



RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** on **WEDNESDAY 11 JUNE 2014**.

The decisions will come into force and may be implemented from **MONDAY 23 JUNE 2014** unless the Overview and Scrutiny Management Committee or its Committees object to any such decision and call it in.

Quarter 4 2013/14 Performance Management Report

Summary

The Cabinet considered a report of the Assistant Chief Executive which presented a summary of the Council's performance for the 2013/14 financial year.

A major impact on the council continues to be performance of the UK economy with it affecting a number of tracker and target indicators. Alongside this, the ongoing impact of welfare reforms is also affecting household income, whilst public sector and local council spending reductions are increasingly affecting support available locally. Despite the UK economy showing its strongest growth since 2007, issues linked to unemployment and homelessness continue across County Durham but the council is still improving performance in many of its key priority areas. In particular improvements are evident in housing development, decency levels of council housing, effective care of older people and vulnerable residents, anti-social behaviour and domestic violence and tenant arrears and council tax and business rates collected.

Performance has been maintained in many areas and improvements achieved in some services against a backdrop of the council achieving £113m savings to date and increased volume in some key areas such as fly tipping incidents, people rehoused through the Durham Key Options system, overall planning applications and face-to-face customer contacts and those relating to vulnerable or potentially vulnerable residents such as increased referrals of children in need, and new claims for council tax support and housing benefit. Despite increased demands placed on services, improvements have still been delivered.

Decision

The Cabinet:

- Noted the performance of the council at 2013/14 and the actions to remedy under performance.
- Agreed the new performance indicator set and targets proposed for corporate reporting in 2014/15 (Appendix 5).
- Agreed all changes to the Council Plan outlined below:

Altogether Wealthier

- i. Develop sector specific pre-employment training to prepare clients for employment and meet employer's needs and requirements by March 2014. Revised date: June 2014.
- ii. Seek opportunities for funding and work with employers to develop and deliver sector specific qualifications within the workplace by March 2014. Revised date: June 2014.
- iii. Develop and deliver a co-ordinated events programme for the county by March 2014. Revised date: July 2014.
- iv. Delivery of a programme of transport capital works across the county: Bishop Auckland rail station by February 2014. Revised date: May 2014.

Altogether Safer

- v. Identify trends and install appropriate engineering solutions to reduce road casualties and implement a programme of engineering improvements by March 2014. Revised date: May 2014.

Altogether Greener

- vi. Coordinate the development and implementation of a re-charging network for electric vehicles to provide 35 electric charging points across the county by March 2014. Revised date: March 2015.
- vii. Produce a new Waste Strategy for Durham County Council by April 2014. Revised date: June 2014.

Altogether Better Council

- viii. Re-launch the council's website as a principal service channel by April 2014. Revised date: Summer 2014.
- ix. Implementation of Community Buildings Strategy by June 2014. Revised date: October 2014.

Deleted Actions

Altogether Wealthier

- x. Deliver a programme of transport capital works across the county which relates to the Transit 15 bus priority improvements on key transport corridors.

Durham Social Value Taskforce Report

Summary

The Cabinet considered a joint report of the Corporate Director, Regeneration and Economic Development and Corporate Director, Resources which outlined the work of Durham Social Value Taskforce and requested Cabinet to recommend that the report and action plan be approved by the County Council.

In Summer 2013, Durham County Council and the Federation of Small Businesses (FSB) agreed to launch a Durham Social Value Taskforce to look at ways to help small businesses and social enterprises win more contract opportunities, whilst at the same time delivering better value to the local authority. Chaired by Councillor Neil Foster, Portfolio-holder for Economic Regeneration, it was agreed that the Taskforce would run from September 2013 to January 2014 to consider and recommend ways that the Public Services (Social Value) Act 2012 might be used to help grow the local economy.

The Social Value Act came into force in January 2013 and places a duty on public bodies to consider social value before procuring goods and services. This means that public bodies must consider how what is being procured can help improve the economic, social and environmental well-being of the area.

The County Council has already made good progress in helping businesses in the County to access contract opportunities. In 2012/13, 54.4% of the Council's spend was with County Durham suppliers, and 55.6% of this amount was paid to SMEs in the County (a total value of £286.6m spent in the local economy of which £159m was spent with SMEs). A copy of the report produced by the Taskforce was attached to the report as Appendix 2.

The action plan identifies a series of detailed actions, many of which will be delivered as 'business as usual' by Corporate Procurement, working closely with Business Durham where appropriate.

