



## **Cabinet**

**Date**        **Wednesday 16 July 2014**  
**Time**        **9.30 am**  
**Venue**       **Committee Room 2, County Hall, Durham**

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### **Public Question and Answer Session**

**9.30 a.m. to 10.00 a.m.**

An opportunity for local people to have a 30 minute informal question and answer session with Cabinet Members.

### **Cabinet Business**

**10.00 a.m. onwards**

#### **Part A**

**Items during which the press and public are welcome to attend - members of the public can ask questions with the Chairman's agreement**

1. Minutes of the meeting held on Wednesday 11 June 2014 (Pages 1 - 4)
2. Declarations of interest

#### **Key Decisions:**

3. Housing Stock Transfer: Outcomes of Formal Consultation - Stage 1 - Report of Corporate Director, Regeneration and Economic Development [Key Decision: R&ED/07/14] (Pages 5 - 26)
4. Adoption of North Pennines AONB Management Plan - Report of Corporate Director, Regeneration and Economic Development [Key Decision: R&ED/11/14] (Pages 27 - 32)
5. Customer First Strategy Refresh 2014-2017 - Report of Corporate Director, Neighbourhood Services [Key Decision: NS/22/13] (Pages 33 - 58)

6. Proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7 - 11 to 4 - 11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014 - Report of Corporate Director, Children and Adults Services [Key Decision: CAS/01/14] (Pages 59 - 106)
7. Draft Corporate Tree Management Policy - Joint Report of Corporate Director, Neighbourhood Services and Corporate Director, Regeneration and Economic Development [Key Decision: [NS/25/13] (Pages 107 - 142)
8. Medium Term Financial Plan (5), Council Plan, Service Plans 2015/16 - 2017/18 and Review of the Council's Local Council Tax Reduction Scheme - Joint Report of Corporate Director, Resources and Assistant Chief Executive [Key Decision: CORP/R/14/02] (Pages 143 - 156)

**Ordinary Decisions:**

9. Treasury Management Outturn 2013/14 - Report of Corporate Director, Resources (Pages 157 - 166)
10. 2013/14 Final Outturn for General Fund, Housing Revenue Account and Collection Fund - Report of Corporate Director, Resources (Pages 167 - 202)
11. Transfer of Land Held in Trust at Peases West, Crook - Report of Corporate Director for Regeneration and Economic Development (Pages 203 - 208)
12. World War 1 Centenary Activity: Victoria Cross Winner's Commemorative Paving Stone Project - Report of Corporate Director, Neighbourhood Services (Pages 209 - 214)
13. Durham County Council's Festivals and Events Programme Development - Report of Corporate Director, Neighbourhood Services (Pages 215 - 226)
14. Lumiere 2015 - Report of Corporate Director, Neighbourhood Services (Pages 227 - 234)
15. Dog Control Order - Seasonal Exclusion of Dogs from Seaham Beach - Report of Corporate Director, Neighbourhood Services (Pages 235 - 242)
16. County Durham Youth Justice Plan 2014/16 - Report of Corporate Director, Children and Adults Services (Pages 243 - 270)
17. Review of Children's Centres in County Durham - Report of Corporate Director, Children and Adults Services (Pages 271 - 330)
18. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration.
19. Any resolution relating to the exclusion of the public during the discussion of items containing exempt information.

## **Part B**

### **Items during which it is considered the meeting will not be open to the public (consideration of exempt or confidential information)**

20. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration.

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

County Hall  
Durham  
8 July 2014

To: **The Members of the Cabinet**

Councillors S Henig and A Napier (Leader and Deputy Leader of the Council) together with Councillors J Brown, N Foster, L Hovvels, O Johnson, M Nicholls, M Plews, B Stephens and E Tomlinson

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**Contact: Ros Layfield**

**Tel: 03000 269708**

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**DURHAM COUNTY COUNCIL**

At a Meeting of **Cabinet** held in The Music Hall, The Witham, 3 Horse Market, Barnard Castle, Co Durham, DL12 8LY on **Wednesday 11 June 2014 at 10.00 am**

**Present:**

**Councillor S Henig (Leader of the Council)**

**Members of the Committee:**

Councillors A Napier (Deputy Leader of the Council), N Foster, L Hovvells, O Johnson, M Nicholls, M Plews, B Stephens and E Tomlinson

**Apologies:**

An apology for absence was received from Councillor Jane Brown

**Also Present:**

Councillor Amanda Hopgood, Councillor Audrey Laing, Councillor Owen Temple and Councillor Mac Williams

**1 Minutes of the meeting held on 7 May 2014**

The minutes of the meeting held on 7 May 2014 were confirmed as a correct record and signed by the Chairman.

**2 Declarations of interest**

Councillor Foster and the Corporate Director of Regeneration and Economic Development declared an interest in item 14, due to their positions on the Board. They took no part in the discussion and withdrew for that part of the meeting.

**3 Quarter 4 2013/14 Performance Management Report**

The Cabinet considered a report of the Assistant Chief Executive that presented a summary of the council's performance for the 2013/14 financial year (for copy see file of Minutes). The Assistant Chief Executive reported that the County Council had delivered just under £114million savings to date and had plans in place to make a further £23million of reductions in 2014/15. The Council had improved or maintained performance in 74% of its key performance indicators over the last year.

**Resolved:**

That the report be noted.

**4 Update on the delivery of the Medium Term Financial Plan 3**

The Cabinet considered a report of the Assistant Chief Executive which provided an update on the progress made at the end of March 2014 on the delivery of the 2013/14 to 2016/17 Medium Term Financial Plan (MTFP) 3, and provided a summary over the past three years of the MTFP savings made (for copy see file of Minutes).

**Resolved:**

That the report be noted.

**5 Durham Social Value Taskforce Report**

The Cabinet considered a joint report of Corporate Director, Regeneration and Economic Development and Corporate Director, Resources that informed of the work of the Durham Social Value Taskforce, the first of its kind in the North East, and to recommend that the County Council approves the report and action plan produced by the Taskforce (for copy see file of Minutes).

**Resolved:**

That the recommendations contained within the report be agreed.

**6 Update on Proposed ICT Services Collaboration between Durham and Sunderland**

The Cabinet considered a report of Corporate Director, Resources that advised of 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. (for copy see file of Minutes).

**Resolved:**

That the recommendation contained within the report be agreed.

**7 NEPO Transformation - Introduction of New Arrangements for the Leadership and Governance of the NEPO Service and Regional Collaborative Procurement**

The Cabinet considered a report of Corporate Director, Resources that sought agreement for the revised arrangements for the leadership and management of the NEPO Service and Regional Collaborative Procurement (for copy see file of Minutes).

**Resolved:**

That the recommendations contained within the report be agreed.

**8 Safe Durham Partnership Plan 2014-17**

The Cabinet considered a report of Corporate Director, Children and Adults Services that presented the Safe Durham Partnership Plan 2014-17 for agreement. 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 (for copy see file of Minutes).

**Resolved:**

That the recommendations contained within the report be agreed.

**9 Children, Young People and Families Plan 2014 - 2017**

The Cabinet considered a report of Corporate Director, Children and Adults Services that presented the Children, Young People and Families Plan (CYPFP) 2014-17 (for copy see file of Minutes).

**Resolved:**

That the recommendations contained within the report be noted.

**10 Local Authority Inspections: School Improvement**

The Cabinet considered a report of Corporate Director, Children and Adults Services that summarised the new inspection regime for Local Authority arrangements for supporting School improvement draws on available published Ofsted local authority inspection reports in order to identify areas of priority or concern for Durham and it highlights lessons that Durham L.A. may learn from the experiences of other local authorities (for copy see file of Minutes).

**Resolved:**

That the report be noted.

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

The Cabinet considered a report of Corporate Director, Children and Adults Services that presented proposals for consultation on a voluntary code to make to make play parks in County Durham smokefree (for copy see file of Minutes).

**Resolved:**

That the recommendation contained within report be agreed.

## **12 Exclusion of the public**

That under Section 100 A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the said Act.

## **13 Durham Villages Regeneration Limited - Update and Forward Programme**

The Cabinet considered a report of Corporate Director, Resources that provided an update on the progress of Durham Villages Regeneration Limited (DVRL) since April 2009, confirmed the DVRL's Business Plan priorities for 2012/17, clarified the process related to development projects to be delivered by DVRL and sought agreement to utilise development dividend to drive forward a programme of flexibly targeted housing regeneration and development activity across County Durham (for copy see file of Minutes).

### **Resolved:**

That the recommendations contained within the report be agreed.



**Cabinet**

**16 July 2014**

**Housing Stock Transfer – Outcomes of  
Formal Consultation Stage 1**



**Key Decision R&ED/07/14**

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**Report of Corporate Management Team**

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

**Councillor Neil Foster, Cabinet Portfolio Holder for Regeneration**

**Don McLure, Corporate Director of Resources**

**Councillor Alan Napier, Cabinet Portfolio Holder for Resources**

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**Purpose of the Report**

- 1 To advise Cabinet that a detailed report on the outcomes of the first stage of formal consultation on the council's transfer proposal will be available on the 16 July 2014.

**Background**

- 2 In June 2014 the council started formal consultation with all of its secure and introductory tenants on its proposal to transfer ownership and management of its homes to Dale & Valley Homes, Durham City Homes and East Durham Homes via the County Durham Housing Group Limited.
- 3 The formal consultation was undertaken in line with Schedule 3A of the Housing Act 1985. In accordance with the guidance, the first stage of the formal consultation included the delivery of a package of information on its proposals to all council tenants. The package included a copy of the Offer Document (which sets out the council's transfer proposals and implications for tenants should the transfer go ahead); a DVD (one per household); an easy read guide to the Offer Document; and a covering letter.
- 4 Schedule 3A of the Housing Act 1985 requires the council to allow tenants 28 days (from the delivery of the Offer Document) to make their representations on the proposal. The council is then required use the representations made and the findings of the first stage of consultation to decide if any changes are required to the offers it has made to tenants as part of the transfer proposal; and whether or not to move to a ballot of all secure and introductory tenants.

- 5 The representation period ended at midday on 7 July 2014. As the date for making representations closed only the day before the publication of Cabinet reports it is not possible to file a detailed report for Cabinet's consideration at this stage. However a detailed report setting out the outcomes of the first stage of consultation will be available to Cabinet by 16 July 2014.

**Recommendations and reasons**

- 6 That Cabinet consider the proposals and recommendations made in detail on the 16 July 2014.

**Background papers**

Cabinet Report – 7 May 2014

Cabinet Report – 30 October 2013

Cabinet Report – 12 December 2012

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**Contact: Marie Roe Housing Directions Manager Tel: 03000 261 864**

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## **Appendix 1: Implications**

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### **Finance -**

To be addressed as appropriate in the detailed report

### **Staffing –**

To be addressed as appropriate in the detailed report

### **Risk –**

To be addressed as appropriate in the detailed report

### **Equality and Diversity -**

To be addressed as appropriate in the detailed report

### **Accommodation –**

To be addressed as appropriate in the detailed report

### **Crime and Disorder –**

To be addressed as appropriate in the detailed report

### **Human Rights –**

To be addressed as appropriate in the detailed report

### **Consultation –**

To be addressed as appropriate in the detailed report

### **Procurement –**

To be addressed as appropriate in the detailed report

### **Disability Issues –**

To be addressed as appropriate in the detailed report

### **Legal Implications –**

To be addressed as appropriate in the detailed report

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## Cabinet

### 16 July 2014 HOUSING STOCK TRANSFER: OUTCOMES OF FORMAL CONSULTATION - STAGE 1



### Key Decision R&ED/07/14

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#### Report of Corporate Management Team

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

**Councillor Neil Foster, Cabinet Portfolio Holder for Regeneration**

**Councillor Eddie Tomlinson, Cabinet Portfolio Holder for Housing and Rural Issues**

**Don McLure, Corporate Director, Resources**

**Councillor Alan Napier, Cabinet Portfolio Holder for Finance**

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#### Purpose of the Report

- 1 To consider the outcome of the first stage of formal consultation on the Council's proposal to transfer ownership and management of its homes to its existing housing management organisations via the County Durham Housing Group Limited.

#### Background

- 2 Under Schedule 3A of the Housing Act 1985, the Council is required to consider representations made by its tenants during Stage 1 of formal consultation on its proposal to transfer ownership and management of its homes. The Schedule requires the Council to use the outcomes of the first stage of consultation to decide if any changes are required to the offers it has made to tenants as part of the transfer proposal; and whether to move to a ballot of all secure and introductory tenants.
- 3 The Council applied to the Government for agreement and financial support to transfer ownership of its homes to a new group structure of its existing housing management organisations in December 2012.
- 4 The Council's application to transfer its homes was approved by the Department for Communities and Local Government (DCLG) in March 2014. Following this approval, the Homes and Communities Agency (HCA) confirmed that the Council was able to proceed with formal consultation with all of its secure and introductory tenants on its transfer proposal throughout the summer of 2014.

- 5 Statutory guidance outlining the process the Council should follow to consult with all of its tenants on its transfer proposal is provided in the Government's publication "Statutory Guidance: The Housing Act 1985 - Schedule 3A". The guidance sets out a formal two stage consultation process that the Council must demonstrate it has followed if the Secretary of State is to grant final consent to the transfer by the end of March 2015.
- 6 The key requirements of consultation are that tenants should be fully involved in all plans and decision making over the future ownership of their homes. The Council must provide all affected tenants with sufficient information for each to express a fully informed opinion about the proposal in a statutory ballot on the proposal.
- 7 During the first stage of the consultation, the Council must serve a notice on its secure tenants and those with an introductory tenancy setting out:
  - The details of the transfer proposal including the identity of the prospective new landlord.
  - The likely consequences of the transfer for the tenants.
  - The effect of the provisions of Schedule 3A (i.e. the consultation requirements and the period over which tenants can make their representations to the Council).
  - The provisions relevant to the Preserved Right to Buy.
- 8 The notice is usually referred to as the Stage 1 notice of formal consultation or the Offer Document. The notice and Offer Document must invite representations within a reasonable period (usually 28 days). Once the representation period has ended, the Council must consider any representations received and may then wish to revise its transfer proposals and offers accordingly.
- 9 Durham County Council's Offer Document was prepared in partnership with a Customer Working Group (a group of thirty tenants from across the County); and the boards of the proposed new Group of landlords including the County Durham Housing Group Limited, Dale & Valley Homes, Durham City Homes and East Durham Homes. Staff members and other key partners were also included in the development of the Offer Document. The Offer Document was endorsed by all proposed Boards and the Homes and Communities Agency (HCA) and was finally agreed by Cabinet at its meeting on the 7 May 2014.

### **Consultation Process and Activities**

- 10 The Offer Document was the central document in a package of information provided to all tenants that included a covering letter from the Council's Chief Executive (providing notice of the beginning of Stage 1 of the formal consultation); an easy read guide to the Offer Document; and a DVD (one per household).

- 11 The Offer Document pack was hand delivered to all secure and introductory tenants between the 2 June 2014 and the 6 June 2014 by Durham County Council staff and the staff of Dale & Valley Homes and East Durham Homes. Over 15,500 tenants were spoken to by staff members and were handed the Offer Document pack with an explanation of its contents and the importance of reading it.
- 12 There are currently no statutory requirements to consult with leaseholders on the transfer proposal but the statutory guidance states that it is good practice to do so and that they should be kept informed of progress throughout formal consultation. The HCA also asked that the Council advise its leaseholders that its application to transfer ownership of its homes received approval from the Department for Communities and Local Government (DCLG) on the condition that service charges for leaseholders for the capital works enabled by the transfer are capped over any five year period at £10,000.
- 13 Packs of information were also posted to the Council's 193 leaseholders over the same period, with a covering letter setting out the key consequences of the proposed transfer for leaseholders. It is important to note that should Cabinet decide to proceed to a ballot, leaseholders would not participate in the ballot.
- 14 Copies of the Offer Document were also provided to all members of the Council and to the county's MPs.
- 15 The Offer Document invited representations from tenants and leaseholders over a period of 28 days. The Offer Document pack included a free to post response card which allowed tenants to express their views. The pack posted to leaseholders included a tear off sheet for leaseholders to express their views. Tenants and leaseholders were also able to express their views by e-mail or by phone. The representation period ended at midday on Monday 7 July 2014.
- 16 The Council received 1374 responses from tenants and 6 responses from leaseholders. 540 responses included handwritten comments from tenants and 6 handwritten responses were received from leaseholders that ranged from questions about the transfer proposal to statements that the provision of a comment is "Not Applicable" (N/A) or "no comment".
- 17 The responses indicated that:
- 1196 respondents (87.05%) were generally supportive of the transfer proposal.
  - 150 respondents (10.92%) were not generally supportive of the transfer proposal.
  - 23 respondents (1.67%) were unsure and felt they need more information on the proposal.
  - 3 respondents (0.22%) were generally supportive and felt they need more information on the proposal.

- 2 respondents (0.15%) were not generally supportive and felt they need more information on the proposal.

18 The individual responses and comments received from tenants have been deposited in the Members Library for consideration. Specific names and addresses have been removed. All respondents who have commented and provided contact details or requested further information have been contacted by the Council's Housing Directions Team or officers from Dale & Valley Homes, Durham City Homes and East Durham Homes.

19 The response to the first stage of consultation has been positive, when compared to response rates of other stock transfer consultation processes undertaken. For example in 2012 Rochdale Metropolitan Borough Council consulted with nearly 16,000 tenants during the first stage of formal consultation on its transfer proposal and achieved a rate of 395 responses to the Offer Document (less than 2.5% of the tenants eligible to vote).

20 However, the number of responses received from tenants in County Durham, reflects less than 10% of the 21,908 tenants eligible to vote in the ballot on the proposal and who received a copy of the Offer Document pack. It is expected that more tenants will take part in the ballot. The number of representations received as part of the first stage of consultation, and the support of respondents should not be regarded as a clear indication of the outcome of the ballot.

21 The delivery of the Offer Document was followed up by a further visit to tenants in the week commencing 16<sup>th</sup> June 2014 by Durham County Council staff and the staff of Dale & Valley Homes and East Durham Homes. The visit was intended to determine whether tenants had any queries or concerns about the transfer proposal that could be addressed; discuss the transfer proposal in more detail; and sign post the availability of Open Communities (Independent Tenant Adviser) and various opportunities to meet with other tenants to discuss the proposed transfer.

22 A series of drop in sessions were held across the county in the week commencing 23 June 2014. Over 60 tenants attended events in Bishop Auckland, Crook, Peterlee and Durham City to find out more about the Council's transfer proposal.

23 A freephone number was also provided to tenants for them to access independent and impartial advice from Open Communities (Independent Tenant Adviser). The freephone number will continue to be available for the duration of the consultation process to support tenants throughout and answer any queries they may have about the implications of the transfer.

