



Local Government Act 1972

I Hereby Give You Notice that an **Ordinary Meeting** of the **Durham County Council** will be held in the **Council Chamber, County Hall, Durham** on **Wednesday 30 October 2013 at 10.00 am** to transact the following business:-

1. To confirm the minutes of the meeting held on 18 September 2013 (Pages 1 - 6)
2. To receive any declarations of interest from Members
3. Chairman's Announcements
4. Leader's Report
5. Questions from the Public
6. Petitions
7. Report from the Cabinet (Pages 7 - 38)
8. Review of Community Governance - Forest & Frith Parish Council - Final Recommendations - Report of Head of Legal and Democratic Services (Pages 39 - 48)
9. Update on the Request for Changes to the Boundary Between Shincliffe Parish Council and Cassop-cum-Quarrington Parish Council - Report of Head of Legal and Democratic Services (Pages 49 - 52)
10. Changes to the Constitution - Delegations to the Corporate Director, Children and Adults Services - Report Head of Legal and Democratic Services (Pages 53 - 56)
11. Changes to the Constitution - Highways Committee Functions and Delegations to the Corporate Director, Regeneration and Economic Development - Report of Head of Legal and Democratic Services (Pages 57 - 60)

12. Changes to the Constitution - Scrap Metal Dealers Act 2013 - Report of Head of Legal and Democratic Services (Pages 61 - 64)
13. Appointment of Coroners - Report of Head of Legal and Democratic Services (Pages 65 - 74)
14. Welfare Reform Update - Report of Assistant Chief Executive (Pages 75 - 112)
15. Motions on Notice
16. Questions from Members

And pursuant to the provisions of the above-named act, **I Hereby Summon You** to attend the said meeting

Dated this 22nd day of October 2013



Colette Longbottom
Head of Legal and Democratic Services

To: All Members of the County Council

DURHAM COUNTY COUNCIL

At a Ordinary Meeting of the County Council held in the Council Chamber, County Hall, Durham on **Wednesday 18 September 2013 at 10.00 a.m.**

Present:

Councillor P Charlton in the Chair

Councillors E Adam, B Alderson, J Alvey, B Armstrong, J Armstrong, L Armstrong, B Avery, A Batey, D Bell, E Bell, J Bell, R Bell, H Bennett, J Blakey, A Bonner, D Boyes, P Brookes, J Brown, C Carr, J Chaplow, J Charlton, J Clare, J Clark, P Conway, J Cordon, K Corrigan, P Crathorne, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, N Foster, D Freeman, I Geldard, B Glass, B Graham, J Gray, O Gunn, S Guy, C Hampson, J Hart, K Henig, S Henig, J Hillary, M Hodgson, G Holland, A Hopgood, K Hopper, L Hovvells, E Huntington, S Iveson, I Jewell, O Johnson, C Kay, P Lawton, J Lee, J Lethbridge, R Lumsdon, J Maitland, L Marshall, J Maslin, S Morrison, E Murphy, A Napier, T Nearney, M Nicholls, H Nicholson, P Oliver, T Pemberton, M Plews, L Pounder, G Richardson, J Robinson (Vice-Chairman), J Rowlandson, A Savory, K Shaw, J Shuttleworth, M Simmons, M Simpson, T Smith, B Stephens, D Stoker, P Stradling, L Taylor, P Taylor, R Todd, E Tomlinson, J Turnbull, A Turner, A Watson, M Wilkes, M Williams, A Willis, C Wilson, S Wilson and S Zair

Apologies for absence were received from Councillors A Bell, G Bleasdale, J Buckham, S Forster, D Hall, B Harrison, D Hicks, A Laing, H Liddle, C Marshall, N Martin, P May, P McCourt, J Measor, O Milburn, B Moir, R Ormerod, C Potts, S Robinson, A Shield, W Stelling, A Surtees, O Temple, K Thompson, R Yorke and R Young

1 Death of Councillor Geoff Mowbray

Prior to the commencement of business on the agenda the Chairman reported the death of serving County Councillor, Geoff Mowbray who represented the Crook Electoral Division on the County Council. Geoff had also served on the former Wear Valley District Council for many years and during his time as Chairman of the Regeneration and Housing Committees helped secure millions of pounds of investment in the district's social housing and brought business development to the area. His contribution to Crook and the community would be sorely missed.

The Council recorded their appreciation of Geoff's services to local government and the community and stood for a moments silence as a mark of respect.

2 International Exchange Presentation

The Council received a presentation by two students from Park View School, Chester-le-Street who had travelled to Jordan, with their teacher, to take part in the 33rd International Arab Youth Congress under the patronage of Her Majesty Queen Noor. They were chosen because of close educational links which the Council had

established with schools in Durham and schools in Jordan. The presence of delegates from the UK at this event was almost unheard of and the Council were delighted to have been able to send the only British representatives. The Chairman then introduced the students to address the meeting to share their experiences.

The Chairman commented that this project had only been made possible by the valuable work undertaken by the County Council's small international relations team. An overview of the work carried out by the team in schools across the County had been presented in a brochure and circulated around the Council Chamber. The Chairman encouraged Councillors to meet the International Team and discuss ways in which schools and community groups in their electoral divisions could engage with the County Council's international agenda.

3 Minutes

The minutes of the meeting held on 24 July 2013 were confirmed by the Council as a correct record and signed by the Chairman.

4 Declarations of interest

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

5 Chairman's Announcements

There were no Chairman's Announcements.

6 Leader's Report

Prior to providing the Council with his update, the Leader of the Council placed on record his congratulations to the International Exchange Team for the fantastic work they carried out, the links they had fostered around the world and the truly outstanding work they carried out with schools across County Durham.

- The Lindisfarne Gospels event would continue for a further two weeks with early indicators being that the event had exceeded all expectations. The County had also hosted the Ashes Test match at Chester-le-Street which had also attracted capacity crowds. There were still many events to look forward to including the Durham Book Festival in October followed by 'Lumiere' in November;
- The government had used the August recess to inform the Council of further spending cuts in 2015/16. Many other Councils found themselves in a similar position, if not worse. The Leader had circulated an e-petition which he urged all Councillors to sign. He would also be writing to Eric Pickles, MP expressing the Council's very serious concerns regarding the impact of the increased savings targets and the effects on County Durham;
- The Council would also be joining with others to lobby that all Councils should be treated equally with discussions taking place with the Association

of North East Councils (ANEC), the Local Government Association (LGA) and the Special Interest Group of Municipal Authorities (SIGOMA) to form a joint response to the Government on the impact of significantly increased savings targets on the public;

- major consultation events would take place through the Area Action Partnerships in mid-October. Further information could be found on the Council's website and other forums;
- changes had been made in relation to the way in which questions were to be taken by the Cabinet. In addition to taking questions from members of the public, Cabinet would also receive questions from the public made through the AAPs. Each AAP would get an opportunity to pose questions to Cabinet throughout the year on a rota basis. The Cabinet would also continue to meet around the County;
- There had been a concerted attack by the Minister for Education on schooling in County Durham which had appeared to be completely at odds with reality. The Leader indicated that achievement at schools and colleges across the County was on the increase year upon year;
- In East Durham, which the Minister had singled out as being too poor for too long, there had been record numbers of students improving each year and A-level students in the County had performed better than the national average and the Leader took the opportunity to thank all teachers and staff for all their extremely hard work.

7 Questions from the Public

Questions had been received from members of the public as follows:

- Creation of a Combined Authority
- Sale of Land at Quarrington Hill Nature Reserve

For the questioner in attendance, a response was provided to the question by the Leader of the Council. The Head of Legal and Democratic Services informed the Council that detailed written responses would be provided to the questioners and published on the Council's website.

8 Petitions

There were no petitions for consideration.

9 Report from the Cabinet

The Leader of the Council provided details of the issues discussed at Cabinet during July 2013, which included the Medium Term Financial Plan, Final Outturn, Housing Revenue Account and the restoration of Wharton Park.

Councillor Stoker referred to the Wharton Park restoration project and spoke of the impressive cross-working between service directorates and cross-party cooperation throughout the entire project and in bringing the project to fruition.

10 Treasury Management Outturn 2012/13

The Council considered the annual treasury report for the year ended 31 March 2013 from the Corporate Director, Resources (for copy see file of Minutes).

The report detailed the needs of the prudential code which was regarded as best operational practice to ensure adequate monitoring of the Council's capital expenditure plans and prudential indicators. The Corporate Director, Resources informed the Council that there was a robust regulatory framework which the County Council had to comply with and that all investment and borrowing complied with the Council's strategy and followed CIPFA and government guidelines.

The Corporate Director also provided an update on the monies deposited in Icelandic Banks prior to them going into administration in 2008. It was likely that the County Council would recoup nearly all of the money invested within the Icelandic banks prior to their collapse, which would provide a better outcome than was initially envisaged.

In relation to a question from Councillor Watson about the level of debt on the revenue and capital budget, the Corporate Director informed the Council that borrowing tended to follow the scale and size of the capital programme and all decisions would be taken in the round of affordability and through Cabinet.

11 Annual Report of the Standards Committee

The Council noted a report from the Chairman of the Standards Committee which provided a summary of the work of the Committee for the 2012/13.

Councillor J Armstrong, Chairman of the Standards Committee informed the Council of the significant changes made to the standards and Code of Conduct regime as a result of the Localism Act which had been introduced in 2011. During the last 12-18 months the Standards Committee had overseen the introduction of a new Code of Conduct for County Councillors. A new procedure had also been introduced to deal with the handling of Code of Conduct complaints.

Councillor Armstrong was pleased to report that the new system had been operating efficiently and effectively, as had the Standards Committee which had also undergone some changes to its overall composition. The Committee were committed to the promotion of the principles and values of good governance.

12 Motions on Notice

In accordance with a Notice of Motion, it was **Moved** by Councillor A Watson and **Seconded** by Councillor B Alderson:

That Durham County Council supports and lobbies Central Government to implement the Robin Hood Tax.

An Amendment was **Moved** by Councillor Napier, **Seconded** by Councillor J Brown:

That Durham County Council supports the principle of the introduction of 'Financial Transaction Taxes' (also known as the 'Robin Hood Tax') and should lobby Central Government directly as well as seeking the support of the Association of North East Councils (ANEC) to also lobby Central Government on behalf of the 12 regional local authorities to implement the tax.

Councillor Watson confirmed that he accepted the amendment proposed by Councillor Napier and subsequently the motion was amended accordingly.

Resolved

That Durham County Council supports the principle of the introduction of 'Financial Transaction Taxes' (also known as the 'Robin Hood Tax') and should lobby Central Government directly as well as seeking the support of the Association of North East Councils (ANEC) to also lobby Central Government on behalf of the 12 regional local authorities to implement the tax.

Councillor Clare stated that recent figures had proved that the under-occupation penalty (the 'bedroom tax') was having severe consequences for many social housing tenants. Hardship was particularly unjust where affected tenants were unable to downsize because there was no suitable accommodation available.

In accordance with a Notice of Motion, it was **Moved** by Councillor J Clare and **Seconded** by Councillor J Armstrong:

The Sustainable Communities Act 2007 allows Councils (provided that interested parties have been consulted) to submit proposals to the Secretary of State for Communities and Local Government where the proposal would increase social inclusion.

Council therefore resolves to consult with interested parties and thereafter prepare a report to Council seeking authority to make a submission to the Secretary of State proposing that, for a period of two years, where suitable alternative accommodation is not available, tenants liable to the under-occupation penalty should be exempted, until suitable alternative accommodation can be found for them, in order to allow registered providers time to implement adjustments and strategies necessary to find/create alternative accommodation.

Following a period of debate, the Head of Legal and Democratic Services advised the Council that the time allowed for consideration of motions which stood at 30 minutes had elapsed.

Councillor Hopgood asked if the Council could agree to extend the session, however, the Head of Legal and Democratic Services advised the session could have been extended if requested and agreed within the 30 minutes allotted to

Motions on Notice. As the 30 minutes had elapsed the time period could not be extended.

The Chairman informed the Council that she had made it clear prior to the consideration of motions on the agenda that the time allowed for consideration would be 30 minutes.

Councillor Wilkes stated that at some point during the allotted time he should have had the opportunity to speak and thus move his amendment which had been circulated in the Chamber prior to the meeting.

The Head of Legal and Democratic Services advised that the Council had not agreed to exceed the 30 minute time allotted for motions and in accordance with the Council's Constitution the Chairman should put the motion to the vote, without further discussion.

Upon a vote being taken the Motion was **carried**.

Resolved

Council therefore resolves to consult with interested parties and thereafter prepare a report to Council seeking authority to make a submission to the Secretary of State proposing that, for a period of two years, where suitable alternative accommodation is not available, tenants liable to the under-occupation penalty should be exempted, until suitable alternative accommodation can be found for them, in order to allow registered providers time to implement adjustments and strategies necessary to find/create alternative accommodation.

13 Questions from Members

There were no questions from Members.

30 October 2013

Report from the Cabinet



Purpose of the Report

To provide information to the Council on issues considered by the Cabinet on 11 and 18 September, and 9 October 2013 and to enable Members to ask related questions.

Members are asked to table any questions on items in this report by 2 pm on 29 October 2013 in order for them to be displayed on the screens in the Council Chamber.

Contents

11 September

- Item 1 Review of School Crossing Patrol Service
Key Decision: NS/20/13

- Item 2 Proposal to change the age range of Ouston Junior School from 7-11 to 4-11 from 1 January 2014 to create a Primary School and to close Ouston Infant School from 31 December 2013
Key Decision: CAS/02/13

- Item 3 Welfare Reform Update and Review of Local Council Tax Support Scheme
Key Decision: CORP/R/13/03

- Item 4 Quarter 1 2013/14 - Performance Management Report

- Item 5 Forecast of Revenue and Capital Outturn 2013/14 for General Fund and Housing Revenue Account – Period to 30 June 2013 and Medium Term Financial Plan 4 Update

- Item 6 Digital Durham Programme Update and High Level Deployment

- Item 7 Lamplight Centre, Stanley

18 September

- Item 8 The County Durham Plan Pre-Submission Draft (including supporting evidence and documents)
Key Decision: R&ED/14/13
- Item 9 Spennymoor Masterplan
Key Decision: R&ED/11/13
- Item 10 Review of the Garden Waste Collection Service
Key Decision: NS/19/13
- Item 11 Homelessness Strategy: 2013-2018
- Item 12 Review of the Waste Management Strategy

9 October

- Item 13 2014/15 Budget and Medium Term Financial Plan 4 2014/15 – 2016/17
Key Decision: CORP/R/13/02
- Item 14 The County Durham Plan: Community Infrastructure Levy Draft Charging Schedule, Sustainability Appraisal and other Evidence Base
Key Decision: R&ED/19/13
- Item 15 Newton Aycliffe and Peterlee Regeneration Mastepplans
Key Decision: R&ED/02/13
- Item 16 Review of the Council's Statement of Licensing Policy
Key Decision: NS/24/13
- Item 17 Results of consultation on proposals to change the non-residential Charging Policy
- Item 18 Review of in-house residential care homes
- Item 19 Beamish Museum – Change of Governance Arrangements

1. **Review of School Crossing Patrol Service**
Key Decision: NS/20/13
Cabinet Portfolio Holder – Councillor Brian Stephens
Contact – John Reed 03000 267454

We have considered a report of the Corporate Director, Neighbourhood Services summarising a review of the School Crossing Patrol Service. The report recommended the removal of lunchtime provision where it is known

that children no longer use the crossing facilities during the lunchtime period. The report also recommended that the existing School Crossing Patrol policy be retained.

In 2008 when this policy was last reviewed, children were allowed to leave the school premises during a lunchtime period and therefore a lunchtime School Crossing Patrol service was required. However, this is no longer the case at the majority of schools. An analysis of activity at lunchtime has shown that very few or no primary school children leave the school premises at lunchtime. However there are six sites that operate close to secondary schools where children do leave the school premises during the lunchtime period. The report proposed that lunchtime provision be removed at the sixty sites where very few or no children leave the school premises during a lunchtime period. The service will be retained at those six schools where children are known to leave the school premises during a lunchtime period and therefore there is no risk to the safety of children. The remainder of the existing policy will be retained. Specific consultation will take place with each of the schools affected by the removal of lunchtime provision and they will be given the opportunity to self-fund the service if they wish to retain it.

Decision

We have agreed to:

- Commence a consultation on the proposed changes
- Delegate to the Corporate Director of Neighbourhood Services the consideration of the outcome of that consultation and, taking it into account, the decision whether to make any changes, such decision to be taken in consultation with the Portfolio Holder for Neighbourhoods and Local Partnerships.

2. Proposal to change the age range of Ouston Junior School from 7-11 to 4-11 from 1 January 2014 to create a Primary School and to close Ouston Infant School from 31 December 2013

Key Decision: CAS/02/13

Cabinet Portfolio Holder – Councillor Ossie Johnson

Contact – Sheila Palmerley 03000 265731

We have considered a report of the Corporate Director, Children and Adults Services which sought approval to change the age range of Ouston Junior School from 7-11 to 4-11 from 1 January 2014, to create a Primary School and to close Ouston Infant School from 31 December 2013.

Governors of Ouston Infant and Junior Schools and officers of the Local Authority agreed that the best way to ensure a stronger and more viable establishment and to preserve primary education in Ouston was to consult on a proposal to amalgamate Ouston Infant and Junior Schools into one Primary School.

Consultation on the proposal to change the age range of Ouston Junior School and to close Ouston Infant School was undertaken for six weeks between 4 February 2013 and 15 March 2013. After the County Council considered the views of those who responded to the consultation, a decision was taken on 3 June 2013 to proceed to the next stage in the statutory process which was to issue a Public Notice, proposing to change the age range of Ouston Junior School from 1 January 2014 to create a Primary School and to close Ouston Infant School from 31 December 2013. The Public Notice was issued on 13 June 2013 for 6 weeks.

It was clear from the consultation that traffic congestion at the junior building is a major concern. Following the concerns raised, officers of the County Council visited the schools to determine the volume of traffic. To address the issues raised concerning the traffic congestion the County Council is working closely with the two schools to develop a strategy to reduce the number of children taken to and from school by car. Officers will continue working with the school to plan the implementation of the solutions to the perceived increased traffic congestion. This will include providing support and advice to enable the school to produce an effective School Travel Plan.

In the region of £850,000 capital funding has been allocated and approved by Elected Members of the County Council to remodel the junior building to make it large enough to accommodate pupils transferring from Ouston Infant School and pupils accessing the early years provision currently at the Infant School. The cost of this work will be met from the Department for Education (DfE) grant funding which has been allocated to the Local Authority.

Decision

We have agreed to:

- Extend the age range of Ouston Junior School from 7-11 to 4-11 from 1 January 2014 to create a Primary School
- Close Ouston Infant School from 31 December 2013

3. Welfare Reform Update and Review of Local Council Tax Support Scheme

Key Decision: CORP/R/13/03

Leader and Deputy Leader of the Council – Councillors Simon Henig, and Alan Napier, and Cabinet Portfolio Holder- Eddie Tomlinson

Contact – Roger Goodes- 03000 268050

We have considered a joint report of the Assistant Chief Executive, Corporate Director, Resources and Corporate Director, Regeneration and Economic Development updating on recent policy developments relating to the government's welfare reforms, the council's response and the expected impact on the county. The report also considered a review of the council's Local Council Tax Support Scheme and the requirement to agree the

council's approach to Local Council Tax Support for 2014/15 as well as an early operational review of the Welfare Assistance Scheme and the Discretionary Housing Payments policy, which have been in place since 1 April 2013.

The government brought forward the Welfare Reform Act 2012 to implement its commitment to "simplify the benefits system, make it fairer and to encourage people into work". The scale of reform is significant and involves over 40 changes. The Department for Work and Pensions (DWP) is continuing to add detail to the operational implementation of its initial policy reforms and the more recent cap on the future uprating of benefits, as announced in the Chancellor's Autumn Statement. Since the last report to Members in March 2013, policy announcements relating to the following have been made:

- Universal Credit pilots, pathfinders and roll-out;
- Benefit Cap roll-out;
- Personal Independence Payment toolkit and medical assessments;
- Employment Support Allowance;
- Discretionary Housing Payment guidance and changes to Housing Benefit reductions for specific groups;
- Welfare reform support services;
- Disability Living Allowance claims and Court of Appeal judgements;
- Social Fund loans budget allocations and guidance on discretionary payments;
- Armed Forces and Reserve Forces Compensation Scheme;
- The government's response to the Communities and Local Government Select Committee report on the implementation of welfare reform by local authorities;
- Work and Pensions Select Committee review of progress with the implementation of Universal Credit;
- Food banks;
- Spending review.

Whilst the government did not undertake a comprehensive impact assessment of its welfare reform programme, a number of studies and assessments of the impacts are now being published. In terms of absolute losses, the researchers estimate that the County Durham economy stands to lose £188 million per year because of the welfare changes. This is equivalent to £565 per working age adult, slightly more than the regional average loss of £560 per working age adult and significantly more than the average loss of

£470 per working age adult for Great Britain as a whole. Given the nature of the reforms and their impact on the county, the council continues to monitor and respond to the implementation of the government's welfare changes.

At our meeting on 19 December 2012, we agreed a new Welfare Assistance Scheme to fill the gap left by the withdrawal of the Social Fund. In addition, on 13 March 2013, we agreed a revised Discretionary Housing Payments policy for the council, operating from 1 April 2013 to coincide with the introduction of wider welfare reforms including the social sector size criteria (otherwise known as the 'bedroom tax').

Both schemes have been successfully introduced and officers are closely monitoring the uptake and feedback to identify if either needs to be revised in order to support those affected by the changes.

In addition, in January 2013, the council agreed a new Council Tax Support Scheme to replace the national Council Tax Benefit scheme, abolished in April 2013. An initial review of the scheme has been carried out; however, in terms of learning from other councils, there is a lack of meaningful data available at this stage on the impact of charging working age benefit claimants for the first time to inform a complete review of the scheme. This position is to be kept under review.

Based on MTFP planning for 2014/15, the council could continue with its current scheme for a further year. This will allow a more comprehensive review to be undertaken in early 2014/15 when more comparative data will be available before recommending options to us on what the council may wish to do from April 2015 and consulting on this during the summer/autumn of 2014.