The FSB and NEPO have approached the County Council regarding the possibility of a business briefing event for businesses and social enterprises to raise awareness around the Social Value Act, to be held jointly with Sunderland City Council. Discussions are at an early stage but such an event could provide an appropriate platform to launch the report and achieve a high profile for the work the Taskforce has undertaken.

Durham County Council was the first Council in the North East to establish a Social Value Taskforce in conjunction with the Federation of Small Businesses, and is

recognised as one of the leaders in the region on this agenda. The report that the Durham Social Value Taskforce has produced identifies actions that the Council can take to further improve opportunities for small businesses whilst also delivering better value for the County Council.

Decision

The Cabinet:

- a) Approved the report and action plan produced by the Durham Social Value Taskforce.
- b) Approved the proposal for an event to be held to formally launch the report.
- c) Approved that Corporate Procurement takes the lead in providing an update on progress in 12 months' time.

Update on Proposed ICT Services Collaboration between Durham and Sunderland Summary

The Cabinet considered a report of the Corporate Director, Resources which advised on how, after a lot of good work undertaken to determine a business case to implement a collaborative ICT service for Durham County Council and Sunderland City Council, it has proven to be not practicable at this stage in time.

In October 2012, the Corporate Directors of Resources in Durham and Sunderland Councils agreed to develop a proposal to work in collaboration to provide a joint ICT service for both Councils.

Cabinets of both Councils agreed on 24 June 2013 to support the proposal and authorised the management of the respective ICT Services of Durham County Council and Sunderland City Council to develop a full business case to create a single ICT Service to provide services to both authorities.

Since then, the management teams worked with KPMG who were appointed to assist in the development of the business case through an existing procurement framework agreement under the direction of a Strategic Board comprising of Durham County Council's Corporate Director Resources, Sunderland City Council's Executive Director of Commercial and Corporate Services and the two Heads of ICT Services.

Working groups carried out a lot of good work and during this process a considerable amount of beneficial work was put in place as part of the preparation of the full business case.

Throughout the process, both organisations were fully committed to the strategic outcomes of the combined ICT Services and demonstrated the willingness and ability to deliver the necessary changes. However, as the business case developed, it became apparent that both Councils were at different stages in areas such as:

- the pace of change;
- Sunderland's plans to adopt alternative service delivery models including mutualisation of services;

A considerable amount of good has come out of the joint working plans, that will not be lost and could be called on at any stage in the future, but it has proven problematical to define a common approach that will overcome these differences.

Decision

The Cabinet:

- Agreed to close down the proposed collaborative ICT Programme with Sunderland for the reasons as outlined in the report.
- Noted the beneficial work undertaken in an attempt to establish a collaborative ICT service for Durham County Council and Sunderland Council that will be of practical use in any future collaboration project
- Supported the continued joint working between the two authorities in any areas where there may be a mutual benefit to do so.

NEPO Transformation – Introduction of New Arrangements for the Leadership & Governance of the NEPO Service and Regional Collaborative Procurement

Summary

The Cabinet considered a report of the Corporate Director, Resources which requested the Cabinet's agreement for the revised arrangements for the leadership and management of the NEPO Service and Regional Collaborative Procurement.

The North East Procurement Organisation (NEPO) is responsible for organising collaborative contracts through which councils procure goods, services and works. It is governed through a Shared Services Arrangement entered into on 28th October 2010 (following Cabinet agreement 6 October 2010) by the 12 local authorities in the North East (the "LA12"). Gateshead Council is currently the host authority for NEPO (i.e. employing the NEPO staff and holding its financial assets) and supports its work with the provision of a range professional and support services. The LA12 pay an annual subscription to contribute to NEPOs' costs.

Following an extensive review during 2013, and subsequent reports to the Regional Chief Executives' Group, the Executive Subcommittee of NEPO, and to the ANEC Leader's and Elected Mayors' Board it was resolved to take steps to improve its efficiency and effectiveness, including exploring options, and then to set up arrangements, for the purpose of transforming the way in which regional procurement will be delivered in future.

Consequently it was agreed to:-

- create a revised accountability structure and strengthen member involvement with the NEPO Service via ANEC (the Association of North East Councils Ltd)
- clarify strategic leadership through ANEC's management structure and governance
- improve the operational relationships between NEPO and the LA12
- improve credibility for NEPO and provide clarity about its new role and agree areas of common purpose managing delivery and harnessing collaboration
- apply a flexible approach to local sub regional and regional procurement using NEPO or alternatives within or outside the region
- clarify what activities and procurements should be led under the NEPO branding for the LA12
- create sustainability for the NEPO Service via appropriate funding arrangements and business plans.