24 Open Communities has provided the Council with its assessment of the first stage of the formal consultation process. The report is included at Appendix 2. Open Communities are happy to confirm that the consultation and participation programme the Council has provided on its transfer proposal has been comprehensive, thorough and appropriate. The Customer Working



Group has been comprehensively engaged throughout. Customer Working Group members have been proactive in their involvement throughout the process and have ensured the views of the wider tenant network have been clearly put forward. It has been clear that Customer Working Group involvement has been focussed on what is best for the tenants of Durham as a whole.

- 25 The comments, suggestions and views expressed by tenants during the first stage of the consultation indicate that the Council's transfer proposal and the offers it makes in the Offer Document should not be changed or amended.
- 26 The undertaking of Stage 1 of the formal consultation on the stock transfer proposal meets the requirements of the "Statutory Guidance: Requirements as to Consultation" and legal provisions at this stage in the consultation process.
- 27 Should Cabinet be satisfied with the consultation process and the outcomes of the first stage of consultation, the Council can proceed to Stage 2 whereby the Council advises its tenants that it has considered their comments and has decided to proceed to Stage 2 of the consultation process and ballot.

#### **Formal Consultation: Stage 2 Notice**

- 28 If Cabinet decide to proceed to the second stage of the consultation and the ballot paragraph 3(3) of Schedule 3A Housing Act 1985 requires the Council to serve a further written notice. Guidance states that this is best in the form of a letter. The letter should:
  - Describe any significant changes to the transfer proposal.
  - Explain that objections may be made to the Secretary of State within a period of at least 28 days.
  - Draw attention to the fact that the Secretary of State shall not give consent to a transfer if the result of the statutory ballot shows that a majority of tenants voting are opposed.
  - Explain that the ballot will follow shortly.
- 29 Subject to the Cabinet's decision, it is expected that after consultation and agreement with the HCA on the process the ballot would start in the summer of 2014. The ballot would be managed separately from the Council by Electoral Reform Services (ERS).
- 30 Cabinet may decide not to proceed with the ballot of tenants. Should this be the decision Cabinet takes, all expenditure incurred so far on the transfer project would fall onto the Housing Revenue Account and the General Fund.
- 31 The Council has selected an alternative option for the future of its homes should transfer not go ahead, which is the establishment of a single Arms Length Management Organisation. If the Council was to decide not to proceed with the ballot of its tenants or if a majority of tenants voting in the ballot were

to vote against the proposal the Council would remain the landlord and would continue to face restrictions on its ability to borrow.

- 32 If Cabinet decide to proceed with the ballot and the ballot is undertaken Paragraph 3 (6) of the Housing Act 1985 requires the Council to write to all tenants (whether or not they voted) informing them of the result at the end of the ballot period. If a majority of tenants who vote in the ballot, vote in support of the transfer it would mean the transfer could progress and the Council would inform tenants of how they intend to proceed. Conversely, if a majority of tenants who vote in the ballot vote against the transfer proposal, it would mean that transfer could not proceed and the Council would need to make this clear to tenants in its proposed next steps.

## **Conclusion**

- 33 Under Schedule 3A of the Housing Act 1985 Cabinet is required to consider the representations made by Council tenants during the first stage of consultation on its transfer proposal. Cabinet should review the outcomes of consultation (which have been deposited in the Members Library) and decide if any changes are required to the offers it has made to tenants and whether to move to a ballot.
- 34 The Council has developed its transfer proposals in partnership with tenants, staff, Board members, Councillors and other key partners. All key groups endorsed the commitments made to the improvement of homes, neighbourhoods and services set out in the Offer Document.
- 35 The first stage of formal consultation began in early June 2014 when the Offer Document and a package of supporting information (including a DVD, an easy read guide and a covering letter) were hand delivered to tenants by staff members. Tenants then had a 28 day period to make their representations to the Council on the transfer proposal and the offers made.
- 36 The Council's 193 leaseholders were also provided with an Offer Document and a pack of information, although the Council has no obligation to consult with leaseholders, but recognises it is good practice to keep leaseholders informed of progress on the proposal. Leaseholders would not participate in the ballot.
- 37 The HCA also asked the Council to ensure that leaseholders are made aware of a condition on the availability of Government financial support for the transfer which requires that service charges for leaseholders for the capital works enabled by the transfer are capped over any five year period at £10,000. Leaseholders also had a 28 day representation period during which they could make their views known to the Council. Six leaseholders acknowledged receipt of the information and provided comments on the proposal.
- 38 Over a thousand (1374) responses were received from tenants with over 87% of respondents stating that they were in support of the transfer proposal. The comments, suggestions and views expressed by tenants during the first stage of the consultation indicate that the Council's transfer proposal and the offers

it makes in the Offer Document should not be changed or amended. The number of representations and support of respondents should not be regarded as a clear indication of the potential outcome of the ballot.

- 39 The formal consultation process followed by the Council meets the criteria set out in Schedule 3A Housing Act 1985 and has been endorsed by Open Communities (Independent Tenant Adviser).
- 40 The Council is in a position to proceed to the second stage (Stage 2) of formal consultation on its transfer proposal and issue a Stage 2 Notice to secure and introductory tenants, followed by a ballot in summer 2014, which would be managed by Electoral Reform Services.

### **Recommendations**

It is recommended that Cabinet:

- I. Consider the representations made by tenants and leaseholders on the transfer proposal and Offer Document during Stage 1 of formal consultation.
- II. Agree that in the light of the representations received, no changes should be made to the offers made in the Offer Document.
- III. Agree to proceed to Stage 2 of the formal consultation process and issue a Stage 2 Notice to secure and introductory tenants and proceed to a ballot in summer 2014.
- IV. Provide delegated authority to the Corporate Director of Regeneration and Economic Development, the Corporate Director for Resources in consultation with the Cabinet Portfolio Holder for Regeneration and the Cabinet Portfolio Holder for Finance to take the actions necessary following the ballot result to issue any notices to tenants as required.

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**Contact: Marie Roe Housing Directions Manager**

**Tel:03000 261 864**

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## **Appendix 1: Implications**

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### **Finance**

The Council is currently operating within a HRA self-financing debt cap of £245m (as of April 2012). This debt cap has almost been reached and the Council is therefore unable to borrow any further to invest in areas such as new build housing development. The proposed housing stock transfer will enable the new group of landlords to borrow additional funds to invest in housing, regeneration and support services for tenants. In order to qualify for debt write-off, Government have however directed that the transfer must be completed by 31 March 2015.

Transfer will come at a cost to the Council and previous reports have identified an annual cost to the General Fund of £3.6m. Provision for this cost has been built into the latest MTFP Model which identifies this loss of income from 2015/16 onwards. Failure to proceed with the next stage in the transfer process would mean that the Council would continue as landlord which would mean a continuation in the Council's borrowing abilities which would affect investment in homes, neighbourhoods and services.

Implementing stock transfer will incur costs for both the Council and the proposed new group of landlords. The actual cost of undertaking the ballot is £40,000. This is already reflected in the estimates of costs for the Council in the pre ballot stage of the project. Should the Council not proceed with the ballot process, it would incur the loss of the costs invested in the project to date. This would affect both the General Fund and the Housing Revenue Account.

### **Staffing**

Detailed work is ongoing to assess the impact of the proposed transfer on the Council's services and staff associated with Council housing and its support. This work is being undertaken by Human Resources and Legal Services in full consultation with potential staff affected.

### **Risk**

The transfer of the function to a new housing group needs to be planned and managed effectively otherwise there is a risk that the objectives and benefits of transferring the service are not achieved.

### **Equality and Diversity**

The formal consultation process has provided all individuals and organisations with an interest in the future of the Council's housing stock with the best opportunity to express their view on the transfer of the Council's homes in County Durham. The formal consultation process has been delivered through the implementation of a communication and consultation plan and active tenant engagement in the development of the Offer Document.

The Offer Document makes specific provisions for:

- Tenants with a disability
- Elderly tenants

- Young tenants
- Tenants experiencing problems with managing money and debt
- Improving quality of life for tenants across the county

According to the Equality Impact Assessment undertaken on the proposed transfer it will impact on protected characteristics. Impacts in terms of stock transfer are positive, as accessing additional funding will improve housing, neighbourhoods and services and will stimulate the local economy. This may be particularly beneficial for women who have an increased demand for social housing and disabled and older people who require homes to meet specific housing needs. Younger people and people raising a family will also benefit from an improved social housing offer resulting from stock transfer. Transfer may also enable access to additional funding to strengthen and improve tenancy support services to mitigate the effects of welfare reform.

### **Accommodation**

None

### **Crime and Disorder**

None

### **Human Rights**

None

### **Consultation**

Formal consultation has been undertaken with all secure and introductory tenants, providing an opportunity for 21,908 tenants and 193 leaseholders to comment on the Council's transfer proposal. If the Council decides to move to the second stage of consultation all 21,908 tenants would be asked to vote on the proposal at a confidential ballot.

### **Procurement**

None.

### **Disability Issues**

None

### **Legal Implications**

There is a clear process for the transfer of homes set out in the Government's Housing Transfer Manual. The process for formal consultation on the transfer proposal is set out in Schedule 3A of the Housing Act 1985. The Council must undertake a ballot of all its secure and introductory tenants if the transfer is to proceed. The transfer of homes can only go ahead if a majority of tenants voting in the ballot vote in favour of the proposal.

If a majority of tenants voting in the ballot vote in favour of the proposal the Council's Legal Services will work closely with the Council's externally appointed solicitors, to ensure the Council's interests are protected throughout negotiations with the proposed new Group of landlords and that any commercial deal agreed with the proposed new Group is properly documented in a Transfer Agreement.

The Council continues to undertake a large-scale conveyancing exercise, documenting the Council's title to its housing stock and mapping the assets which are likely to transfer. If the transfer goes ahead, several issues for consideration would need to be referred to members and before the transfer could take place there would be a detailed report on these issues would be provided to Cabinet.



**INDEPENDENT TENANT ADVISOR  
REPORT**

**Presented by  
OPEN COMMUNITIES Ltd.**

**July 2014**





## EXECUTIVE SUMMARY

At the conclusion of this phase of the stock transfer process, the Customer Working Group and Durham County Council can be assured that tenants and leaseholders have been provided with the impartial knowledge and support that has enabled them to make an informed decision on the future ownership and management of the Council's housing stock.

The Customer Working Group have been fully involved in the stock transfer process and the Council's decision to propose the transfer of its housing stock.

Open Communities has worked with the tenants and residents of Durham and partner organisations to ensure that tenants have been in the driving seat of the council's stock transfer proposals. The activity and input from all of the tenants on the CWG has shown a high level of knowledge and awareness and a real desire for meaningful participation in shaping the transfer proposals.

Open Communities are happy to confirm that the consultation and participation programme has been comprehensive, thorough and appropriate and the Customer Working Group has been comprehensively engaged throughout. CWG members have been proactive in their involvement throughout the process and have ensured the views of the wider tenant network have been clearly put forward. It has been clear that CWG involvement has been focussed on what is best for the tenants of Durham as a whole.





## THE STOCK TRANSFER PROCESS

Key elements of the ITA role are detailed below, followed by ITA comments:

Some of the key milestones of the ITA's role were:

- **Publicising the role and scope of the ITA via FREEPHONE postcards, attendance at appropriate meetings, drop in sessions and events and contributing to Council communications**
  - Comment: Tenants have had the opportunity to engage via a variety of methods
  - Comment: Council-issued stock transfer communication materials have been assessed to ensure validity and fairness
- **Providing clear information regarding the need for and the role of the Stock Transfer consultation and participation process via meetings, drop in sessions, events and the FREEPHONE service**
  - Comment: Tenant representatives on the CWG have been fully engaged with all of the issues underpinning stock transfer as have those tenants who played a part in the wider consultation process
- **Establishing an effective working relationship with the Customer Working Group built on trust, honesty and transparency**
  - Comment: CWG members have managed the ITA contract and activities and have directed the consultation. CWG members have been proactive in this process, suggesting topics for discussion and ensuring key issues are discussed in detail
  - Comment: The CWG went through a period of considerable change when two members were elected on to the 'shadow board' of County Durham Housing Group. This could have adversely affected the effectiveness of the CWG, had it not managed it the way it did. A new chairperson and vice chairperson were formally elected into position and assumed their roles seamlessly. It is to the group's credit that it continued to work for the benefit of the wider tenant community while these changes took place.
- **Providing a FREEPHONE service throughout the process which offered all tenants the opportunity to discuss the stock transfer proposals in the detail they desired.**
  - Comment: Take up of the FREEPHONE service has picked up considerably since the publication and delivery of the Offer Document. The majority of calls reflected a desire among tenants to know more about the stock transfer process. Not all calls were focussed on the transfer process and those tenants who used the FREEPHONE service to report day to day housing management issues were forwarded on to the relevant staff to address their queries. (see FREEPHONE breakdown attached)



- **Providing independent and impartial advice in clear terms throughout the process.**
  - Comment: CWG have confirmed they have had access to impartial advice throughout
- **Assessing baseline information provided by Durham County Council and its consultants, in particular consultation material, the Offer Document and the accompanying DVD.**
  - Comment: Information has been shared with CWG directly from communications consultants allowing them the opportunity to raise questions, clarifications and issues
  - Comment: These issues have been openly discussed at CWG meetings
- **Ensuring that information provided throughout the process was fair, balanced and factual.**
  - Comment: I can confirm information provided has been comprehensive, fair and factual
- **Contributing to the Communication Strategy agreed with Customer Working Group and partner organisations.**
  - Comment: CWG have been fully engaged in reviewing and agreeing these documents
- **Developing and encouraging a pre-meeting with Customer working Group members where no Council or landlord officers were present to enable a free exchange of views with the ITA.**
  - Comment: CWG have had opportunity to engage with the ITA free from influence from any partner organisations.
  - Comment: CWG members showed a high level of knowledge of the key themes of stock transfer as well as a high level of confidence in questioning and testing information put to them by Durham Council
- **Regularly reviewing council information on the stock transfer process in such a way as to allow clear examination of the implications of stock transfer and 'stay as you are'.**
  - Comment: CWG members have an informed and rounded view of the implications of both 'yes' and 'no' votes
- **Ensuring the involvement of all stakeholders and explaining the implications for them.**
  - Comment: Leaseholders have been engaged at an appropriate level
- **Attending a series of meetings and key events with CWG members - as well as tenants not involved in the formal consultation activity - across Durham to raise the profile of the stock transfer process and potential outcomes, giving tenants the opportunity to raise issues or concerns and communicate the interim decisions emerging. The following meetings/events were attended:**



- Comment: Attendance was generally high across the activities. The general feeling could be described as 'open' to the idea of stock transfer with healthy and relevant comment and discussion on the potential outcome. CWG members played a supportive and positive role in the sessions - ensuring that tenants had the opportunity to talk to fellow tenants about the transfer proposals

Our general activity included providing advice, guidance and clarity at the various meetings/events across the county including

#### **Customer Working Group meetings,**

- Provide general advice/support to CWG in discussing service provision
- Discuss and explain specific aspects of the stock transfer process/proposals
- Advise on and respond to general issues/questions
- Support and advise CWG to question key aspects of the proposal
  - nature of the group structure
  - implications for each of the three landlords
  - effects of government policy
  - future for customer involvement under the new arrangements.
- Shape formal CWG statement for the Offer Document
- Promote involvement in the Tenancy Agreement Working Group
- Discuss and review election of a new Chair and vice Chair for the group.
- Facilitate workshops on various specific housing and related services
- Discuss appointment to shadow Board.
- Priorities for the offer document.

#### **Tenancy Agreement Working Party Meetings**

Advised on various technical issues in relation to draft tenancy agreement

#### **Public events**

'Thank you' event at Durham City Homes

Drop-in events across the County

#### **Stock Transfer Project Steering Group**

#### **Communications Work Stream**

Discuss and contribute to the Council's communications programme



## PROJECT MANAGEMENT ARRANGEMENTS

Open Communities fielded an experienced and skilled team to ensure that the project was delivered in full and on time and to the satisfaction of all stakeholders.

The project was project managed by one of our Directors supported by experienced Associate Consultants.

## KEY STAFF

### **Tom Hopkins**

Tom was the Managing Director of Open Communities at the commencement of the process. Tom left Open Communities at the end of 2013.

### **Ray Coyle BA (Hons) MCIH - Director**

Ray has worked as Independent Tenants Adviser for many stock options processes including Liverpool, Manchester, Blackpool, Stoke Vale of Glamorgan, Conwy, Ceredigion including working on projects culminating in ALMO, stock transfer, retention, PFI and mixed models.

Prior to becoming a consultant Ray worked in tenant participation for a Manchester based registered social provider and worked for the homeless charity SHELTER. Ray is a Housing and Development graduate, a qualified member of the Chartered Institute of Housing and has detailed knowledge of tenant participation and current housing issues. He is a tutor and assessor for the Chartered Institute of Housing on their distance and blended learning programmes

### **Paul Bayman**

#### **Associate Consultant**

Vastly experienced in resident involvement and community consultation, North East based Paul has assisted Jamie in delivering the ITA role, notably in facilitating a Customer Working Group team-building event, attending Study visits and participating in open-day consultation events.

### **Rob Mallet BA FCA**

#### **Independent Tenants Financial Advisor**

An experienced Senior Financial Executive, Rob has offered a detailed knowledge of housing and voluntary sector finance to the Open Communities ITA team. Well respected within the housing sector his track record has included presenting to the National Housing Federation on finance issues, developing innovative finance models and responsibility for finance at one of the country's largest housing organisations.

Rob's specific role within the team has been to assess the financial elements of the Stock Option Study and his experience and skills at assessing detailed business plans and potential options has highlighted key issues, concerns and advantages to tenants. Working with the partner organisations, Rob has assured the Customer Working Group that they have been able accurately assess the options.



Rob has worked directly with Jamie to ensure that the complex, detailed and in-depth financial considerations have been broken down and translated into terms which allow tenants to make informed decisions about the options in line with their priorities.

### **BACKGROUND TO OPEN COMMUNITIES**

Open Communities Ltd. is a regionally based, Government approved, accredited, independent training and advisory agency which specialises in developing resident involvement within social housing and regeneration proposals.

### **TRACK RECORD**

The company was formed in 2005 and has offices in Liverpool and Cardiff. There are currently over 20 full and part time staff and Associate Consultants who are employed by Open Communities.

Open Communities has a staff team with a vast experience of Independent Tenants Advisor work including having acted as ITA on over 40 projects across the country including some of the most challenging and ground breaking projects to have taken place.

Open Communities also manages a wide range of tenant empowerment projects across England and Wales, funded by both the Westminster and Cardiff governments. The invaluable experience gained from these projects has been used to assist tenants in negotiating their housing future.