Decision

We have agreed to:

- Note the contents of this report and further developments in government welfare reform;
- Note the latest analyses of impact on the county;
- Note the progress with the new Welfare Assistance Fund scheme introduced in April 2013, the amendments to the scheme made under delegated powers and to allow further changes where necessary to be made under these delegated powers by the Assistant Chief Executive and Corporate Director Resources in consultation with the Leader and Deputy Leader of the Council;
- Note the progress with the revised approach to Discretionary Housing Payments, implemented from April 2013, the amendments to the scheme made under delegated powers and to allow further changes where necessary to be made under these delegated powers by the Assistant Chief Executive and

Corporate Director Resources in consultation with the Leader and Deputy Leader of the Council;

- Note the review of the Local Council Tax Support Scheme and recommend to Council that the current scheme be extended for a further year for 2014/15 with a full review in early 2014/15 to inform our approach from April 2015;
- Confirm that the Council Tax Support Grant currently passported to the town and parish councils be reduced in line with the reductions made in the overall funding available to the Council.

**4. Quarter 1 2013/14 - Performance Management Report
Leader of the Council – Councillor Simon Henig
Contact – Jenny Haworth 03000 268071**

We have considered a report of the Assistant Chief Executive which presented progress against the Council's corporate basket of performance indicators and reported other significant performance issues for the first quarter of 2013/14.

Decision

We have:

1. Noted the performance of the council at quarter 1 and the actions to remedy under performance
2. Agreed revised changes to performance indicator targets.
3. Agreed all changes to the Council Plan outlined below:

Altogether Wealthier

- i. Delivery of Durham City regeneration schemes: Aykley Heads (a mixed use development for employment) - site allocated upon adoption of the County Durham Plan - July 2014. Revised date: December 2014
- ii. Development of the County Durham Plan 2014 including:
 - Completion of statement of consultation for preferred options - May 2013. Revised date: September 2013
 - Consultation on preferred options - October 2013. Revised date: November 2013.
 - Preparation for examination in public, including mock examination and pre-enquiry meeting - April 2014. Revised date: June 2014.
 - Full Council adoption - July 2014. Revised date: December 2014.

- iii. Complete regeneration frameworks for the key towns of:
 - Peterlee - September 2013. Revised date: October 2013.
 - Shildon - June 2013. Revised date: October 2013.
 - Newton Aycliffe - September 2013. Revised date: October 2013.
 - Spennymoor - June 2013. Revised date: September 2013.
- iv. Delivery of Durham City Regeneration Schemes including; North Road (major regeneration, gateway to the City) – September 2013. Revised date: January 2014.
- v. Identify opportunities to enhance work programme delivery within County Durham through working with specialist provides - March 2014. Revised date: March 2016
- vi. Pursue the preferred option for the future of council housing across County Durham - November 2014. Revised date: March 2015.

Altogether Better for Children and Young People

- vii. Review and revise assessment processes in line with Munro recommendations by June 2013. Revised date - January 2014.

Altogether Better Council

- viii. Improve understanding of customer and population needs: sub-county analysis of performance and population needs - June 2013. Revised date December 2013.

Altogether Greener

- ix. Delivery of the Limestone Landscapes Heritage Lottery Fund programme, which includes the consolidation of Hawthorn Hythe Lime Kiln and Field training for staff and volunteers - November 2013. Revised date: September 2014

Deleted Actions

Altogether Greener

- x. Develop an approach to providing fuel efficient pool vehicles at major depots to manage and reduce business mileage.

Amended Actions

Altogether Wealthier

- xi. Work with the welfare to work programme contractors to co-ordinate employability support delivered by partner agencies for

County Durham residents with a focus on 18-24 year olds, including identifying opportunities to enhance work programme delivery within County Durham through working with specialist providers - March 2014 (new wording).

- xii. Work with employers to co-ordinate skills development to ensure appropriate alignment to future employment opportunities. Some key projects will include:
- Develop sector specific Pre-Employment Training (PET) to prepare clients for employment and meet employers' needs and requirements - March 2014. (new wording)
 - Seek opportunities for funding and work with employers to develop and deliver sector specific qualifications within the workplace – March 2014 (new wording)

5. Forecast of Revenue and Capital Outturn 2013/14 for General Fund and Housing Revenue Account – Period to 30 June 2013 and Medium Term Financial Plan 4 Update
Deputy Leader of the Council – Councillor Alan Napier
Contact – Jeff Garfoot 03000 261946

We have considered a forecast of 2013/14 revenue and capital outturn for the period to 30 June 2013 for the Council's General Fund and Housing Revenue Account and provided an update on the Medium Term Financial Plan 2014/15 to 2016/17.

This report was the first indication of the revenue and capital outturn for 2013/14 based on actual expenditure and known commitments as at 30 June 2013. The report also provided an update of MTFP 4 following the report to us on 17 July 2013. Since then we have done a full analysis upon the Government's 26 June 2013 Spending Round for 2015/16 and their subsequent consultation document on the Local Government Finance Settlement for 2014/15 and 2015/16 published on 25 July 2013.

The Government Spending Round proposed a 10% reduction in Local Government funding for 2015/16 together with a wide range of additional funding streams to 'balance' this 10% core funding reduction; plus an additional £3.8bn of funding to be made available nationally to enable Local Government and the National Health Service (NHS) to pool budgets in the future was also announced.

The forecast reductions would result in a £13.5m reduction in funding for the Council. It was apparent from the Spending Round however, that NHS funding presently received by the council would continue in 2015/16. This enabled our previously forecasted loss of funding of £7.1m to be withdrawn from the MTFP model. Overall, the additional pressure in 2015/16 resulting from the Spending Round is therefore now forecasted to be £6.4m. Information contained in the Spending Round has also meant a forecasted deterioration in the funding position of £8m for 2016/17.

Having regard to the Local Government Finance Settlement consultation document for 2014/15 and 2015/16, this includes proposed allocations of Revenue Support Grant (RSG) for all local authorities with an average reduction across the country for 2015/16 of 13.1%. After taking into account forecast inflation of 1.8% this is therefore an average 'real terms' reduction of 14.9% for all local authorities compared to the Government's quoted level of "10%". The information received from the DCLG at this stage is that the majority of the additional funding streams for local authorities announced in the Spending Round, to 'balance' this quoted "10% reduction" in core funding, are to be top sliced from Revenue Support Grant.

The impact of these forecasted changes in grant will mean that the total savings that the Council will have had to make across the 2011 – 2017 period will exceed £220m with the savings target shortfall for 2015/16 and 2016/17 now being circa £77m.

Also, in line with previous years' funding reductions, since the Government's first emergency budget in June 2010, the Council along with all other councils with high levels of deprivation, is to receive a higher reduction in RSG than the national average. For the Council, the 'real terms' reduction in 2015/16 is to be 16.4% compared to the national average of 14.9% which amounts to £16.4m in cash terms.

The Leader of the Council has written a personal letter to the Secretary of State for Communities and Local Government explaining the Council's concerns about the proposed grant settlement for 2014/15 and 2015/16. The Council is in discussion with the Local Government Association, the Special Interest Group of Metropolitan Authorities (SIGOMA) and the Association of North East Councils (ANEC) to formulate a very strong consolidated response to the government's consultation. A briefing will also be proposed for local Members of Parliament.

Decision

We have:

1. Noted the revised MTFP 4 position
2. Noted the projected change in the Council's overall financial position for 2013/14.

3. Agreed the proposed 'sums outside the cash limit' for approval.
4. Agreed the revenue and capital budget adjustments.
5. Noted the forecast use of Earmarked Reserves.
6. Noted the forecast end of year position for the Cash Limit underspend reserves.
7. Noted the position for the Housing Revenue Account.
8. Noted the position for the Capital Programme.

6. Digital Durham Programme Update and High Level Deployment Plan
Cabinet Portfolio Holder – Councillor Jane Brown
Contact – Phil Jackman 07775 025096

We have considered a report of the Corporate Director, Resources which updated Members on the progress of Digital Durham superfast broadband. The report sought approval for the programme's high level Deployment Plan which has been drawn up in consultation with the strategic delivery partner, British Telecom.

The Digital Durham Programme was set up with the vision to improve the economic and social wellbeing of all residents through the provision of superfast broadband access to all businesses, homes and communities in the Programme area. The Local Broadband Plan (LBP) was approved by the Department of Culture, Media and Sport (DCMS) and Broadband Delivery UK (BDUK) on 6 March 2012. Durham County Council agreed to match BDUK funding of £6.93m within the Council's capital programme.

The programme is also coordinating fast speed broadband activities across Gateshead, Sunderland, Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton and a Memorandum of Understanding was signed between Durham County Council (on behalf of all Councils) and BDUK on 29 March 2012. The Programme Board agreed to use the BDUK procurement framework and processes and British Telecommunications PLC (BT) was awarded the contract on 26 April 2013.

The High Level Deployment Plan is for the whole programme area of Durham; Gateshead; Sunderland; Darlington; Hartlepool; Middlesbrough; Redcar and Cleveland; and Stockton and is based on the Speed and Coverage Template (SCT) which formed part of the procurement documentation and the contract with BT. The SCT sets out BT's solution in terms of speed and coverage down to post code sector level and is also a contractual commitment to the number of premises which will be able to access their extended network due to this public investment.

BT has designed a high level deployment plan based on 9 phases of work commencing April 2014 and ending September 2016.

Decision

We have:

- Noted the content of the report and the progress made with the Digital Durham Programme implementation
- Approved the recommended high level Deployment Plan
- Agreed to receive progress reports on a six monthly basis

7. Lamplight Centre, Stanley
Cabinet Portfolio Holders – Councillors Neil Foster and Maria Plews
Contact – Nigel Dodds 03000 264599

We have considered a joint report of the Corporate Director, Regeneration and Economic Development and Corporate Director, Neighbourhood Services which sought approval for the letting of the Lamplight Centre, Stanley on a 35 year lease to Stanley Town Council.

In a report to us in February 2012 on the Medium Term Financial Plan, members were advised that the Neighbourhood Services grouping was considering a proposal to remove any funding to support the Stanley Lamplight Arts Centre in order to make savings. The building was at the time let to Leisureworks on a 35 year lease from 2007. Durham County Council as landlord retained responsibility for all building repairs. Stanley Town Council had expressed an interest in the property. These negotiations concluded in March 2013 when Stanley Town Council decided it could not reach an agreement with Leisureworks. Following local elections Stanley Town Council renewed their interest and requested that any decision to close the centre be delayed until 31 July 2013 to undertake a consultation exercise prior to reaching a decision. On the 23 July Stanley Town Council agreed that they would take on the operation of the centre.

The Council has in principle offered to transfer the property to the Town Council on the basis of a 35 year full repairing and insuring lease at a peppercorn annual rent. Leisureworks will no longer be involved with the running of the centre and a variation to their agreement has been signed and sealed by both parties.

Decision

We have approved the granting of a 35 year lease to Stanley Town Council on the terms set out in the report in order to secure the future of this facility in Stanley.

8. The County Durham Plan Pre-Submission Draft (including supporting evidence and documents)
Key Decision: R&ED/14/13
Cabinet Portfolio Holder – Councillor Neil Foster
Contact – Mike Allum 03000 261906

We have considered a report of the Corporate Director, Regeneration and Economic Development which requested Cabinet's approval for the pre-submission draft of the County Durham Plan for publication and consultation and to agree the timetable through to adoption. The report sets out the content of the pre-submission with particular emphasis on the key changes made following consultation on the preferred options last year. Following a final round of consultation in the Autumn the Plan will be submitted to the Secretary of State for independent examination by a Planning Inspector in March next year. The Examination in Public will then follow next summer. The Community Infrastructure Levy Draft Charging Schedule will be reported to the next Cabinet in October and be consulted on alongside the Plan.

We were also asked to approve for consultation a number of Supplementary Planning Documents that accompany the Plan and to endorse the updated evidence base, including the Sustainability Appraisal and Habitat Regulations Assessment, underpinning it.

There is broad agreement that the overarching priority for County Durham is to improve its economic performance. This priority is reflected in the Sustainable Community Strategy and Regeneration Statement and is the central theme of the Plan. Specifically the County Durham Plan seeks to facilitate a step change in economic growth by providing a spatial plan which utilises the assets and opportunities across County Durham. The County Durham Plan has been prepared during a time of significant change, the Localism Act has introduced a number of important reforms to the planning system and the National Planning Policy Framework (NPPF) is a streamlined framework replacing the previous national planning policy guidance. The Preferred Options was the fourth and a very significant stage in the development of the County Durham Plan. The Council identified the scope and content of the Plan in detail. This final stage in the Plan's development has been informed by extensive formal and continuous consultation.

There is one additional document, the Minerals and Waste Policies and Allocations Document, which will be prepared to complement the minerals and waste policies of the Local Plan. Work on the document will commence once the Local Plan has been adopted.

National guidance encourages both early and continuous community and stakeholder involvement as an integral part of the plan making process. The latest version of the Statement of Community Involvement (SCI) was approved by Members in July 2012 and sets out the standards the Council will meet when consulting on the County Durham Plan and planning applications.

There has been extensive consultation at each of the previous four stages in the development of Plan which has helped shape the Plan's development.

This is the final, formal stage of consultation. It will differ from previous rounds of consultation and will be using a different process this time in order to follow government guidelines. This is an important stage as it is the last opportunity for people to make comments on the Plan before it is submitted to the Secretary of State for independent examination by a planning inspector.

Key changes from Preferred Options to Pre-Submission Draft were detailed in the report, these include changes to:

- Housing
- Retail
- Employment Land
- North West Durham Green Belt
- Durham City
- Transport
- Contaminated Land
- Houses in Multiple Occupation and Student Accommodation
- Minerals and Waste

Decision

We have:-

- i. Agreed the County Durham Plan Pre-Submission Draft for Publication and consultation from October 14 to December 6 2013.
- ii. Agreed the Supplementary Planning Documents named in the report for consultation.
- iii. Agreed that any minor modifications to the above documents following Cabinet agreement and before consultation begins can be agreed by the Director of Regeneration and Economic Development in consultation with the Portfolio Holder for Regeneration and Economic Development.
- iv. Agreed the approach to updating the IDP
- v. Agreed the timetable as set out in Appendix C of the report
- vi. Endorsed the updated evidence base including the:
 - Travellers Site Needs Assessment
 - Strategic Housing Market Assessment
 - Population and Household Projections
 - County Durham Retail and Town Centre Needs Study
 - Joint Local Aggregate Assessment

9. Spennymoor Masterplan **Key Decision: R&ED/11/13** **Cabinet Portfolio Holder – Councillor Neil Foster** **Contact – Ian Thompson 03000 267330**

We have considered a report of the Corporate Director, Regeneration and Economic Development on the development of the masterplan for Spennymoor. The report provided a detailed programme of activity that can

be undertaken for the town over the next 3-5 years to ensure future sustainability through investment and marketing of the town's key development opportunities. The plan identifies key public sector activity and investment of £37 million that can generate £276 million from the private sector.

Spennymoor is a town with potential to increase in size with opportunities for the town centre to benefit economically from this growth. Substantial employers now include the Thorn Lighting Academy and Headquarters and Black and Decker's research and repair facilities. There are a number of major projects currently underway throughout the town. These include Durhamgate and also private housing at Whitworth Park and Merrington Lane. The completion of the new combined Whitworth secondary school will substantially change educational provision for the town. Recent and current investment by the county council of £3.5 million in Spennymoor includes new access works at Durhamgate but also the leisure centre, and for targeted business support in the town centre.

There are opportunities at Durhamgate through the mixed use development generating a potential £100 million investment led by the Carillion Developments and Arlington Estates consortium (CAST). This strategic 25ha development will potentially create up to 2000 jobs and 400 houses. It has started with substantial access improvements, the location of 'lavin' to new headquarters, a public house and new housing by Taylor Wimpey.

The key opportunities for the town centre focus on how to create a sustainable future for the town. The completion of Durhamgate and ensuring a successful future for Festival Walk are major areas for action. Consultation on the preparation of this Masterplan has been undertaken with a range of local stakeholders including the Town Council.

Decision

We have approved the report and masterplan.

10. Review of the Garden Waste Collection Service

Key Decision: NS/19/13

Cabinet Portfolio Holder – Councillor Brian Stephens

Contact – Alan Patrickson 03000 268165

We have considered a report of the Corporate Director, Neighbourhood Services which sought approval to commence consultation on the introduction of a charge for the collection of garden waste from the kerbside. In doing so recognising the need to achieve the Medium Term Financial Plan (MTFP) savings identified from the Review of Waste Charges (£933k) in 2014/15.

Under the EU Landfill Directive, the UK is obliged to reduce the amount of Biodegradable Municipal Waste (BMW) it sends to landfill, benchmarked against the amount that was landfilled in 1995. The targets were set such that BMW to landfill would not exceed 75% of the 1995 level by 2010, 50% by 2013 and 35% by 2020.

The U.K. Government previously set challenging targets for BMW diversion from landfill through the Landfill Allowance Trading Scheme (LATS) which incorporated financial mechanisms to ensure compliance with the landfill directive. The introduction of a garden waste collection scheme was a popular method of achieving these targets as it guaranteed the capture of biodegradable waste and also increased the proportion of biodegradable waste available for collection (over and above the 1995 levels diverted).

In County Durham the former district councils offered a variety of opt-in arrangements for garden waste collection, which has left a legacy of inconsistent service delivery across the County. In the former Teesdale area a partnership arrangement was established with Teesdale Conservation Volunteers, and a third sector organisation operating as "Rotters". This arrangement has continued with support from the County Council. Services in all other areas are delivered by the in-house collection services operated by Neighbourhood Services.

The Council currently offers a free, fortnightly garden waste collection service to 151,700 properties across the County. The scheme operates on 16 collections per year on a fortnightly basis between the months of April and November.

By proposing the operation of an 'opt in' chargeable garden waste service, residents who currently choose not to use the service or who are exempt from the current scheme will be able to participate, enabling a more equitable service to be provided to many more residents of County Durham.

At present, the service is carried out using 12 collection vehicles over 4 days per week on a fortnightly basis. The existing garden waste treatment arrangements are through direct delivery to three facilities, two located within County Durham and the third just outside of the County, in Gateshead.

Interim arrangements for the composting of garden waste have been put in place for the current season, pending the outcome of this report. Should the decision be to support introducing a charge then a full procurement exercise will take place based on the revised garden waste tonnages anticipated to be presented for collection to ensure certainty of supply.

In 2012/13, 24,429 tonnes of garden waste were collected either by our own collection service or via Rotters. This equated to approximately 11.0% of the overall waste arisings and 23% of the recycled waste for County Durham in 2012/13.

The Medium Term Financial Plan (MTFP) includes £933k of savings proposals from a review of waste charges in 14/15.

The proposal is to provide a charged garden waste collection service between April and November each year on a fortnightly basis totalling 16 collections per year. The standard service will be on an opt-in basis through the provision of a wheeled bin. Residents who do not wish to opt-in, but who

have previously been supplied with a wheeled bin for garden waste will be able to have the existing bin collected on request. The scheme will be available to those households not currently covered by the free of charge garden waste collection scheme provided they are within the defined boundary.

The annual fee in 2014/15 will be £20 per year. Incentive discounts are to be considered as part of the consultation process. In revenue terms the individual household charges are relatively low at £20 per annum but will potentially provide a high volume of payments over a short period of time.

The statutory requirement to consult is based on section 3 of the Local Government Act 1999 in which it states that a best value authority must secure continuous improvement in the way its functions are exercised and in deciding how to fulfil its duty; an authority must consult a range of stakeholders including taxpayers. In line with our approach to consultation, an engagement plan will be drafted which will then be approved by the Consultation Officers Group and the actions implemented. The results of the exercise will be carefully considered before any final decision is made. Consultation will take place from 19th September 2013 to 28th October 2013.

While the operational complexities of establishing a charged service across a wide area are not to be underestimated, the model highlights that with realistic and conservative assumptions the charging for garden waste collection has the potential to bring significant benefits while meeting the MTFP plans.

Decision

We have approved the commencement of a consultation process based on the scheme for charging for garden waste collection at a rate of £20 per household as outlined in this report.

11. Homelessness Strategy: 2013-2018 Cabinet Portfolio Holder – Councillor Eddie Tomlinson Contact – Andrew Burnip 03000 262543

We have considered a report of the Corporate Director, Regeneration and Economic Development which sought approval of the Homelessness Strategy for County Durham 2013-18.

The Homelessness Act 2002 determines that local authorities must formulate and publish a homelessness strategy based on the results of an area wide review. The current Homelessness Strategy 2008-13 has now expired and a new strategy must be adopted by September 2013. The 2013 – 18 County Durham Homelessness Strategy has been developed through the County Durham Homelessness Action Partnership (HAP), the vehicle for strategic joint working on homelessness across the County.

In line with government Guidance, the strategy includes plans for:

- The prevention of homelessness;
- Ensuring there is sufficient accommodation available for people who are, or who may become homeless;
- Ensuring there is satisfactory support for people who are, or who may become homeless, or who need support to prevent them from becoming homeless again.
- The strategy to be an effective and relevant document by developing it in partnership with all stakeholders and service users.

Over the past 3 months the County Durham HAP has been developing the strategic objectives for the Homelessness Strategy 2013-18.

On the 17 June 2013, the Council hosted a consultation event at County Hall. In addition to this event the draft strategy was sent to various partners, posted on the internet and intra net to enable a wide range of stakeholders the opportunity to contribute towards our strategic objectives. Attendees at the consultation event included the Police, NHS, Registered Providers and the voluntary sector. These views have been considered and where appropriate, actions added to the strategy action plan. All actions within this action plan are considered achievable in context of the MTFP savings

Decision

We have approved the Homelessness Strategy for County Durham 2013-18.

12. Review of the Waste Management Strategy Cabinet Portfolio Holder – Councillor Brian Stephens Contact – Alan Patrickson 03000 268165

We have considered a report of the Corporate Director, Neighbourhood Services on the progress made against the County's Waste Management Strategy, setting out a timetable for review.