The Executive Subcommittee of NEPO proposed establishing a new arrangement for the governance of the NEPO Service and for regional collaborative procurement generally via ANEC, at its meeting on 9 April. It was agreed that the NEPO Joint Committee should be disestablished by the LA12 and new governance and delivery arrangements for the collaborative procurement service be created under ANEC.

These changes will require the LA12 to terminate the current Joint Committee arrangement and, through ANEC, agree a new arrangement under the Leaders and Elected Mayors' Group (as ANEC's Member Management Board) with strategic direction and advice available through the proposed member-led Collaborative Procurement Subcommittee advised by two lead Directors of Resources on behalf of the Directors of Resources Group. Under this proposal issues can if necessary be referred to the Regional Chief Executives' Group. Local Authorities will appoint members to the NEPO Collaborative Procurement Subcommittee at Cabinet/Annual Council as appropriate.

Following completion of a staffing review staff transfer arrangements will be undertaken in accordance with TUPE regulations and all existing assets and contracts will be passed to ANEC Ltd under the terms of an agreement to be entered into between the 12 constituent authorities of NEPO and ANEC Ltd. The intention is for the new structure and governance to come into effect on 1 July 2014 and for TUPE to apply from 1 August 2014.

Gateshead Council currently provides the legal and financial support services to NEPO. ANEC Ltd has indicated that, subject to formal approval, it wishes to continue with those arrangements. Accordingly, and for that purpose, it is envisaged that a further agreement will be entered into between ANEC Ltd and

Gateshead Council under which those support services arrangements will continue to be provided on similar terms.

Decision

The Cabinet

- Approved, subject to ANEC's formal agreement, the revised governance structure and staffing arrangements as outlined above for the administration of the NEPO Service and future collaborative procurement on behalf of the LA12.
- Agreed to appoint one member to serve on the Collaborative Procurement Subcommittee of ANEC.
- Recommended that Full Council makes any consequential changes to its Constitution to give effect to these revised arrangements.
- Authorised the Corporate Director Resources, following consultation with the Leader of the Council or Cabinet Portfolio Holder for Finance (where required), to approve such further changes to the agreements envisaged by this report as he may determine and to complete them on behalf of the Council.

Safe Durham Partnership Plan 2014-2017

Summary

The Cabinet considered a report of the Corporate Director, Children and Adults Services, presenting the Safe Durham Partnership Plan 2014-17 for agreement (attached as Appendix 2 to the report).

The development and implementation of the Safe Durham Partnership Plan is a statutory requirement for Durham County Council and other responsible authorities. The Crime and Disorder Reduction Strategy (known in County Durham as the Safe Durham Partnership Plan) is part of the Policy Framework in the Council's Constitution.

The purpose of the Plan is to demonstrate how the responsible authorities will work together to reduce crime and disorder across County Durham. It has informed the development of the refreshed Sustainable Community Strategy 2010-30 and is aligned to the "Altogether Safer" section of the Strategy.

Following the completion of the 2013 Strategic Assessment in November 2013, no change was made to existing strategic objectives. In January 2014 the Safe Durham Partnership strategic objectives and outcomes were agreed by the Safe Durham Partnership Board. Overview and Scrutiny Committee supported the strategic objectives in the Plan, but within the context of current resource and funding implications.

The Safe Durham Partnership Plan has been informed by the Community Safety Strategic Assessment 2013, local views collated through Police and Community Together (PACT) meetings and national policy developments, including Transforming Rehabilitation which is the government's programme for reforming the delivery of offender services in the community to reduce reoffending rates whilst delivering improved value for money. The Partnership Plan 2014-17 describes the progress and achievements of the Safe Durham Partnership over the lifetime of the 2011-14 Partnership Plan. It demonstrates how the Safe Durham Partnership will deliver sustainable improvements.

Decision

The Cabinet:

- Noted the content of the report and agreed to sign off the Safe Durham Partnership Plan 2014-17.
- Agreed to present the Safe Durham Partnership Plan to Full Council on 17 September 2014.
- Noted the Safe Durham Partnership Plan will be publicised on the Durham County Council website following sign off from Durham County Council.

Children, Young People and Families Plan 2014-2017

Summary

The Cabinet considered a report of the Corporate Director, Children and Adults Services which presented the Children, Young People and Families Plan 2014-2017 which was attached to the report at Appendix 2.