## LEAD ADVISOR SUMMARY COMMENTS

As lead Independent Tenants Advisor to the process, I am entirely satisfied that the Customer Working Group has been given the information and support to assist them to understand the implications of both stock transfer and stock retention. The CWG has embraced this process and shown a high level of knowledge of and commitment to the stock transfer consultation programme, ensuring that it did not lose sight of the fact that it was representing the views of the wider tenant network.

This is particularly commendable, given the changes in CWG members, with the loss of the chairperson and vice chairperson - midway through the process - to the shadow board of the prospective new parent company.

Generally, the group, individually and collectively, have carried out their role selflessly and in the interests of all of the tenants in the County. It has displayed a readiness to effectively question the Council's proposals and has retained an open and pragmatic approach to the transfer process. It has ensured the views of the wider tenant community have been taken into account in shaping and developing the Offer the Council put to the tenants of Durham.

Specifically, the message delivered to full Council by the Chairperson of the CWG was focussed, relevant and powerful. It effectively encompassed the collective view of the CWG which, in turn, has represented the 22,\*\*\* tenants of Durham County. The work of the CWG in this process has been fundamental in ensuring that tenants have been at the heart of the Council's transfer proposals

The CWG recognise the need for tenants to continue to play an active part in delivering housing services - regardless of the outcome of the stock transfer ballot. There is a strong foundation in place to build on and ensure the collective voice of tenants in Durham will continue to be heard

**Raymond Coyle BA (Hons) MCIH**  
Director, Open Communities  
July 2014

## CUSTOMER WORKING GROUP COMMENTS

Here

**Cabinet**

**16 July 2014**

**Adoption of North Pennines AONB  
Management Plan**



**Key Decision R&ED/11/14**

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**Report of Corporate Management Team**

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

**Councillor Neil Foster, Cabinet Portfolio Holder for Economic  
Regeneration and Councillor Eddie Tomlinson, Cabinet Portfolio for  
Housing and Rural Issues**

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**Purpose**

1. The Council, along with other relevant local authorities has a statutory duty as set out in Section 89 of the Countryside and Rights of Way Act 2000 to prepare and review Management Plans for the North Pennines Area of Outstanding Natural Beauty (AONB). This work is delivered on the Council's behalf by the AONB staff unit. The latest Management Plan for the North Pennines AONB has recently been reviewed and finalised to guide the management of its protected landscapes for the period 2014-19. The Council needs to adopt these Management Plans to continue to meet its statutory duties.

**Background**

2. Areas of Outstanding Natural Beauty (AONBs) are statutory land use designations made under the National Parks and Access to the Countryside Act 1949.
3. The primary purpose of AONB designation is to conserve and enhance the natural beauty of the area. In pursuing the primary purpose, account should be taken of the needs of agriculture, forestry other rural industries and of the economic and social needs of local communities.

**Governance**

4. The County Council is jointly responsible for the North Pennines AONB which lies partly within its administrative boundary in the west of the county. Accordingly, the responsible local authorities must act jointly to produce and review, on a five yearly basis, management plans for the AONB within their administrative boundaries. By agreement with the other relevant local authorities this duty is performed by the North Pennines AONB management organisation - the North Pennines AONB Partnership

serviced by a nominated member and a small unit of dedicated officers who are employed through the Durham County Council as the 'host' authority, with core funding from the relevant local authorities and Natural England. The Cabinet Member with portfolio for Housing and Rural Issues is currently Chair of the Partnership, accompanied by DCC Head of Planning and Assets and Rights of Way Manager, who is Chair for its Access and Recreation Working Group.

## **Process**

5. The first statutory Management Plan for the North Pennines was published in 2004 with a subsequent reviewed in 2009 and the current further re-write this year. The AONB staff unit has consulted on these plans in recent months and Council officers have been involved in this process by commenting on content along with Members contributing through their membership of the Partnership.
6. The Partnership has demonstrated the successful implementation of the Management Plan for 2009-14 and has revised the contents to help conserve and enhance the special qualities of the areas for the next 5 years.

## **Purpose**

7. The purpose of the AONB Management Plan is to highlight the special qualities of the North Pennines and present an integrated vision for its future in light of national, regional and local priorities. Acknowledging the importance of its character and natural features, the Plan sets out agreed policies or outcomes to secure the vision; identifies what needs to be done, by whom, and when and states how the condition of the AONB and the effectiveness of its management will be monitored.
8. The Plan will enable the development of projects and facilitate cooperation with statutory agencies, landowners, businesses and the local community.
9. Annual action plans will be produced to monitor and measure success and achievement. The work will be guided by the AONB Partnership, which includes a County Councillor, and its Working Groups.

## **Implications for the Council**

10. The North Pennines is the second largest AONB in England and Wales, comprising significant areas of remote, undeveloped upland, characterised by heather moors and blanket bog and is celebrated for its tranquillity, industrial heritage, wildlife, and geo-diversity (it is Britain's first UNESCO Geopark). Given the remit of AONB designation, the stated objectives and actions of the North Pennines Management Plan raise implications for the work of the Council; its objectives and actions are of direct relevance to the following Council functions:



- **Landscape Character:** The Plan contains objectives and actions to conserve and enhance the area's distinctive landscape which are consistent with, and will help implement, the adopted County Durham Landscape Strategy (2008). The protection of the setting of the AONB from major wind turbine development is highlighted with reference made to adopted and emerging Council policy.
- **Planning:** The emerging County Durham Local Plan states that the AONB will be conserved and enhanced and that development will only be permitted where it does not adversely affect its special qualities or statutory purposes. It also requires that development should have regard to the objectives of the Management Plan. The Management Plan will therefore inform and influence proposals for new development likely to affect the AONB and will help deliver higher quality and more sustainable development.
- **Minerals Planning:** As an area rich in minerals, the North Pennines remains subject to pressure from mining and quarrying which will need to be regulated through the Council's planning functions. The County Council is the local planning authority for minerals and waste, including developments on its own land, and is responsible for ensuring that these developments conserve the character of the AONB. In preparing the forthcoming County Durham Local Plan, the County Council aims to ensure that suitable minerals and waste policies are included to facilitate this.
- **Data Management:** The North Pennines Plan includes a key objective to increase knowledge and understanding of the AONB's historic environment, and seeks to ensure that the historic environment is better recorded and understood, with the lead mining heritage of the area more innovatively conserved and interpreted. The role to be played by the County Council's Historic Environment Record (HER) will be key to this, and is specifically recognised in the Plan.
- **Highways/Public Rights of Way:** The Plan seeks to ensure that the public right of way network is maintained to a high standard – which will be done in conjunction with the Council's Access and Rights of Way Team. Actions are also supportive of sensitively designed highways schemes, and the sustainable management of verges.
- **Local Service Provision:** Actions in the Plan seek to support the maintenance and enhancement of services which are essential for sustainable rural community life, a number of which the Council are wholly or partly responsible for, including schools, public transport and broadband provision. The County Council will continue to play a key role in ensuring that suitable contributions are made to local service provision through its regeneration functions and planning policy.

11. Details of the special qualities of the AONB area is included in the draft Management Plan as well as a comprehensive list of objectives and action plans which identify lead and supporting partners. The documents can be downloaded from the North Pennines AONB website;  
<http://www.northpennines.org.uk/Pages/NorthPenninesAONBDraftManagementPlan2014.aspx>.
12. The Management Plan needs to be adopted by the Council to deliver its statutory duty. Officers consider that the process followed and the content of the Management Plan is consistent with other plans and policies of the Council and will help with the development of a range of projects and assist with securing external project funding for project implementation.

### **Recommendations**

13. Cabinet is recommended to adopt the Management Plan in keeping with the Council's statutory duty under Section 89 of the Countryside and Rights of Way Act 2000.

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**Contact:** *Stuart Timmiss – Head of Planning & Assets*  
**Tel:** *03000 267334*

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## **Appendix 1: Implications**

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### **Finance –**

The Council makes an annual contribution to the North Pennines AONB of £36,060 from the Planning and Assets core revenue budget. If Cabinet agree the recommendation to agree and adopt the management plans, this contribution will continue.

### **Staffing –**

The North Pennines AONB Partnership and staffing unit carries out a statutory function on behalf of the Council and other relevant local authorities. The staff unit and partnership committee is also be given support by council officers through technical officer input on projects and issues as appropriate.

### **Risk –**

None

### **Equality and Diversity / Public Sector Equality Duty –**

None

### **Accommodation –**

None

### **Crime and Disorder –**

None

### **Human Rights –**

None

### **Consultation –**

Consultation has been carried out across the component Local Authorities within the AONB area and community bodies as represented in the Partnership.

### **Procurement –**

None

### **Disability Issues –**

None

### **Legal Implications –**

The Council has a statutory duty under section 89(5) of the Countryside and Rights of Way Act 2000 to review the Area Of Outstanding Natural Beauty management plan before the end of the period of 5 years beginning with the date on which the initial management plan was first published and then after the first review, at intervals of not more than 5 years. Section 89(10) of the Countryside and Rights of Way Act 2000 provides that when reviewing the Management Plan, the Council shall:

- a) Determine on that review whether it would be expedient to amend the plan and what (if any) amendments would be appropriate,
- b) Make any amendments that they consider appropriate.

Officers are satisfied with the review and any amendments made and are therefore recommending adopting the Management Plan in line with obligations.

Cabinet

16 July 2014



Customer First Strategy Refresh 2014-2017

Key Decision NS22/13

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**Report of Corporate Management Team  
Terry Collins, Corporate Director, Neighbourhood Services  
Councillor Brian Stephens, Cabinet Portfolio Holder for  
Neighbourhoods and Local Partnerships**

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**Purpose of the Report**

1. To report back to Cabinet on the results of the consultation process for a new Customer First Strategy for the Council
2. To seek Cabinet approval of the new Customer First Strategy for the Council for 2014-2017.

**Background**

3. At its meeting in January 2014, Cabinet agreed to a 12 week public consultation on a revised Customer First Strategy for the Council to replace the existing one agreed in 2010 following LGR.
4. The main focus of the strategy document encompasses the main contact channels used by customers; streamlined service delivery and the council's approach to use of feedback, intelligence and data to inform service development. It sets out a future direction for delivery of effective customer service in the light of reduced budgets and our MTFP savings.
5. In line with the 'whole council approach' to Customer Services the Customer First Strategy seeks to broaden accessibility to information and increase online capability relating to transacting with the council. This approach will ensure best use of existing resources and buildings to provide a network of service access points which is instantly recognisable through a single branding. When implementing this approach clarity will be provided in relation to where key transactions will be offered, such as Benefits. By evolving this approach customers will have greater access to services and information in an economically efficient way.
6. It is important that the Customer First Strategy is clear, concise and linked to the wider priorities of the Council. Delivery of the Strategy will result in changes not only internally in relation to integration of services but also through enabling "channel shift" so that customers are able to access services through digital means at a time and location convenient to them.

## **Progress to date**

7. Achieving an improved Customer First ethos across the Council requires constant attention and a transformation programme requiring commitment and resource from all Council services. It is a transformation programme which will take some time to deliver and the proposed strategy covers a three year period.
8. The process has already begun however through the development and strengthening of a cross council Customer Focus Board, chaired by the Corporate Director of Neighbourhood Services and with Heads of Service representing each Service Grouping. The Board is focussed on identifying and delivering the key projects within the revised strategy.
9. Work to date in this area has already delivered significant successes, including:
  - Transfer of the front end of the Revenues and Benefits service provision to enable a First Point of Contact resolution for enquiries regarding Housing Benefit, Council Tax Support and Council Tax Billing.
  - Rationalisation of the Customer Services contact centres to provide efficiencies and a more integrated approach to telephony
  - Implementation of Homeworking in Customer Services to build resilience and provide a more flexible and sustainable solution to accommodating staff.
  - Delivery of a range of operational efficiencies to improve performance and quality in terms of call handling, waiting time and response at first point of contact
  - A new appointment based face to face service at Peterlee and at the new CAP in Chester Le Street, both based on collaboration with Housing partners to provide a more joined up approach to dealing with a range of issues and to improve customer interaction for Housing tenants.
  - Successful completion of the new facility at the Witham in Barnard Castle, offering Library and CAP in the same building, based on similar successes at Crook and Durham.
  - The review of the Office Accommodation Strategy report to Cabinet In January 2014 which enabled the Council to take stock of the future proposals for new CAPs in the light of future savings targets; resulting in changes to the future provision in some areas whilst maintaining vital face to face provision in localities
  - Identification of dedicated resource to handle e mail and web enquiries
  - Strengthened arrangements for dealing with extreme weather events

## **Ongoing work**

10. Delivery of service improvements, better service integration, providing valuable responsive feedback to customers through a range of channels and future success in terms of a more e-enabled approach to customer contact can only be achieved if the right system is in place to provide a platform for this transformation. Alongside the development of a new website, the review of the CRM is considering where the Council needs to go in relation to its future frontline systems. A mapping exercise in relation to the current ICT infrastructure is also being completed to ensure the Council's systems architecture supports future delivery of services and enables an integrated approach to providing a streamlined picture of our customers and interaction.

## **Overview and Scrutiny Review**

11. Members of Corporate Issues Overview and Scrutiny Committee have reviewed the process surrounding the development of the Customer First Strategy. The committee has focussed on the 3 outcome areas, considered a range of issues relating to service improvement and looked at best practise. The committee report outlining their findings will be available in September.

## **Consultation**

12. Given the importance and broad nature of this area, a full and comprehensive consultation exercise was undertaken to consider:

- The vision statement and main areas of focus
- Current customer preferences
- How Customers would like to transact with the Council in the future

13. The public consultation took place over a 12 week period, commencing on 20<sup>th</sup> January 2014 and running until 14<sup>th</sup> April 2014

14. A number of consultation methods were used to encourage wide participation, including:

- On-line survey (Paper copies were also made available at locations across the county to ensure those without access to PCs/internet access can participate)
- Focus Group meetings and signposting through AAPs
- Disability Partnership
- Workshop with young people

15. The full results of the exercise are available in the Members Library, however, a summary of responses is provided below:

## **Consultation Feedback**

16. The following paragraphs provide a summary of the main areas of feedback which came from the survey and focus groups and which has been used to update the strategy document.

## **The vision statement and main areas of focus**

17. A total of 1105 responses were received via the public consultation survey – 892 (80.7% (response) from the Citizens Panel and 213 (19.3% response) from the general public. Responses from the Citizens' Panel are weighted by age and gender to correct for differences within these demographics. Because of this weighting, responses from Citizens' Panel and members of the public are kept separate in this report.

18. The majority of people responding to the survey either agreed or strongly agreed with the vision with over 90% from the citizen panel and 80% from the general public.
19. For those that didn't agree here are some of their comments
- Quality of service is more important than value for money
  - Cost is at the heart of everything rather than customers
  - Can it be delivered?
  - No regard to customers who aren't able to access online services.

### **Current customer preferences for contacting the Council**

20. Almost two thirds (64%) of Citizens' Panel respondents have declared that not using online services was because they preferred other methods of contact. Nearly 63% most frequently use the telephone, with the most common reason that it was the most convenient option. The general public consultation responses were much more varied. The most common choice of contact method was using the telephone (33%), followed by visiting the council in person.
21. Currently, telephones are the most popular choice for reporting or requesting something - 74% will use this channel to report and 60% to apply for a service. The website would be used for obtaining information on council services. In relation to the general public, the preferred option is still using telephone for applying 47% and reporting at 55%.

### **How Customers would like to interact with the Council in the future**

22. Of the respondents, 72% (Citizen Panel) and 59% (general public) either agree or strongly agree with providing more online, 24/7 services for customers.
23. Comments in favour
- I want to be able to contact the council on an evening/weekend.
  - May help people get quicker and more effective response
  - Should have online services with live chat
24. Comments against
- Don't think online or self-service is better for elderly/disabled. May not have access to technology and may feel vulnerable/need to provide for people with specific needs.
  - Not everyone has access to online services/council needs to cater for everyone/poor internet available in rural areas.
  - Not always easy to navigate/website needs to be free of Jargon
25. It is therefore important that the needs of the more vulnerable are taken account of when developing our self- service offer; with a choice of channels being key to supporting this.
26. Over half of those making a comment (Citizens' Panel) felt that an appointments system for Benefits and Council Tax enquiries would be beneficial and a good idea as it would be more convenient. Only a small



amount of customers (21%) felt that a more flexible/walk in method would more appropriate.

27. There was a strong, positive response from the Citizen Panel and General Public (Over 66%) in support of being able to view transactions other than council tax online. The option to enable customers to track council tax payments online was favoured by over 50% of Citizen Panel and General Public respondents.

### **Feedback from the Disability Partnership**

28. It was felt that Face to Face services will always be required as it may be the only way that some people can communicate with the council. In addition, the availability of more 'out of hours' email responses was welcome however some will never use email and will only contact the council via telephone or face to face. The group expressed the view that staff dealing with frontline customer contact should be highly trained and more knowledgeable about services across the council in order to provide that first point of contact help. Development of staff and comprehensive information was felt to be key to this.
29. The concept of widening access to services through alternative channels was welcomed especially for people who work and it was also felt that the idea of using the Council's buildings better to enable access to a wide range of information on council services would be well received. It was also suggested that mystery shopping should be used to assess our approach to customer services – it was agreed that this should be explored with the Disability Partnership in the future.
30. The Group also felt that email is not always the best route for some people or for certain issues therefore we need to improve how call centre staff handle telephone enquiries. It was also commented that staff sometimes lack the knowledge in order to deal effectively with a customer enquiry.

### **Information from the workshop with young people**

31. A workshop with young people from Park View School in Chester-Le-Street was held as part of the consultation process. This was specifically to look at the potential for more digital and online service transactions.
32. The comments from the young people indicated that improvements to the website and the search functions were required before these could be considered to be as easy to use as other services such as google.
33. Also it was felt that the current website made finding information about the things that young people were interested in difficult, requiring too many clicks and being lost in jargon and a lot of "Local Government speak".

### **Equality and Diversity**

34. From the consultation responses in relation to the citizen's panel, there was a 9% increase in terms of 16 – 34 year olds preferring to use the website to access information (54%) against the overall figure of 45%. In terms of using the telephone, currently 71% of over 65's use this as their preferred channel;

this drops to 56% when the same group are asked about their future preferences.

35. Almost 60% of the disabled group agreed that more services should be made online 24/7.
36. There was a strong response from 16 – 34 year olds regarding using online transactions (84%) and 65% of respondents indicated they would prefer using online methods for transactions in relation to Benefits and Council Tax.
37. There was a positive response from all groups regarding appointments for Benefits and Council Tax.
38. An Equality Impact Assessment has been completed following the consultation exercise; this is attached as Appendix 3 to this report

### **Updating the Strategy**

39. The draft strategy has been updated, post-consultation, to reflect the feedback from the consultation and reflects the following key messages:
  - Make it easy for me to contact the Council
  - Get it right first time
  - Be clear on how I can expect services to be delivered and by when
  - Give me choice of how I want to contact you
  - The personal touch is important
  - Make it easier for payments to be made online
40. The foreword, context and commitments have been revised to reflect the feedback received and an updated strategy document is included as Appendix 2 to this report.