In March 2010, we agreed a strategic direction for the County's waste management service, set out in a document named the *Addendum to the Municipal Waste Management Strategy for County Durham*, (Addendum), which has acted as a transition document to aid the authority to embark on a full encompassing waste transition programme. There has been considerable activity in the re-shaping of the County's waste management service since the adoption of the Addendum, principally through the Waste Programme, which was initiated in 2010 to deliver these objectives.

Any revision to the Waste Strategy must consider the national legislative context. The Review stipulates that waste should be managed as a resource and the concept of the circular economy is a strong theme which is emphasised by the Government. This national policy falls within the context of delivering the requirements of the revised EU Waste Framework Directive i.e.; 50% recycling and 75% landfill diversion by 2020.

In the current climate, local authorities are faced with a significant challenge for the provision of waste management services.

In March 2010 a Cabinet Report “Waste Project Update” set out the high level actions required to deliver the objectives of the Addendum along with a governance structure and scheme of delegations to do so. Since then significant progress has been made, including:

- Harmonisation of services including the introduction of the alternate weekly collection scheme
- Household Waste Recycling Centre (HWRC) rationalisation
- Procurement of new waste contracts including residual waste treatment, HWRC management, haulage of municipal waste, and interim arrangements for dry recycling and green waste disposal.
- In housing programme of four waste transfer stations and landfill site

The Council has introduced a countywide alternate weekly collection (AWC) service to its residents. This followed a full public consultation which took place between November 2010 and January 2011. The consultation showed that 43.8% of residents were in favour of moving to a twin bin collection system (recycling collected one week and refuse the following week) while 34.1% would be against such a move. The countywide implementation of this alternate weekly collection service to 235,600 households from June 2012 has enabled the Authority to save over £2m in operational and disposal costs.

In advance of tendering new contracts for HWRC operation, the Council took the opportunity to review and rationalise the HWRC service provided to residents of County Durham. Following two public consultation exercises conducted between October 2011 - January 2012 and May – June 2012 changes to the following have been introduced;

- the number of HWRCs in County Durham has reduced from 15 sites to 13,
- opening hours have been reduced to those most frequently used
- the type of vehicles being allowed on site (vehicle acceptance criteria) have been amended to better reflect site usage
- revision to the HWRC permit scheme to reduce the number of permits issued

All service changes to the HWRC provision came into effect on 1st June, 2013 and were fully communicated to the residents of County Durham.

In March 2010, we approved the establishment of the Waste Programme as the means for determining how the authority would seek to deliver the Waste Strategy and ensure the achievement of the objectives and targets. The

Waste Programme has made significant progress since 2010 and continues to oversee the procurement of new waste contracts.

Decision

We have:

- Noted the considerable success to date in the achievement of the Waste Strategy Objectives set out in the Addendum to County Durham's Municipal Waste Management Strategy 2010.
- Agreed that the performance of the new arrangements continues to be monitored against existing waste strategy targets until 2015.
- Approved the commencement of a review of the objectives and targets set out in the Addendum for beyond 2015 taking into account the Government's Waste Policy Review 2011 and the progress already made within County Durham. This review to result in a revised strategy for the period 2015 to 2020 and to be reported to Cabinet in the spring of 2014.

13. 2014/15 Budget and Medium Term Financial Plan 4 2014/15 – 2016/17

Key Decision: CORP/R/13/02

Leader and Deputy Leader of the Council – Councillors Simon Henig, and Alan Napier

Contact – Jeff Garfoot 03000 261946

We have considered a joint report of the Corporate Director, Resources and the Assistant Chief Executive which provided an update on the 2014/15 Budget and the Medium Term Financial Plan focussing on the impact of the 2015/16 Spending Round and the 2014/15 and 2015/16 Local Government Finance Settlement Consultation.

The previous MTFP4 report to Cabinet on 17 July 2013 identified that the financial position facing local authorities continued to be extremely challenging. The Government's annual March Budget and Autumn Statement continued to identify a deteriorating position for the country's finance.

Since 17 July 2013 Cabinet meeting, the content of both the 2015/16 Spending Round and the Local Government Finance Settlement have been fully assessed. It is apparent that, in line with previous Government announcements, local government continues to face the highest level of funding reductions in the public sector and that more deprived areas are facing higher levels of funding reduction than more affluent areas.

The level of savings the Council needs to deliver has increased significantly. In MTFP1 the council forecast that £123m of savings would be required over a four year period. Savings of £222m are now expected to be required for the 2011 – 2017 period, £20m higher than the sum previously reported to us in July.

The 2015/16 Spending Round presented a £2.1bn (10%) funding reduction for local authorities nationally. The Local Government Finance Settlement consultation published a month later on 25 July 2013, detailed a £3.1bn (15%) funding reduction which is an increase of £1bn in a matter of weeks.

Based upon the level of savings required over MTFP4, an estimate of the number of employee post reductions will be made as the savings targets are approved up to 31 March 2017.

By 31 March 2014 it is estimated that the number of posts will have reduced in the Council by 1,558 since 2011, of which 363 will have been vacant posts. During this period the MTFP Redundancy and Early Retirement Reserve will have reduced from £26.9m to an estimated £3.1m and will need to be replenished as part of the medium term financial planning process.

The Council will continue to consult widely on the implications of Government funding reductions and the impact on Council services. A major consultation exercise will be undertaken during October and November that will include a wide range of consultation methods in order to engage with as many members of the public, partners and stakeholders as possible in order to help us identify how to make the significant budget reductions that we need to across the MTFP4 period.

The Leader of the Council has written to the Secretary of State for Communities and Local Government expressing the Council's very serious concerns at the proposed grant settlement for 2014/15 and 2015/16. The Council is also in discussion with the Local Government Association, the Special Interest Group of Municipal Authorities (SIGOMA) and the Association of North East Councils (ANEC) to formulate a very strong consolidated response to the government's consultation.

Decision

We have:

- (i) Noted the impact of the 2015/16 Spending Round and the 2014/15 and 2015/16 Local Government Finance Settlement Consultation upon the Council.
- (ii) Agreed that an additional £15m 2015/16 savings target be worked up by Service Groupings.
- (iii) Noted the estimated £63.1m savings shortfall for the period 2014/15 – 2016/17.
- (iv) Agreed to the lobbying proposals as outlined in the report.
- (v) Noted the update in relation to the MTFP4 consultation process.
- (vi) Noted the update on the development of the Council Plan and Service Plans.

14. The County Durham Plan: Community Infrastructure Levy Draft Charging Schedule, Sustainability Appraisal and other Evidence Base

Key Decision: R&ED/19/13

Cabinet Portfolio Holder – Councillor Neil Foster

Contact – Mike Allum 03000 261906

We have considered a report of the Corporate Director, Regeneration and Economic Development which sought approval for the Community Infrastructure Levy (CIL) Draft Charging Schedule, the Statement of Consultation, the Sustainability Appraisal and Habitat Regulations Assessment. The Report set out a series of evidence based documents used in developing the policies that underpin the Pre-Submission Draft of the County Durham Plan. Cabinet approval of these documents provides the necessary weight for them to be used in future planning decisions. The documents concerned are:

- Affordable Housing and CIL Development Viability Study;
- Strategic Housing Land Availability Assessment;
- Low Level Radioactive Waste Study; and
- County Durham Plan Transport Modelling.

The CIL Charging Schedule will be consulted on alongside the County Durham Plan from 14 October until 6 December. The CIL Regulations came into force on 6 May 2010 and gave local authorities the option of charging a levy on new development. The CIL ensures that most new development makes a proportionate and reasonable financial contribution to delivering the infrastructure identified in the Infrastructure Delivery Plan (IDP).

The purpose of the Statement of Consultation is to show how the Council has engaged key stakeholders and the local community in the development of the County Durham Plan.

The purpose of the Sustainability Appraisal (SA) is to promote sustainable development through the integration of social, economic and environmental considerations into the preparation of plans. SA is a statutory requirement which incorporates Strategic Environmental Assessment (SEA) which is required by English and European Law. SA has been built into all stages of the County Durham Plan process.

The purpose of the Habitat Regulations Assessment (HRA) is to ensure that the Plan (in combination with other plans or projects) does not have an adverse impact on the integrity of European protected Natura 2000 (N2K) sites.

Decision

We have:

- Agreed the Infrastructure Delivery Plan and CIL Draft Charging Schedule for consultation from 14 October until 6 December 2013. Agreed the Statement of Consultation;
- Agreed the Sustainability Appraisal and Habitat Regulations Assessment;
- Agreed the following evidence based documents:
 - Strategic Housing land Availability Assessment;
 - Affordable Housing and CIL Development Viability Study;
 - Low Level Radioactive Waste Study; and
 - County Durham Plan Transport Modelling.

15. Newton Aycliffe and Peterlee Regeneration Masterplans

Key Decision: R&ED/02/13

Cabinet Portfolio Holder – Councillor Neil Foster

Contact – Peter Coe 03000 262042

We have considered a report of the Corporate Director, Regeneration and Economic Development which provided a detailed programme of activity that can be undertaken for the Newton Aycliffe and Peterlee over the next 3-5 years to ensure future sustainability through investment and marketing of the towns' key development opportunities.

The Masterplans articulate the County Council's desire to stimulate regeneration and economic growth and to help to guide investment focussing on enhancing the development opportunities and the potential of the town.

The key drivers for delivery of the masterplans are:

- Establishing a clear set of priority projects together with a realistic delivery plan which reflects both market demand, investor appetite and availability of sources of finance;
- Promoting the diversification of the local economy and employment growth, led by the private sector;
- Providing sustainable and vibrant town centres with a focus on deliverability, creating key opportunities for change by redevelopment, development or refurbishment of land and premises;
- Consolidating the population base and improving the balance and mix of the housing offer which will in turn help to underpin a sustainable local economy, retaining young people whilst providing for an increasing proportion of elderly residents.

Consultation on the preparation of this Masterplan has been undertaken with a range of local stakeholders including the AAP Forums and Town and Parish Councils.

Decision

We have approved the Masterplans for Newton Aycliffe and Peterlee.

16. Review of the Council's Statement of Licensing Policy
Key Decision: NS/24/13
Cabinet Portfolio Holder – Councillor Brian Stephens
Contact – Owen Cleugh 03000 260925

We have considered a report of the Corporate Director, Neighbourhood Services which sought approval to undertake a public consultation leading to the production of a revised version of the policy statement to be recommended for adoption by Council.

The Licensing Act 2003 requires that licensing authorities prepare and publish a statement of its licensing policy every five years (as from January 2011). The policy must be kept under review and the licensing authority may make such revisions to it, as it considers appropriate. Durham County Council adopted the current Statement of Licensing Policy on 8 December 2010.

The Statement of Licensing Policy fulfils two principal purposes. Firstly, it provides advice to businesses and the public on the Council's overall position concerning the Licensing Act 2003. Secondly, it provides a decision-making framework for the Council via its Licensing Committee to exercise its quasi-judicial functions under the Act. As such the policy must balance the legitimate needs of businesses and demand for leisure and cultural activities alongside the need to protect those adversely affected by activities.

The Policy seeks to achieve the Licensing Objectives, namely -

- the prevention of crime and disorder
- public safety
- the prevention of public nuisance; and
- the protection of children from harm

The need to revise the current policy stems from recent changes to licensing legislation. Officers have produced an explanatory paper for consultees setting out the proposed changes referring particularly to Early Morning Restriction Order and Cumulative Impact Policies, and Late Night Levies..

The introduction of an Early Morning Restriction Order and or a Cumulative Impact Policy would need to be based on appropriateness and would require the evidence to suggest that there are high levels of alcohol related crime and disorder in a particular area. The introduction of a Late Night Levy is more discretionary and would normally follow a request from the Police and Crime Commissioner to consider its introduction.

The purpose of this initial review and proposed revisions would bring the current policy up to date and would allow special measures to be introduced at a later date if required

The report proposed that between Thursday, 10 October 2013 and Thursday, 2 January 2014 the current Statement of Licensing Policy be subject to broad consultation.

Decision

We have agreed that the draft-revised Statement of Licensing Policy be consulted upon for a 12-week period and that the Statutory Licensing Committee be asked to consider the results of that consultation and give their comments and recommendations to Full Council for approval.

17. Results of consultation on proposals to change the non-residential Charging Policy **Cabinet Portfolio Holder – Councillor Morris Nicholls** **Contact – Nick Whitton 03000 267357**

We have considered a report of the Corporate Director, Children and Adults Services providing the results of the consultation exercise on proposals to change the non-residential Charging Policy.

The Council's current MTFP requires it to make savings of approximately £222m from 2011- 2017. Savings targets for 2011/12 and 2012/13 have been achieved but the on-going savings targets for Children and Adults Services are currently: 2013/14 £11.212m, 2014/15 £12.430m and 2015/16 £4.454m. These are likely to increase. A consultation exercise has been undertaken on whether to change the current charging arrangements so that service users with savings over £23,250 are asked to meet the full cost of their non-residential care services, from their savings and investments in excess of £23,250. Once service users have used up their savings to the limit they become eligible for support and return to making an assessed contribution.

The relevant statutory guidance, issued under S7 Local Authority social services Act 1970, is 'Fairer charging policies for home care and other non-residential social services: guidance for Councils with Social Services Responsibilities (September 2003)'. Paragraph 62 suggests that "Users with savings of more than the upper (capital) limit may be asked to pay a full charge for the service." All other authorities in the North East currently charge full cost for their services to people with savings over £23,250.

It is estimated that an additional £200k pa additional income would be raised by implementing this change to the charging policy. The savings estimate assumes that the pattern of savings amongst existing service users is a fair reflection of the likely wealth of future users.

If these proposals are implemented, the vast majority of services users will not be affected.

- Around 4,700 people will find that their contribution towards the cost of their services remains the same

- Around 1700 people will still not have to contribute anything at all
- About 190 people will be required to contribute more towards the cost of their services

A consultation was carried out from 3 June 2013 to 15 July 2013. Consultation information and questionnaires were sent to service users who currently pay a charge. It was also recognised that some service users who are currently assessed as nil charge but have savings over £23,250 would be impacted by this proposal and so they were also included in the consultation.

An Equality Impact Assessment (EIA) was undertaken to identify any potential negative consequences from proposed changes to the charging policy and to mitigate against these. The full EIA was included in the report to Cabinet.

Whilst taking account of service users' comments the Council must also consider its use of resources given the very significant financial cuts it faces.

The following steps will be implemented by way of mitigation:

- Where there is evidence of service users using their savings to alleviate the impact of their disability, an allowance for this will be made in the financial assessment.
- Once service users have used up their savings to the limit they would become eligible for support and return to making an assessed contribution.
- The maximum contribution anyone would be asked to pay, which is currently £336.17 per week will remain the same.
- Where the risk associated with a service user stopping using a service would be unacceptably high the Council has the discretion to waive payment.

There are currently 130 service users whose charges would increase by the decision to charge service users with savings over £23,250 the full cost of service and 62 people who are currently not paying a charge who would be required to pay.

Decision

We have accepted the proposal to change the current policy so that for the future, service users with savings over £23,250 will be charged the full cost of service.

18. Review of in-house residential care homes
Cabinet Portfolio Holder – Councillor Morris Nicholls
Contact – Rachael Shimmin 03000 267353

We have considered a report of the Corporate Director, Children and Adults Services reviewing the future need for in-house residential care homes. The report also sought agreement to consult on a number of options outlined in the report.

Durham County Council last reviewed its in-house residential care services in 2010 and subsequently decided at Cabinet in July 2010 to close 7 homes. Since that date the Council has experienced significant budget reductions and has needed to reconsider all aspects of service provision. This report considered the issues for the current provision of in-house residential care including the future direction of service delivery in the context of the increasing demands of the MTFP. As a consequence of the significant financial reductions to the Council's budget, the scope of this report is broader than originally envisaged and suggests reviewing the original Cabinet decision made on 20 January 2010 to continue to provide long term residential care at Newtown House.

Officers have considered the potential future use of the remaining five in-house residential care homes. They are:

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

In August 2013 the local authority was funding short and long-term residential places for 2497 people (Source: Social Services Information Database (SSID)). Included in this total of 2497 were 83 people (50 permanent) resident in Council run homes. This equates to 3.3% of all places in residential care across the County, and 2% for our permanent residents. The cost of in-house residential care is significantly higher than that in the independent sector and the Council must consider this alongside the impact to people of any changes in their residential environment.

Intermediate care services are part of the Council's strategy to ensure that people live independently for as long as possible and recover independence wherever they can. Following an independent review into the provision of intermediate care services in County Durham, Clinical Commissioning Groups (CCG's) are leading on joint work to commission intermediate care services in the future. This has implications for current in-house intermediate care beds at Grampian House, Cheveley House, Feryemount and Mendip House.

Taking account of research and analysis in relation to future demand for residential, short term and respite care, and, considering the need ensure value for money, we considered three options for consultation.

Option 1: The Council 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

This option would increase the number of residential care places for older people by a total of 39 beds across all four homes as intermediate care beds will 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 approximately 50 permanent residents (as at 31 August 2013) being able to remain in situ and means relatively little change for the staff who work in the homes.

Option 2: The Council 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

This option will 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 subject to closure.

Option 3: The Council 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.

Should Members agree to seek expressions of interest from other organisations with a view to managing and running each of the care homes as a going concern, then it will be necessary for the Council to draw up a mini-prospectus which will outline the terms and conditions applicable to these buildings and the process which will have to be completed.

Interested parties will have to be able to present to the Council a business case for evaluation no later than the closing date of the proposed consultation. Business cases will be analysed by a panel of senior officers and the outcome will be included in a final report to Members in 2014.

The Equality Impact Assessment carried out as part of this report highlights that, if implemented, each of the options are likely to have an impact on residents, other service users, their carers and families. As expected, it will impact most on older people, with gender being a close second as most people in these homes are female. The potential impact on other protected characteristics will be explored further during the consultation process in line with the public sector equality duty and the Equality Act 2010.

Any consultation will take into account the requirements of individuals and their views, by providing a variety of methods for residents, carers, families and advocates to participate, and will respect human rights in line with legal requirements and current case law. In particular, article 2, requires that care is taken over the impact of the consultation process, and article 14 requires that the consultation is carried out without discrimination. Two of the three options

for consultation may impact on the rights under article 8. In all cases, the Council will ensure that best practice is followed to minimise the risks to residents.

Decision

We have agreed the following recommendations:

- (a) A 3 month public consultation starting on Thursday 17 October 2013 for 13 weeks until Sunday 19 January 2014 on all three of the options for each of the 5 homes, as. This consultation will take into account the requirements of individuals and their views, and will respect human rights in line with legal requirements and current case law.
- (b) The production of a final report including a full equality impact assessment following consultation and a future report to Cabinet making recommendations in Spring 2014.

19. Beamish Museum – Change of Governance Arrangements Cabinet Portfolio Holder – Councillor Neil Foster Contact – Terry Collins 03000 268080

We have considered a report of the Corporate Director, Neighbourhood Services which sought approval to disband the Joint Committee for the North of England Open Air Museum and agree that the Council's involvement in the management of the museum should in future be through the Regional Stakeholders Group and the right to nominate directors to the Board of Beamish Museum.

Beamish Museum is currently run by a Joint Committee comprising members from Durham, Gateshead, North Tyneside, South Tyneside and Sunderland Councils. The operations of the museum are managed through a limited company Beamish Museum and its trading company. A Governance Review has recently been undertaken to consider how best to develop Beamish's partnership with all North East local authorities taking into account the needs of the museum's future plan for 2013-2025 and clear demand for new ways of working with local authority and other key stakeholders to provide support and produce tangible mutual benefits. A Regional Advisory Panel was formed during 2012/13 with two meetings held to shape the recommendations of the review, engaging ANEC and lead officers/members from all twelve North East authorities as well as representatives from key partners at the Arts Council England and Heritage Lottery Fund.

The Regional Advisory Panel considered the current governance arrangements at Beamish and recommended a number of changes to the roles and responsibilities of the Joint Committee, Beamish Museum (the operating charitable company) and Beamish Development Trust (fundraising organisation engaging business leaders) and the Friends of Beamish.

The new governance model recommended by the Regional Advisory Panel and subsequently approved by the Joint Committee of Beamish includes recommended changes which are summarised as follows:

- Developing further the invaluable fund raising work carried out by the Beamish Development Trust by integrating this group of business leaders within the Friends of Beamish, forming a new working group called the Business Friends of Beamish;
- Reviewing the role of Beamish Museum with the charity taking on a fifty year lease for the museum and its collections from Durham County Council and entering into legal agreements to take on responsibility for procuring and managing capital developments;
- Reviewing the membership of Beamish Museum with a new board comprising fifteen trustees with eight being local authority nominated trustees from core local authority partners (including the chair); one being a nominated trustee from the Friends of Beamish; and a further six being co-opted trustees. It is recommended that local authority representation be secured by minimum revenue contribution of £5,000 with constituent authorities dividing up the eight nominations (including chair) according to the proportion of their respective contributions.
- Maintain the existing Teesside Pension Agreement with existing local authority partners continuing to confirm the community benefit to Beamish Museum and its membership of the Local Government Pension Scheme, and collectively providing a guarantee for the historic LGPS Pension deficit that Beamish Museum currently has;
- Dissolving the Joint Committee of Beamish responding to demand for greater partnership working with local authorities through forming a new regional stakeholder group, working to ANEC and engaging members and officers from all twelve North East local authorities in a light touch and appropriate way.

The Regional Stakeholder Group has been shaped by consultation with local authority and other key partners including the Heritage Lottery Fund and Arts Council England. It has three objectives:

- Provide a light touch but effective way for partners to influence Beamish Museum's policy and strategy, scrutinising decisions and reviewing future budgets/plans through an annual review meeting held every autumn, ensuring that the educational cultural community and economic benefits of the museum are genuinely felt across the region;
- Develop a regional forum for developing and resourcing effective partnership working, focussing on delivering projects that generate mutual benefits in a way that links to regional

work led by ANEC and does not cut across other organisations working in the region;

- Focussing on delivery and meeting the needs of partners, providing support to partners where appropriate and only when Beamish can genuinely add value, considering the range of agendas including museum education, marketing, skills/apprenticeships, cultural tourism, community engagement/volunteering and developing resilient business models.