In March 2013, it was agreed that a review of the Children and Families Trust would be undertaken to take into account new policy developments. This included changes to the NHS landscape, Troubled Families Programme, Welfare Reform Act, Children and Families Act and new inspection frameworks and proposed educational reforms. Following this review it was agreed that the name of the Children and Families Trust would be changed to the Children and Families Partnership (CFP) to reflect its role as the thematic partnership of the County Durham Partnership with responsibility for Altogether Better for Children and Young People. To support the revised focus of the CFP, a new Children, Young People and Families Plan (CYPFP) 2014-17 has been developed to support the work of the Partnership. The Joint Strategic Needs Assessment and Annual Report of the Director of Public Health 2012/13 have influenced the development of the Children, Young People and Families Plan 2014-17.

In addition, a number of policy drivers have influenced the development of the Plan. Key messages from the JSNA relating to children and young people and further information on the key policy drivers were provided in Appendix 3 to the report.

The Children, Young People and Families Plan 2014-17 has informed the development of the refreshed Sustainable Community Strategy 2010-30 and is aligned to the “Altogether Better for Children and Young People” section of the Strategy.

Decision

The Cabinet endorsed the Children, Young People and Families Plan 2014-17.

Proposal for a consultation to make play parks/area in County Durham smoke free

Summary

The Cabinet considered a report of the Corporate Director, Children and Adult Services which requested Cabinet to consider proposals for a consultation on a voluntary code to make to make play parks in County Durham smokefree.

Durham County Council (DCC) is already committed to reducing smoking prevalence through the partnership work developed via the ‘Smokefree County Durham Tobacco Control Alliance’. The alliance has developed a comprehensive five year tobacco control action plan to address the causes and impacts of tobacco use, and monitors the progress of the plans. The action plan was agreed and signed off by Cabinet in October 2013. The focus of the plan is to protect children, in particular protecting them from becoming future lifelong smokers. The tobacco plan has an ambition to reduce smoking prevalence in County Durham to 5% (currently 20.9%, 2012), and has a bold vision to drive the ambition which states:

“That a child born now in any part of County Durham will reach adulthood breathing smokefree air, being free from tobacco addiction and living in a community where to smoke is unusual. We owe it to our children to make this happen”

Smoking is often a childhood addiction and most smokers in the North East start at aged 15. Tobacco use is the leading cause of preventable death and disease and is the leading cause of health inequalities. Young people are most at risk of becoming smokers themselves if they grow up in communities where smoking is the norm. The aim of tobacco control is to change social norms and work to prevent the uptake of smoking. Therefore one of the actions on the alliance plan, of which the tobacco alliance is keen to implement, is to promote children’s play facilities/ areas as smokefree areas.

There are 307 play parks in County Durham, of which 178 are owned by DCC. The remainder are owned between Town and Parish Council and community associations. Discussion with heads of departments within DCC has already been carried out to ascertain if smokefree play areas is something that would be supported. There is an overwhelming support for a voluntary code basis with consultation with local communities. The proposal therefore for smokefree play parks in County Durham would be on a voluntary basis. It would not be enforceable, but through the consultation process and use of polite notices asking people to respect it. To implement this policy a high level plan would be developed to ensure

all relevant DCC departments, organisation and communities are involved. The plan would involve:-

- Steering group to oversee implementation plan
- Development of a communications strategy which includes a public relations strategy to start letting the public know that the issue is being discussed
- Seek views of local communities
- Decision on artwork to use on PR and signage
- The signage required and costing
- Launch date to implement the policy and press releases to support
- Review of policy e.g. six months or one year after implementation. Visit the parks again to gather views and see if any positive impacts have been made

The consultation will commence in June 2014 and will involve the public/communities and partners e.g. AAPs, Health Networks, Town and Parish Councils, Children and young people partnership, Citizens panel, Investors in Children. The consultation will seek opinion in relation to support for the principle of smokefree play parks and the support to implement the code in their respective play park areas.

Decision

The Cabinet agreed to support the proposal for a consultation to implement a voluntary code to make play parks/area in County Durham smokefree.

Decision made in Part B of the meeting – report containing exempt or confidential information

Durham Villages Regeneration Limited – Update and Forward Programme

Summary

The Cabinet considered a report of the Corporate Director Resources whose purpose was to:

- a) Provide Cabinet with an update on the progress of Durham Villages Regeneration Limited (DVRL) since April 2009.
- b) Confirm the DVRL's Business Plan priorities for 2012/17.
- c) Clarify the process related to development projects to be delivered by DVRL.
- d) Seek agreement to utilise development dividend to drive forward a programme of flexibly targeted housing regeneration and development activity across County Durham.