### **Next Steps: Implementing the Strategy**

41. The Council has recently embarked on a large scale transformation programme to successfully deliver the outcomes of the Customer First Strategy and the commitments contained within it. This programme has robust governance arrangements, with an organisation wide board with representation from all directorates at a Head of Service level. The programme consists of a number of individual but interrelated projects working together to provide responsive and customer focussed services through a variety of channels that meet customer needs through:
  - Telephony arrangements
  - Website
  - Information provision in facilities
  - Service Standards
  - Complaints and Feedback

- Customer Relationship Management System

## **Telephony**

42. This project focuses on how telephony contact is provided across the organisation. The Council currently publishes a large number of phone numbers. The Council is in the process of reviewing and rationalising these numbers to make it easier for our Customers to contact us and get through to the right person first time.

## **Website**

43. The Council is currently undergoing a refresh of its website to reduce and update the amount of content making it easier for customers to find information and also to make more service transactions available on line so customer can engage with the Council at times that are convenient to them. Work on revising the website has been ongoing for a while and a new revised website is expected in late summer.

44. In order to achieve successful “Channel Shift”, it is important that initiatives around the e-marketplace, e-store and the ICT and developing Digital Strategies are also successfully implemented. These initiatives are therefore also within the remit of the Customer Focus Board.

## **Information Durham**

45. The Information Durham Project is focussed on providing consistent useful, relevant and required information in all the Council’s facilities accessed by the public which is easily recognisable.

## **Service Standards**

46. The current service standards in place to inform customer expectations are being reviewed in the light of customer demand and organisational change. This will result in a revised Customer Charter and approach to setting service standards across the Council

## **Complaints and Feedback**

47. A review of the Council’s complaints process is currently underway, looking at both the policy and the systems underpinning resolution and learning from Customer Feedback. There are a number of pilots in place across service areas to test changes to the process and to improve outcomes and learning to inform improvement

## **Review of the Customer Relationship Management System**

48. The Council is currently reviewing the requirement for a new CRM system for the organisation. A robust CRM system will be crucial to enabling the authority to improve and increase the variety of ways in which a customer can contact the authority, improve process efficiencies and customer experience for engaging with the authority. The CRM will also store customer information and feedback that will be used to shape service improvement and future service delivery.

## **Customer Access Points Review**

49. It is worthwhile highlighting the latest position in relation to the review of Customer Access Points approved by Cabinet in January. Work on a new surgery in Bishop Auckland to replace the provision operated from Old Bank Chambers has progressed well and the new arrangement will be in operation by late summer. Following a consultation exercise to gauge views of local service users, the new arrangement will operate from Bishop Auckland Town Hall and will offer a wider range of surgery appointments covering Housing Solutions and Bus Pass enquiries.
50. One of the areas considered through the consultation process was to implement an appointments based system for all appointments for Benefits/Council Tax interviews in all CAPs. This system was introduced at the new Chester le Street CAP and operates for all the “surgery” type face to face arrangements. It has been well received in those areas where it operates and makes it more efficient for the service.

## **Communication and Education**

51. It is important that all staff across the Council understand the principles of the revised strategy and are working together towards improving the initial contact, delivery and feedback mechanisms associated with customer service. This will mean developing a clear communications and implementation plan to roll out to all staff, Members and partners, ensuring that all are working towards these common goals. This will support awareness-raising with customers when key projects are delivered.

## **Recommendations**

52. That Cabinet considers the results of the consultation and approves the new Customer First Strategy for the Council
53. That Cabinet approves an appointments system to be implemented across all CAPs for Benefits and Council Tax interviews.

## **Background Papers**

Cabinet 29<sup>th</sup> June 2010 Customer First Strategy

Cabinet 15<sup>th</sup> January 2014 Customer First Strategy Refresh 2014-17

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**Contact: Alan Patrickson 03000 268165**

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## **Appendix 1: Implications**

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### **Finance**

The strategy aims to deliver value for money customer service within the context of savings targets

### **Staffing**

Staff have been consulted in line with the internal consultation exercise

### **Risk**

A full Risk register has been developed

### **Equality and Diversity / Public Sector Equality Duty**

The strategy document sets out a clear commitment to ensuring that equality and fairness are key features of the Council's approach to customer service. There may be a potential impact in relation to any future review of access channels which will include the future operation of Customer Access Points. A separate EqIA will be developed to inform any future decisions which this may impact.

### **Accommodation**

Any future review of the Council's Customer Access Points will be done as part of the consideration of all of the Council's contact channels and successful migration to self service

### **Crime and Disorder**

Not applicable

### **Human Rights**

Not applicable

### **Consultation**

A range of consultation exercises have been developed in line with the consultation and engagement plan

### **Procurement**

Not applicable

### **Disability Issues**

Access to services is a key component of the Strategy

### **Legal Implications**

Legal Advice has been sought and it is considered there are no implications.

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# Putting our customers first



A strategy for 2014 to 2017

*Altogether better*





## **Foreword**

### Welcome to Durham County Council's Customer First Strategy for 2014 to 2017

This refreshed strategy sets out how, over the next three years, we aim to transform the way in which our residents, visitors, businesses and partners access our services.

Our vision for this strategy is clear, we aim to:

***“Deliver customer service that provides value for money, flexibility and choice whilst placing our customers at the heart of everything we do.”***

We have come a long way since the new unitary council for County Durham was formed in 2009. At that time, we were committed to providing a consistent and responsive approach to all our customers whilst we transformed and harmonised the way we worked across services. Whilst our commitment to providing strong customer service has not changed, we are now working in an environment of increased demand for services. Changes to the welfare system and reducing budgets, will mean by 2016/17, the council will have experienced a 50% reduction in the amount of funding it receives directly from the government.

We have carried out a wide ranging consultation on customer contact and asking for feedback on how we should be delivering effective customer service in the future. These are the main things which you said:

- ✓ Make it easy for me to contact you.
- ✓ Get it right first time.
- ✓ Be clear on how and when I can expect services to be delivered.
- ✓ Give me choice of how I want to contact you.
- ✓ The personal touch is important.
- ✓ I'd like to be able to make more payments online.

We want to ensure we balance reduced resources with a commitment to delivering essential services in these ways which are important to you. This will mean providing better online services, encouraging self-service, working better with partners to join up services, whilst we continue to protect vulnerable communities.

This strategy document sets out our approach to these challenges over the next three years.

#### **Councillor Brian Stephens**

Portfolio Holder for Neighbourhood Services and Local Partnerships.



# Delivering an altogether better Durham

The Customer First Strategy is central to ensuring that you remain at the heart of our vision for an altogether better place which is altogether better for people.

## Altogether wealthier

focusing on creating a vibrant economy and putting regeneration and economic development at the heart of all our plans



## Altogether better for children and young people

ensuring children and young people are kept safe from harm and that they can 'believe, achieve and succeed'



## Altogether healthier

improving health and wellbeing



## Altogether safer

creating a safer and more cohesive county



## Altogether greener

ensuring an attractive and 'liveable' local environment and contributing to tackling global environmental challenges



## Treating people fairly and respecting differences

We are committed to treating everyone fairly, with respect and dignity, regardless of background or abilities. We take account of differing needs and make appropriate adjustments to improve access to services. We will continue to train our staff, improve our buildings, provide accessible information and investigate all complaints fairly.



## Understanding our county and people

As County Durham is diverse in both geography and the make-up of communities, we need to ensure that we build a strategy which takes account of different needs and the ways in which we are able to interact with you. We also want the county to flourish as a place so we need to ensure all visitors and businesses can easily access information to enable them to visit or develop a business here.



## Changing technology and customer expectations

Each year we answer more than 910,000 telephone enquiries and deal with more than 270,000 face to face enquiries in our customer access points. While telephone is the preferred method of contact, the number of e-mails and web forms we receive are increasing significantly.

The internet is changing the way people interact, both in terms of social contact and when requesting goods and services. Communities are developing around interest rather than just location. The rise of social networking presents us with an enormous opportunity to engage with people in new and exciting ways.

We know that your expectations around access to our services are changing. There is demand for faster, easier contact at a time and place that is convenient to you and we need to meet this demand. We also need to ensure we are providing services which give good value for money at a time when we have fewer resources and are having to be more efficient. This means improving our online services to offer better electronic and information services.

We want to make improvements to our internet services so we can provide better quality and more convenient services 24 hours a day, 7 days a week. We know there are some people who do not have access to the internet and will ensure the right help is available to those who need it.

The Digital Durham project is aiming to widen access to superfast broadband across the county which will give even more residents the opportunity to use our services online. This project will result in 98% of properties having access to superfast broadband by 2016.

### Case Study

#### Moving school admissions online

School admissions moved from paper-based systems to web-based systems by encouraging parents to apply online. Historically, parents had two options when applying for a school place; online and via a paper-based application form inside the Parents' Guide to School Admissions publication.



The paper application form and the Parents' Guide to School Admissions publication was abolished and replaced with an information postcard signposting parents to apply online. This resulted in a significant increase in online applications between 2012 and 2014:

- online primary admissions increased from 36% ➡ 2014 = 79.8%
- online junior admissions increased from 31% ➡ 2014 = 81.6%
- online secondary admissions increased from 25% ➡ 2014 = 81 %

These changes allowed us to make savings whilst improving customer service.





## Customer First

We want to ensure that you can access our services in a variety of ways; that our service delivery is effective, fair and efficient and that our staff are helpful, knowledgeable and friendly.

Our vision is to;

**“ Deliver customer service that provides value for money, flexibility and choice whilst placing our customers at the heart of everything we do. ”**

### Key Outcomes

We are working towards three outcomes to ensure we truly put the 'customer first' and to provide cost effective services.

**A range of effective and easy to use ways in which our customers can deal with us.**



**Responsive and customer focussed services.**



**Customer feedback informs learning and results in improved services.**



The rest of this strategy outlines how we will deliver these outcomes.

# Outcome: provide a range of effective and easy to use ways in which our customers can deal with us

## What this means

We know that you want to be able to contact us in different ways depending on your enquiry.

We need to develop our website to make it easier to use council services online.

The rise of social networking provides us with an enormous opportunity to engage with people in new ways.

The telephone is the most popular means of contact from people and we will continue to develop our telephone technology. We have contact centres across the council dealing with a range of services. We will review this to consider joining up services where appropriate and work towards making it easier for you to contact us.

We want to ensure that where you need to see us in person, you are able to do so. However, providing services face to face is the most expensive way to interact with people. As we are in a climate of reducing resources, we will need to carry out a review of our customer access points to consider where they should be located in future, based on customer need and providing value for money. We will ensure that you are aware you can access service information in any of our buildings and we will continue to explore opportunities to deliver face to face services outside of the traditional access points, working with other familiar service providers.

In 2013/14 we received 812 reports of fly tipping through the online form on our website.

In 2013/14 9,055 street lighting requests were logged by our Customer Service Officers.

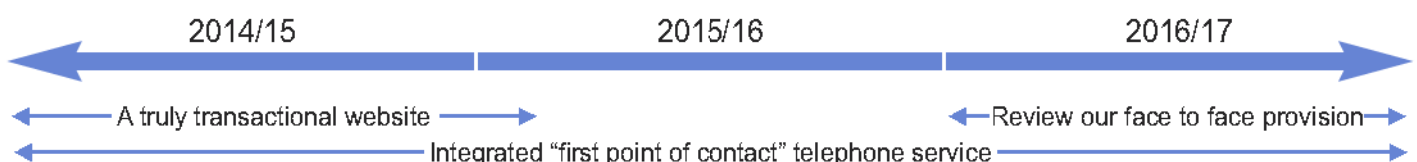
## Did you know?

If you follow us on Twitter and Facebook: You can get regular updates when weather causes disruption to our services.

## Our commitment to you. We will:

- Make the website easier to use.
- Enable you to access information about your dealings with the council securely online.
- Ensure you know of all the different ways you can contact us.
- Review our Customer Access Point provision.
- Provide you with more and better self-service facilities.
- Use Social Media more widely for you as a customer.
- Provide opportunities for you to use online services and continue to expand broadband in the county.
- Ensure we can deal effectively with out of hours emergencies such as flooding incidents.
- Make it easier for you to telephone us by reducing the number of phone numbers we publish.
- Make better use of our buildings to enable you to get information on services in person.

## Timeline for delivery



# Outcome: responsive and customer focussed services

## What this means

It is important that everyone who works in the council puts you at the forefront of the way we work and deliver services. To ensure we are as responsive as possible, we will continuously look closely at the way we respond to enquiries and make the service as efficient as possible.

It is important that we are giving out the right information, advice and support and that our staff are courteous and polite. We will review our quality assurance systems and deliver a new programme of customer care training so our staff can deal confidently with customers.

We will look in-depth at a number of our key areas of service delivery to review the customer experience and improve the way we work. This will mean eliminating wasteful parts of our processes, reviewing our letters, forms and information to ensure they are clear and easy to understand.

We need to be clear about the standards of service you can expect to receive when you contact us. We will monitor our performance in relation to timeliness and quality of service and use this to make improvements where we can.

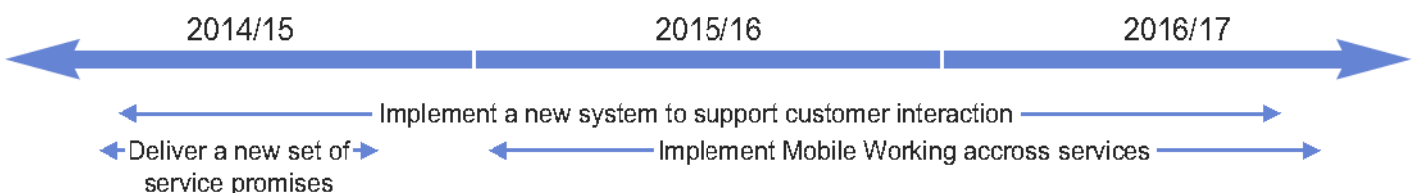
In 2013-14, 38,000 people were helped to stay in their own homes through community based services such as home care, day care, equipment, adaptations and respite care arrangements.

In 2013/14 customers submitted 16,901 requests regarding delivery of refuse and recycling containers.

## Our commitment to you. We will:

- Be clear on how you can expect services to be delivered and by when.
- Gather information on your needs to improve the way we deliver services.
- Improve the way we interact with you using new customer care training.
- Ensure our communications are as clear as they can be; ensuring forms and letters are easy to read.
- Identify where technology can improve the way services are delivered.
- Review our working practices to meet your needs.
- Continuously keep your needs in mind when you ask us to provide you with a service.
- Keep you informed of progress when you have asked us to do something.

## Timeline for delivery



# Outcome: customer feedback informs learning and results in improved services



96% of complaints received in 2013/14 were resolved by the council without the need for referral to the Local Government Ombudsman.

Did you know?

that you can have your say on Council services at [www.durham.gov.uk/haveyoursay](http://www.durham.gov.uk/haveyoursay)

## What this means

Due to reducing resources and increasing demand for services we need to think differently about the way in which we deliver our essential services. This may mean changing how we provide services or introducing charges for services which were previously provided free of charge.

When introducing these changes, we need to consider how it will affect our communities. We need to capture this information both before and after implementing new ways of working and also when reviewing how that change has been received.

It is important that we get your views so we can learn from your feedback and use it to review the way we provide services. It is also important for us to find out the reasons people contact us and we will use that information to help improve our services. We need to build our information systems so we can adapt services to meet the different needs of our communities.

In 2013/14 48% of customer feedback was given via the website.

## Our commitment to you. We will:

- Take your views into account both before changing services and when you give us your feedback on how we are delivering services.
- Monitor the impact of changing the way we deliver services on our communities and use that information for the future.
- Review the way in which we deal with all customer feedback, including complaints, compliments and suggestions.
- Tell you when feedback has been used to shape service provision through the 'you said, we did' approach.
- Encourage you to give us your ideas on how we should deliver services in the future.
- Ensure we acknowledge where we have got it wrong and be clear on what we have to do to put it right.

## Timeline for delivery



Please ask us if you would like this document summarised in another language or format.