It is proposed that the Regional Stakeholder Group will be comprised of member and officer representation from all twelve local authorities with up to three representatives invited from each local authority. It is anticipated that Beamish will seek funding from the Arts Council major partner museum programme to help provide resource for joint projects to be delivered through the group. Further funding for delivery will be sought from the public and private sectors.

Decision

We have agreed the following recommendations:

- That the Joint Committee for the North of England Open Air Museum be disbanded and be replaced by a Regional Stakeholder group;
- That the proposed amendments to the Constitution of the Board of Directors of Beamish Museum be approved;
- That a new fifty year lease of the site of the museum be granted to the charitable company Beamish Museum on terms to be negotiated by the Corporate Director for Regeneration and Economic Development;
- That the collections held at the museum be leased to the charitable company Beamish Museum on terms to be approved by the Council's Head of Legal and Democratic Services.

**Councillor S Henig
Leader of the County Council**

22 October 2013

This page is intentionally left blank

County Council

30 October 2013



**Review of Community Governance for
the area of Forest and Frith Parish
Council**

**Colette Longbottom, Head of Legal and Democratic Services
Councillor Simon Henig, Leader, Durham County Council**

Purpose of Report

1. To notify the Council of the outcome of the consultation undertaken as part of the Community Governance Review for the area of Forest and Frith Parish Council and to advise the Council of the recommendation of the Constitution Working Group in this respect.

Background

2. On 24 July 2013 the County Council resolved to undertake a Community Governance Review covering the parished area of Forest and Frith following a request from the Parish Council.
3. Forest and Frith Parish Council ('the Parish Council') had been experiencing issues for some time in relation to membership and attendance at meetings. The Parish Council, with a current electorate of 142, was established with seven elected Members. However, it has been functioning with several vacancies for some time and the Council has been unsuccessful in generating interest for those vacant seats. The Parish Council struggles to achieve a quorum at its meetings, making it difficult to achieve the legal requirement for Parish Councils to hold 4 meetings per year.
4. The Parish Council is apprehensive about its role going forward, aware that there is an expectation for Local Councils to broaden the services which they provide. Although the geographic area covered by the Parish Council is relatively large, they have very few qualifying residents on which to levy a parish precept demand and as such their budget remains small. Furthermore, the Parish Council have been operating without a Clerk for some time.
5. There were several options available for the future of Forest and Frith Parish Council.
 - a) The Parish Council could continue to operate in its current form, thus making no changes to the existing governance arrangements.

- b) The Parish Council could be abolished and replaced with a Parish Meeting, which would come into effect on 1 April 2014. This was the preferred option of Forest and Frith Parish Council and would mean that all of the current Councillors would cease to hold office and there would be no requirement for a Parish Clerk to be employed.
 - c) Amalgamate with another parish council which borders Forest and Frith Parish Council. This would mean possible amalgamation with either Stanhope, Middleton in Teesdale and Newbiggin, Lunedale Parish Councils or Holwick Parish Meeting.
 - d) Introducing any other alternative forms of community governance to the area.
6. As such, the Community Governance Review which has since been undertaken has considered the following:
- Whether the current governance arrangements in the area of Forest and Frith Parish Council should remain unchanged;
 - the possibility of dissolving Forest and Frith Parish Council and creating a parish meeting in its place;
 - the possible merging of the parished area of Forest and Frith with an existing parish council(s);
 - whether any other alternative forms of community governance could be created.

Consultation

7. The terms of reference were published on 24 July 2013 and an initial consultation was undertaken in accordance with the agreed timetable.
8. A detailed document was issued to all households within the affected area setting out all the options available for future governance arrangements within the parished area of Forest and Frith. Consultees were asked to indicate their preferred option for the future arrangements from the four possible options set out in paragraph 5 of this report.
9. The consultation letter was sent to 80 households and recipients were asked to respond by 15 September 2013. The responses received were as follows:
 - No change to current arrangements (Forest and Frith Parish Council to continue in it's current form) – 3 respondents indicated this to be their preferred option;
 - Amalgamate with a neighbouring Parish Council/Meeting – 2 respondents indicated this would be their preferred option

- Dissolve the current Parish Council and replace with a Parish Meeting – 14 respondents indicated this would be their preferred option;
- Alternative Arrangements – 1 respondent made the following comment regarding alternative governance arrangements:-

- “Stanhope Parish Councillors decided that as it is not our area then Teesdale should decide the outcome”

10. A similar letter to that sent to residents, was also sent to the local MP, the Rt.Hon Mrs Helen Goodman, Teesdale Area Action Partnership, the County Durham Association of Local Councils (CDALC) and the surrounding Parishes of Stanhope, Lunedale, Newbiggin and Middleton-in-Teesdale and Holwick. In addition several local groups were consulted as follows: U.T.S.G; Forest of Teesdale Primary School; Langdon Beck Sheep Show.
11. One response was received from County Durham Association of Local Councils who confirmed they had no comments to make on the review and were prepared to leave it for the outcome of the review to shape the way forward for the local communities.

Analysis of Responses

12. It is clear from the responses received that there is majority support for the dissolving of Forest and Frith Parish Council, to be replaced with a parish meeting.
13. In undertaking a review of arrangements within any area, the Council must ensure that community governance in the locality under review, reflects the identities and interests of the community in that area, and is effective and convenient.
14. Any recommendations which the Council makes for future governance arrangements in an area should bring about improved community engagement, more cohesive communities, better local democracy and result in more effective and convenient delivery of local services.

The Law, Duties and Guidance

15. Under section 93 of the Local Government and Public Involvement in Health Act 2007, a Principal Council must comply various duties when undertaking a community governance review, including:
 - (a) It must have regard to the need to secure that community governance within the area under review:
 - (i) reflects the identities and interests of the community in that area;
 - (ii) is effective and convenient.

- (b) In deciding what recommendations to make, the Council must take into account any other arrangements, apart from those relating to parishes and their institutions:
 - (i) that have already been made, or
 - (ii) that could be made for the purposes of community representation or community engagement in respect of the area under review.
 - (c) The Council must take in to account any representations received in connection with the review.
 - (d) Under Section 100 of the Act, the Council must have regard to guidance issued by the Secretary of State.
- 16. The guidance referred to in paragraph 14 (iv) is Guidance on Community Governance Reviews, published in March 2010 by Communities and Local Government and the Local Government Boundary Commission for England.
- 17. This guidance refers to a desire to help people create cohesive and economically vibrant local communities and states that an important aspect of this is allowing local people a say in the way their neighbourhoods are managed. The guidance does stress that parish councils are an established and valued form of neighbourhood democracy and management in rural areas that increasingly have a role to play in urban areas and generally have an important role to play in the development of their communities. The need for community cohesion is also stressed along with the Government's aim for communities to be capable of fulfilling their own potential and overcoming their own difficulties. The value which is placed upon these councils is also highlighted in the fact that the guidance states that the Government expects to see the creation of parishes and that the abolition of parishes should not be undertaken unless clearly justified and with clear and sustained local support for such action.
- 18. It also states that the Council must have regard to the need to secure community governance within the area under review reflects the identities of the community in the area and is effective and convenient.
- 19. The Council must also take into account other arrangements that have been made and could be made for the purposes of community engagement and they must consider the representations received in connection with the review.
- 20. The Guidance also acknowledges that a recommendation to abolish or establish a parish council may negatively impact on community cohesion and that there is flexibility for councils 'not to feel forced' to

recommend that the matters included in every petition must be implemented.

21. In this case, the majority of the residents who responded have stated that they do support the abolition of the existing Parish Council on the assurance that, as a more convenient means of community governance more relevant for the local area, a parish meeting will be established in its place.
22. The outcome of this consultation indicates a support for a change in the current governance arrangements for the parished area of Forest and Frith. Most of the respondents do wish to see the current Parish Council dissolved and replaced with a Parish Meeting.

Parish Meetings

23. Parish meetings are recognised as local government bodies or public authorities for a number of statutory purposes.
24. The Parish Meeting comprises the local government electors for the parish coming together for the purpose of discussing parish affairs and exercising any statutory functions conferred on them. The parish meeting must assemble annually between 1 March and 1 June and on at least one other occasion during the year on a date to be fixed by the Chairman of the meeting.
25. At the Annual Meeting the electorate attending the meeting choose a member of the electorate to become chair of the Parish Meeting for the ensuing year. There are no elected councillors for a parish meeting.
26. Parish meetings can still precept from the electorate similar to a parish council, although they are not a body corporate and have fewer powers available to them. The precept would be to fund the associated costs of holding the Parish Meeting. Some of the powers available to a parish meeting are allotments, bus shelters, burials: cemeteries and crematoria, charities, churchyards, commons, land, lighting, rights of way, village greens and war memorials.

Dissolving the Parish Council and establishing the Parish Meeting

27. There are several consequential issues which will need to be addressed when dissolving the Parish Council and establishing the Parish Meeting. These are listed and addressed at Appendix 2 of this report.

Recommendations and reasons

28. Constitution Working Group has considered the outcome of the consultation and reached the view that a more convenient means of community governance more relevant for the local area would be

achieved should a parish meeting be established replacing the parish council. The Constitution Working Group recommends to Council

- (i) that Forest and Frith Parish Council be dissolved with effect from 31 March 2014 and a Parish Meeting be established with effect from 1 April 2014;
- (ii) that the required Order be made in this respect;
- (iii) that consequential issues be addressed as detailed in Appendix 2 of the report.

Background Papers

- 29. Guidance on Community Governance Reviews, published in March 2010 by Communities and Local Government and the Local Government Boundary Commission for England.

Report to County Council of 24 July 2013.

Report to Constitution Working Group of 8 October 2013.

Contact: Sharon Spence

Tel: 03000 269731

Appendix 1: Implications

Finance – The costs associated with the review, particularly in respect of consultation, were met from the existing budget.

Staffing – There are staffing implications when undertaking Community Governance Reviews and these are kept under review.

Risk – None specific in this report.

Equality and Diversity – None specific in this report.

Accommodation – None specific in this report.

Crime and Disorder – None specific in this report.

Human Rights – None specific in this report.

Consultation – Consultation is a major part of community governance reviews and methods used are detailed in the terms of reference.

Procurement – None specific within this report.

Disability Discrimination Act – None specific within this report.

Legal Implications – The legal implications are covered in the terms of reference and in previous progress reports.

This page is intentionally left blank

Dissolving the Parish Council and Establishing the Parish Meeting

Issue to be addressed	Proposed Resolution
<p>Forest & Frith Parish Council currently part owns an area of land which generates revenue through rent. The land is jointly owned with 3 neighbouring Parish Councils, and all parties receive a quarter of the revenue.</p>	<p>Parish Meetings are able to hold property.</p> <p>If the parish has no parish council, the Chairman of the parish meeting and the proper officer of the Principal Council are the body corporate of the parish meeting and are known as “the Parish Trustees”.</p> <p>Any parish property is held by and vested in the ownership of the parish trustees, namely the Chairman for the time being of the Meeting and the proper officer of the principal authority (i.e. a person appointed by that council). The parish trustees must act in accordance with the directions given by the parish meeting.</p> <p>As such, arrangements will be made to ensure that the land ownership document which currently reflects the Parish Council as part owner of the area of land is amended, so that with effect from 1 April 2014, the document reflects that the Parish Trustees part own the land.</p>
<p>Forest & Frith Parish Council currently have a bank account</p>	<p>A Parish Meeting may hold funds, indeed a Parish Meeting may levy a precept if it so wishes.</p> <p>As such, arrangements will be made simply to change the bank account name and the signing authority on the account. In keeping with the notion of Parish Trustees as mentioned in the box above, it may be prudent that signing authority on the Parish Meeting bank account fall to the Chairman of the Parish Meeting.</p>

Dissolving the Parish Council and Establishing the Parish Meeting

<p>Inaugural meeting</p>	<p>Where a meeting of a Parish Council is convened to discuss the establishment or dissolution of the Parish Council, public notice of it must be given at least 14 clear days beforehand.</p> <p>Public notice of a Parish Meeting must be given at least 7 clear days beforehand.</p> <p>A meeting of a Parish Meeting may be convened by the chairman of a Parish Council, among others.</p> <p>It is therefore proposed that a meeting of Forest & Frith Parish Council will be convened during March 2014 to announce that it is to be dissolved. Furthermore, that during March 2014 the current Chair of the Parish Council will give public notice of the inaugural meeting of the Parish Meeting, to be held on 1 April 2014.</p> <p>At its annual assembly, the parish meeting must elect a chairman, who continues in office until his successor is elected at the next annual assembly.</p>
--------------------------	---

County Council

30 October 2013



**Request for Changes to the Boundary
between Shincliffe Parish Council and
Cassop-Cum-Quarrington Parish Council**

**Report of Colette Longbottom, Head of Legal and Democratic
Services**

Purpose of the Report

1. To progress the request from Shincliffe and Cassop-Cum-Quarrington Parish Councils to transfer the area of the former Cape Asbestos Site at Bowburn (now known as the Bell Ward of Shincliffe Parish Council) from Shincliffe Parish to Cassop-cum-Quarrington Parish, with final recommendations being presented to Council for consideration on 4 December 2013.

Background

2. Although the approved Terms of Reference indicate that the final recommendations would be presented to Council on 30 October 2013, it is proposed that this date be amended to 4 December 2013 to allow time for a draft report to be presented to the Constitution Working Group prior to Council.

Consultation

3. As agreed on 24 July 2013, further detailed consultation was undertaken with Bell Ward households to ascertain whether there was support for transferring the Bell Ward of Shincliffe Parish Council to Cassop-cum-Quarrington Parish Council.
4. The results of that consultation did indicate support for the transfer of the Bell Ward. A report was therefore considered by Constitution Working Group on 5 September 2013, setting out the responses to the consultation and detailing several consequential issues which would need to be addressed should Members be minded to approve the transfer. In particular it would be necessary to embark on a consultation exercise with all households in both Shincliffe and Cassop-cum-Quarrington Parish areas to seek public opinion on the following issues:-
 - Appropriate warding arrangements should for both Parish areas;
 - The number of councillors to be elected to both parish councils; and
 - The number of councillors to be elected per ward should warding arrangements be introduced.
5. At its meeting on 5 September 2013 the Constitution Working Group gave approval for the transfer of the Bell Ward to Cassop-cum-Quarrington Parish Council and agreed to relevant consultation with the households in both parish

Appendix 1: Implications

Finance - The main costs will be in respect of the necessary consultation and will be met from the budget identified for community governance reviews.

Staffing – The work will impact on staff time.

Risk – None specific in this report.

Equality and Diversity – None specific in this report.

Accommodation – None specific in this report.

Crime and Disorder – None specific in this report.

Human Rights – None specific in this report.

Consultation – Within the body of the report.

Procurement – None specific within this report.

Disability Discrimination Act – None specific within this report.

Legal Implications – The review will be undertaken in line with current legislation and Regulations.

This page is intentionally left blank

County Council**30 October 2013**

**Changes to the Constitution –
Delegations to the Corporate Director,
Children and Adults Services**

**Colette Longbottom, Head of Legal and Democratic Services
Councillor Simon Henig, Leader, Durham County Council**

Purpose of the Report

1. This report details proposed amendments to the Delegations to the Corporate Director, Children and Adults Services contained in Part 3, Table 3 of the Constitution, to reflect changes to legislation and to reflect working practices.

Background

2. Under Section 15ZA and 18A of the Education Act 1996, as amended, local authorities have a duty to secure sufficient suitable education and training opportunities to meet the reasonable needs of all young people in their area. Young people are those who are over compulsory school age but under 19, or are aged 19 or over and under 25, and subject to a learning difficulty assessment. Whilst this is covered by the general delegation contained in Table 3, paragraph 1.4 of the Constitution, this paragraph refers to the Council's role in commissioning 14-19 education and the service grouping would like this updated to reflect the change in legislation.
3. Section 139A of the Learning and Skills Act 2000 (as added by the Education and Skills Act 2008) expands and transfers to local authorities the duty currently on the Secretary of State to arrange for assessments of a person's educational and training needs in certain circumstances, and the power to arrange such assessments. The duty on local authorities is to arrange for an assessment of a person in respect of whom it maintains a statement of Special Educational Needs, who is either in his or her last year of compulsory schooling, or is over school age but still at school at some time during the person's last year of schooling. This duty is covered under the delegation contained in Table 3, paragraph 1.4 of the Constitution.
4. To reflect the working practices of officers who apply to the Court of Protection where it is considered to be in a person's best interests, it is proposed that Table 3, paragraph 1.8 should be widened to include reference to the Court of Protection.
5. Section 514A of the Education Act 1996, as amended, outlines local authorities' duties in relation to having a power to secure boarding

accommodation for young people aged over 16 but under 25 who are subject to a learning difficulty assessment. The service grouping has requested that the delegations of the Director of Children and Adults Services be amended to reflect the provision of secure boarding accommodation and it is proposed that the general delegation found at Table 3, paragraph 1.21 can be updated to incorporate this.

Changes to the Constitution

6. It is proposed that the following changes shown highlighted are made to Table 3, paragraph 1.4. It is considered that the proposed rewording of the delegation will clarify the Council's duties and powers as outlined in paragraphs 3 and 4 above.

"The Council's role as Local Education Authority and its role in commissioning education and training opportunities for young people as determined by the Education Act 1996 and the Education and Skills Act 2008 and any subsequent legislation relating to education and training for young people."

7. It is proposed that the changes shown highlighted are made to Table 3, paragraph 1.8 to reflect the working practices of officers who apply to the Court of Protection where it is considered to be in a person's best interests.

"Implementing or determining, subject to any right of review or appeal which may apply, all matters concerning the provision of mental health services including the acceptance and exercise of guardianships and receiverships and applications to the Court of Protection under the Mental Health Act 2007 and/or the Mental Capacity Act 2005."

8. It is proposed that the changes shown highlighted are made to Table 3, paragraph 1.21 for the reasons outlined in paragraph 5 above.

"The provision, operation and commissioning of vocational training and allied services for persons over compulsory school age, including the provision of secure boarding accommodation for young people aged over 16 but under 25 who are subject to a learning difficulty assessment and promotion of arrangements to assist persons to obtain employment and employers obtain employees.

9. Constitution Working Group approved these proposals on 8 October 2013.

Recommendations and reasons

10. It is recommended that Council approves the proposed amendments to the Constitution.

Contact: Colette Longbottom Tel: 03000 269732

Appendix 1: Implications

Finance – None specific within this report

Staffing – None specific within this report

Risk - None specific within this report

Equality and Diversity / Public Sector Equality Duty - None specific within this report

Accommodation - None specific within this report

Crime and Disorder - None specific within this report

Human Rights - None specific within this report

Consultation - None specific within this report

Procurement - None specific within this report

Disability Issues – None specific within this report

Legal Implications – None specific within this report

This page is intentionally left blank

County Council

30 October 2013



**Changes to the Constitution –
Highways Committee Functions and
Delegations to the Corporate Director,
Regeneration and Economic
Development**

**Colette Longbottom, Head of Legal and Democratic Services
Councillor Simon Henig, Leader, Durham County Council**

Purpose of the Report

1. This report details proposed amendments to the functions of the Highways Committee and delegations to the Corporate Director, Regeneration and Economic Development to reflect working practices.

Background

2. The functions of the Highways Committee in Part 3 of the Constitution include at paragraph 6:

“To determine proposals to appropriate or dispose of open space or public walks and pleasure grounds set out in section 10 of the Open Spaces Act 1906 and Section 164 of the Public Health Act 1875, if there are any unresolved objections to the proposals.”

3. This is an Executive Decision and in practice, Highways Committee’s role is not to determine proposals but to provide guidance to the Corporate Director, Regeneration and Economic Development, where unresolved objections are received. The determination of proposals is made by the Corporate Director, Regeneration and Economic Development under delegated powers. These amendments are intended to reflect that situation in the wording of the Constitution.
4. It is also proposed that the Delegations to the Corporate Director, Regeneration and Economic Development in relation to housing at Table 4 of the Constitution, are extended at paragraph 47(l) to include responding on the Council’s behalf to requests for consent to alterations to the Articles of Association of Arms Length Management Organisations to reflect recent requests. That Delegation currently exists in respect of companies to which the Council’s predecessors had transferred ownership of the housing stock and the wording should be changed to make it clear that it also relates to the housing management organisations.

Changes to the Constitution

5. To amend paragraph 6 of the Highways Committee's functions in Part 3 of the Constitution to reflect Highways Committee's role to provide Guidance to the Corporate Director, Regeneration and Economic Development to read;

"Providing guidance to the Corporate Director, Regeneration and Economic Development as appropriate, in relation to the exercise of delegated functions to determine proposals to appropriate or dispose of open space or public walks and pleasure grounds as set out in Section 10 of the Open Spaces Act 1906 and Section 164 of the Public Health Act 1875, if there are any unresolved objections to the proposals."

6. To amend the Delegations of the Corporate Director, Regeneration and Economic Development at Table 4, paragraph 43 of the Constitution to read:-

"To approve disposals and appropriations of Open Space and Public Walks and Pleasure Grounds as set out in Section 10 of the Open Spaces Act 1906 and Section 164 of the Public Health Act 1875 subject to seeking guidance from the Highways Committee in the event of unresolved objections being received."

7. To amend the delegations of the Corporate Director, Regeneration and Economic Development at Table 4, paragraph 47(l) of the constitution to read:

"To respond on the Council's behalf to requests for consent to alterations to the Articles of Association of Large Scale Voluntary Transfer companies and Arms Length Management Organisations.

8. Constitution Working Group approved these proposals on 8 October 2013.

Recommendations and reasons

9. It is recommended that Council approves the proposed amendments to the Constitution.

Contact: Colette Longbottom Tel: 03000 269732

Appendix 1: Implications

Finance – None specific within this report

Staffing – None specific within this report

Risk - None specific within this report

Equality and Diversity / Public Sector Equality Duty - None specific within this report

Accommodation - None specific within this report

Crime and Disorder - None specific within this report

Human Rights - None specific within this report

Consultation - None specific within this report

Procurement - None specific within this report

Disability Issues – None specific within this report

Legal Implications – None specific within this report

This page is intentionally left blank

County Council

30 October 2013



**Changes to the Constitution – Scrap
Metal Dealers Act 2013**

**Report of Colette Longbottom, Head of Legal and Democratic
Services**

Purpose of the Report

- 1 To present Members with details of amendments to the Constitution made by the Head of Legal and Democratic Services to reflect the implementation of the Scrap Metal Dealers Act 2013 ("The Act") and the introduction of a new licensing regime for scrap metal dealers.