The report explained that DVRL is a joint venture limited company with Keepmoat Holdings Plc (Keepmoat). It was set up by the former City of Durham Council to undertake residential development and by virtue of a share of the development profits, provide additional revenue to support regeneration activity in targeted

communities. Current DVRL proceeds available to the Council provided an opportunity to complete the final two legacy commitments for communities in West Rainton and Sherburn Hill.

Sites currently under development and planned to come on stream in the near future should provide dividend contributions in future years, over and above the land receipts and with an appropriate land supply. This model remains a sustainable form of partnership.

To ensure DVRL's operations remain effective and deliver maximum benefit, governance has been reviewed and the business plan examined to ensure the joint venture partnership remains fit for purpose and there is a smooth flow of future development opportunities brought forward through the partnership.

The concept behind the joint venture is that the Council identifies (at its sole discretion) development land within its ownership and puts this forward to Keepmoat as a potential residential development site. Keepmoat commercially evaluate the site and with the agreement of both parties, market value is paid for the land to the County Council by Keepmoat who then develop the site for residential use (the form of which is dependent upon identified need in that particular location).

The land value is received in the form of a capital receipt which is paid on a pro-rata basis after the sale of each house. In addition, development profits are shared 50/50 between Keepmoat Homes and Durham County Council. This profit is paid annually (after tax) to the County Council as a dividend from the Company and calculated after the development is completed.

Although originally focussed on development in the hinterland around the city, since reorganisation DVRL has amended its Articles of Association to reflect the County boundary.

To ensure continuation of the development programme throughout the Business Plan period, a further tranche of surplus DCC sites was identified for DVRL during 2011/12. Six sites are now being considered for development and have both secured planning consent and are about to start on site, or will be seeking to achieve this in due course.

The 2012-17 Business Plan prepared jointly by the DVRL partners has identified five key objectives:

- Develop a viable and sustainable supply of land and development opportunities across County Durham;
- Deliver a broad range of housing for sale and shared ownership across County Durham in accordance with the development programme;
- Deliver a training and employment programme for young people and others in DVRL projects;
- Raise awareness and enhance public profile of DVRL through maximising community engagement;
- Raise the efficiency and profitability of the business.

Alongside the development programme, the DVRL Board has set a target of improving local employment opportunities by seeking to create an additional 75 local apprenticeship opportunities linked to these development sites.

The starting point for the development programme has been those sites included within the original DVRL agreement, with a number of additional sites having been put forward for development consideration by the Assets team.

The report proposed that the retained £1.35 million dividend be utilised as follows:

- Existing Legacy Commitments Funded £700,000
- Creation of a Housing Regeneration Fund £650,000

The Treatment of future dividends is proposed as follows:

- Anticipated 2013/14 dividend £100,000 to RED Housing Regeneration Fund
- Anticipated 2014/15 dividend £100,000 to RED Housing Regeneration Fund with any surplus above this amount treated as corporate income
- From 2015/16 onwards Dividend Receipts to be built into Council MTFP process as corporate income.

The original joint venture agreement envisaged dividends being used to support regeneration projects. It was therefore recommended that the Council should agree to prioritise the delivery of housing projects, including housing regeneration initiatives which can be supported from these funds, with proposals submitted annually and be subject to formal liaison process with members.

Decision

Cabinet agreed to:

- i) Endorse the Business Plan priorities for 2012-17.
- ii) Approve the use of £700,000 of the Council's DVRL dividend to support previously agreed regeneration schemes in Sherburn Hill (£400,000) and West Rainton (£300,000) noting that significant elements of the expenditure will be capital.
- iii) Delegate Authority to the Director of Resources in Consultation with the Cabinet Portfolio Holder for Finance to identify additional sites for DVRL development consideration on an annual basis.
- iv) Delegate authority to the Director of Resources in consultation with the Cabinet Portfolio Holder for Resources to negotiate the amendment to the terms of the DVRL agreements to ensure ongoing legal compliance and reflect emerging development priorities.
- v) Endorse the principle of utilising future dividend payments to support the MTFP and a flexible programme of residential development in accordance with identified need.

Colette Longbottom
Head of Legal and Democratic Services
13 June 2014