العربية (Arabic) (中文 (繁體字)) (Chinese) اردو (Urdu)  
polski (Polish) ਪੰਜਾਬੀ (Punjabi) Español (Spanish)  
বাংলা (Bengali) हिन्दी (Hindi) Deutsch (German)  
Français (French) Türkçe (Turkish) Melayu (Malay)

[help@durham.gov.uk](mailto:help@durham.gov.uk)

03000 260 000



Braille



Audio



Large  
Print



# Equalities and Diversity Impact Assessment

## Customer First Strategy 2014-2017



**NB: Equality impact assessment is a legal requirement for all strategies plans, functions, policies, procedures and services. We are also legally required to publish our assessments. You can find help and prompts on completing the assessment in the guidance from page 7 onwards.**

**Section one: Description and initial screening**  
**Section overview: this section provides an audit trail.**

Service/team or section: Head of Projects and Business Services	
Lead Officer: Customer Relations Manager	Start date: November 2013
Service Improvement Officer (Equalities)	
Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)	
<p>A review of the Customer First Strategy following consultation on a draft document and feedback obtained from the public consultation exercise.</p> <p>The refresh of the Customer First Strategy is designed to build on the previous version, learning from both the successes and challenges to date. The revised strategy is intended to set the direction of travel for customer contact, engagement and feedback for the next three years with the continued aim of transforming the way that customers access our services whilst still meeting our financial targets.</p> <p>There are a number of key drivers for the development and delivery of the Customer First Strategy, these include the increasing financial challenges faced by the Council, a number of significant policy and legislation changes by central government and the changing nature of the communications environment in which the Council operates, increased digital access and awareness and the associated change in customer expectations.</p> <p>The revised Customer First Strategy will have an overarching vision “<b>to deliver customer services which provide value for money, flexibility and choice whilst placing our customers at the heart of everything we do</b>” and three overarching outcomes:</p> <ul style="list-style-type: none"> <li>i) A range of effective and easy to use ways in which our customers can deal with us</li> <li>ii) Responsive and customer focussed services</li> <li>iii) Customer feedback informs learning and results in improved services</li> </ul>	

Who are the main stakeholders: <b>Public / Employees / Elected Members / Partners/ Specific audiences/Other</b> (please specify) –.											
Is a copy of the subject attached?											
<b>Initial screening</b>											
The Customer First Strategy applies to all households equally regardless of gender, age, ethnicity, disability, race and sexual orientation.											
The strategy document sets out a clear commitment to ensuring that equality and fairness are key features of the Council's approach to customer service.											
There will be a potential impact as the balance of access channels changes to reflect diminishing resources, the Government's strategy of having a digital channel as first choice of access and resident's changing behaviour in relation to technology.											
Prompts to help you: Who is affected by it? Who is intended to benefit and how? Could there be a different impact or outcome for some groups? Is it likely to affect relations between different communities or groups, for example if it is thought to favour one particular group or deny opportunities for others? Is there any specific targeted action to promote equality?											
<b>Is there an actual potential negative or positive impact on specific groups within these headings</b> Indicate : Y = Yes, N = No, ?=Unsure											
Gender	?	Disability	Y	Age	Y	Race/ethnicity	?	Religion or belief	?	Sexual orientation	?
<b>What evidence do you have to support your findings?</b>											
The Customer First Strategy covers a wide range of activity and we will take this EIA to screening stage only, as other in depth EIA's (Access Points, Contact Centre, Web Services, Customer Feedback ) will be completed to cover related services.											
<u>Summary of Consultation Comments</u>											
The consultation included the following comments											
<ul style="list-style-type: none"> <li>• Some customers may not have online access/I don't use online services/I need to consider individual needs/elderly</li> <li>• Still need a face to face contact/prefer face to face contact/prefer personal service /prefer phone /prefer letter</li> <li>• Need to have a balance of technology and personal service</li> <li>• Need to keep some face to face and telephone contact/prefer personal contact</li> <li>• Older people and those with disabilities may not want to use or be able to use new technology</li> </ul>											

<ul style="list-style-type: none"> <li>• Too far to travel to visit DCC/ don't want to travel</li> <li>• Don't think online or self-service is best method for elderly / elderly may not have access to technology and may feel vulnerable/ need to provide for people with specific needs</li> <li>• Not everyone has access to online services/Council needs to cater for everyone/poor internet availability in rural areas</li> </ul>
<b>Decision: Proceed to full impact assessment – No Date: June 6 2014</b>
<b>If you have answered 'No' you need to pass the completed form for approval &amp; sign off.</b>

**Section two: Identifying impacts and evidence- Equality and Diversity**

<b>Section overview: this section identifies whether there are any impacts on equality/diversity/cohesion, what evidence is available to support the conclusion and what further action is needed.</b>			
	Identify the impact : does this increase differences or does it aim to reduce gaps for particular groups?	Explain your conclusion, including relevant evidence and consultation you have considered.	What further action is required? (Include in Sect. 3 action plan)
<b>Gender</b>			
<b>Age</b>			
<b>Disability</b>			

<b>Race/Ethnicity</b>				
<b>Religion or belief</b>				
<b>Sexual Orientation</b>				

<b>How will this promote positive relationships between different communities?</b>

**Section three: Review and Conclusion**

Summary: please provide a brief overview, including impact, changes, improvements and any gaps in evidence.

Action to be taken	Officer responsible	Target Date	In which plan will this action appear
Review Following Cabinet report	Mary Readman	July 2014	
When will this assessment be reviewed? Date:			
Are there any additional assessments that need to be undertaken in relation to this assessment?			
Head of Service - sign off:		Date:	
Customer Relations Policy and Performance Manager			
Service equality representative - sign off: Customer Relations, Policy and Performance Manager		Date:	

**Please email your completed Impact Assessment to the, Service Improvement Officer (Equalities)**

Cabinet

16 July 2014



**Proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014**

**Key Decision: CAS/01/14**

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**Report of Corporate Management Team**

**Rachael Shimmin, Corporate Director, Children and Adults Services  
Councillor Ossie Johnson, Cabinet Portfolio Holder for Children and Young People's Services**

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**Purpose of the Report**

1. To seek Cabinet approval to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014, taking account of the Local Authority's duties as prescribed in the Education and Inspections Act 2006 to secure sufficient school places, and to secure good outcomes for all children and young people in their local area.

**Background**

2. Officers within the Education Service believe that the long term viability of separate Infant and Junior Schools is uncertain due to changes in school funding which will come about as a result of the introduction of the National Funding Formula in 2015. This may result in a significant reduction to the value of the lump sum to all schools which will result in small schools experiencing an increased budget pressure in future. In essence, the higher the number of pupils on a school roll, the more financially secure a school will be, as economies of scale apply.
3. Officers believe that, combining separate Infant and Junior Schools is in the best interests of children and their families. Attending an 'all through' Primary School reduces breaks in children's learning and eliminates the need for additional transitions in a child's schooling. Primary schools support continuity of educational provision in a way that separate Infant and Junior Schools do not, simply because of the separate organisational and educational ethos. There are also many advantages for parents/carers, including, only having to apply for a school place once for their child/children of Primary school age, only having to buy one school uniform. Further benefits of 'all through' Primary Schools are included in the consultation document in Appendix 2.

4. Discussions with the schools and Church of England Diocese about amalgamating South Pelaw Infant School and Chester-le-Street C of E (Controlled) Junior School began in February 2014.
5. Following these initial discussions, using delegated powers, the Corporate Director, Children and Adults Services approved the commencement of consultation on the proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014. The delegated decision report is included in Appendix 2.
6. Consultation documents (included in Appendix 2) were distributed widely across the local area on 10 March 2014. A series of meetings were held between 12 to 17 March 2014 so that Governors, staff, Parish Councils, parents, pupils and the local community could share their views with the Local Authority. Details of these meetings are included in Appendix 2. Consultation was undertaken between 10 March and 4 April 2014.
7. A full summary of the consultation responses is contained within the delegated decision report attached as Appendix 2.
8. When considering the responses to the consultation the Council has referred to the Department for Education (DfE) guidance "School Organisation - Maintained Schools - Guidance for Proposers and Decision-Makers" which states that "the decision-maker (in this case the Local Authority) should consider the views of those affected by a proposal or who have an interest in it, including cross-LA border interests. The decision-maker should not simply take account of the numbers of people expressing a particular view. Instead, they should give the greatest weight to responses from those stakeholders likely to be most affected by a proposal - especially parents of children at the affected school(s)".
9. The responses to the consultation were received and considered by officers in the County Council. The large majority (49) were in support of the proposal and only 5 were not in support of it. The responses received provided no evidence that not implementing the proposal would address the concerns over the future sustainability of small schools. Furthermore the responses did not suggest that leaving the two schools as separate schools would have the benefits that 'all through' primary schools have including continuity and progress of learning between 4 and 11, a single application of assessment criteria and pupil teaching and access to a curriculum planned and assessed across the full primary range. A summary of the responses is provided in paragraphs 15-19.

### **Decision to issue a Statutory Notice**

10. After full consideration of all the responses to the consultation, the Corporate Director, Children and Adults Services used delegated powers to agree to publish proposals to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014. A statutory notice was therefore published on 1 May 2014 (attached as Appendix 3).



11. Once the proposal is published there follows a statutory 4 week representation period during which comments on the proposal can be made. These must be sent to the Local Authority. Any person can submit representations, which can be objections as well as expressions of support for the proposal. The representation period is the final opportunity for people and organisations to express their views about the proposal and ensure that they will be taken into account by the Decision Maker (in this instance, the County Council's Cabinet). Once the representation period has closed, a decision on the proposal must be made within 2 months i.e. by 24 July 2014.

### **Responses to the Proposal Published on 1 May 2014 for 4 weeks (The Statutory Notice Period)**

12. No objections or comments were received by the end of the 4 week statutory notice period.

### **DECISION MAKING PROCESS**

#### **Factors to be considered by Cabinet**

##### **(a) Related Proposals**

13. Any proposal that is 'related' to another proposal must be considered together. A proposal should be regarded as 'related' if its implementation (or non implementation) would prevent or undermine the effective implementation of another proposal. Where proposals are 'related' the decisions should be compatible.
14. The proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and the proposal to close South Pelaw Infant School as a separate school from 31 December 2014 are "related" therefore they must be considered together.

##### **(b) Consideration of Consultation and Representation Period**

15. Cabinet needs to be satisfied that the appropriate consultation and representation period have been carried out and that the proposer (in this case the Local Authority) has had regard to the responses received. If the Local Authority has failed to meet the statutory requirements, this proposal maybe deemed invalid and therefore should be rejected.
16. Cabinet must consider all the views submitted, including all objections and comments on the proposal. Details of the consultation are included in paragraph 6. The Statutory Notice published on 1 May 2014 and which expired on 28 May 2014 (the representation period) is attached as Appendix 3. Officers prepared the notice as set out in the regulations and complied with statutory requirements.

17. The report attached as Appendix 2 provides full details of the responses received during the consultation period from 10 March - 4 April 2014. In summary:

- 52 written responses were sent to the County Council from:
  - 24 parents
  - 9 Governors
  - 19 members of staff
- Of the 52, 48 are in support of the proposal and 4 are not in support of the proposal.
- 2 Governors responded using the online response form (DCC website), 1 in support of the proposal, and 1 not in support of the proposal.

#### **Summary of Responses from those in Support of the Proposal**

18. The following information provides a summary of the issues raised by those in support of the proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 and to close South Pelaw Infant School as a separate school from 31 December 2014:

- Stakeholders believe that the proposal will bring about greater continuity which will benefit pupils and staff who will gain a better understanding of the whole primary age range;
- Stakeholders believe that the proposal will be positive for children and their education;
- Stakeholders believe that the proposal will lead to opportunities for development that benefit outcomes for children;
- Stakeholders believe that the proposal makes sense educationally and can be achieved with little disruption.

#### **Summary of Responses from those not in Support of the Proposal**

19. The following information provides a summary of the issues raised at the consultation meetings and in written responses from those not in support of the proposal:

- Views were expressed that the proposal is a cost saving exercise and that the two schools can work in partnership as separate schools;
- Concern was expressed that the proposal is a take over of South Pelaw Infant School by Chester-le-Street C of E (Controlled) Junior School.

20. If satisfied that the procedural obligations have been discharged, Cabinet must then consider whether it wishes to agree the proposal having regard to the following:

(i) **Education Standards and Diversity of Provision**

21. Officers believe that educationally the proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school is in the best interests of pupils and their families. Evidence gathered over a number of years show that Primary Schools (instead of separate Infant and Junior Schools) have many benefits for children including:

- continuity and progress of learning between ages 4-11;
- a single application of assessment criteria and pupil teaching;
- opportunities for increased social development, older pupils having some appropriate pastoral responsibility for young children;

22. The most recent Ofsted Reports judged both schools as "good". In recent years, the pattern of attainment at the end of Key Stage 1 and Key Stage 2 has been above average. Given pupils' starting points when they enter Reception their outcomes at the end of Key Stage 2 suggest that they achieve well. This evidence together with the benefits that Primary Schools (instead of separate Infant and Junior Schools) have lead Officers to believe that the proposed re-organisation will at least maintain these positive outcomes.

23. The proposal is for a Church of England (Controlled) Primary School which will increase diversity of provision in the local area. The other schools within a 2 mile radius are:

- Bullion Lane Primary School
- Cestria Primary School
- Newker Primary School
- St Cuthbert's RCVA Primary School (Chester-le-Street)
- Pelton Community Primary School
- Red Rose Primary School
- St Benet's RCVA Primary School (Ouston)
- Roseberry Primary School
- Ouston Primary School

(ii) **School Size and Demand for Places**

24. The proposed C of E (Controlled) Primary School will be on the sites of the current South Pelaw Infant and Chester-le-Street C of E (Controlled) Junior Schools with a capacity for 418 pupils. A school of this size would be large enough to accommodate the current and future pupils we expect will attend the proposed C of E (Controlled) Primary School. The maximum number of pupils anticipated to be at the school up to 2020 is 348 therefore no pupils will be displaced by the proposal.

(iii) **Proposed Admission Arrangements**

25. The proposed number of pupils to be admitted to Reception of the proposed C of E (Controlled) Primary School in September 2015 will be 60.

(iv) **National Curriculum**

26. All maintained schools must follow the National Curriculum unless they have secured an exemption for groups of pupils or the school community. The proposed C of E (Controlled) Primary School **will** follow the National Curriculum.

(v) **Equal Opportunity Issues and Community Cohesion**

27. Cabinet must have regard to the Public Sector Equality Duty (PSED) of LAs/Governing Bodies, which requires them to have 'due regard' to the need to:

- eliminate discrimination;
- advance equality of opportunity; and
- foster good relations.

28. An equality impact assessment (attached as Appendix 4) has been carried out on this proposal. There are no potential impacts in relation to age, gender, disability and race/ethnicity for pupils and parents/carers. The current schools provide education for boys and girls aged between 4 and 11 years and the proposed C of E Primary School will continue to provide education for boys and girls across the same age range. The location of the buildings remains unchanged, both buildings are accessible and will continue to provide facilities for pupils with sight impairment.

(vi) **Travel and Accessibility**

29. The proposed C of E (Controlled) Primary School will be on the sites of the current South Pelaw Infant and Chester-le-Street C of E (Controlled) Junior Schools. Consequently there will be no increases to travel or journey time and no changes to the current accessibility of both schools.

(vii) **Capital**

30. Capital funding in the region of £20,000 will be required to upgrade the ICT provision and provide appropriate signage. The School Capital Maintenance Grant allocated to the LA from the DfE will provide this funding.

31. **School Premises and Playing Fields**

Under the School Premises Regulations all schools are required to provide suitable outdoor space in order to enable physical education to be provided to pupils in accordance with the school curriculum; and for pupils to play outside safely.

The sites of Chester le Street C of E (Controlled) Junior School and South Pelaw Infant School **do have** suitable outdoor space.

### **Recommendations and Reasons**

30. Officers believe that proceeding with the proposal will preserve and enhance education provision in Chester-le-Street and specifically South Pelaw. Amalgamating South Pelaw Infant and Chester-le-Street C of E (Controlled) Junior Schools into one C of E (Controlled) Primary School will provide a more viable educational establishment.
31. In the view of officers in the Education Service, amalgamating Infant and Junior schools is in the best interests of children and their families. Primary Schools have more opportunity, through daily contact, for those working within the school to work together in the best interests of the pupils. They benefit from the consistency that working under the leadership of one Head Teacher and one Governing Body brings. A single Primary School can reduce the potential for disruption, which some children experience, when they transfer from Infant to Junior School.
32. Cabinet is recommended to agree:
  - (i) that the age range of Chester-le-Street C of E (Controlled) Junior School should be changed from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School; and
  - (ii) that South Pelaw Infant School should close as a separate school from 31 December 2014.

### **Background Papers**

Appendix 2 - Delegated Decision Reports

Appendix 3 - Statutory Notice

Appendix 4 - Equality and Diversity Impact Assessment

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## **Appendix 1: Implications**

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### **Finance**

Capital funding in the region of £20,000 from the School Capital Maintenance Grant will be utilised to upgrade the ICT provision and provide appropriate signage. There may be costs associated with any redundancies as a result of a new staffing structure being established for the proposed Primary school. There may also be costs associated with the termination of contracts at the two schools.

### **Staffing**

Staff from both Chester-le-Street C of E (Controlled) Junior School and South Pelaw Infant School will be ring-fenced for posts in the C of E (Controlled) Primary School. Any staff displaced would be considered for alternative employment through Durham County Council's existing scheme and the School Brokerage Scheme.

### **Risk**

If the proposal was not implemented there is a risk that the existing schools could become unviable as the new funding formula is likely to have an impact on small schools.

### **Equality and Diversity**

As a public body, the Council must take into account the Equality Act 2010, a consolidating Act which brings together previous Acts dealing with discrimination. Decisions must be reviewed for potential impact on persons with "protected characteristics". An Equality and Diversity Impact Assessment has been carried out, and is attached as Appendix 4.

S.149 of the 2010 Act also lays down the Public Sector Equality Duty whereby from the 5 April 2011, local authorities and other organisations exercising public functions must have due regard to 3 key areas:

- Eliminate unlawful discrimination, harassment and victimisation.
- Advance equality of opportunity between those who share a relevant protected characteristic and those who don't; and
- Foster good relations between those who share a relevant protected characteristic and those who don't.

The relevant "protected characteristics" are: age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. It is not considered that there would be any adverse impact on those with protected characteristics.

### **Accommodation**

N/A

## **Crime and Disorder**

N/A

## **Human Rights**

Human rights will not be affected by this proposal.

## **Consultation**

Details of the consultation undertaken are included in the body of the report.

## **Procurement**

Works to upgrade the ICT in both buildings and to provide appropriate signage will be procured in accordance with the County Council's procurement arrangements.

## **Disability Issues**

An equality impact assessment has been carried out which includes disability issues. Implementing the proposal would not impact on disability issues.

## **Legal Implications**

Covered in the body of the report paragraphs 8, 15 and 16.

**DECISION RECORD***Please complete all sections***DECISION MAKER**

Rachael Shimmin  
Corporate Director  
Children and Adults Services

**AUTHORITY BY REFERENCE TO SCHEME OF DELEGATION**

Under the County Council's constitution, the Corporate Director, Children and Adults Services, is authorised to discharge any function of the Executive in relation to:

- 1.4 *The Council's role as Local Education Authority and its role in commissioning 14-19 education as determined by the Education and Skills Act 2008 and any subsequent legislation and training for young people.*

**SUBJECT**

To seek approval from the Corporate Director, Children and Adults Services to issue a statutory notice proposing to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 to create a CE (Controlled) Primary School from 1 January 2015 and to close South Pelaw Infant School as a separate school from 31 December 2014.

**DECISION**

If Key Decision insert No.

**CAS/01/14 Proposed date for Cabinet decision - July 2014**

**ELECTORAL DIVISION/S**

Chester-le-Street North

**CONSULTATION – CABINET PORTFOLIO HOLDER, OTHER MEMBERS & DATE**

The Cabinet Portfolio Holder was consulted on 4 April 2014. The Local Member was consulted on 4 April 2014.

**RECORD OF ANY CONFLICT OF INTEREST DECLARED BY AN EXECUTIVE MEMBER**

N/A



**A NOTE OF DISPENSATION GRANTED BY THE HEAD OF PAID SERVICE IN RELATION TO THE ABOVE CONFLICT**

N/A

**ACCESS TO THE REPORT**

Is the report open to the public (Part A)

Yes

Is the report exempt (Part B) – if so please specify the exemption paragraph and the reason for exemption applying the Public Interest Test

**BACKGROUND PAPERS**

Attached - Delegated Decision Report - Outcomes of Consultation on a Proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014.

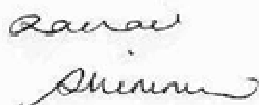
**CONTACT PERSON**

Graeme Plews

**CONTACT No.**

03000 265777

**AUTHORISED SIGNATORY**



14 April 2014

This form must be sent electronically to [delegations@durham.gov.uk](mailto:delegations@durham.gov.uk) within 24 hours of the decision being made.