Background

- 2 The Act came into force on the 1 October. It harmonises the existing scrap metal registration scheme and the motor vehicle salvage operators' regimes into one Act. The term 'scrap metal dealers', includes scrap metal dealer sites and mobile collectors.
- 3 The Act introduces a new licensing system requiring anyone operating as a scrap metal dealer must now apply for a licence. Previously, the only requirement was to register with their local authority. Councils are able to refuse to grant a licence where the applicant is judged not to be a suitable person to operate as a scrap metal dealer. This ability to regulate who is and who is not a scrap metal dealer is designed to improve the operating standards of those dealers who do not operate in the same way as the majority of reputable dealers. The transition from the requirement for dealers to register to that of holding a licence provides an opportunity to ensure that those dealers who have been operating illegally are no longer able to do so.
- 4 In order for anyone to carry on business as a scrap metal dealer, a licence will be necessary. These licences will last for three years. Trading without a licence will be a criminal offence. If convicted of trading without a licence, the offender could be fined. The fine will be at Level 5 on the standard scale. Amendments to the size of the fines that courts can impose in the Legal Aid, Sentencing and Punishment of Offenders Act 2012, mean that when the provisions come into force, a fine at that level will be unlimited.

5 There are two types of licence specified in the Act:

Site Licence

All the sites where a licensee carries on business as a scrap metal dealer have to be identified and a site manager has to be named for each site. This licence allows the licensee to transport scrap metal to and from those sites from any local authority area.

Collector's Licence

This allows the licensee to operate as a collector in the area of the issuing local authority. It does not allow the collector to operate in any other local authority area, so a separate licence has to be obtained from each council the collector wishes to operate in. The licence does not authorise the licensee to operate a site, to do so they will need a site licence from the relevant local authority. It should be noted that a dealer could only hold one type of licence in any one local authority area. They will have to decide whether they are going to have a site or a mobile licence in any one area. They cannot hold both a site and mobile collector's licence from the same council

Timetable for Transition to the new Regime

6 In order to provide time for councils to process applications without existing businesses being in a position where they cannot operate, the Home Office is implementing a transition process. The transition timeline is:

- The Commencement Order has been made in August, which allows local authorities to set a licence fee from 1st September.
- The main provisions of the Act commence on 1 October including the offence of buying scrap metal for cash.
- Dealers and motor salvage operators registered immediately before 1st October will be deemed to have a licence under the Act from that date.
- Provided the dealer submits an application for a licence on or before 15 October, their deemed licence will last until the council either issues them with a licence, or gives them notice of the decision to refuse them a licence, although they will be able to continue trading pending an appeal against the decision not to grant a licence.
- Where a dealer submits an application on or before 15 October, but does not supply all the required information with the application form, then the deemed licence remains in effect after 15 October.
- Where a dealer with a deemed licence fails to submit an application on or before 15th October, the deemed licence will lapse on 16 October.
- Other scrap metal dealers, not previously registered, will be able to apply for a licence from 1 October but will have to wait until a licence is granted before they can legally trade.
- Local authorities will complete suitability checks on applicants and decide whether to issue licences. It is anticipated that decisions on

whether to grant or refuse a licence to previously registered dealers are made before 1 December.

- All other enforcement provisions within the Act commence on 1 December.
- 7 The Licensing Section of Environment, Health and Consumer Protection is expecting applications from existing licensees from the 1 October, and will have to determine their applications by the 15 December. The licence is subject to suitability criteria for all applicants and it could be that objections may be made by the Police or Environment Agency (or others) against existing licensees to receive a new licence.
- 8 The Head of Legal and Democratic Services was asked in September to make an urgent amendment to the Constitution for business continuity reasons and to ensure that the Council can meet its legal requirements under the new Act, and did so after consulting with the Leader.

Determination of Licensing Applications

- 9 No method of deciding licensing applications is set out in the Act, so Councils have to decide which applications, if any, their licensing committees should consider. Given the right to make representations, where a licence application is going to be refused, revoked or varied, it is appropriate for applications, which may be subject to officer recommendations or objections, to be heard by Members. Uncontested applications will be granted without the need for a hearing before Members.
- 10 The General Licensing and Registration Committee will discharge the Council's function where a scrap metal dealer's licence application is going to be refused, revoked or varied.
- 11 The Council's Licensing Section has added the responsibility of scrap metal licensing to their existing responsibilities for alcohol, taxi and gambling licensing.

Changes that have been made to the Constitution

- 12 The functions of the General Licensing and Registration Committee have been updated so that they can consider contested applications for scrap metal dealers' licences where officers recommend refusal, revocation or variation of a licence.
- 13 The existing Delegations to the Corporate Director Neighbourhood Services and Head of Environment Health and Consumer Protection are suitable for the new scrap metal dealers licensing regime although the list of legislation contained with Appendix 1 to Table 5 has been updated to remove the old legislation and include the new Act.

Recommendations and Reasons

- 14 It is recommended that Council note the content of this report.

Contact: Colette Longbottom Tel: 03000 269 732

Appendix 1: Implications

Finance – None specific in this report

Staffing - None specific in this report

Risk - None specific in this report

Equality and Diversity / Public Sector Equality Duty - None specific in this report

Accommodation - None specific in this report

Crime and Disorder - None specific in this report

Human Rights - None specific in this report

Consultation - None specific in this report

Procurement – None specific in this report

Disability Issues - None specific in this report

Legal Implications – None specific in this report

County Council

30 October 2013



Appointment of Coroners

**Colette Longbottom, Head of Legal and Democratic Services
Councillor Simon Henig, Leader, Durham County Council**

Purpose of the Report

- 1 To advise the Council of relevant new provisions of the Coroners and Justice Act 2009 in relation to Coroners which have been considered by the Constitutional Working Group.
- 2 To propose delegations in the Constitution to deal with the future appointments of Coroners in County Durham.

Background

- 3 The provisions of the Coroners and Justice Act 2009 relating to the appointments of Coroners came into force on 25 July 2013.
- 4 The Coroner is appointed by the County Council but is not an employee. Once appointed, the Coroner becomes and remains an independent Judicial Officer. The County Council has the duty to pay the Coroner's salary or fees, and agree other terms and conditions, but there is no contract of employment between the Council and the Coroner.
- 5 To be eligible for any Coroner appointment under the 2009 Act, a person must satisfy the judicial appointment eligibility condition on a five year basis and be under the age of 70.
- 6 All appointments of Coroners (Senior Coroners, Area Coroners and Assistant Coroners) must now be made by the relevant authority for the Coroner area.
- 7 Previously under the Coroners Act 1988, the Coroner appointed his/her Deputy and Assistant Deputy Coroners. Under the 2009 Act, however, it is now the local authority which must make all appointments.
- 8 Where the Coroner area consists of more than one local authority area as is the case in Durham/Darlington, the relevant authority being Durham must consult with Darlington before making senior Coroner appointments.
- 9 Guidance issued by the Chief Coroner (Guidance No. 6 Appendix 2) recommends an advertisement and interviewing process for the appointment of Senior Coroners. However, the current Coroner for Durham will

automatically become the Senior Coroner and no appointment process is required at this time.

- 10 Assistant Coroners may also be appointed by the authority. Under previous legislation, the Chair approved such appointments. It is now a matter for the authority, and guidance has suggested that elected Members may well wish to choose to delegate this function to Chief Officers.
- 11 Support of and liaison with the Coroner currently takes place within the Resources Service Grouping.
- 12 On 8 October, the Constitution Working Group agreed to recommend to Council that a delegation be inserted in the Constitution into the Corporate Director of Resources Functions to include Appointment of Assistant Coroners in accordance with the provisions of the Coroners and Justice Act 2009.
- 13 It is suggested, that the appointment of Assistant Coroners should be delegated to the Corporate Director Resources.

Recommendations and reasons

- 14 Council is asked to agree to the Corporate Director Resources Functions to be extended to include Appointment of Assistant Coroners in accordance with the provisions of the Coroners and Justice Act 2009.

Contact: Colette Longbottom Tel: 03000 269732

Appendix 1: Implications

Finance: None specific within this report

Staffing: Appointments process for Coroners (Senior Coroners, Area Coroners and Assistant Coroners) are included within the body of the report

Risk: None specific within this report

Equality and Diversity/Public Sector Duty: None specific within this report

Accommodation: None specific within this report

Crime and Disorder: None specific within this report

Human Right: None specific within this report

Consultation: None specific within this report

Procurement: None specific within this report

Disability Discrimination Act: None specific within this report

Legal Implications: Within the body of the report

Appendix 2: Chief Coroner Guidance – The Appointment of Coroners



CHIEF CORONER

GUIDANCE No. 6

THE APPOINTMENT OF CORONERS

INTRODUCTION

1. This Guidance is designed to assist local authorities in making coroner appointments under the Coroners and Justice Act 2009. It also sets out the way in which the Chief Coroner is likely to exercise his consent under the Act.
2. The Chief Coroner wishes to emphasise that the appointments process is essentially a matter for the local authority. Each appointment will be their appointment.
3. Nevertheless, local authorities need to bear in mind that with the implementation of the 2009 Act (from 25 July 2013) all appointments of coroners need the consent of the Chief Coroner and the Lord Chancellor.
4. It should be noted that local authorities 'appoint' coroners but they do not 'employ' them. This is an important distinction. Once appointed a coroner becomes and remains an independent judicial office holder. Local authorities pay the coroner's salary or fees and agree other terms and conditions (the Chief Coroner is consulting on a template as guidance). But there is no contract of employment between local authority and coroner. Coroners should not be equated in financial or other terms with chief officers.
5. To be eligible for any coroner appointment under the 2009 Act a person must satisfy the judicial-appointment eligibility condition on a five-year basis and be under the age of 70: paragraph 3 of Schedule 3.
6. All references in this guidance are to the Coroners and Justice Act 2009.

Local authorities make all appointments

7. All appointments of coroners - senior coroners, area coroners and assistant coroners - must now be made by the relevant local authority for the coroner area: section 23, paragraphs 1 and 2 of Schedule 3. Previously, under the Coroners Act 1988, the coroner appointed deputy and assistant deputy coroners. Under the 2009 Act, however, it is now the local authority which must make all appointments.

8. Where the coroner area consists of more than one local authority, the relevant authority (formerly known as the lead authority) must consult the other authority or authorities before making a senior coroner appointment: paragraph 1(2) of Schedule 3. For the meaning of 'relevant authority' see paragraph 3, Schedule 2.

Consents

9. The Chief Coroner must consent to the appointment of all coroners: section 23, paragraphs 1(3) and 2(5) of Schedule 3.
10. Similarly, the Lord Chancellor must consent to all coroner appointments: *ibid*.

The Chief Coroner's role

11. In order to be able to decide whether to give his consent or withhold it the Chief Coroner will involve himself in every appointment process.
12. The Chief Coroner will be involved directly in the appointment process for senior coroners, either himself or through a nominee.
13. The Chief Coroner's nominee will be an experienced senior coroner chosen by the Chief Coroner to fulfil this role. There will be a small number of nominees who will act as the Chief Coroner would himself act in the process and who will report to the Chief Coroner.
14. The Chief Coroner's role in the appointment of area or assistant coroners will be more flexible (see below).

THE APPOINTMENT OF SENIOR CORONERS

15. The senior coroner is the coroner in charge of the coroner service for his or her coroner area. Where a senior coroner vacancy arises the relevant authority must appoint a senior coroner: paragraph 1(1) of Schedule 3.
16. Where a vacancy occurs in the office of senior (or area) coroner for an area, the relevant local authority must notify the Chief Coroner and the Lord Chancellor in writing as soon as practicable, and make the appointment usually within three months: paragraph 5, Schedule 3.
17. The Chief Coroner, his nominee (where there is one) and the Chief Coroner's office will be available to assist local authorities throughout the appointment process. Local authorities should not use other coroners to assist them with the process as this is likely to complicate matters and may confuse the process.
18. If the Chief Coroner's nominee is used, the relevant authority will pay the nominee's reasonable expenses. These would include overnight accommodation and a 'backfill' payment to the nominee's local authority to cover the time spent on the appointment process. However, the nominee will not receive a fee because he or she will always be a full-time salaried coroner.

Advertisements

19. The relevant authority must advertise the post widely and not just in the local area. It is vital that all experienced coroners should be made aware of the vacancy and the appointments process.
20. As a minimum requirement the local authority must advertise locally, through local media outlets, and where possible on the local authority website in a way which reaches all potential applicants. This is probably best achieved by notifying, immediately before advertising, both the Chief Coroner and the Coroners' Society of England and Wales that the advert is about to be posted. In this way the Chief Coroner can notify all coroners and the Coroners' Society will copy the advert to their website and circulate emails.
21. The local authority's advertisement should allow for an application period of at least three weeks.
22. The advertisement should refer to the job description, eligibility for the post, and terms and conditions of appointment, either directly or indirectly by reference to other documents which can be easily obtained. It should also explain how the application form can be obtained and who can be contacted for further information.

Applications

23. Although the content of the application form is a matter for the local authority, if necessary the Chief Coroner's office can provide a specimen application form as well as advertisement and job description.
24. Where the applicant is not a full-time coroner, it is important that the applicant's coroner experience is provided in detail. The form should therefore require the applicant to state:
 - (a) how many days worked as coroner;
 - (b) the nature of the work;
 - (c) the division of time between office and court;
 - (d) the extent of experience in completing Forms 100A and 100B;
 - (e) the number and type of inquests conducted;
 - (f) the number of long inquests and their subject matter; and
 - (g) the number of Article 2 inquests conducted.

The sift

25. The local authority (through appointed officers) will choose from the written applications who they wish to interview. It is suggested that about 4-6 candidates is a good number to interview. That kind of number allows for all interviews to be concluded and discussed in one day.
26. After the sift the written applications of all candidates will be shown to the Chief Coroner who will then consider the sift for two purposes:
 - first to see if a good candidate has not been included for interview, in which case the Chief Coroner will recommend that that candidate should also be interviewed; and

- secondly, to indicate whether a candidate selected for interview is not appointable, for example for lack of coroner experience for the particular post, and, if so, the Chief Coroner will advise the local authority accordingly.

Interviews

27. The candidates selected at the sift will be interviewed by the local authority. Interviews will take the form of a short presentation prepared by candidates in advance and questions.
28. Normally, the local authority will appoint officers to conduct the interviews, although sometimes a councillor may also sit on the interview panel. Some local authorities delegate the appointment power to senior officers. Others look to the officers to make a recommendation after interview to council leaders. Some others have a two-stage process with officers interviewing first in order to select one or two candidates to put forward for a second round of interviews with elected council members. These are matters for the local authority in question. However, the Chief Coroner will advise on the process to be adopted if asked to do so.
29. The Chief Coroner or his nominee will be able to assist the local authority on the presentation topic and questions for the candidates, particularly on technical questions. The Chief Coroner or nominee will assist in providing possible answers or indicators for those questions.
30. All candidates at interview will be asked the same questions.
31. The Chief Coroner, or his nominee, will attend the interviews but will not ask questions or intervene during the interviews. The chair of the interviewing panel will explain this to each candidate.

Decision after interviews

32. After all the interviews are completed the interview panel(s) will discuss the relative merits of the candidates and come to a decision.
33. The Chief Coroner or his nominee will be present during any discussion but will not have a vote in the decision (because a vote and a consent or withholding of consent might be taken to be double-counting in the process). Usually, when the Chief Coroner is present, he will indicate at the time that he will or will not give his consent (with reasons). This will be repeated in writing, with more explanation if required, as soon as reasonably practicable.
34. In the event that the panel declines to appoint any candidate the post will have to be re-advertised.

Appointment

35. Local authority practices vary at this point: see paragraph 28 above.
36. Once a candidate is proposed for appointment the formal written consent of the Chief Coroner and, separately, the Lord Chancellor, must be obtained. The Local Authority will need to write to the Lord Chancellor c/o the Coroners, Burials, Cremation and Inquiries Team at the Ministry of Justice (4th Floor, 102 Petty France, London SW1H 9AJ), giving detail of the appointment process.

Announcement

37. The local authority will liaise with the Chief Coroner's office (chiefcoronersoffice@judiciary.qsi.gov.uk) about the timing of the local authority's announcement of the new senior coroner to allow the Chief Coroner's office to inform all coroners and the Coroners' Society immediately after the announcement has been made.

THE APPOINTMENT OF AREA AND ASSISTANT CORONERS

38. The term area coroner will not be used widely. It is likely to refer to a deputy coroner who is a full-time salaried coroner.
39. Assistant coroners must also be appointed by the local authority: section 23, paragraph 2 of Schedule 3.
40. There is no longer a statutory requirement for the Chairman of the local authority to approve such appointments and it will be for each relevant authority to determine who should sign off coroner appointments for their area. Elected members may well choose to delegate this function to officers.
41. The Chief Coroner and the Lord Chancellor must consent to the appointments of all new assistant coroners: paragraph 2(5) of Schedule 3.
42. The Lord Chancellor may by order require the appointment for any coroner area of a minimum number of assistant coroners: paragraph 2(1)(b) of Schedule 3. At present each coroner area must have at least one assistant coroner: Coroners and Justice Act 2009 (Coroner Areas and Assistant Coroners) Transitional Order 2013.
43. In the meantime senior coroners and local authorities might like to consider that a maximum of about four actively working assistant coroners, perhaps with different areas of expertise, and where possible living locally, should be an appropriate number. In smaller coroner areas this may be too many, and local authorities might like to consider, after discussion with senior coroners, sharing arrangements with neighbouring areas.
44. Area and assistant coroners should be appointed for an initial term of 12 months and thereafter for a renewable term of three years.
45. Senior coroners and local authorities should not retain assistant coroners who have not worked in the jurisdiction for three years. If they are not needed they should be stood down and training space can be filled by active coroners.
46. The Chief Coroner will also develop a list of judge coroners (including certain retired judges) and retired senior coroners who may on request by the Chief Coroner be nominated by the Lord Chief Justice to conduct particularly difficult and complex cases. The Chief Coroner will also develop a list of specialist legal practitioners for similar purposes. All of those in both lists will be a possible (but not exclusive) resource for individual inquests.
47. The appointment process for assistant coroners will inevitably have to be more flexible than the process for appointing senior coroners, if only because there are likely to be many more assistant coroner appointments.

48. Where possible the local authority should hold an open competition, making sure that the advertisement for the post is widely publicised (see paragraphs 19-20 above). It may be necessary in appointing assistants to advertise more widely than just amongst coroners in order to attract good applicants, for example in legal periodicals.
49. In the main the process for appointing assistant coroners should be similar to the process for appointing senior coroners. The main differences are as follows:
- First, the local authority should always involve the senior coroner in the process, seeking the senior coroner's advice and assistance on (a) the need for and type of assistant coroner appointments, (b) the sift in selecting candidates for interview, and (c) as a member of the interview and decision panel.
 - Secondly, because of the likely number of appointments, the Chief Coroner will not be able to be directly involved, either himself or through a nominee, in all cases. He may only be able to exercise his consent on the basis of written materials, personal knowledge of candidates and in discussion with the senior coroner and the local authority. Where the Chief Coroner or his nominee has not been able to be present during the interviews, the local authority should make a written report for the Chief Coroner about the application and interview process and the reasons for proposing the successful candidate(s). But in all cases the Chief Coroner's consent will not be a foregone conclusion. Each proposed appointment will be carefully scrutinised.

**HH JUDGE PETER THORNTON QC
CHIEF CORONER**

24 July 2013

County Council

30 October 2013



**Welfare reform update and review of
Local Council Tax Support Scheme**

Report of Corporate Management Team

Lorraine O'Donnell, Assistant Chief Executive

Don McLure, Corporate Director, Resources

**Ian Thompson, Corporate Director, Regeneration and Economic
Development**

Councillor Simon Henig, Leader of the Council

Councillor Alan Napier, Deputy Leader and Cabinet Portfolio

Holder for Finance and Councillor Eddie Tomlinson, Cabinet

Portfolio Holder for Housing and Rural Issues

Purpose of the Report

- 1 To inform the County Council on recent policy developments relating to the government's welfare reforms, the council's response and the expected impact on the county. The report also considers a review of the council's Local Council Tax Support Scheme and the requirement to agree the council's approach to Local Council Tax Support for 2014/15 as well as an early operational review of the Welfare Assistance Scheme and the Discretionary Housing Payments policy, which have been in place since 1 April 2013.

Background

- 2 Cabinet considered the attached report on welfare reform and the Local Council Tax Support Scheme at its meeting of 11 September 2013 (Appendix 2).
- 3 The government brought forward the Welfare Reform Act 2012 to implement its commitment to "simplify the benefits system, make it fairer and to encourage people into work".
- 4 As previously reported to Members, the scale of reform is significant and involves over 40 changes.

- 5 The Department for Work and Pensions (DWP) is continuing to add detail to the operational implementation of its initial policy reforms and the more recent cap on the future uprating of benefits, as announced in last year's Autumn Statement.
- 6 The attached report updates Members on the main policy announcements made since March 2013.
- 7 It also reports the findings of an assessment of the impacts of welfare reform undertaken by researchers from Sheffield Hallam University.
- 8 Given the nature of the reforms and their impact on the county, the council continues to monitor and respond to the implementation of the government's welfare changes and the report considers progress made with the council's new Welfare Assistance Scheme and the revised Discretionary Housing Payments policy, both of which have been operating since 1 April 2013.
- 9 In addition, in January 2013, the council agreed a new Council Tax Support Scheme to replace the national Council Tax Benefit scheme, abolished in April 2013. The report considers what level of support the council should provide in 2014/15 while a comprehensive review is undertaken in order to inform the council's approach from April 2015.

