSNA and JHWS between October 2013 and February 2014 with over 400 people from different backgrounds taking part

in the process. Online consultation also took place through the Durham County Council website, and Children and Young People's Services and Adults, Wellbeing and Health Overview and Scrutiny Committees were also part of the consultation.

The JSNA key messages were received by the Health and Wellbeing Board on 21st January 2014 and the JHWS was approved by the Health and Wellbeing Board on 5th March 2014.

The Joint Health and Wellbeing Strategy has also been received and endorsed by North Durham and Durham Dales, Easington and Sedgefield Clinical Commissioning Groups, through their Governing Body meetings.

The Joint Health and Wellbeing Strategy 2014/17 has informed the development of the refreshed Sustainable Community Strategy 2010-30 and is aligned to the "Altogether Healthier" section of the Strategy.

Decision

The Cabinet endorsed the Joint Health and Wellbeing Strategy.

Annual Enforcement Programme Children and Young Persons (Protection from Tobacco) Act 1991 and Anti-Social Behaviour Act 2003

Summary

The Cabinet considered a report of the Corporate Director, Neighbourhood Services which reviewed enforcement activities under the Children and Young Persons (Protection from Tobacco) Act 1991, the Anti-social Behaviour Act 2003 and the Licensing Act 2003 for the period April 2013 to March 2014 and seeks approval of a new enforcement programme for 2014/15.

The Council has a statutory duty to consider, at least once a year, the extent to which the Authority should carry out a programme of enforcement under the Children and Young Persons (Protection from Tobacco) Act 1991 and the Anti-social Behaviour Act 2003. These acts deal with the enforcement of underage sales of tobacco and aerosol paint containers respectively.

The Council has statutory responsibility for enforcement of the following age restricted products:-

- Tobacco (Children and Young Persons (Protection from Tobacco) Act 1991)
- Spray paint containers (Anti-social Behaviour Act 2003)
- Alcohol (Licensing Act 2003)
- Videos and DVD's (Video Recordings Act 2010)
- Cigarette lighter refills (Cigarette Lighter Refill (Safety) Regulations 1999 and Consumer Protection Act 1987)
- Fireworks (The Pyrotechnic Articles (Safety) Regulations 2010 and Fireworks Act 2003)

The Council has also elected to enforce the age restricted sales of:-

- Solvents and glue (Solvents Intoxicating Substances (Supply) Act 1985)
- Knives (The Criminal Justice Act 1988, as amended by the Offensive Weapons Act 1996)
- Access to gaming establishments (Gambling Act 2005)
- Access to sunbed premises (Sunbeds (Regulation) Act 2010)

The Council has as its corporate priorities for 2013-2017

- Altogether Wealthier
- Altogether Healthier
- Altogether Better for Children and Young People
- Altogether Safer
- Altogether Greener
- Altogether Better Council

The enforcement programme for 2014/2015 consists of those activities detailed below:-

- (a) An intelligence led approach to under age sales enforcement and tobacco control based on the National Trading Standards Intelligence Operating Model and will follow the principles outlined in the Age Restricted Products Code of Practice.
- (b) Investigation of all consumer and trader complaints.
- (c) Continuation of joint working with the Police Alcohol Harm Reduction Unit and other agencies to adopt a holistic approach to solving problems associated with the accessibility and misuse of age related products. To include education, surveillance and test purchasing as well as other alternative enforcement strategies as appropriate.
- (d) Continuation of the 'Do You Pass' retailer training including its use as an alternative to fixed penalty notices and other formal action.
- (e) Continuation of work in partnership with the police, HMRC and other agencies to tackle the problem of proxy sales and sales from private premises to children, particularly in relation to alcohol and tobacco.
- (f) Continuation with a policy of reviewing premises when appropriate.
- (g) Continuation of work strategically both corporately and with partner agencies to tackle health inequalities and antisocial behaviour associated with the misuse and illegal supply of age restricted products, in particular alcohol and tobacco.
- (h) Enforcement of any new legislation for which we may be statutorily responsible that may arise from the implementation of the draft EU Tobacco Directive or Children and Families Bill.

Decision

The Cabinet approved the proposed Enforcement Programme for 2014/2015.

Alcohol and Substance Misuse by Young People Review

Summary

The Cabinet considered a report of the Assistant Chief Executive presenting the findings, conclusions and recommendations of the Children and Young People's

Overview and Scrutiny Committee working group review report on Alcohol and Substance Misuse by Young People which was attached to the report at Appendix 2.