**NOTES**

1. The reference No. will be assigned by Democratic Services and notified to you.
2. The relevant paragraph within the decision makers delegated powers should be identified.
3. A brief heading should be inserted.
4. Brief details of the decision should be inserted. This note must set out the substance of the decisions, options considered and the reasons for the chosen option. Take care not to divulge any commercially sensitive information.
5. Set out the consultation you have undertaken with Cabinet portfolio holder and others.
6. Please refer to the Access to Information Requirements that came into force from 1 March 2006 and the internal guidance that has been issued in this respect.
7. List papers used which the decision was based – must be retained and readily accessible.
8. Person authorised to make the decision. When sent to democratic services, this will be an electronic signature.
9. Enter the date the decision was made.

14 April 2014



**Outcome of Consultation on a Proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to Close South Pelaw Infant School as a separate School from 31 December 2014**

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**Report of Children and Adults Services**

**Rachael Shimmin, Corporate Director, Children and Adults Service**

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**Purpose of the Report**

- 1 To provide details on the outcome of consultation which was undertaken between 10 March 2014 and 4 April 2014, proposing a change to the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014, and to seek approval to proceed to the next stage in the statutory process which is to issue a public notice.

**Background**

- 2 In a report dated 3 March 2014 (attached as Appendix 2) the Corporate Director, Children and Adults Services approved consultation could begin on a proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014.
- 3 Consultation documents (attached as Appendix 3) were distributed widely (distribution list attached as Appendix 4) and meetings were held between 12 - 17 March 2014 with the Governing Bodies and staff of both schools, and members of the local community and parents at an Information Sharing Evening. Notes of these meetings are attached as Appendix 5.

**Issues Raised at Consultation Meetings**

4. At the meetings held between 12 - 17 March 2014, officers explained the reasons for the proposal and invited those present to express views and ask questions. The key issues discussed at the meetings are summarised as follows:
  - Questions were asked as to why the proposal was to be implemented as early as 1 January 2015 and would it not be better to implement it from the start of an academic year. Officers explained that experience of previous amalgamations demonstrated that early implementation was generally

preferable because it reduced uncertainty for parents, staff and pupils. As the proposal is not likely to have a negative impact on standards of teaching and learning there is no reason to delay the process. If the proposal is agreed there would be very little change for pupils and parents as the C of E Primary School would run across the sites and buildings of the current Infant and Junior Schools.

- Questions were asked about how the Governing Body and staffing structures for the proposed C of E Primary School would be comprised. Officers explained that the Governing body would likely be comprised of Governors from both schools. A staffing structure would be produced by the Head Teacher and Governing Body for consultation with staff and Trade Unions if the proposal for the C of E Primary School is approved.
- Questions were asked about whether the name of the proposed C of E Primary School would change. Officers explained that the name of the school would be decided by the Governing Body in consultation with the Diocese.
- Questions were asked about whether the timings to the school day would change. The Head Teacher of Chester-le-Street C of E (Controlled) Junior School stated that there would be no change to the opening times, but the closing times would be brought closer together so that they were not 30 minutes apart as at present.

## **Responses to the Consultation**

- 5 Stakeholders were invited to respond in a variety of ways; written responses using the response form attached to the consultation document, letter, email or completing the response form on line via the County Council's website.
- 6 52 responded in writing using the response form, letter and email.  
2 responded using the online response form (DCC website)  
14 people attended the Information Sharing Evening.  
36 members of staff attended the joint staff meeting.  
14 Governors attended the joint Governing Body meeting.

## **Summary of Responses**

- 7 The following information provides a summary of the responses:
  - 6 parents of pupils attending South Pelaw Infant School support the proposal to change the age of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 to create a C of E primary school and to close South Pelaw Infant School as a separate school;
  - 16 parents of pupils attending Chester-le-Street C of E (Controlled) Junior School support the proposal;
  - 9 Governors of Chester-le-Street C of E (Controlled) Junior School support the proposal;
  - 1 Governor of South Pelaw Infant School supports the proposal;

- 6 members of staff of Chester-le-Street C of E (Controlled) Junior School support the proposal;
- 1 member of staff of South Pelaw Infant School supports the proposal;
- 1 parent of a pupil attending South Pelaw Infant School does not support the proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 to create a primary school and to close South Pelaw Infant School as a separate school;
- 1 parent of a pupil attending Chester le Street C of E (Controlled) Junior School does not support the proposal;
- 2 members of staff of South Pelaw Infant School do not support the proposal;
- 1 Governor of South Pelaw Infant School does not support the proposal.

Themes that emerged from the responses were:

- Stakeholders believe that the proposal will bring about greater continuity which will benefit pupils and staff who will gain a better understanding of the whole primary age range;
- Stakeholders believe that implementation of the proposal will be positive for children and their education;
- Two parents in support of the proposal hoped that the proposal will lead to the closing times of the schools being brought closer together;
- Stakeholders believe that the proposal will lead to opportunities for development that benefit outcomes for children;
- One Governor felt that the proposal will make the transition smoother from Key Stage 1 to Key Stage 2;
- One member of staff in support of the proposal expressed concern over the potential for redundancy;
- One parent in support of the proposal felt that a physical link between the two school buildings should be created;
- One Governor felt that the proposal makes perfect sense educationally and can be achieved with little disruption;
- One Governor and one parent were of the view that the proposal was a cost saving exercise and believed that the two schools can work in partnership as separate schools;
- One member of staff was of the view that the proposal will lead to a huge problem with parking before and after school and that there could also be

- communication problems due to the proposed primary school operating across two buildings;
- One member of staff was of the view that the decision to amalgamate the two schools has already been made and that it will destroy the happy and caring environment of a small school. Concern was also expressed that the proposal is a take over of South Pelaw Infant School by Chester-le-Street C of E (Controlled) Junior School.

### **Analysis of Consultation Responses and Current Position**

8. Forty nine respondents to the consultation support the proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school. Five respondents do not support the proposal. In particular they see the proposal as being beneficial to pupils and parents and that it will lead to greater continuity and a smoother transition between Key Stage 1 and Key Stage 2.
9. One of the respondents in favour of the proposal is of the view that a physical link between the two buildings is necessary. This is something that could be considered after the proposed C of E Primary School has become established if it is considered a priority and capital funding is available.
10. Two of the respondents were of the view that the proposal is a take over of the Infant School by the existing Junior School. Officers believe this is not the case and a staffing structure will be produced to reflect what the Primary School will need to function effectively. All existing staff would be ring-fenced for posts in the structure. Experience of previous amalgamations demonstrate that there are not significant job losses.

### **Recommendation**

11. After full consideration of all responses to the consultation, the Corporate Director, Children and Adults Services is recommended to give approval for officers to issue a statutory notice proposing to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 and to close South Pelaw Infant School as a separate school from 31 December 2014.

### **Background Papers**

Attached

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## **Appendix 1: Implications**

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### **Finance**

Capital funding from the DfE Capital Maintenance Grant will be utilised to change signage and upgrade IT systems if the Primary School is established. Costs for this will be in the region of £20,000. Capital funding will be required if the provision of a covered walkway is agreed. This would then be the subject of a future costing exercise.

### **Staffing**

Staff from both South Pelaw Infant School and Chester-le-Street C of E (Controlled) Junior School will be ring-fenced for posts in the C of E Primary School.

### **Risk**

If the proposal was not implemented there is a risk that the existing schools could become unviable as the new funding formula is likely to have an impact on small schools.

### **Equality and Diversity**

As a public body, the Council must take into account the Equality Act 2010, a consolidating Act which brings together previous Acts dealing with discrimination. Decisions must be reviewed for potential impact on persons with "protected characteristics". An Equality and Diversity Impact Assessment has been carried out.

S.149 of the 2010 Act also lays down the Public Sector Equality Duty whereby from the 5 April 2011, local authorities and other organisations exercising public functions must have due regard to 3 key areas:

- Eliminate unlawful discrimination, harassment and victimisation.
- Advance equality of opportunity between those who share a relevant protected characteristic and those who don't; and
- Foster good relations between those who share a relevant protected characteristic and those who don't.

The relevant "protected characteristics" are: age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

### **Accommodation**

The Primary School will be established using the accommodation in the current Infant and Junior Schools.

### **Crime and Disorder**

N/A

## **Human Rights**

Human Rights will not be affected by this proposal.

## **Consultation**

The Cabinet Portfolio Holder for Children and Adults Services has been consulted about moving to the next stage in the process and is happy for the Corporate Director, Children and Adults Services to use delegated powers to approve that a statutory notice can be issued.

## **Procurement**

Any Capital works will be procured in accordance with the County Council's procurement arrangements.

## **Disability Issues**

N/A

## **Legal Implications**

The statutory process for changing the age range of Chester-le-Street C of E (Controlled) Junior School and closing South Pelaw Infant School will be applied in accordance with the Department for Education's guidance.

REF No.

**DECISION RECORD***Please complete all sections***DECISION MAKER**

Rachael Shimmin  
Corporate Director  
Children and Adults Services

**AUTHORITY BY REFERENCE TO SCHEME OF DELEGATION**

Under the County Council's constitution, the Corporate Director, Children and Adults Services, is authorised to discharge any function of the Executive in relation to:

- 1.4 *The Council's role as Local Education Authority and its role in commissioning 14-19 education as determined by the Education and Skills Act 2008 and any subsequent legislation and training for young people.*

**SUBJECT**

To seek approval from the Corporate Director, Children and Adults Services to begin consultation on the proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 to create a C of E (Controlled) Primary School from 1 January 2015 and to close South Pelaw Infant School as a separate school from 31 December 2014.

**DECISION**

If Key Decision insert No.

**ELECTORAL DIVISION/S**

Chester-le-Street North

**CONSULTATION – CABINET PORTFOLIO HOLDER, OTHER MEMBERS & DATE**

The Cabinet Portfolio Holder was consulted on 27 February 2014. The Local Member was consulted on 27 February 2014.

**RECORD OF ANY CONFLICT OF INTEREST DECLARED BY AN EXECUTIVE MEMBER**

N/A

**A NOTE OF DISPENSATION GRANTED BY THE HEAD OF PAID SERVICE IN RELATION TO THE ABOVE CONFLICT**

N/A



**ACCESS TO THE REPORT**

Is the report open to the public (Part A)

Yes

Is the report exempt (Part B) – if so please specify the exemption paragraph and the reason for exemption applying the Public Interest Test

**BACKGROUND PAPERS**

Attached

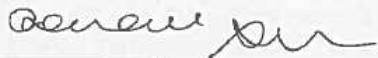
**CONTACT PERSON**

Graeme Plews

**CONTACT No.**

03000 265777

**AUTHORISED SIGNATORY**



5/3/14

This form must be sent electronically to [delegations@durham.gov.uk](mailto:delegations@durham.gov.uk) within 24 hours of the decision being made.

**NOTES**

1. The reference No. will be assigned by Democratic Services and notified to you.
2. The relevant paragraph within the decision makers delegated powers should be identified.
3. A brief heading should be inserted.
4. Brief details of the decision should be inserted. This note must set out the substance of the decisions, options considered and the reasons for the chosen option. Take care not to divulge any commercially sensitive information.
5. Set out the consultation you have undertaken with Cabinet portfolio holder and others.
6. Please refer to the Access to Information Requirements that came into force from 1 March 2006 and the internal guidance that has been issued in this respect.
7. List papers used which the decision was based – must be retained and readily accessible.
8. Person authorised to make the decision. When sent to democratic services, this will be an electronic signature.
9. Enter the date the decision was made.

**DELEGATED DECISION**

**CHILDREN AND ADULTS SERVICES**



**3 March 2014**

**Proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014**

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**Report of CHILDREN AND ADULTS SERVICES**  
**Rachael Shimmin, Corporate Director**  
**Children and Adults Service**

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**Purpose of the Report**

- 1 The purpose of this report is to seek approval from the Corporate Director, Children and Adults Services to begin consultation on a proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014.

**Background**

- 2 Officers within the Education Service believe that the long term viability of separate Infant and Junior Schools is uncertain due to changes in school funding which will come about as a result of the introduction of the National funding formula in 2015. This may result in a significant reduction to the value of the lump sum to all schools which will result in small schools experiencing an increased budget pressure in future.
- 3 To address this in localities across the County where there are separate Infant and Junior Schools, the County Council wishes to consider, where appropriate, the possibility of bringing the two schools together into a single Primary School, creating a single larger school instead of two smaller schools thus creating a more viable and sustainable education establishment.

**Recommendations and Reasons**

- 4 The County Council believes there are many benefits for parents and children of having all through Primary Schools. Examples of some of these include:
  - the parental considerations for families who have more than one child. Having a single school in the community removes the logistical concerns for parents having to take their young children to two different schools;
  - removing the need for parents to apply for a place at a Junior School;

- pupils' progress can be monitored across Key Stage 1 education and Key Stage 2 education in the same school;
  - school inspectors will be able to make judgements more accurately about the education children receive when they can see 'the whole picture' within a single Primary School rather than two separate schools;
  - fewer points of transition for children which can interrupt their education and unsettle them.
- 5 Chester-le-Street C of E Junior and South Pelaw Infant Schools already work closely together as they share the same site. The proposed primary school would run across the two existing sites.
- 6 The current combined capacity of the two schools is for 418 pupils. This capacity will be large enough to accommodate the current and future numbers that we expect will attend the school as illustrated below:-

School	Projected Roll at Sept 2014	Projected Roll at Sept 2015	Projected Roll at Sept 2016	Projected Roll at Sept 2017	Projected Roll at Sept 2018
South Pelaw Infant	142	134	139	146	151
Chester-le-Street C of E (Controlled) Junior	206	206	198	185	177
<b>TOTAL</b>	<b>348</b>	<b>340</b>	<b>337</b>	<b>331</b>	<b>328</b>

- 7 Officers from the County Council have met with the Governing Bodies and Head Teachers of both schools and discussed the possibility of having a single Primary School rather than separate Infant and Junior Schools. Officers now wish to begin consultation on the proposal to amalgamate them into a single Primary School.

#### Consultation Timescales

- 8 It is intended that consultation on this proposal will commence on Monday 10 March 2014. Consultation documents will be widely distributed to key stakeholders, including to Governors, staff, parents, Local Members, Diocese, Community Groups, Parish Councils, neighbouring schools, Children's Centres, AAP groups etc. Meetings with Governors, Staff, Parents and the wider community will also be held during March 2014 for officers to provide information and answer queries.
- 9 The consultation period will end on Friday 4 April 2014 and all responses to the consultation will be carefully considered. If it is decided to proceed with the proposal at that stage, a statutory notice will be published in the middle of April for four weeks. Cabinet would then be asked to make a decision on the proposal.

#### Decision

- 10 The Corporate Director, Children and Adults Services agrees that consultation can begin on the proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014.

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**Background Papers**

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None.

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**Contact: Sheila Palmerley**

**Tel: 03000 265731**

**Delegated Decision-Change Age Range of Dalves Lane Junior**

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## **Appendix 1: Implications**

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### **Finance**

Any funding required to improve the condition of the buildings will be met from the Council's Schools Repair and Maintenance budget.

### **Staffing**

Staff from both South Pelaw Infant and Chester-le-Street C of E (Controlled) Junior Schools would be ring fenced for posts in the proposed C of E (Controlled) Primary School.

### **Risk**

The risk of not proceeding with the proposal is that the schools become unviable as the new funding formula is likely to have an impact on small schools.

### **Equality and Diversity**

As a public body, the Council must take into account the Equality Act 2010, a consolidating Act which brings together previous Acts dealing with discrimination. Decisions must be reviewed for potential impact on persons with "protected characteristics". An Equality and Diversity Impact Assessment will be carried out as appropriate.

S.149 of the 2010 Act also lays down the Public Sector Equality Duty whereby from the 5 April 2011, local authorities and other organisations exercising public functions must have due regard to 3 key areas:

- Eliminate unlawful discrimination, harassment and victimisation.
- Advance equality of opportunity between those who share a relevant protected characteristic and those who don't; and
- Foster good relations between those who share a relevant protected characteristic and those who don't.

The relevant "protected characteristics" are: age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

### **Accommodation**

The proposed single primary school will be on the existing site of the Infant and Junior Schools.

### **Crime and Disorder**

N/A

### **Human Rights**

Human rights will not be affected by this proposal.

**Consultation**

The Cabinet Portfolio Holder for Children and Adults Services and the Local Member have been consulted and they support the proposal to create a primary school. They agree that the Corporate Director, Children and Adults Services should use delegated powers to approve that wider consultation begins on this proposal.

**Procurement**

Any capital works to the school will be procured in accordance with the County Council's procurement arrangements.

**Disability Issues**

N/A

**Legal Implications**

N/A

Contact: Graeme Plews  
Direct Tel: 03000 265777  
Fax: 0191 386 0487  
email: [graeme.plews@durham.gov.uk](mailto:graeme.plews@durham.gov.uk)  
Our ref: CAS/SPASO/GP/SA



7 March 2014

To All Interested Parties

**Consultation on a Proposal to Change the Age Range of Chester-le-Street C of E (Controlled) Junior School from 7 - 11 to 4 - 11 from 1 January 2015 to Create a C of E (Controlled) Primary School and to Close South Pelaw Infant School as a Separate School from 31 December 2014.**

This paper is to provide you with some information about the County Council's proposal to establish a single primary school in South Pelaw. You may be aware that the Head Teacher of South Pelaw Infant School has informed the County Council of her intention to leave at Easter 2014. Meetings have been held with governors of both South Pelaw Infant and Chester-le-Street C of E (Controlled) Junior School to discuss leadership arrangements. It has been agreed that the Head Teacher from the Junior School will oversee the leadership of both schools from that date. At these meetings the possibility of amalgamating the two schools into a single primary school was also discussed.

The County Council now wishes to consult with you on a proposal to amalgamate South Pelaw Infant School and Chester-le-Street C of E (Controlled) Junior School into a C of E (Controlled) Primary School from 1 January 2015. This would be achieved by changing the age range of Chester-le-Street C of E (Controlled) Junior School from 7 - 11 to 4 - 11 from 1 January 2015 to create a Primary School and by closing South Pelaw Infant School as a separate school from 31 December 2014.

You may have some questions to ask about this proposal. This letter attempts to answer some of these questions and explains how you can let the County Council know what you think about the proposed changes.

**1. Why is the County Council proposing to change the age range of Chester-le-Street C of E Junior School so that it becomes a Primary School?**

We are moving where possible towards a model of all through Primary Schools instead of separate Infant and Junior schools as we believe that educationally it is the right thing to do for pupils, parents and staff and will ensure the schools are sustainable in the long term. The amount of money that a school has in its budget

**Cont'd...**

**Children and Adults Services**

Durham County Council, County Hall, Durham DH1 5UJ  
Main Telephone 03000 260 000

is predominantly based on the number of pupils in the school. In light of this, the County Council believes that some small schools could in the long term become unviable. To address this in the areas across the county where there are separate Infant and Junior Schools the County Council wishes to consider, where appropriate, the possibility of bringing the two schools together into a single primary school. There are very few Infant and Junior Schools left across the county now.