Recommendations

- 10 That the County Council receives and notes the information in the attached Cabinet report (appendix 2) and in particular notes how the council is responding to welfare reform.

Background papers

None

Contact: Roger Goodes Tel: 03000 268050

Appendix 1: Implications

Finance – Payments /awards made under the council’s Welfare Assistance Scheme

(£26,730 to 18 August 2013) and Discretionary Housing Payments policy (£205,500 to 18 August 2013) are monitored closely and remain within budget. The latest estimate of the overall financial impact of welfare reforms on the county is that benefit income will be reduced by £188 million a year. In the Spending Review on 26 June 2013, the government announced that for the first time, it would introduce a cap on the country’s welfare spending. The cap will apply to over £100 billion of welfare spending.

Staffing – Through the New Burdens funding provided by government alongside the changes additional staff have been recruited to help with the work on responding to the changes. All other work being undertaken is being managed within existing resources.

Risk – The implementation of welfare reform is included as a strategic risk in the corporate risk register.

Equality and Diversity – Changes to the policies have been subject to an equality impact review and any future changes will also be reviewed. Some of the changes being introduced by government are having direct impacts on certain groups for example disabled tenants and where it is possible the council is providing help to mitigate these impacts.

Accommodation – Not applicable.

Crime and Disorder – Not applicable.

Human Rights – Not applicable.

Consultation – Not applicable although a consultation will be undertaken next year if changes to the existing Local Council Tax Support Scheme are proposed.

Procurement – Not applicable.

Disability issues – See comments under Equalities and Diversity.

Legal Implications – Legal advice was sought on delivery options for the new Welfare Assistance Fund and the revised approach to Discretionary Housing.

11 September 2013

**Welfare reform update and review of
Local Council Tax Support Scheme**



Key decision CORP/R/13/03

Report of Corporate Management Team

Lorraine O'Donnell, Assistant Chief Executive

Don McLure, Corporate Director, Resources

**Ian Thompson, Corporate Director, Regeneration and Economic
Development**

Councillor Simon Henig, Leader of the Council

**Councillor Alan Napier, Deputy Leader and Cabinet Portfolio
Holder for Finance and Councillor Eddie Tomlinson, Cabinet
Portfolio Holder for Housing and Rural Issues**

Purpose of the Report

- 1 This report updates Cabinet on recent policy developments relating to the government's welfare reforms, the council's response and the expected impact on the county. The report also considers a review of the council's Local Council Tax Support Scheme and the requirement to agree the council's approach to Local Council Tax Support for 2014/15 as well as an early operational review of the Welfare Assistance Scheme and the Discretionary Housing Payments policy, which have been in place since 1 April 2013.

Executive summary

- 2 The government brought forward the Welfare Reform Act 2012 to implement its commitment to "simplify the benefits system, make it fairer and to encourage people into work".
- 3 As previously reported to Members, the scale of reform is significant and involves over 40 changes. There is no single point of contact or document for the changes, which makes it difficult to analyse the overall impact.
- 4 The Department for Work and Pensions (DWP) is continuing to add detail to the operational implementation of its initial policy reforms and the more recent cap on the future uprating of benefits, as announced in the Chancellor's Autumn Statement. Since the last report to Members in March 2013, policy announcements relating to the following have been made:

- a) Universal Credit pilots, pathfinders and roll-out;
- b) Benefit Cap roll-out;
- c) Personal Independence Payment toolkit and medical assessments;
- d) Employment Support Allowance;
- e) Discretionary Housing Payment guidance and changes to Housing Benefit reductions for specific groups;
- f) Welfare reform support services;
- g) Disability Living Allowance claims and Court of Appeal judgements;
- h) Social Fund loans budget allocations and guidance on discretionary payments;
- i) Armed Forces and Reserve Forces Compensation Scheme;
- j) The government's response to the Communities and Local Government Select Committee report on the implementation of welfare reform by local authorities;
- k) Work and Pensions Select Committee review of progress with the implementation of Universal Credit;
- l) Food banks;
- m) Spending review.

- 5 Whilst the government did not undertake a comprehensive impact assessment of its welfare reform programme, a number of studies and assessments of the impacts are now being published.
- 6 In April 2013, researchers at Sheffield Hallam University identified that those local authority areas with the greatest levels of deprivation stood to be most impacted by welfare reform, losing most income as benefit payments are withdrawn and reduced, whilst having insufficient economic growth and employment opportunities to enable benefits claimants to move into work and off welfare.
- 7 In terms of absolute losses, the researchers estimate that the County Durham economy stands to lose £188 million per year because of the welfare changes. This is equivalent to £565 per working age adult, slightly more than the regional average loss of £560 per working age adult and significantly more than the average loss of £470 per working age adult for Great Britain as a whole.
- 8 Given the nature of the reforms and their impact on the county, the council continues to monitor and respond to the implementation of the government's welfare changes.
- 9 At its meeting on 19 December 2012, Cabinet agreed a new Welfare Assistance Scheme to fill the gap left by the withdrawal of the Social Fund. In

addition, on 13 March 2013, Cabinet agreed a revised Discretionary Housing Payments policy for the council, operating from 1 April 2013 to coincide with the introduction of wider welfare reforms including the social sector size criteria (otherwise known as the 'bedroom tax').

- 10 Both schemes have been successfully introduced and officers are closely monitoring the uptake and feedback to identify if either needs to be revised in order to support those affected by the changes. The monitoring includes reviewing the application of the award criteria within the agreed policies, and a number of minor changes to both schemes have been agreed since their implementation under delegated authority in order to fine-tune the schemes to improve the support the council is able to provide. The policies will continue to be reviewed as our understanding of the impacts grows and to ensure where it is appropriate we can respond quickly to improve the support available.
- 11 In addition, in January 2013, the council agreed a new Council Tax Support Scheme to replace the national Council Tax Benefit scheme, abolished in April 2013. An initial review of the scheme has been carried out; however, in terms of learning from other councils, there is a lack of meaningful data available at this stage on the impact of charging working age benefit claimants for the first time to inform a complete review of the scheme. We will keep this position under review.
- 12 Based on our MTFP planning for 2014/15, the council could continue with its current scheme for a further year. This will allow a more comprehensive review to be undertaken in early 2014/15 when more comparative data will be available before recommending options to Cabinet on what the council may wish to do from April 2015 and consulting on this during the summer/autumn of 2014.
- 13 It is also fair and reasonable to assume that the Government has applied pro-rata reductions in the Council Tax Support Grant element in line with overall reductions in the formula funding, as published in the Spending Round of 26 June 2013. As a result, discussions have been held with the Town and Parish Councils about their share of this grant being reduced accordingly.
- 14 Cabinet is recommended to:
 - a) note the contents of this report and further developments in government welfare reform;
 - b) note the latest analyses of impact on the county;
 - c) note the progress with the new Welfare Assistance Fund scheme introduced in April 2013, the amendments to the scheme made under delegated powers and to allow further changes where necessary to be made under these delegated powers by the Assistant Chief Executive and Corporate Director Resources in consultation with the Leader and Deputy Leader of the Council;
 - d) note the progress with the revised approach to Discretionary Housing Payments, implemented from April 2013, the amendments to the scheme made under delegated powers and to allow further changes

where necessary to be made under these delegated powers by the Assistant Chief Executive and Corporate Director Resources in consultation with the Leader and Deputy Leader of the Council;

- e) note the review of the Local Council Tax Support Scheme and confirm that the current scheme be extended for a further year with a full review in early 2014/15 to inform our approach from April 2015;
- f) confirm that the Council Tax Support Grant currently passported to the town and parish councils be reduced in line with the reductions made in the overall funding available to the Council.

Background

- 15 Welfare reform is a key element of the Coalition's *Programme for Government*, published in May 2010. Cabinet considered a comprehensive report on the government's welfare reform programme at its meeting of 30 May 2012. A further report on 19 December 2012 considered the introduction of Local Council Tax Support Schemes (LCTSS) and the replacement of the Social Fund and on 13 March 2013, Cabinet considered a revised approach to Discretionary Housing Payments in the light of changes to government guidance and funding allocations.
- 16 In between these major reports, updates have also been included in the regular government policy implications reports, the most recent one being the report to Cabinet on 5 June 2013.
- 17 Since then, the government has made a number of further policy announcements, which are outlined in more detail below.
- 18 In addition, more information is beginning to emerge on the impact of welfare changes on the county and the performance of the schemes, which the council has put in place to support individuals to adapt to the changes.

Update

- 19 The most significant policy announcements since the last report to Members in March 2013, relate to the following, which are outlined in more detail below:
 - a) Universal Credit pilots, pathfinders and roll-out;
 - b) Benefit Cap roll-out;
 - c) Personal Independence Payment toolkit and medical assessments;
 - d) Employment Support Allowance;
 - e) Discretionary Housing Payment guidance and changes to Housing Benefit reductions for specific groups;
 - f) Welfare reform support services;
 - g) Disability Living Allowance claims and Court of Appeal judgements;

- h) Social Fund loans budget allocations and guidance on discretionary payments;
- i) Armed Forces and Reserve Forces Compensation Scheme;
- j) The government's response to the Communities and Local Government Select Committee report on the implementation of welfare reform by local authorities;
- k) Work and Pensions Select Committee review of progress with the implementation of Universal Credit;
- l) Food banks;
- m) Spending review.

Universal Credit pilots, pathfinders and roll-out

- 20 On 28 March 2013, the Department for Work and Pensions (DWP) issued an update on the rollout of Universal Credit, confirming that the new benefit would be introduced in parts of North West England at the end of April 2013 before being progressively rolled out across the rest of the country by October 2017.
- 21 On 29 April 2013, new claimants in Ashton-under-Lyne were able to make limited claims for the new benefit. In addition, jobcentres in Oldham, Wigan, and Warrington started to trial other elements of the new credit, including the new Claimant Commitment and Universal Jobmatch, which allows people to share their curriculum vitae online and receive notification of vacancies, which may be of interest to them.
- 22 On 20 May 2013, the DWP published initial results from the direct payment demonstration projects, which have been taking place in six parts of the country to assess how social housing tenants cope with taking responsibility for paying their own housing costs under Universal Credit as opposed to having housing benefit paid direct to landlords.
- 23 Across the different areas, the DWP reported that levels of payments by tenants varied from 91 per cent to 97 per cent. The total level of rent charged stood at £19,204,022 and the average rent collection rate stood at 94 per cent, compared with 92 per cent in the first four months of the pilots.
- 24 6,168 tenants were being paid by direct payments, however the DWP also acknowledged that another 1,258 tenants (17 per cent of the total) had originally been paid by direct payment but had subsequently had the payments switched back to their landlord.
- 25 While the government drew comfort from the figures as indicating that the majority of claimants were able to manage their own money, a number of organisations involved in the pilot work disputed the figures and reported that rent arrears were higher and increasing. Southwark claimed that rent arrears have increased from two per cent to 11 per cent, whilst New Charter Housing Trust Group, which manages homes within the Ashton-under-Lyne pathfinder area said it had seen a 29 per cent rise in people contacting its financial

support team in the last year, and a 19 per cent rise in the total amount of debt referred.

- 26 On 16 May 2013, Ministers confirmed that the demonstration projects exploring the effect of paying housing benefit directly to social tenants rather than to landlords were to be extended for six months until the end of this year.
- 27 On 28 May 2013, the Major Projects Authority, which is part of the Cabinet Office raised doubts about whether the DWP is on track with Universal Credit, and the overall benefit cap. While this indicates concerns within some quarters of government about potential slippage, the DWP has commented that significant progress has been made in recent months and it expanded the Ashton-under Lyne pathfinder into other areas in July.
- 28 On 10 July 2013, the Minister for Work and Pensions announced that from October 2013, there would be a three-stranded approach to the Universal Credit roll out. The first strand will address the changes needed within Jobcentre Plus to support the introduction of Universal Credit for example, additional training for Jobcentre Plus advisors. The second strand will involve improving digital services across Jobcentre Plus including the installation of ICT equipment, the final strand will involve the roll out of Universal Credit to six hub Jobcentres at Hammersmith, Rugby, Inverness, Harrogate, Bath and Shotton (in Wales).
- 29 A summary of the early learning from the Local Authority led pilots was published on 25 July 2013. The report highlights six core themes that the local authorities have identified and the key challenges under these:
- Digital Inclusion:
 - Not all customer groups have access to the internet.
 - There is some resistance from some customers to using online services and to making online benefit claims.
 - Budgeting and financial management support:
 - Many social housing tenants have problems with debt and rent arrears compounding problems they may have with personal budgeting.
 - Reluctance among social housing tenants to attend group financial management sessions.
 - Concerns that some tenants are poor money managers and will face additional problems because of welfare reform changes.
 - Work access:
 - Providing work access support encourages customer to focus on employment as a way of maximising income.
 - Vulnerable groups and the triage process:

- Effective triage processes are essential in allowing authorities to identify customer groups most likely to be affected by welfare reform and who require additional support services.
- Authorities report difficulties in getting people to engage with the welfare and benefit changes that are likely to affect them.
- Partnership development:
 - Some authorities report that existing partnership arrangements do not facilitate the effective joint delivery of local services. More work is needed to understand the core business and service delivery processes of each partnership agency.
- Data sharing:
 - Local authorities report that data sharing amongst partners is a significant problem and the lack of shared data is limiting their ability to identify and target particular customer groups.

30 In summary, the government has toned down the ambitions for the national roll out of Universal Credit from October this year and is taking a more cautious and measured approach in the light of concerns about the ICT systems and experience from the pilot authorities.

31 At the time of writing, the council is still waiting for the outcome of the consultation on the Universal Credit local support services framework, and in particular, the role of local government and how the government proposes to fund this.

Benefit Cap roll-out

32 On 25 February 2013, the government confirmed that its new benefit cap would be implemented in April in four London boroughs (Bromley, Croydon, Enfield and Haringey), to test the new system prior to wider national roll-out, which was initially scheduled to take place between July and September this year.

33 On 5 June 2013, the government confirmed the schedule for the wider roll-out, based on the number of households affected in each local authority area. From 15 July, the cap was introduced in 335 local authority areas including Durham. Roll-out in the remaining 40 authorities, which mainly comprise London boroughs and major urban authorities with greater numbers of households affected, commenced in mid-August.

34 In April, the government issued a press release claiming that 8,000 people who would have been affected by the benefit cap had moved into work, demonstrating the effectiveness of the policy.

35 Following a complaint from the Trades Union Congress, Andrew Dilnot, the chair of the UK Statistics Authority wrote to the Secretary of State on 9 May 2013 to advise that the claims were not substantiated by official statistics from the DWP, which had explicitly cautioned that the figures were not intended to show the additional numbers entering work as a direct result of the contact.

The department was also criticised for two sets of figures released alongside the ministerial statement, which did not fully comply with the UK's codes of practices on statistical releases, with particular concerns around information on methodology and sourcing, and possible sharing of the data in advance with some media outlets.

- 36 In addition, a judicial review proceeding has commenced regarding Part 8A of the housing benefit regulations relating to the benefit cap. Eight claimants argue that the benefit cap is 'discriminatory and unreasonable', and that the Secretary of State did not take into account the impact of the policy on women, children, disabled people, racial and religious minorities, and carers when formulating the policy.
- 37 In July, initial data was released on the impact of the benefit cap in the pilot areas. Between 15 April 2013 and the end of May 2013, in the four local authorities, almost 2,500 households had their housing benefit capped. The biggest impact was in the London Borough of Enfield where 48 per cent of claimants had their benefit capped. Across the four pilots, 86 per cent of households capped had between one and four children and 78 per cent of households constituted a single parent with child dependents. Some 67 per cent of households were capped by £100 or less per week.
- 38 Building on these findings, research by the Gingerbread charity has estimated that 46 per cent of the households affected by the benefit cap will be single parents who claim income support.
- 39 Currently, the only mechanism for capping benefit until Universal Credit is introduced is to reduce the amount of housing benefit paid to claimants by local authorities. This means that in areas such as Durham with low cost housing, a claimant receiving say £400 over the benefits cap, but with the housing benefit element of only £100, will still receive £300 per week in benefit entitlement over the imposed cap limit.
- 40 Alongside the data on the impact of the benefit cap in the pilot areas, the DWP has published research into the public perceptions of the benefit cap and pre-implementation impacts. The research found that there was a consensus about the need to have a benefit system; however only 11 per cent of the people surveyed in this report thought the current benefit system is working effectively. The report found that there was positive endorsement for the aim to reduce governmental spend on benefits, with broad support for encouraging claimants to take low paid jobs, move to a cheaper property or move to a similar property in a cheaper area to manage reductions in benefit. However, the level of knowledge about the benefit cap was limited with only 29 per cent reporting that they knew a great deal or a fair amount about the policy.

Personal Independence Payments and Disability Living Allowance

- 41 On 25 February 2013, the government published updated statistics on the number of claimants receiving Disability Living Allowance (DLA). The total number of DLA claims in May 2012 was 3,258,440, an increase of 15,000 on the previous quarter. In ten years, the number of people claiming DLA has risen by almost 35 per cent from 2.4 million to 3.3 million people.

- 42 As part of its welfare reforms, the government is replacing DLA with Personal Independence Payments (PIP) and will require all those who change from DLA to PIP to be reassessed as part of the transfer.
- 43 The government expects that the level of spending will be the same under PIP, as under DLA; however, the new system will include a face-to-face assessment and regular reviews, which may lead to a change in the number of claims approved. The Department for Work and Pensions has also recently confirmed that DLA and PIP will be included in the overall cap on welfare expenditure announced in the spending review. The government believes that the change from DLA to PIP will better reflect today's understanding of disability, particularly for people with mental health conditions; and will help improve the targeting of money spent on disability benefits.
- 44 In February 2013, the DWP released a toolkit for support organisations, given the national roll-out of PIP to replace DLA.
- 45 Trials for the new PIP award began on 8 April 2013 in Merseyside, north-west England, Cumbria, Cheshire and parts of north east England including County Durham.
- 46 Following the trials, from 10 June 2013, the new payment was rolled out nationally for all new claims.
- 47 From October 2013, anyone with a DLA award coming up for renewal, young people turning 16 or DLA claimants reporting a change in their health condition or disability, will be contacted by DWP and invited to claim PIP.
- 48 From October 2015, DWP will write to all other existing DLA claimants to let them know when their DLA is due to end and to explain how they can make a claim for PIP. It is important to note that unless a claimant applies for the new payment, they will lose their benefit. The council may therefore need to support the DWP by ensuring that claimants, who may also receive social care support, respond to the notifications and apply for the new payment.
- 49 Earlier in the year, Ministers had announced plans to amend the Regulations on PIP, to make clear that, when assessing whether an individual can carry out an activity, consideration must be given to whether they can carry out that activity safely, to an acceptable standard, repeatedly, and in a reasonable time period.
- 50 The move followed a critical report from the Public Accounts Committee on the DWP's contract management of work capability assessments, which called into question what the committee saw as a 'one size fits all' approach to medical assessments and the department's long term reliance on a single contractor (Atos) to undertake the assessments. The proposed changes to the regulations were issued for consultation until 8 August.
- 51 On 26 February 2013, Employment Minister Mark Hoban MP announced that senior occupational physician, Dr Paul Litchfield, would carry out a fourth independent review of the work capability assessment, overseen by an independent scrutiny group chaired by Professor David Haslam, past President of the Royal College of General Practitioners, National Professional

Adviser to the Care Quality Commission, and Chair Designate of National Institute for Clinical Excellence (NICE).

- 52 On 22 July 2013, following an internal audit undertaken by the DWP, the government announced that additional providers are to be brought in alongside Atos from 2014 in order to improve the quality of capability assessments.
- 53 As previously reported to Cabinet, a legal challenge has been mounted in relation to the mobility limits for the new PIP award. The claimants' case is that the official consultation did not state that the new PIP mobility limit was to be reduced from being able to walk for 50 metres to being able to do so for 20 metres.
- 54 On 3 May 2013, the High Court gave permission for the case to go to a full hearing.
- 55 Following feedback that stakeholders were unhappy with the changes that had been made for the assessment criteria for the 'moving around' activity in PIP, the government has gone back out to consult on opinions on the moving around activity assessment criteria, including the current thresholds of 20 and 50 metres. It is also asking for estimates of what the impact of the current criteria will be and whether government needs to make any changes to them or assess physical mobility in a different way altogether.
- 56 In addition, Members may wish to note that while the High Court found in the government's favour in a challenge to its decision to close the Independent Living Fund, five disabled people are appealing the decision.

Employment Support Allowance (ESA)

- 57 On 10 July 2013, a two-year pilot was announced for those claimants on ESA. Around 3,000 people on ESA who have been assessed as being able to work in the future will have regular appointments with healthcare professionals as a condition of receiving their benefit. The meetings will focus on helping claimants to move closer to being able to get a job.
- 58 There will be three separate pilot schemes:
- health care professional-led – mandatory engagement with health care professionals;
 - Jobcentre Plus – enhanced Jobcentre Plus support;
 - Work Programme – enhanced support designed by Work Programme provider.
- 59 The pilots will begin in November 2013 and will run until August 2016. They will involve people on ESA in the work related activity group who are expected to be able to return to work in 18 months or longer.