At its meeting on 2 October 2013, the Children and Young People's Overview and Scrutiny Committee agreed to undertake a review looking at Alcohol and Substance Misuse by young people with a priority focus on alcohol.

Evidence was gathered over a series of six meetings involving officers of the Council, Durham Constabulary, County Durham and Darlington NHS Foundation Trust and Balance.

The review made five recommendations in relation to alcohol education, data sharing, increasing parental awareness, supporting the work of Balance and taking a Think Family Approach when addressing alcohol misuse.

Children and Adult Services welcomed the review of alcohol misuse by young people and, in particular, supported the Committee's approach of considering both the health implications of overuse of alcohol as well as the crime and anti-social behaviour impacts which tend to dominate public discourse.

Decision

Cabinet noted the recommendations attached to the report at Appendix 2 and agreed to formulate a response within the six month period identified in the report for systematic review of recommendations.

Overview and Scrutiny Review Neighbourhood Wardens

Summary

The Cabinet considered a report of the Assistant Chief Executive presenting the findings, conclusions and recommendations of the Safer and Stronger Communities Overview and Scrutiny Committee review report on Neighbourhood Wardens attached to the report at Appendix 2.

At its meeting on 18th June 2013, members of the committee agreed to undertake a review on the Council's Neighbourhood Warden Service. The aim of the review was to look at the impact of partnership activity and raise the profile of the service.

The review has gathered a wide range of evidence through working group meetings, video footage, field study observations and desktop research to produce a report attached in Appendix 2 to the report.. The report contains findings through four key sections on Supporting Information, Tools and Powers, Partnership Working and Campaigns and Profile and Communications.

Conclusions and recommendations for the review were contained in section 6 of the report and focus on recognition for the work of the warden service, utilising restorative approaches, exploring development of confidence plans, providing information to residents outside their remit, capacity to attend community meetings, wider circulation of the newsletter and use of social media. The report also recommends that the service is prepared for the forthcoming ASB, Crime and Policing Bill to become an Act

and that wardens have contact details for the Council's Parking Services team to report any issues relating to car parking as a community concern.

Neighbourhood Services Management Team welcomed the report of the Safer and Stronger Scrutiny Committee into Neighbourhood Wardens. It reflects the key partnership role they play in our communities contributing significantly to them being safer, cleaner and greener. The Service supports the recommendations and will work to deliver these improvements

Decision

That Cabinet noted the recommendations attached to the report at Appendix 2 and agreed to formulate a response within the six month period identified in the report for systematic review of recommendations

Review of Discretionary Rate Relief Policy

Summary

The Cabinet considered a report of the Corporate Director, Resources which reviewed the Council's policy on discretionary rate relief, including partly occupied and new building rate relief.

The review of the policy takes into account changes in the funding of discretionary rate relief as a result of the Localisation of Business Rates from April 2013; consultation with the Voluntary Community Sector Working Group; and the announcements in the Government's Autumn Statement with regards to 'Retail Relief' and a 'Reoccupation Relief'.

The review of the policy will help ensure that the policy is up to date and 'fit for purpose'; provide the powers to implement the Retail Relief and a Reoccupation Relief; and ensure that all applications continue to be assessed in a fair and open process, based on agreed policy criteria that will work in tandem with the Council Tax Discretionary Reduction and Business Rates Hardship Policy, which was approved by Cabinet in December 2012. The existing Discretionary Rate Relief Policy came into force with effect from 1 April 2012. It does not currently include provisions for local discounts and there is no definition or provision for the new forms of community and voluntary sector organisations that are now more commonly being established, for example Community Interest Companies (known as CICs). The current criteria for granting relief are set out in the Discretionary Rate Relief Report, approved by Cabinet 11 November 2009.

Durham County Council recognises the valuable role the Voluntary and Community Sector (VCS) plays within the community and works in partnership with the sector in order to improve quality of life for local people. The County Durham Compact outlines the principles for the working relationship between the public sector and the VCS and needs to be taken into account in any proposed changes to Discretionary Rate Relief.

In June 2013 Cabinet approved the VCS Strategy, which supports the building of a resilient and sustainable VCS in a rapidly changing economic and political

environment. The strategy acknowledges that all sectors are facing challenging budget pressures and have to make significant savings.

Encouragement and support is being given to VCS organisations to become more socially enterprising which for some will entail developing different organisational structures such as CIC's and Charitable Incorporated Organisations (CIO's). Any proposed changes to Discretionary Rate Relief needs to be consistent with the Council's support for the VCS whilst also giving value for money for local council tax payers.