## **2. What are the benefits of Primary Education?**

Evidence gathered over a number of years shows that Primary Schools (instead of separate Infant and Junior schools) have many benefits for children, parents and staff. Some of these include:

- Continuity and progress of learning between 4 and 11;
- Unified leadership and management of the curriculum, teaching and learning, and social development;
- A single approach to inclusion and well-being;
- More flexible and efficient use of both human and financial resources across Key Stage 1 and Key Stage 2 education;
- Access to a curriculum planned and assessed across the full primary range;
- Continuity, especially for the most vulnerable children and those with special needs;
- A single application of assessment criteria and pupil tracking;
- Opportunities for increased social development, older pupils having some appropriate pastoral responsibility for young children;
- Access to the full range of facilities for all children is provided through the 4-11 age range;
- Parents having closer contact with the school over a longer period of time to help build positive relationships for the benefit of their children;
- Parents only have to deal with one staff team, school day timings, whole school policies etc. This is particularly beneficial if a parent has more than one child in different key stages within the primary age range;
- Parents only have to buy one school uniform;
- A primary school allows staff the opportunity to gain broader professional development from working with a wider range of ages;
- Professional support from a larger staff team;
- Management of whole school issues would extend the skills of teaching and support staff;
- School Inspectors will be able to make judgements more accurately about the education children receive when they can see 'the whole picture' within a single primary school rather than two separate schools.

In summary, it is believed that primary schools have more opportunity, through daily contact, for those working within the school to work together in the best interests of the pupils. They benefit from the consistency that working under the leadership of one Head Teacher and one Governing Body brings. A single primary school may reduce the potential for disruption and adjustments which children have to make when they transfer from Infant to Junior School.



If the proposal to amalgamate is approved, staff and Governors of the two schools would work closely together, supported by the Local Authority, and by the Diocese of Durham to ensure a smooth transition from the existing two separate schools into a new Primary School.

**3. Will the standard of education that both schools currently provide be affected if they become one school?**

At present both schools are judged as 'Good' by Ofsted. They already work closely together for the benefit of all pupils and will continue to do this whether or not the proposed amalgamation takes place. Officers believe that amalgamating the two schools will not have any negative impact on the standard of education provided to children in these schools.

**4. What type of school is being proposed?**

The proposal is for a Church of England (C of E) (Controlled) Primary School for children aged 4 to 11 to serve the local community of Pelaw. It would be run in the same way as the existing Chester-le-Street C of E (Controlled) Junior School. The Diocese supports the proposal and there is a very strong working relationship between Durham County Council and the Diocese.

**5. Where will the proposed C of E (Controlled) Primary School be?**

If the proposal is agreed, the C of E (Controlled) Primary School would be located at the existing sites of South Pelaw Infant School and Chester-le-Street C of E (Controlled) Junior School.

**6. Will the school opening and closing times change if the proposed C of E (Controlled) Primary School is approved?**

If the proposal for a single Primary School is agreed, the Head Teacher and Governing Body will review the school opening and closing times to facilitate arrangements for parents/carers picking up children from school.

**7. Will there be any staff changes?**

If the proposal is agreed, a new staffing structure would be developed for the Primary School. It is expected that posts will be filled from existing staff at South Pelaw Infant and Chester-le-Street C of E (Controlled) Junior School. There would be a separate consultation with staff about the process for being appointed to posts in the new Primary School.

**8. How do we respond to this consultation?**

We would like to hear what you think about this proposal. To help you do that we are holding an Information Sharing Evening at Chester-le-Street C of E (Controlled) Junior School on **Monday 17 March 2014 at 6.30 pm**. All interested parties are invited to attend. Officers from the County Council will be present to answer any questions you have about the proposal and listen to your views.

You can also respond in one of the following ways by **4 April 2014**.

- (i) Send in the attached response form or write to: Adam Williams, School Places and Admissions Team, Children and Adults Services, Business Reply Service, Licence No DU63 (Freepost), Durham County Council, County Hall, Durham, DH1 5BR
- (ii) Email your views to [schoolorganisation@durham.gov.uk](mailto:schoolorganisation@durham.gov.uk) or complete the response form online via the Education Learning Section of the County Council's website: [www.durham.gov.uk](http://www.durham.gov.uk)

**9. What happens after 4 April 2014 when the consultation period ends?**

All the responses to the consultation will be considered carefully. If the County Council decides to proceed with the proposal, a Statutory Notice would then be published for 4 weeks when objections could be made. We would aim to make a decision in July 2014 on whether or not to change the age range of Chester-le-Street C of E (Controlled) Junior School to create a single Primary School and close South Pelaw Infant School as a separate school.

Yours sincerely



Graeme Plews  
School Organisation Manager  
Education Service  
Children and Adults Services  
Durham County Council

## RESPONSE FORM

### CONSULTATION ON THE PROPOSAL TO CHANGE THE AGE RANGE OF CHESTER-LE-STREET C OF E JUNIOR SCHOOL FROM 7-11 TO 4-11 TO CREATE A C OF E PRIMARY SCHOOL FROM 1 JANUARY 2015 AND TO CLOSE SOUTH PELAW INFANT SCHOOL AS A SEPARATE SCHOOL FROM 31 DECEMBER 2014

1. Please tick **one** box from the list below to let us know if you are responding to this consultation **mainly** as a:

**Parent/Carer of a pupil(s) at**

Nursery

Infant

Junior

Primary

Secondary

Special

Please state which school:

**OR a Pupil at**

Nursery

Infant

Junior

Primary

Secondary

Special

Please state which school:

**OR a**

Governor

Member of Staff

Please state which school:

Resident

Local Member

Trade Union Representative

Parish/Town Council Representative

Community Group

Diocese

Neighbouring Authority

MP

Other (please state):

2. Looking at the information in this document do you support the proposal to change the age range of Chester-le-Street C of E Junior School from 7-11 to 4-11 to create a C of E Primary School and to close South Pelaw Infant School as a separate school?

Yes  No

3. Do you have any comments on this proposal including any impact the changes would have on you?

**Please return this form by 4 April 2014 to:**

Mr Adam Williams, School Places and Admissions Team, Children and Adults Services,  
Business Reply Service Licence No DU63 (Freepost), Durham County Council, County Hall,  
Durham DH1 5BR

---

(The information that you send may need to be passed to colleagues or shared with partners. It may also be published in a summary of responses received to this consultation but results will not contain your name or anything that could identify you. If you require an acknowledgement to your response, please provide details below.)

**Name:** .....

**Address:** .....  
.....

**Signed:** ..... **Date:** .....

# EQUALITY AND DIVERSITY AT THE HEART OF EVERYTHING WE DO

## Children and Adults Services

### Equality and Diversity Monitoring Form for Consultation

We want to make it easy for everyone to tell us what they think. Our aim is to be fair and your answers to the following questions will help us find out the views from a wide range of people and understand any differences in the answers of particular groups. Your answers will be confidential and used for this consultation only.

**You only need to answer if you feel happy to do so.**

1. Are you

Male  Female

2. How old are you?

Under 16  16-24  25-44  45-64  65+

3. Do you consider yourself to be a disabled person?

*(This may include any long-standing illness, disability or infirmity which has a substantial effect on your day to day life. Long-standing means it has lasted, or is likely to last, for over a year.)*

Yes  No

4. What is your religion or belief?

Christian  Hindu  Jewish  Muslim  Sikh  Buddhist

Other (please specify)

5. How do you describe your sexuality?

Heterosexual/Straight  Gay Woman/Lesbian  Gay Man  Bisexual

Other (please specify)

6. To which of these groups do you belong?

White  Asian or Asian British  Black or Black British

Travelling Community  Mixed  Arab or Middle Eastern

Other (please specify)

Please ask us if you would like this document summarised in another language or format.

العربية (Arabic) (中文 (繁體字)) (Chinese) اردو (Urdu)  
polski (Polish) ਪੰਜਾਬੀ (Punjabi) Español (Spanish)  
বাংলা (Bengali) हिन्दी (Hindi) Deutsch (German)  
Français (French) Türkçe (Turkish) Melayu (Malay)



**Braille**



**Audio**



**Large  
Print**

**PROPOSAL TO CHANGE THE AGE RANGE OF CHESTER-LE-STREET CE JUNIOR  
CONSULTATION DOCUMENT DISTRIBUTION LIST  
MARCH 2014**

School	Govs	Staff	Pupils	Total	How Delivered	Date Del/Posted
<b>Chester-le-Street CE Junior</b>	17*	**	210	210	AW <sup>1</sup>	<b>10/3/14</b>
<b>South Pelaw Infant</b>	14*	**	150	150	AW <sup>1</sup>	

Beamish Primary	N/A	10	10	10	AW <sup>1</sup>	<b>10/3/14 (left in school reception area)</b>
Bullion Lane Primary	N/A	10	10	10	AW <sup>1</sup>	
Cestria Primary	N/A	10	10	10	AW <sup>1</sup>	
Newker Primary	N/A	10	10	10	AW <sup>1</sup>	
Ouston Primary	N/A	10	10	10	AW <sup>1</sup>	
Pelton Community Primary	N/A	10	10	10	AW <sup>1</sup>	
Red Rose Primary	N/A	10	10	10	AW <sup>1</sup>	
Roseberry Primary	N/A	10	10	10	AW <sup>1</sup>	
St. Benet's RCVA Primary, Ouston	N/A	10	10	10	AW <sup>1</sup>	
St. Cuthbert's RCVA Primary, C-L-S	N/A	10	10	10	AW <sup>1</sup>	
West Pelton Primary	N/A	10	10	10	AW <sup>1</sup>	

Beamish Nursery	N/A	5	5	5	AW <sup>1</sup>	<b>10/3/14 (left in nursery reception area)</b>
Bullion Lane Nursery	N/A	5	5	5	AW <sup>1</sup>	
St. Benet's Nursery	N/A	5	5	5	AW <sup>1</sup>	
Roseberry Nursery	N/A	5	5	5	AW <sup>1</sup>	

The Hermitage School	N/A	10	10	10	AW <sup>1</sup>	<b>10/3/14 (left in school reception area)</b>
Park View Community School	N/A	10	10	10	AW <sup>1</sup>	

\*Governors consultation letter posted (5/3/14)

\*\* Staff consultation letter emailed to HT of Junior School to copy for all staff of both schools (6/3/14 - GP)

<sup>1</sup> AW – delivered by hand

**TOTAL number of hard copies of consultation documents distributed = 565  
and also the consultation document was placed on the DCC website**

<b>Elected DCC Members</b>	
Simon Henig, Ossie Johnson, Barbara Armstrong, Tracie Smith	<b>Emailed 10/3/14</b>
<b>MPs</b>	
Kevan Jones MP <a href="mailto:kevanjonesmp@parliament.uk">kevanjonesmp@parliament.uk</a>	<b>Emailed 10/3/14</b>
<b>INTERNAL – Email (10/3/14)</b>	
CAS SLT, Julian Wilson, Barry Piercy, Liam Cairns, Gerard Darby, John Wilkinson, Joanne Barker, School Places & Admissions Team, Julie Arnett, Alison Aitchison, Joanne Walt, Paul Rockett, Lynn Elliott, Jane-le-Sage, Margaret Hanratty, Linda Bailey, Chris Young, David Shirer, Adrian White, Phil Hodgson, Sheila Palmerley	
<b>RC and CE Diocese and DfE</b>	
RC Diocese Director <a href="mailto:education@diocesehn.org.uk">education@diocesehn.org.uk</a>	<b>Emailed 10/3/14</b>
CE Diocese Director <a href="mailto:Jeremy.fitt@drmnewcanglican.org">Jeremy.fitt@drmnewcanglican.org</a>	
DfE <a href="mailto:school.organisationproposals@education.gsi.gov.uk">school.organisationproposals@education.gsi.gov.uk</a>	
<b>Trade Unions</b>	
<a href="mailto:c.d.thompson@hotmail.co.uk">c.d.thompson@hotmail.co.uk</a> <a href="mailto:john.kesterton@ascl.org.uk">john.kesterton@ascl.org.uk</a> <a href="mailto:ksmith@atl.org.uk">ksmith@atl.org.uk</a> <a href="mailto:terry.scarr@gmb.org.uk">terry.scarr@gmb.org.uk</a> <a href="mailto:dan.lister0@gmail.com">dan.lister0@gmail.com</a> <a href="mailto:northern@nut.org.uk">northern@nut.org.uk</a> <a href="mailto:trevorblacklock@hotmail.com">trevorblacklock@hotmail.com</a> <a href="mailto:h.pink@unison.co.uk">h.pink@unison.co.uk</a>	<b>Emailed 10/3/14</b>
<b>Children's Centres (5 each)</b>	
<b>Bright Star Nursery</b> , Gainford House, Picktree Lane, Chester-le-Street, DH3 3SR	<b>AW 10/3/14</b>
<b>Bullion Lane Children's Centre</b> , Gray Avenue, Chester-le-Street, DH2 2EL	
<b>Busy Bodies Childcare</b> , Ouston Infant School, Cromarty, Ouston, Chester-le-Street, DH2 1JU	
<b>Buttercup Nursery</b> , Pelton Community Primary, Ouston Lane, Pelton, Chester-le-Street, DH2 1EZ	
<b>Castle View Private Day Nursery</b> , Blind Lane, Chester-le-Street, DH3 4AF	
<b>Eden Garden Nursery</b> , St. Benet's Way, Ouston, Chester-le-Street, DH2 1QX	
<b>Little Ducklings Nursery</b> , West Pelton Primary, West Pelton, Stanley, DH9 6SQ	
<b>Mains Farm House Nursery</b> , West Lane, Chester-le-Street, DH3 3HL	
<b>Selby Cottage Childcare Centre</b> , The Close East, Chester-le-Street, DH2 2EY	
<b>Libraries (10 each)</b>	
Chester-le-Street Library, Station Road, Chester-le-Street, DH3 3BP	<b>AW 10/3/14</b>
<b>Parish Councils (AM passing on to Parish Councils and AAP in Ouston/Chester-le-Street area)</b>	
Andrew Megginson <a href="mailto:Andrew.megginson@durham.gov.uk">Andrew.megginson@durham.gov.uk</a>	<b>E-Mail 10/3/14</b>



**Notes of the Joint Governing Body Meeting of South Pelaw Infant School  
and Chester le Street C of E (Controlled) Junior School  
held at Chester le Street C of E Junior School**

**on Wednesday 12 March 2014 at 3.45 pm**

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Present:        Sheila Palmerley, Strategic Manager School Places and Admissions  
                  Graeme Plews, School Organisation Manager  
                  14 Governors

Sheila Palmerley (SP) opened the meeting by introducing herself and Graeme Plews (GP) and explained the role of the School Places Team which is to plan the pattern and provision of school places across County Durham for the present and the future. Part of the future planning responsibility includes looking at the impact of changes to the way schools are funded as there could be an impact on small schools.

SP then referred to the discussions with Governors before the February 2014 half-term about the pending retirement of the Head Teacher of South Pelaw Infant School and the possibility of amalgamating the schools. The County Council wishes to bring the Infant and Junior Schools together as a single Primary School as educationally there are significant benefits.

At this point one Governor expressed the view that some Governors felt that only the short-term leadership arrangements for the Head of South Pelaw Infant School had been agreed, not a consultation on a proposed reorganisation. SP explained that it is the Local Authority that proposes school reorganisation proposals hence the Governing Body is not the decision making body nor is the Governing Body the body that agrees whether or not to commence a consultation. It would however be better if the Local Authority and Governors could effectively work together to shape the future of primary education for the area. When discussions commence about possible school reorganisation proposals, experience to date has shown that people would prefer the process to be carried out as soon as possible so that uncertainty is kept to a minimum. SP stressed that it is only a consultation on a proposal at this stage, no decision has been made.

A Governor asked if the Local Authority had a timetable for the proposal. SP explained that the consultation runs from 10 March - 4 April 2014. This period includes the meetings scheduled with Governors and staff and the Information Sharing Meeting to be held on 17 March 2014. SP stated that the consultation meetings had been arranged by the Local Authority following consultation with the Head Teachers. All responses received will be carefully analysed and a report would then be presented to the Corporate Director of Children and Adults Services either requesting permission to move to the next stage in the process which is to issue a Statutory Public Notice, or recommending that the schools should remain as separate schools and that the proposal should proceed no further.

If a decision is made to issue a Statutory Notice, this would be published in late April 2014 (after the Easter holidays) for a period of four weeks. All responses to the Statutory Notice would be analysed and a report presented to Durham County Council's Cabinet to make the final decision in July 2014. If the proposed reorganisation is agreed by Cabinet a staffing structure for the C of E Primary School will then be developed.

The Cabinet is made up of the Leader of the Council and nine other councillors, each with their own portfolio such as Children and Young People, Economic Regeneration, Neighbourhoods and Local Partnerships etc.

SP then referred to some of the key points in the consultation document i.e. the benefits of primary education, the type of school being proposed and where it would be located.

The meeting was then opened up to questions:-

**Q** Does the name of the proposed school have to be Chester le Street C of E Primary School?

**A** No, the name of the school would be decided by the Governing Body and Diocese.

**Q** Why does the amalgamation not come into effect from 1 September 2015 as was previously indicated?

**A** 1 September 2015 was the earliest date the amalgamation could take place to coincide with the beginning of an academic year as it could not be achieved by 1 September 2014. However 1 January 2015 is an achievable timescale for the amalgamation to be implemented. Experience to date of in-year school reorganisations has not demonstrated that there has been a negative impact on teaching and learning.

**Q** Will there still be single age classes as there are now?

**A** That is dependent on future school budgets. The proposed staffing structure would be developed in line with the priorities for the school and affordability.

**Q** Will there be someone with Early Years experience in the senior management structure?

**A** People require the relevant skills and experience to effectively carry out the duties of the post in any restructure. The County Council's HR Team would work with the schools to determine a model for the staffing structure. There would be senior management presence on both sites. The Head Teacher of Chester le Street C of E Junior School stated that she was of the opinion that staff from both schools view the proposal positively and see it as an opportunity to enhance education delivery.

**Q** How will the Governing Body of the proposed C of E Primary School be set up?

**A** Governors will be involved in establishing the Governing Body for the proposed C of E Primary School. Governors from both schools can be members of various committees and could form a working group to develop the staffing structure. The Head Teacher stated that it was unlikely there would be much change from the current staffing structure as they are effective for both schools therefore there is not a need for much change.

**Q** Have parents who have applied for a place in Reception for September 2014 been informed of the proposed reorganisation?