Discretionary Housing Payment guidance and changes to Housing Benefit reductions for specific groups

- 60 Following last minute policy changes in relation to foster carers, service personnel and families with disabled children who cannot share with a sibling, the government issued a revised guidance manual on Discretionary Housing Payments on 2 April 2013. In response to mounting concerns about the impact of the size criteria (or 'bedroom tax') on specific groups, the government amended policy so that the criteria did not apply to foster carers (with one spare bedroom), families with disabled children and service personnel. In addition, the Minister wrote to local authorities to encourage them to prioritise households with people with disabilities for support through Discretionary Housing Payments.
- 61 On 15 May 2012, the Court of Appeal upheld the legal challenge made by Burnip, Trengove and Gorry that the Local Housing Allowance (LHA) size criteria discriminated unlawfully against the three appellants on grounds of disability, by not including provision to meet their need for an additional room.
- 62 Although initially, the government sought leave to appeal against the decision, on 12 March 2013, the Secretary of State decided not to pursue the action further and issued urgent guidance to local authorities to clarify that from the date of the Court of Appeal judgment, local authorities should allow an extra bedroom for children who are unable to share because of their severe disabilities. The judgment applies to both the LHA size criteria and the reduction of the size criteria for social housing, which came into effect on 1 April 2013.
- 63 On 15 May 2013, the High Court began a three day hearing into cases brought by lawyers representing 10 families challenging the government's decision to cut housing benefit for recipients living in properties deemed too large. The appellants included families with disabled children or who have suffered from domestic violence and an individual who suffers from mental health problems.
- 64 They argued that changes to the size criteria discriminate against them because they need extra rooms to cope with their disability and that whilst the government has made Discretionary Housing Payments (DHP) available to help people affected by welfare reforms, the payments do not offer long-term security, and are insufficient to meet the needs of all those affected.
- 65 Following deliberation, the High Court finally ruled that the changes to the social housing size criteria did not breach equality duties. It is understood that the families involved in the legal case plan to appeal this decision.
- 66 Alongside the ruling on the legal case, the DWP announced an additional £35 million in-year funding to help claimants affected by changes to housing benefit in the social sector who need extra support. The funding comprises:
- £10 million transitional payments distributed to all councils (Durham received £104,000);

- £5 million discretionary housing payment funding for the least densely populated areas in the country (Durham did not receive any of this funding);
 - a new £20 million discretionary housing payment fund (against which local authorities will need to bid for funding).
- 67 On 20 June 2013, Lord Freud wrote to local authorities to warn against re-designating properties without reducing their rent to reflect the loss of a bedroom.
- 68 This followed announcements by a number of local authorities of re-designation of properties in light of the under occupancy policy changes.
- 69 While not objecting to re-designation where there are justifiable grounds, for example, where a property has been adapted for a disabled person's need, the Minister warned that blanket re-designations without a clear and justifiable reason and without reductions in rent, were inappropriate and could lead to DWP considering to either restrict or not pay housing benefit subsidy in such circumstances.
- 70 Since the 1 April 2013, the Council has re-designated a total of 85 properties on the basis of correct size and layout – effectively correcting anomalies in the current charges. All of these have been in the former Durham City area and were identified as part of the on-going stock condition survey work. In all of the cases, the rent was reduced, with the Delegated Decision being made by the Corporate Director, Regeneration and Economic Development, with reference to the impact on the HRA Business Plan.

Welfare reform support services

- 71 On 7 February 2013, the government published proposals for information-sharing in relation to welfare services to combat fraud, improve services and to enable support services to work more effectively
- 72 In March, the DWP published a welfare reform communications toolkit to help local authorities and other delivery partners to explain how and why changes were being made to welfare.
- 73 Following consultation earlier in the year on a proposed local services support framework for Universal Credit, Lord Freud wrote to consultees on 17 May 2013 to outline the government's initial response and to confirm that further detail would be provided over the coming months.
- 74 He acknowledged concerns raised about the need to provide long term support as opposed to shorter term, transitional help to some client groups and that clarity about funding and associated outcomes was a central concern in many consultation responses. On this, he advised that work was underway on a financial instrument, which will address a minimum offer for local support services, and the way in which both funding and outcomes should reflect variations in local needs, for example taking account of factors like rurality and levels of deprivation.

- 75 The government expects to publish more detail about the funding instrument shortly and aims to finalise the design of the support framework before Universal Credit is rolled out more widely.
- 76 In speeches to the Policy Exchange on 5 June 2013, Mark Hoban MP, Minister of State for Employment issued a 'call for ideas' on implementing UC and Lord Freud, Minister for Welfare Reform highlighted the government's openness to support a range of tests and pilots across the country to explore how effective support can be provided to welfare claimants, beyond benefit payments. He drew attention to the new 'Claimant Commitment' under Universal Credit, which is being extended beyond the claimant's obligation to look for work, to also include ongoing support from Jobcentre Plus until a claimant achieves full financial independence, and no longer requires welfare payments.
- 77 He also pointed towards trials being undertaken by Jobcentre Plus, working in conjunction with the Cabinet Office's Behavioural Insights Team to test tools and techniques from behavioural science that can improve an individual's chances of finding work.
- 78 Following on from the Communities and Local Government Committee report on the implementation of welfare reform by local authorities, on 19 April 2013, the Work and Pensions Committee launched an inquiry into the role of Jobcentre Plus. The inquiry will focus on the services Jobcentre Plus offers to benefit claimants and employers and its relationships with external providers and stakeholders, including local authorities, in the introduction of Universal Credit.
- 79 On 5 June 2013, the government published a summary of the responses received to their call for ideas, for ways in which claimants of Universal Credit in work will be supported to maintain work and encouraged to progress. Over 350 responses were received, the ideas covered:
- provision of advice and support on career and skill development;
 - supporting the identification and generation of progression opportunities;
 - self employment;
 - addressing barriers; and
 - cross cutting ideas.
- 80 DWP is considering which of these ideas will be developed into pilots.

Social Fund loans budget allocations and guidance on discretionary payments

- 81 Since the last report to Members, the government has announced that it will allocate £460.7 million in 2013/14 for the gross national loans budget. The budget supports interest-free loans, which are designed to spread the cost of certain one-off expenses for claimants (for example, the cost of furniture/household equipment) over a longer period. Local awards are managed by Jobcentre Plus and are made to those people in need, who have been in receipt of specified benefits for at least 26 weeks. The national loans budget is funded exclusively by recoveries from existing loan debt and it is expected that the scheme will continue until the full roll out of Universal Credit.

82 Alongside the announcement on the funding allocation, the Secretary of State issued amended directions and guidance on the discretionary social fund to reflect the ending of community care grants and crisis loans and the continuation of budgeting loans.

Armed Forces and Reserve Forces Compensation Scheme

83 On 22 March 2013, the government launched the Armed Forces Independence Payment (AFIP) to simplify the financial support available for members of the armed forces who have been seriously injured as a result of military service since 2005.

84 The benefit is designed to provide financial support to service personnel and veterans who have been seriously injured as a result of service to cover the extra costs they may have as a result of their injury. The amount paid will be £134.40 per week, the same amount as the enhanced rates of both the daily living and mobility components of PIP or the highest rate of both components of DLA. It is non-taxable and will not be means tested and service personnel and veterans seriously injured as a result of their service, will not be subjected to review or further medical assessments.

85 The new benefit does not impact on the eligibility of service personnel and veterans to other benefits, other than Personal Independence Payment (PIP), Disability Living Allowance (DLA) or Attendance Allowance (AA).

Government response to the Communities and Local Government Select Committee report on the implementation of welfare reform by local authorities

86 On 6 June 2013, the government published its response to the Communities and Local Government Select Committee report on the implementation of welfare reform by local authorities.

87 The council was one of 25 local government bodies, which provided written evidence to inform the select committee's report.

88 The Select Committee had highlighted that the implementation of welfare reform posed significant challenges and risks for local authorities and recommended that government should:

- do more to provide local authorities with essential spending data and the public and claimants with information about the national aspects of the changes;
- work with the Local Government Association to assess the cumulative impact of the welfare reform programme on local authority resources;
- do more to address the risk of rent arrears to local authorities and housing providers arising from direct payments and Universal Credit;
- provide assurance that the benefits system will not be vulnerable to fraud, given concerns regarding the readiness of ICT systems.

89 In relation to the Social Fund, it is interesting to note that the Select Committee commented that *'We expect that there will be pressure to divert funding for replacing Social Fund provision to support Discretionary Housing*

Payments (DHP). It is a matter for local authorities how they allocate non-ring-fenced money from central Government to provide local support in place of the Social Fund'.

- 90 The Select Committee also identified that *'The Government gave local authorities an assurance that replacing the Social Fund would not result in additional unfunded burdens. Replacing Social Fund provision locally is a new area of work for local authorities and represents a major change in their costs particularly when taken together with DHP, the demand for both of which is difficult to forecast.'* The Committee recommended that *'The Government must ensure that local authorities are provided with the funding they need to set up and administer local support schemes and deal with reasonable demands for DHP from 1 April. We recommend that the Government meet with the Local Government Association after 12 and again after 24 months to review the level of support required and decide on the appropriate level of additional funding if local authorities are incurring reasonable, unfunded costs.'*
- 91 In the main, the government response to the Select Committee response was that its existing strategies and programmes addressed the select committee's recommendation and concerns.
- 92 On the cumulative impact on local authority resources, the government pointed towards the New Burdens doctrine, which has been introduced to compensate local government for additional duties and responsibilities it takes on as a result of public sector reform.
- 93 Cabinet may wish to note that the Public Accounts Committee's report on the financial sustainability of local authorities published on 7 June 2013 concluded that the government did not properly understand the overall combined impacts on local government resulting from separate but interlinked policy and funding decisions on services.

Work and Pensions Select Committee review of the implementation of Universal Credit

- 94 On 10 July 2013, the Work and Pensions Select Committee held a one-off oral evidence session on progress with implementation of Universal Credit. In the session, Committee members questioned Ministers on the progress that has been made since the committee published its report on Universal Credit implementation in November 2012. A key line of inquiry from the committee was whether the current pilots were robust enough to test the complexities of some claims. Lord Freud and Ian Duncan Smith defended the approach of the pilots, arguing that initially starting with small numbers was more helpful "so you can ramp up and learn the lessons".
- 95 The Work and Pensions Select Committee has also announced they are to undertake an inquiry into provision of support to meet housing costs in the reformed welfare system. The committee is looking for view on changes to housing support already taking place, which could help future approaches.

Food banks

- 96 The use of food banks has been the focus of some media scrutiny and debate. In a Lords debate on 2 July 2013, Lord McKenzie of Luton asked Lord Freud about the link between the changes to the Social Fund, harsher benefit sanctions, longer wait for benefits, and the increase in use of food banks.
- 97 Lord Freud responded by saying, *'My Lords, there is actually no evidence as to whether the use of food banks is supply led or demand led. The provision of food-bank support has grown from provision to 70,000 individuals two years ago to 347,000. All that predates the reforms. As I say, there is no evidence of a causal link.'*
- 98 Following this statement in the Lords, the Archbishop of Canterbury commented that, *'I'm not sure where [Lord Freud] got his information from on that. Certainly, in my last diocese in Durham about 35 per cent of those who came to food banks came referred by social services because they were entitled to benefits, which had not been paid.... We're very strict about our statistics and we don't just hand out food, you have to be referred, usually by social services. I'm not absolutely sure how he came to that conclusion.'*
- 99 Timely data was produced by the Trussell Trust which reported that nationally during the last 12 months they have provided almost 350,000 people with at least three days' emergency food, this is triple the number of people helped in 2011/12. The Trust reports that more than half of the 150,000 people receiving emergency food aid between April and June were referred because of benefit delays, sanctions, and financial difficulties relating to the size criteria and abolition of council tax relief.

Welfare reform and the spending review

- 100 In the Spending Review on 26 June 2013, the government announced that for the first time, it will introduce a cap on the country's welfare spending to improve spending control, support fiscal consolidation and ensure that welfare remains affordable. The cap will apply to over £100 billion of welfare spending. All other social security and tax credits expenditure will be included, however the basic and additional state pension will be excluded as will Jobseeker's Allowance (JSA) and any passported expenditure. Over the coming months, the government will consider whether it is appropriate to include other elements of Annually Managed Expenditure (AME) in the cap.
- 101 In addition, it announced that the period before a claimant is able to apply and be eligible for support under the Job Seekers Allowance is to be extended from three to seven days.

Impacts of welfare reform

- 102 The Cabinet report on 30 May 2013 provided an initial analysis of the potential impacts of welfare reform, based on our assessment of the proposed changes known at that time.
- 103 Whilst the government has not undertaken a comprehensive impact assessment of its welfare reform programme – and therefore we do not have

a comprehensive picture – the council has been able to update its assessment of the likely impact of the changes and a number of other studies and assessments are now being published.

- 104 The council's latest estimate is that Universal Credit will impact on around 95,000 households in the county, which is around two in five households (this is lower than the estimate reported in May 2012 and is due to changes to Tax Credit eligibility and methodological changes arising from more information being released by DWP). Although the implementation of Universal Credit will begin in some areas later this year, most of the impacts will be felt well beyond 2015 with the full impact not realised until 2018 when all of the existing work-related payments will have been incorporated into the new payment.
- 105 Unlike many of the other welfare reforms, Universal Credit is not expected to result in a net reduction in benefit entitlement. Although there will be individual households who will gain or lose, on balance UC is expected to result in slightly higher expenditures, particularly as transitional relief will be available to existing claimants transferring across to the new system.
- 106 The same cannot be said of the other changes where the county can expect to have large numbers of households who will experience a reduction in their benefit entitlement.
- 107 A national external assessment of this has been produced by researchers at Sheffield Hallam University, whose report *Hitting the Poorest Places Hardest: the local and regional impact of welfare reform*, published on 10 April 2013, identified that those local authority areas with the greatest levels of deprivation stand to be most impacted by welfare reform. The researchers expect such areas to lose most income as benefit payments are withdrawn and reduced, which will be compounded by low levels of economic growth and employment opportunities in these areas, which limit the ability of benefit claimants to move into work and off welfare.
- 108 Overall, the total estimated financial loss to the county economy per year is estimated to be £188 million. In terms of financial loss per working age adult per year, this is equivalent to £565 per adult, which compares with the loss per working age adult in the North East region of £560 per adult and £470 per adult across Great Britain. This compares with other regions as outlined below;

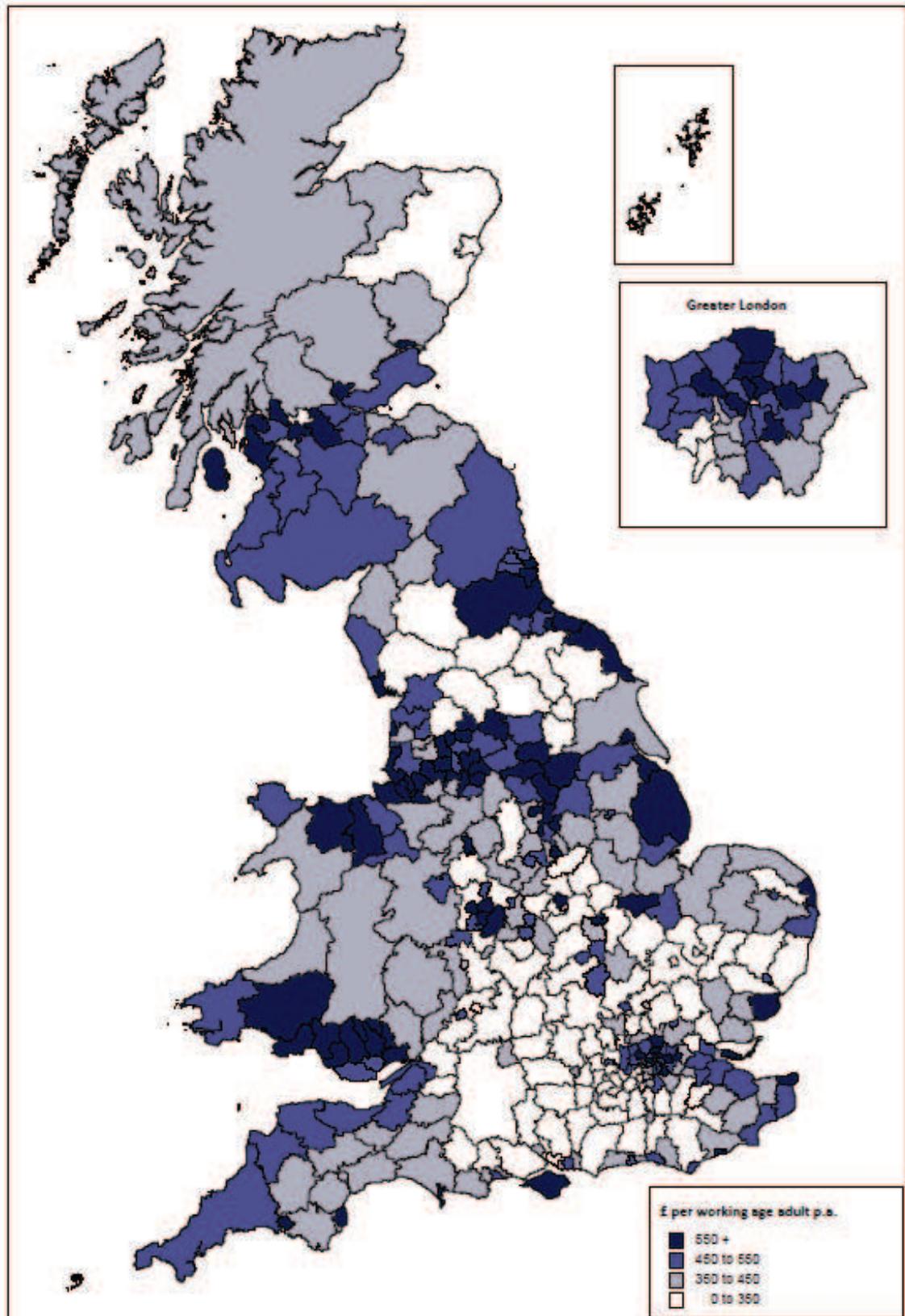
Overall impact of welfare reforms by 2014/15* by region

	Estimated loss £million per annum	Loss per working age adult £ per annum
County Durham	188	565
North East	2,560	560
North West	940	560
Wales	1,070	550
London	2,910	520
Yorkshire and the Humber	1,690	500
West Midlands	1,740	490
Scotland	1,660	480
East Midlands	1,310	450
South West	1,440	430
East	1,490	400
South East	2,060	370
Great Britain	18,870	470

*Except DLA by 2017/18, incapacity benefits and 1% up-rating by 2015/16
Source: Sheffield Hallam estimates based on official data

- 109 Appendix 2 outlines the quantitative and financial impacts of each of the main welfare changes.
- 110 The study identified that Britain's older industrial areas, a number of seaside towns and some London boroughs are the most affected, as illustrated in figure 1 below. In contrast, much of the south and east of England outside London is affected comparatively lightly.
- 111 Blackpool is the worst affected area, losing more than £900 a year for every adult of working age in the town. The three northern English regions can expect to lose around £5.2 billion a year in benefit income.
- 112 The researchers concluded that as a general rule, the more deprived the local authority, the greater the financial impact and as a result, a key effect of the welfare reforms will be to widen the gaps in prosperity between the strongest and weakest local economies across Britain.

Figure 1: Overall financial loss arising from welfare reform by 2014/15⁽¹⁾



⁽¹⁾ Except DLA by 2017/18, incapacity benefits and 1% uprating by 2015/16
Source: Sheffield Hallam estimates based on official data

- 113 The themes found by the Sheffield Hallam study are mirrored in the findings of a report undertaken by the Institute for Local Governance at Durham University with Northumbria and Teesside Universities for the Association of North East Councils (ANEC). The report considers the impact of the welfare reforms within the context of the North East and the wider economic circumstances.
- 114 The research estimates that around £380 million will be lost to the region from the changes to Council Tax Benefit, the benefits cap, the move from Incapacity Benefit (IB) to Personal Independence Payment (PIP) and the change to size criteria for Housing Benefit. This figures increased to around £940 million when taking into account the changes to Child Benefit and Child Tax Credits.
- 115 The most significant proportion of the loss is attributable to changes to the benefits of disabled people. It is estimated that over 70,000 people in the North East will be affected by the time-limiting of contribution-based Employment and Support Allowance (ESA) and the stricter eligibility criteria being applied to it. This will represent a cost to the regional economy of more than £175 million. The estimated loss to the region for the transition from Disabled Living Allowance to Personal Independence Payments is over £128 million, affecting nearly 33,000 people.
- 116 The government has explicitly stated that the aim of the welfare reform changes is to encourage claimants back into work. The weak economy in the North East makes this shift exceptionally challenging; the scale of this challenge is significant, for example in November 2012, there were 7.5 Job Seeker Allowance Claims for every unfilled job centre vacancy across the region.
- 117 The impacts from the welfare reform changes are already being experienced by communities in the North East, with anecdotal evidence of increased activity of pay day loan companies (including illegal money lenders) and increased take up of support from food banks and charities.
- 118 The impact of the social sector size criteria is particularly of note in the North East given the high percentage of tenants in social housing and high concentrations of under occupiers. For example, there are 12 wards in the North East with over 400 under occupiers - one ward in Newcastle has over 850 under occupiers. The root of this problem is a fundamental mismatch between housing availability and need. Social housing stock in the North East is skewed towards family sized property (over 75 per cent) with a much smaller number of one bedroom homes (22 per cent). In a typical year, fewer than 6,500 single properties become available, with over 45,000 registered on the waiting list. This situation means that there are not enough properties to accommodate relocations, leading to less saving on Housing Benefit than anticipated, leading to increased risk of empty properties and perverse allocation practices. Currently, there is already an increase in the number of bids for one bedroom properties and an increase in housing terminations.
- 119 Some analyses of the impact of the welfare reform changes have been based on the assumption that the current economic climate will remain relatively steady. However, the Resolution Foundation has undertaken research that

has identified that the number of families in Britain with perilous levels of debt repayments could more than double to 1.2 million if interest rates rise faster than expected in the next four years and household income growth is weak and uneven. The figures from the Foundation suggest that the ongoing squeeze on households could leave Britain seriously exposed if interest rates were to rise faster than expected, resulting in levels of debt as high as those last seen in the run up to the financial crisis. This could compound the impacts of welfare reform changes and push more individuals and families into greater financial difficulty.