In December 2013, the Chancellor announced a range of amendments to Business Rates as part of his Autumn Statement:

1. the Retail Price Index increase in 2014-15 will be capped at 2% instead of 3.2%
2. the doubling of the Small Business Rate Relief will be extended for a further 12 months until 31 March 2015;
3. ratepayers receiving Small Business Rate Relief that take on an additional property which would currently disqualify them from receiving relief will continue to receive their existing relief for 12 months;
4. a discount of £1,000 for shops, pubs and restaurants with a rateable value below £50,000 for two years up to the state aid limits, from 1 April 2014;
5. a 50 per cent business rates relief for 18 months - between 1 April 2014 and 31 March 2016 - for businesses that move into retail premises that have been empty for a year or more;
6. ratepayers will be allowed to elect to pay bills over 12 instalments instead of ten; and
7. 95% of the September 2013 backlog in business rates appeals will be cleared by the Government's Valuation Office Agency before July 2015.

There is a need to review the Discretionary Rate Relief policy to incorporate the two new reliefs announced in the Autumn Statement and to consider whether the national scheme should be enhanced. Guidance was issued by CLG with regards to Retail Relief on 23 January 2014; however, the Reoccupation Relief Guidance Notes have yet to be issued. It is expected that the application and award process will follow the normal discretionary rate relief procedure. Neither of these reliefs were included in the 2014/15 annual bills.

The two new additions to the policy are discretionary and the Council does have the option to increase the amounts to be awarded. This would be at a cost to the Council, creating budget pressures as a result of reduced business rate yield. It was therefore recommended that the scheme implemented is in line with the national scheme and in line with Section 31 grant funding being made available by Government.

The wider policy itself is discretionary and the Council could remove or reduce the scope of the policy to produce further MTFP savings going forward, via the generation of additional business rate yield. Equally, the Council could extend the scope of the

policy to provide greater incentives and support to various organisations and businesses. This would however come at a cost to the MTFP through budget pressures as a result of reduced business rate yield.

In considering this report, Cabinet were asked to note that this is one of a number of financial support mechanisms provided to the VCS. The revised policy (attached at Appendix 2 in the report) has been updated to take into account legislative changes and the VCS Strategy adopted by Cabinet in June 2013. The policy at this stage assumes no change to the existing policy in terms of award limits, other than to extend the criteria to cover CIOs and include specific reference to CICs.

As part of the Community Buildings asset transfer programme, groups are being supported to ensure that they have appropriate governance arrangements. In particular groups are being encouraged to ensure that their trustees have limited liability. This includes registration with the Charity Commission either as a Charitable Incorporated Organisation (CIO) or with the Charity Commission and Companies House as a Company Limited by Guarantee. In either case Community Centres/Community Associations which are registered charities are already in receipt of mandatory relief and are eligible for discretionary relief.

A corporate cross cutting review of financial and other support to the Community and Voluntary Sector is currently underway, to ensure that available resources are effectively co-ordinated and targeted to achieve the aims of the VCS Strategy, which seeks to support growth and sustainability within the sector

Following consultation with the Voluntary and Community Sector, via the strategic VCS Working Group, the qualifying criteria, application form and application process has been refined to assist all applicants.

Decision

Cabinet approved the revised Discretionary Rate Relief Policy

The Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority – Delegation of Transport Functions

Summary

The Cabinet considered a report of the Corporate Director, Regeneration and Economic Development which requested agreement for authorisations to enable officers to discharge transport functions delegated to the Cabinet of Durham County Council by the Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority (“Combined Authority”).

The Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014 (“ the order”) transfers, to the Combined Authority, transport functions previously carried out by the Council under parts 4 and 5 of the Transport Act 1985 and functions under part 2 of the Transport Act 2000.

The Head of Legal and Democratic Services advised Cabinet that on the day before, the 15th April, the Combined Authority, held its first meeting and delegated transport functions to the County Council (detailed at appendix 2 of the report).

Decision

The Cabinet

- Authorised the Corporate Director of Regeneration and Economic Development to discharge the functions at Appendix 2 of the report, in consultation with the Cabinet Portfolio Holder, Economic Regeneration
- Agreed that the Corporate Director, Regeneration and Economic Development present to Cabinet, at least once per year, a report on the discharge of functions by the Combined Authority.

Colette Longbottom
Head of Legal and Democratic Services
22 April 2014