- 120 The recent decision by the Bank of England to issue 'forward guidance' on interest rates, whereby rates will be held at the current level until the jobless rate has fallen to seven per cent or below (as at 15 August 2013 it stood at 7.8 per cent), is intended to avoid unexpected increases and to provide households with more certainty on future interest rate rises. To achieve the target a further 800,000 jobs will need to be created nationally.
- 121 It should be noted however, that there is significant variation in unemployment rates across the country and areas with high levels of unemployment and benefits dependency could still be affected if the interest controls were relaxed because the overall strength of the economy improved
- 122 The DWP has released the 'Local Authority insight survey: wave 24', this document collates responses from local authorities in relation to how they are managing current and future policy and regulation changes.
- 123 The report is wide ranging but there are a number of points, which are of interest in considering how the welfare reform changes are impacting on communities and how authorities are responding.
- 124 There is a reported increase in the proportion of local authorities saying that they awarded DHPs because the tenant was in rent arrears (with 52 per cent now compared with just one per cent in 2011).
- 125 In relation to the size criteria, 44 per cent of local authorities said they were finding the process of identifying cases affected by the removal of the size criteria difficult. Sixty-seven per cent of local authorities also observed an increase in the number of requests for direct payments by landlords on the grounds of arrears (an increase of seven per cent from last year).
- 126 Thirty per cent of local authorities, had seen an increase in the number of landlords letting properties as shared housing/houses in multiple occupation that were previously let to families or as self-contained accommodation, which is significantly higher than in 2011 (eight per cent).
- 127 It would appear that the changes to housing benefits is impacting on levels of homelessness, with more than half of local authorities (57 per cent) reporting that there had been an increase in homelessness among private rented sector tenants since the new regulations. Similarly, a third of local authorities have noticed an increase in the number of homelessness claimants moving into their area compared with just 21 per cent that said this last year.

Council preparations and planning for welfare reform

- 128 The council is continuing to respond and plan for the implementation of the various changes to welfare.
- 129 A key element in this response has been the Council's Local Council Tax Support Scheme, which has enabled the existing levels of Council Tax Benefit to be maintained for our residents so that no resident potentially impacted by this element of the welfare reform changes has had to pay any more council tax in 2013/14 than they did in 2012/13.
- 130 Public information on welfare reform has been published on the council's website and via Durham County News and all frontline staff including customer services, housing, and social workers have been briefed on the changes, so that they are better able to handle the increase in calls the council expects as the reforms continue to be implemented.
- 131 Information has also been made available in doctors' surgeries and other public places in order to increase awareness of the changes and encourage residents to respond where necessary to the changes being introduced.
- 132 The council's Welfare Rights service continues to provide advice and advocacy and an additional welfare rights worker has been funded through the Macmillan Trust. It is also proposed that the Welfare Rights team will be moved to sit alongside the Council's Benefits team, which should further improve our ability to target help to residents affected by the changes.
- 133 Working with local housing providers, the council has also introduced a triage service, to provide advice to welfare claimants and to help those who are experiencing difficulty with meeting their housing costs. Claimants receive housing, employment and financial management advice and help with planning how they can improve their own circumstances.
- 134 All of this activity is being monitored so we can build up a picture of how many residents are impacted, how they are choosing to respond and how the help being provided has improved individual circumstances for example by helping residents move house, support them in obtaining employment or through better financial management.
- 135 Presentations on welfare reform have been made to area action partnerships (AAPs), and a very successful County Durham Partnership partners' event attended by 150 people took place on 26 July 2013 to map support services and encourage greater coordination and collaboration between advice and support services operating across the county.
- 136 As outlined above, the benefit cap became applicable to claimants in the county from 15 July. The cap is applied through the council reducing the amount of Housing Benefit paid to tenants that have combined benefits exceeding the £500 a week cap. Affected households are identified by the Department for Works and Pensions and the council is notified of whom to apply the cap to and how much to reduce their housing benefit by.
- 137 The latest figures indicate that there are around 120 households affected by the cap in the county, with housing benefit entitlement reduced by a total of

over £6,800 per week from these cases. The average reduction is £57.43 per week, ranging from £143.73 per week to £3.65 per week. Given changing individual circumstances, the final number affected will not be known until the DWP provide confirmed details and the system has been in operation for a number of months.

- 138 In advance of the implementation, the council's benefits service contacted those households, which we believed would be affected and offered help from our Welfare Rights team to check their benefits. In addition, our Housing Solutions Team is visiting affected household to discuss the changes and to offer help and support. This includes advice on more affordable housing, budgeting to help tenants manage their household income, and employment and training advice, which may improve their chances of getting a job. Tenants are also advised on how they could become more involved with activities in their local community as well as support with improving confidence, motivation and personal skills should they wish. This work has been supported by both new burdens money from Government and from the DWP. In addition, officers from DWP have also been working with those affected to help secure employment opportunities.

Welfare Assistance Scheme

- 139 On 19 December 2012, Cabinet agreed to establish a new welfare assistance scheme to fill the gap created by the abolition of the Department of Works and Pensions' Social Fund. As reported to Members on 13 March 2013, following a procurement exercise, Civica, Five Lamps and the Family Fund were appointed as external partners to work with the council to implement the scheme.
- 140 Since then the council has worked with Civica, Five Lamps and the Family Fund to develop the Help and Advice Network Durham (HAND) to implement the council's new Welfare Assistance Scheme.
- 141 HAND has been established to ensure that there is a comprehensive picture of support on offer for Durham residents beyond the time limited Government funding provided to replace the Social Fund. It is therefore important that it acts as a signpost for support in the statutory, voluntary and community sectors.
- 142 As at 18 August, there had been over 3,800 telephone calls to HAND. Many of these were handled by signposting the callers to other organisations who could provide help appropriate to the need identified. A large number were put in touch with DWP as they have continued to provide a number of support schemes to help those affected by delays in benefit payments, which have accounted for many of the calls received by HAND. Others have been referred to partner organisations or were put forward for an award under the Council's Welfare Assistance Scheme.
- 143 As a result of the nature of the calls received, the number of awards actually made under the scheme has been significantly lower than had originally been expected. So far, approximately 370 of the telephone calls received have converted into an application for an award. As at 18 August there had been 125 awards made under the Welfare Assistance Scheme, totalling £36,730. This pattern is reflected across the region with all councils in the North East

reporting a lower number of applications than had been expected and numbers proportionately in line with our figures.

- 144 As part of an on-going review of the scheme any complaints received or queries about applications not accepted are followed up to ensure residents are not being declined for an award unnecessarily or to see if there are further changes required to the policy.
- 145 From this review and in order to improve the performance of the scheme, a delegated decision was taken to refine the policy to ensure that it is more effective. The key changes that have been made are:
- Removal of the requirement for claimants to have both a crisis and health issue ;
 - Increased settlement grant to £1,000;
 - Removal of the need to apply for DWP Budgeting Loan before applying for a settlement grant
- 146 The scheme is continually being reviewed and is being promoted amongst our partners to ensure they are fully aware of the details and to sign up partners under the scheme's 'Trusted Partner' arrangement, which can speed up the application for an award.
- 147 In light of the on-going review, it is proposed that Cabinet provide the Assistant Chief Executive and Corporate Director Resources, in consultation with the Leader and Deputy Leader, delegated powers to amend the policy where opportunities are identified to improve this in line with demand for the scheme.

Discretionary Housing Payments

- 148 Cabinet agreed on 13 March 2013 to a revised Discretionary Housing Payments (DHP) policy in the light of new guidance and regulations from government and to coincide with the introduction of wider welfare reforms including the social sector size criteria.
- 149 To support the revised policy and in recognition that DHP is short term assistance, the council also introduced closer working arrangements with local housing providers to provide initial assessment and 'triage' before formal applications for DHP are made. The support identifies what other sources of financial and other support may be available. This will help clients to help themselves, by improving or adjusting their financial circumstances through debt management, better budgeting or access to training and employment support, so that they are better able to meet their housing costs without being dependent on short term transitional assistance via DHP.
- 150 To date Housing Providers and the council's Housing Solutions team have seen over 1,250 tenants through the triage process. This is in addition to the general enquires received within Housing Solutions. Already we have identified that 20 tenants have successfully moved to a smaller house, 130 have received advice which has improved their financial situation so they can now afford the rent following the reduction in housing benefit and 140 are receiving additional support in finding employment.

151 Anecdotally it is understood that through the other interventions made by the Council in responding to the changes to welfare, particularly the Local Council Tax Support Scheme, a large number of tenants have to date been able to absorb the loss in housing benefit through the introduction of the social sector size criteria. This is partly borne out by the information below on arrears, which has been provided by the seven biggest housing providers within the County;

	March 2013	June 2013	July 2013
All tenants who are in arrears	15,233	15,968	15,007
Tenants who are under occupying who are in arrears*	n/a	3,585	3,427

* These figures include tenants who were in arrears before the introduction of the social sector size criteria

152 We are, continually monitoring the situation to ensure that tenants are provided with proactive advice and support in order to avoid them getting into financial difficulty, wherever possible.

153 As at 18 August, we had made 476 DHP awards under the new policy and a further 189 under the former policy where applications were received prior to 1 April 2013. This is an increase of over 80% on this time last year. DHP awarded to date totals over £205,000. In addition, the number of applications received has increased by over 150%. At 18 August, there were 195 DHP live applications in the system i.e. currently being processed / under consideration by the Benefits Service.

154 Following feedback on the progress of the DHP scheme, a number of amendments to the criteria of the scheme have been made since 1 April 2013.

- There has been an increase in the period of time that initial awards can be made from 13 weeks to 26 weeks on the condition that recipients continue to engage with their housing provider or the council;
- For those applicants who are experiencing a significant change trigger, which would affect under occupancy or housing benefit entitlement, they can now apply twelve months in advance of this event rather than six.

155 We are continuing to review the scheme with our housing providers and other stakeholders. In particular we are working together to determine how we manage those tenants who have received DHP help and will be coming to the end of the award from October when the awards granted in April for 26 weeks

close. Where it is appropriate we will look to extend the award for a further period, but given the limited funds available under the scheme we will need to be mindful of how we continue to make best use of the funds available.

- 156 It is again proposed that Cabinet provide the Assistant Chief Executive and Corporate Director Resources, in consultation with the Leader and Deputy Leader, delegated powers to amend the policy where opportunities are identified to improve this in line with demand for the scheme.

Monitoring of impacts

- 157 A monitoring and evaluation framework has been developed and included within the council's performance management framework so that we are better able to track the impact of the changes on the county, local communities and the council.
- 158 At a regional level, ANEC (Association of North East Councils) has been bringing member authorities together through the 'Assistant Chief Executive's Network' to develop a combined approach to managing and responding to the impact of the welfare reform changes. As such, ANEC is developing a North East monitoring framework, to enable relevant data to be brought together to develop a consistent and coherent picture to the impacts of welfare reform in the region. The proposed framework will focus on high-level key issues using existing quantitative performance data. The areas to be covered will include:
- Economy, employment and social impacts
 - Housing
 - Discretionary Housing Payments
 - Advice and support
 - Impact on groups
- 159 Whilst the council is undertaking extensive tracking of how residents are responding to the welfare reform changes, in many instances it is still too early to fully understand the impacts. However, it is already apparent that as the proposals, start to bed in, a greater number of individuals will start to experience problems, and that there will be increased demand on council support services. It is important to note that the council's decision to maintain the previous level of council tax support through its Local Council Tax Support Scheme has helped to mitigate the impact of welfare changes on some people.
- 160 Alongside the monitoring, we are actively engaging and communicating with residents to help support them as well as raise awareness of the changes taking place. Housing providers and the council's Housing Solutions team are investing a significant amount of time and effort in visiting residents. Of the 8,000 tenants who we understand have been affected by the social sector size criteria over 6,700 have not been visited or have refused the offer of help made through the triage process. It is however, our joint intention to ensure everyone is contacted and offered help and advice and this work continues to be progressed as a matter of priority.

Housing support

- 161 Further support for our residents is also being provided through the Housing Revenue Account medium term financial plan for 2013/17. A £500,000 ring fenced fund was created with the purpose of supporting tenants in council housing through the changes being made through welfare reform, particularly financial inclusion, and to help them develop financial skills and awareness to manage their money more effectively and minimise the council's income management costs.
- 162 Following discussions with three of the council's housing management bodies, a number of initial proposals have been developed, utilising this funding. Those which are being taken forward include:
- Two-year funding for six energy advisors posts – full two year funding dependent on the outcome of the energy tariff procurement (total cost £325,500);
 - Two year funding for an additional money advice post in East Durham Homes (total cost £60,000);
 - Project to improve digital access for tenants, including a 6 month training programme
- 163 Other ideas are currently being considered and will be introduced alongside those above shortly. This will add to the high level of support the Council has already been able to put in place to help residents manage the impacts of these changes.

Review of Local Council Support Scheme

- 164 The Government abolished the national Council Tax Benefits System on 31 March 2013, replacing it with a requirement for local authorities to work with their precepting bodies to establish a Local Council Tax Support Scheme with effect from 1 April 2013. The new schemes provide a 'discount' against the Council Tax charge, rather than a benefit entitlement.
- 165 The Government's Council Tax Support Scheme Grant replaced Council Tax Benefit subsidy and from April 2013 is now payable directly to the council and the major precepting bodies (Police and Fire). The funding made available to support the Local Council Tax Support Schemes in 2013/14 (90% of the previous funding available under the Council Tax Benefit System) now forms part of the council's formula funding arrangements. Whilst separate figures were published for this in 2013/14, from 2014/15 there is not yet any visibility over what level of funding is actually to be contained within the formula for Council Tax Support.
- 166 The council's grant payment includes an element relating to Town and Parish (T&P) Councils and whilst the Council has passed the grant on to the T&P Councils in 2013/14, there is no statutory requirement to do so.
- 167 In the absence of absolute figures as yet for 2014/15, and based on information to date, it is fair and reasonable to assume that the Government has applied pro-rata reductions in the Council Tax Support Grant element in

line with overall reductions in the formula funding, as published in the Spending Round on 26 June 2013.

- 168 Discussions have been held with Town and Parish Councils and it is proposed that from 1 April 2014 the Council will apply pro-rata reductions in the proportion of the grant, which relates to the Town and Parish Councils in line with the council's overall reduction in formula grant funding in 2014/15 onwards. Individual Town and Parish Councils have been written to regarding this issue to allow early financial planning to take place.
- 169 As Members are aware, the government reduced their funding contribution towards council tax support by 10 per cent nationally in 2013/14. By so doing, they also transferred the risk of any growth in the system through more council taxpayers becoming eligible for council tax support to local authorities by subsuming the new grant within the government's formula grant, which is a fixed amount. Councils now have discretion within some constraints, to design their own Local Council Tax Support Schemes. Pensioners, who account for around 50 per cent of the caseload in County Durham, have to be protected, with any reductions only being able to be applied to working age claimants. Councils are required to review and approve their schemes annually and have this agreed by a full council meeting before 31 January each year.
- 170 Members agreed to adopt a Local Council Tax Support Scheme for 2013/14, which mirrored the previous entitlement under the Council Tax Benefit System for all claimants. No council tax benefit claimants have therefore been financially worse off in 2013/14.
- 171 In approving the scheme for 2013/14, the council was mindful of the impacts of the wider welfare reforms and the fact that the additional Council Tax liabilities to individuals would be relatively small (around £250 a year) and were expected to be more difficult and costly to recover. There was a commitment to review the scheme on the grounds of MTFP affordability and ongoing austerity causing further MTFP pressures, as well as wishing to learn from experience (including recovery rates) in local authorities that have reduced entitlement for working age claimants.

Current Position

- 172 At this stage, there is a lack of meaningful intelligence available from authorities that have introduced Local Council Tax Support Schemes that reduced entitlement to their working age claimants in terms of impacts and performance in terms of recovery. Anecdotal feedback from other authorities indicates that the recovery rates, although below the general recovery rate, appear to be broadly in line with their expectations. The full range of welfare reforms (including the Benefit Cap where we have around 100 households affected) have yet to fully work through the system so any assumptions made now should be made with a degree of caution.
- 173 In terms of the council's financial forecast on the impact of retaining 100% entitlement to council tax support in 2013/14, the position at 30 June 2013 indicates that the planning assumptions in terms of setting the 2013/14 budget were prudent and remain within our planning assumptions.

- 174 For the reasons outlined above, it is recommended that the current scheme should be extended from April 2014 for a further year. This will allow a more detailed understanding of the impacts of the changes to benefits both within the county and across the region to be developed which can then help inform the decision for a scheme from April 2015.

Conclusion and recommendations

- 175 The government is continuing to progress its welfare reform programme, although there is increasing evidence to suggest that some changes most notably, Universal Credit will not be implemented as quickly as initially envisaged.
- 176 Whilst the government did not undertake a comprehensive impact assessment of its welfare reform programme, a number of studies and assessments of the impacts are now being published.
- 177 Researchers at Sheffield Hallam University identified that those local authority areas with the greatest levels of deprivation stood to be most impacted by welfare reform, losing most income as benefit payments are withdrawn and reduced, whilst having insufficient economic growth and employment opportunities to enable benefits claimants to move into work and off welfare.
- 178 Given the nature of the reforms and their impact on the county, the council continues to respond to the implementation of the government's welfare changes, through the provision of support and advice, its new welfare assistance scheme and revised Discretionary Housing Payments policy.
- 179 Cabinet is recommended to:
- a. note the contents of this report and further developments in government welfare reform;
 - b. note the latest analyses of the impact across the county;
 - c. note the progress with the new Welfare Assistance Fund scheme introduced in April 2013, the amendments to the scheme made under delegated powers and to allow further changes where necessary to be made under these delegated powers by the Assistant Chief Executive and Corporate Director Resources in consultation with the Leader and Deputy Leader of the Council
 - d. note the progress with the revised approach to Discretionary Housing Payments, implemented from April 2013, the amendments to the scheme made under delegated powers and to allow further changes where necessary to be made under these delegated powers by the Assistance Chief Executive and Corporate Director Resources in consultation with the Leader and Deputy Leader of the Council
 - e. note the review of the Local Council Tax Support Scheme and confirm that the current scheme be extended for a further year for 2014/15 with a full review in early 2014/15 to inform our approach from April 2015;

- f. confirm that the Council Tax Support Grant currently passported to the town and parish councils be reduced in line with the reductions made in the overall funding available to the Council.

Background papers

[Cabinet, 19 December 2012, Local Council Tax Support Scheme, Review of Discretionary Council Tax Discount on Unoccupied Properties & Calculation of Council Tax Base 2013/14 – report of Corporate Director Resources](#)

[Cabinet, 19 December 2012, Welfare Reform Update – report of Assistant Chief Executive](#)

[Cabinet, 13 March 2013, Welfare Reform Update – report of Assistant Chief Executive, Corporate Director Resources and Corporate Director Regeneration and Economic Development](#)

[Cabinet, 5 June 2013, Implications for Durham County Council of the Government's policy programme – report of Assistant Chief Executive](#)

Contact: Roger Goodes Tel: 03000 268050

Appendix 1: Implications

Finance – Payments /awards made under the council’s Welfare Assistance Scheme (£26,730 to 18 August 2013) and Discretionary Housing Payments Policy (£205,500 to 18 August 2013) are monitored closely and remain within budget.

The latest estimate of the overall financial impact of welfare reforms on the county is that benefit income will be reduced by £188 million a year.

In the Spending Review on 26 June 2013, the government announced that for the first time, it would introduce a cap on the country’s welfare spending. The cap will apply to over £100 billion of welfare spending.

Staffing – Through the New Burdens funding provided by Government alongside the changes additional staff have been recruited to help with the work on responding to the changes. All other work being undertaken is being managed within existing resources.

Risk – the implementation of welfare reform is included as a strategic risk in the corporate risk register.

Equality and Diversity – Changes to the policies have been subject to an equality impact review and any future changes will also be reviewed. Some of the changes being introduced by Government are having direct impacts on certain groups for example disabled tenants and where it is possible, the Council is providing help to mitigate these impacts

Accommodation – not applicable.

Crime and Disorder – not applicable.

Human Rights – not applicable.

Consultation – not applicable although a consultation will be undertaken next year if changes to the existing Local Council Tax Support Scheme are proposed.

Procurement –not applicable.

Disability issues – See comments under Equalities and Diversity.

Legal Implications – legal advice was sought on delivery options for the new Welfare Assistance Fund and the revised approach to Discretionary Housing Payments.

Appendix 2: Impacts of wider welfare reforms

		County Durham	North East	Great Britain
Housing Benefit: Local Housing Allowance	No. of households affected	12,600	63,400	1,350,000
	Estimated loss £m per year	13	70	1,650
	No. of households affected per 10,000	560	560	520
	Financial loss per working age adult £ per year	39	40	40
Housing Benefit: Under occupation	No. of households affected	8,700	50,000	660,000
	Estimated loss £m per year	5.9	30	490
	No. of households affected per 10,000	390	440	260
	Financial loss per working age adult £ per year	18	20	10
Non-dependent deductions	No. of households affected	3,100	16,000	300,000
	Estimated loss £m per year	3	20	340
	No. of households affected per 10,000	140	140	120
	Financial loss per working age adult £ per year	10	11	10
Household benefit cap	No. of households affected	250	1,500	56,000
	Estimated loss £m per year	1.2	5	270
	No. of households affected per 10,000	11	15	20
	Financial loss per working age adult £ per year	4	4	5
Council Tax benefit	No. of households affected	-	140,000	2,450,000
	Estimated loss £m per year	0	20	340
	No. of households affected per 10,000	-	1,190	950
	Financial loss per working age adult £ per year	0	10	9
Disability Living Allowance	No. of households affected	5,700	27,000	500,000
	Estimated loss £m per year	17	80	1,500
	No. of households affected per 10,000	170	160	130
	Financial loss per working age adult £ per year	52	45	40
Incapacity benefits	No. of households affected	16,500	74,000	1,250,000
	Estimated loss £m per year	57	260	4,350
	No. of households affected per 10,000	500	440	310
	Financial loss per working age adult £ per year	172	155	110

		County Durham	North East	Great Britain
Child Benefit	No. of households affected	63,400	320,000	7,600,000
	Estimated loss £m per year	22	110	2,850
	No. of households affected per 10,000	2,830	2,860	2,960
	Financial loss per working age adult £ per year	68	65	70
Tax Credits	No. of households affected	42,000	220,000	4,500,000
	Estimated loss £m per year	34	180	3,660
	No. of households affected per 10,000	1,880	1,940	1,750
	Financial loss per working age adult £ per year	102	105	90
One per cent uprating	Estimated loss £m per year	33	170	3,430
	Financial loss per working age adult £ per year	99	100	90
Total impact	Estimated loss £m per year	188	940	18,870
	Financial loss per working age adult £ per year	565	560	470

Source: Sheffield Hallam estimates based on official data

This page is intentionally left blank