**A** Copies of the consultation document were hand delivered to Nursery Schools and Children's Centres. We will look to see how we can inform parents who have applied for a place at South Pelaw Infant School for September 2014.

The meeting ended at 4.45 pm

P.S. Letters have been sent to all parents/carers who stated South Pelaw Infant School as their first preference for September 2014. The letter tells them of the proposal, reassures them that it does not affect their preference and explains where the consultation document can be found on the DCC website.

**Notes of the Joint Staff Meeting of South Pelaw Infant School  
and Chester le Street C of E (Controlled) Junior School held at  
Chester le Street C of E Junior School**

**on Thursday 13 March 2014 at 3.45 pm**

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Present: Sheila Palmerley, Strategic Manager, School Places and Admissions  
Graeme Plews, School Organisation Manager  
36 members of staff

Sheila Palmerley (SP) opened the meeting by introducing herself and Graeme Plews (GP) and explained the role of the School Places Team which is to plan the pattern and provision of school places across County Durham for the present and the future. Part of the future planning responsibility includes looking at the impact of changes to the way schools are funded as there could be an impact on small schools. The Local Authority believes that Primary Schools are more beneficial educationally than separate Infant and Junior Schools.

SP explained that consultation on the proposal commenced on 10 March 2014 and ends on 4 April 2014. A number of responses had already been received, the majority of which supported the proposal. Part of the consultation includes meetings with Governors, staff and the wider community. All responses to the consultation would be analysed and a report would then be presented to the Corporate Director of Children and Adults Services either requesting permission to move to the next stage in the process which is to issue a Statutory Public Notice, or recommending that the schools should remain as separate schools and that the proposal should proceed no further. If a decision is made to issue a Statutory Notice, this would be published in late April 2014 for a period of four weeks. All responses to the Statutory Notice would be analysed and a report presented to Durham County Council's Cabinet to make the final decision in July 2014. If the proposed reorganisation is agreed, that allows for July - December 2014 for planning for the C of E Primary School.

SP stated that concerns have been raised that the timescales are short and would it not be better to wait until September 2015 for the proposal to be implemented. It is better to propose an earlier implementation date as long as it can be achieved as that reduces uncertainty for pupils, parents, staff and Governors. Pupils and parents should not see any difference during the 2014/2015 school year if the amalgamation is implemented from 1 January 2015 as the C of E Primary School would run across the existing sites and buildings.

SP then opened the meeting to questions:-

**Q** Will all jobs be safe?

**A** If the decision is made in July 2014 to agree the amalgamation, the Governors would then produce a staffing structure for the Primary School to reflect what it needs. All existing staff would be ring-fenced for posts in the structure. Experience of previous amalgamations demonstrates that there are not significant job losses. There will be the same number of pupils to teach, some staff may retire etc. Producing a staffing structure would be a separate process to the amalgamation and the County Council's HR Team would support the school through that process.

**Q** How does the school uniform get chosen?

**A** That is for the Governors and leadership of the school to discuss with the Diocese.

There were no further questions and the meeting ended at 4.10 pm.

**Notes of the Information Sharing Evening held on  
Monday 17 March 2014 at 6.30 pm to discuss the Proposal to change the  
age range of Chester le Street C of E (Controlled) Junior School from  
7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School  
and to Close South Pelaw Infant School as a separate school from 31  
December 2014**

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Present: Sheila Palmerley, Strategic Manager School Places and Admissions  
Graeme Plews, School Organisation Manager  
14 Members of the Public (including the Head Teacher of Chester le Street C  
of E (Controlled) Junior School

Sheila Palmerley (SP) opened the meeting by introducing herself and Graeme Plews (GP) and then explained the role of the School Places Team which is to plan the pattern and provision of school places across County Durham for the present and for the future. Part of the future planning responsibility includes looking at the impact of changes to the way schools are funded which could impact on small schools. Consequently because of this and because primary schools have educational benefits for pupils, parents and staff that separate Infant and Junior Schools do not, the Local Authority is proactively taking opportunities to bring separate Infant and Junior Schools together as one Primary School.

SP then explained the timescales for the proposed re-organisation. Initial consultation commenced on 10 March 2014 and ends on 4 April 2014. Part of that consultation includes meetings with Governors, staff and the wider community. We have already received a number of responses, the majority of which are in support of the proposal. Information received will be included in a report to the Corporate Director of Children and Adults Services at the end of the consultation period asking for approval to publish a Statutory Notice if appropriate, after considering the consultation responses. This would be valid for four weeks and would be published after the Easter holidays. This gives people the final opportunity to respond. At the end of the Notice period, a report is written to the County Council's Cabinet as it is Cabinet that is the decision maker. The proposal would be decided in July 2014.

This allows the period July 2014 - December 2014 for planning to take place for the C of E Primary School to open on 1 January 2015. It is better to prepare an earlier implementation date than the start of the 2015/16 school year in this case as it reduces uncertainty for pupils, parents, staff and Governors. There should be very little change for pupils and parents as the Primary School would run across the existing sites and buildings. If the proposal however is not agreed, the two schools will continue to run as separate schools as they do now.

SP stressed that the Local Authority did not have funding for a new building nor would a Nursery Unit be provided as part of the proposal. However we would work with the school to ensure the buildings were maintained.

The meeting was then opened up to questions:-

- Q** Would a parent who has a child starting in Year 2 in September 2014 have to apply for a place in Year 3 for September 2015 if the proposal is agreed?
- A** No, the child would automatically be part of the C of E Primary School if the proposal is agreed. The only applications for a place in a Primary School are for Reception.

- Q** Will the Head Teacher of Chester le Street C of E (Controlled) Junior School be Head Teacher of the C of E Primary School?
- A** Yes, because the proposal is to change the age range of Chester le Street C of E (Controlled) Junior School and to close South Pelaw Infant School as a separate school.
- Q** Will the name of the proposed C of E Primary School change if the timescales are reducing?
- A** The Governors can/may wish to change the school name in consultation with the Diocese. The reduced timescales do not affect this.
- Q** Will the school uniform change in January 2015?
- A** (From HT) The school uniform would not change in January 2015. There would be a transition and the current uniforms will be worn until the time came for them to be replaced naturally. The uniforms are very similar currently so there is no need to change them immediately.
- Q** Is there funding available to physically connect the two schools?
- A** The Local Authority has looked at providing linked corridors for some previous amalgamations, but it is not always the most effective use of funding. It is better to let the Primary School become established to enable priorities to be identified for how to most effectively use the funding the Local Authority has available. ICT and signage will be provided at the outset and we will work with the Head Teacher to identify what is required in the future. If a linked corridor was seen as being necessary, that could be looked at in future subject to funding being available.
- Q** One advantage of separate schools is that small children are able to mix together and are not intimidated by older, larger pupils. Will playtimes and lunchtime periods change in the C of E Primary School?
- A** Break times will be looked at but there is no intention for the younger children to mix with the children in Year 6 for example.
- Q** Will the C of E Primary School get more resources to improve the outdoor and grounds areas?
- A** Bringing the two schools together will enable the C of E Primary School to have a larger budget to be used across the whole school and there will be economies of scale.
- Q** Will the times of the school day change?
- A** (From HT) They would not be exactly the same, but will be brought closer together so that there is not a 30 minutes difference between the closing times as there is at present. The Junior School has been awarded £5,000 from a Walk to School Initiative to provide a shelter for parents.
- Q** Will Breakfast Club provision change?
- A** (From HT) No, there would be no reason to change that. The Breakfast Club is shared between the two schools now.
- Q** Is there a concern over school numbers?

A The numbers at South Pelaw Infant School are dropping in the short-term but that is not the case at Chester le Street C of E (Controlled) Junior School.

There were no further questions and the meeting ended at 7.10 pm

## PUBLIC NOTICE

**Proposal to change the age range of Chester-le-Street C of E (Controlled) Junior School from 7-11 to 4-11 from 1 January 2015 to create a C of E (Controlled) Primary School and to close South Pelaw Infant School as a separate school from 31 December 2014.**

Notice is given in accordance with Section 19(1) of the Education and Inspections Act 2006 that Durham County Council intends to make a prescribed alteration to Chester-le-Street C of E (Controlled) Junior School, Hilda Park, Chester-le-Street, DH2 2JT and to close South Pelaw Infant School, Hilda Park, Chester-le-Street, DH2 2JT.

It is proposed to amalgamate South Pelaw Infant School and Chester-le-Street C of E (Controlled) Junior School into a C of E (Controlled) Primary School from 1 January 2015. This will be achieved by changing the age range of Chester-le-Street C of E (Controlled) Junior School from 7 - 11 to 4 - 11 from 1 January 2015 to create a C of E (Controlled) Primary School and by closing South Pelaw Infant School as a separate school from 31 December 2014.

Where possible the Local Authority is taking the opportunity to amalgamate Infant and Junior Schools into Primary Schools as they have wider educational benefits for pupils, parents, and staff than separate Infant and Junior Schools. Establishing a single Primary School is more sustainable in the long term as changes to the way schools are to be funded in the future could impact on small schools.

The current capacity of Chester-le-Street C of E (Controlled) Junior School is for 238 pupils and the current capacity of South Pelaw Infant School is for 180 pupils. The capacity of the proposed C of E (Controlled) Primary School will be for 418 pupils. The proposed admission number will be 60 which is the same as the current admission numbers for South Pelaw Infant School and Chester-le-Street C of E (Controlled) Junior School.

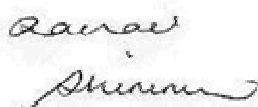
At present, South Pelaw Infant School and Chester-le-Street C of E (Controlled) Junior School are judged 'Good' by Ofsted. They already work closely together for the benefit of all pupils. The Local Authority believes that amalgamating the two schools will not have any negative impact on the standard of education provided to children in those schools.

This Notice is an extract from the full proposal. Copies of the complete proposal can be obtained from: Mr Graeme Plews, School Places and Admissions Team, Children and Adults Services, Durham County Council, County Hall, Durham DH1 5UJ. It is also available on the County Council's website at [www.durham.gov.uk/pages/service.aspx?serviceid=9523](http://www.durham.gov.uk/pages/service.aspx?serviceid=9523)

Within four weeks from the date of publication of this proposal any person may object to or make comments on the proposal by sending them to Mr Adam Williams, School Places and Admissions Team, Children and Adults Services, Business Reply Service, Licence No. DU63 (Freepost), Durham County Council, County Hall, Durham, DH1 5BR. Objections and comments can also be sent:

- via the County Council's website at [www.durham.gov.uk/pages/service.aspx?serviceid=9523](http://www.durham.gov.uk/pages/service.aspx?serviceid=9523); or
- e-mailed to [schoolorganisation@durham.gov.uk](mailto:schoolorganisation@durham.gov.uk).

Signed:



Rachel Shimmin  
Corporate Director  
Children and Adults Services

**Publication Date: 1 May 2014**

## Durham County Council – Altogether Better equality impact assessment form

**NB: Equality impact assessment is a legal requirement for all strategies plans, functions, policies, procedures and services. We are also legally required to publish our assessments. You can find help and prompts on completing the assessment in the guidance from page 7 onwards.**

### Section one: Description and initial screening

<b>Section overview: this section provides an audit trail.</b>	
<b>Service/team or section:</b> School Places and Admissions, Education, CAS	
<b>Lead Officer:</b> Sheila Palmerley	<b>Start date:</b> 10 March 2014
<p><b>Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)</b></p> <p>Proposal to change the age range of Chester-le-Street Church of England (C of E) (Controlled) Junior School from 7 – 11 to 4 -11 from 1 January 2015 to create a primary school and to close South Pelaw Infant School as a separate school from 31 December 2014. The schools are currently separate establishments on the same site. The intention is that a CoE Primary School will run across the current sites encompassing the infant and junior age ranges. The main change is that there will be a C of E (Controlled) Primary School in South Pelaw rather than a separate Infant School and C of E (Controlled) Junior School. All staff will be ringfenced for a post in the new Primary School. There will be no travel or travel cost implications due to the proposed primary school being located on the same sites as the current Infant and Cof E Junior Schools.</p> <p>Both schools are relatively small when compared to other schools across the county which could mean it is possible that they may become unviable in the long term when the new national funding arrangements come into effect. This will not have an impact however on equality/diversity/cohesion.</p>	



**Who are the main stakeholders:** General public / Employees / Elected Members / Partners/ Specific audiences/Other (please specify) –  
 General Public, Governors, Staff, Parents, Pupils, Elected Members, MPs, Neighbouring Schools, Trade Unions, Diocese, Department for Education, Community Groups, Parish Councils, Residents' Associations, AAP Board, Neighbouring Authorities, CAS/DCC Staff

**Is a copy of the subject attached? Yes / No** consultation document and report on the outcomes of the consultation are attached.

**Initial screening**

Prompts to help you:  
 Who is affected by it? Who is intended to benefit and how? Could there be a different impact or outcome for some groups? Is it likely to affect relations between different communities or groups, for example if it is thought to favour one particular group or deny opportunities for others? Is there any specific targeted action to promote equality?

**Is there an actual/potential negative or positive impact on specific groups within these headings?**

Indicate :Y = Yes, N = No, ?=Unsure

Gender	N	Disability	N	Age	N	Race/ethnicity	N	Religion or belief	N	Sexual orientation	N
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## **How will this support our commitment to promote equality and meet our legal responsibilities?**

Reminder of our legal duties:

- Eliminating unlawful discrimination & harassment
- Promoting equality of opportunity
- Promoting good relations between people from different groups
- Promoting positive attitudes towards disabled people and taking account of someone's disability, even where that involves treating them more favourably than other people
- Involving people, particularly disabled people, in public life and decision making

The proposal to change the age range of Chester – le - Street C of E (Controlled) Junior School from 7 -11 years of age to 4 -11 years of age from 1 January 2015 will create a C of E (Controlled) Primary School which will provide equal access for all regardless of gender, disability, age, race/ethnicity, religion or belief, sexual orientation.

## **What evidence do you have to support your findings?**

The main groups affected by this proposal are pupils attending South Pelaw Infant and Chester – le – Street C of E (Controlled) Junior Schools. If the proposal is implemented it would help to secure the future of primary education across the two schools. Pupils and staff will not be adversely affected.

The consultation was undertaken between 10 March 2014 and 4 April 2014. Consultation documents were distributed widely and meetings were held with Governors and Staff of South Pelaw Infant and Chester – le - Street C of E (Controlled) Junior Schools, parents, and members of the local community at an Information Sharing Evening. Stakeholders were invited to respond in a variety of ways: written responses using the response form attached to the consultation document, letter, email or completing the response form online via the County Council's website.

52 responded in writing using the response form, letter and email

2 responded using the online response form (DCC website)

14 people attended the Information Sharing Evening

36 members of staff attended the joint staff meeting

14 Governors attended the joint Governing Body meeting

- Of the 54 responses received during the consultation period, 49 supported the proposal. Stakeholders believe that a primary school will enable a consistent approach to teaching and learning across Key Stage 1 and Key Stage 2 and allow for an easier transition for pupils which will benefit them and lead to further improvement in attainment.
- Some stakeholders were of the view that the proposal is a take over of South Pelaw Infant School by the existing Cof E Junior School. Officers believe this is not the case and a staffing structure will be produced to reflect what the Primary School will need to function effectively. All existing staff would be ring-fenced for posts in the structure and there are no job losses identified at this stage.

**Decision: Proceed to full impact assessment – Yes/No**

**Date: 4 April 2014 (the end of the consultation.)**

**If you have answered ‘No’ you need to pass the completed form for approval & sign off.**

### **Section two: Identifying impacts and evidence- Equality and Diversity**

**Section overview: this section identifies whether there are any impacts on equality/diversity/cohesion, what evidence is available to support the conclusion and what further action is needed.**

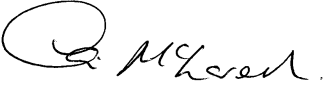
	Identify the impact : does this increase differences or does it aim to reduce gaps for particular groups?	Explain your conclusion, including relevant evidence and consultation you have considered.	What further action is required? (Include in Sect. 3 action plan)
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<b>Gender</b>			
<b>Age</b>			
<b>Disability</b>			
<b>Race/Ethnicity</b>			
<b>Religion or belief</b>			
<b>Sexual orientation</b>			

**How will this promote positive relationships between different communities?**  
 If this proposal is implemented, positive relationships will continue to be strengthened between different communities with no adverse impact.

**Section three: Review and Conclusion**  
 Summary: please provide a brief overview, including impact, changes, improvements and any gaps in evidence.

The main change associated with this proposal is that there will be a C of E Primary School in South Pelaw rather than separate Infant and Junior Schools. This will preserve and enhance education in South Pelaw by providing a more sustainable educational establishment together with the benefits that Primary Schools have for children, parents and members of staff that separate Infant and Junior Schools do not.

Action to be taken	Officer responsible	Target Date	In which plan will this action appear
When will this assessment be reviewed?	Date: In July 2014 when the decision is taken whether to implement the proposal or not.		
Are there any additional assessments that need to be undertaken in relation to this assessment?	No		
Lead officer - sign off: <i>Sheila Palmerley</i>			Date:23.5.14
Service equality representative - sign off: 			Date:23.5.14

**Please email your completed Impact Assessment to the Equality team - [equalities@durham.gov.uk](mailto:equalities@durham.gov.uk).**

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**Cabinet**

**16<sup>th</sup> July 2014**

**Draft Corporate Tree Management Policy**



**Key Decision: NS/25/13**

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**Report of Corporate Management Team**

**Terry Collins, Corporate Director Neighbourhood Services**

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

**Councillor Brian Stephens, Portfolio Holder for Neighbourhoods and Local Partnerships**

**Councillor Neil Foster, Portfolio Holder for Economic Regeneration**

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**Purpose of the Report**

1. To consider, in the light of public consultation, a draft countywide tree policy for the management of all trees under Durham County Council's ownership and for those trees in private ownership which pose a safety risk to the public highway.

**Background**

2. On 18<sup>th</sup> December 2013 Cabinet considered a report and draft policy document which brought together a number of tree management policies and practices inherited from the former Districts and County Council. It covered a variety of aspects of tree management, such as the following areas.
  - Inspection of Trees and Scheduling of Work
  - Dealing with Tree Care - Guidance
  - Alleged Damage and Tree Roots
  - Circumstances on Private Land
  - Anti-Social Behaviour, Vandalism and Disputes
  - Planning / Protected Trees / Trees in a Conservation Area / Factors constraining works to trees
  - Maintenance and Bio-Security
  - Tree Pruning Techniques
3. Whilst the day to day works on the ground are already in keeping with the draft policy, it was felt that having a written document is helpful so that service requests can be consistently responded to and there is a clear basis for decision making. The policy also encourages others responsible for trees to take a positive to management as well as outlining ways in which the Council will help ensure its own tree stock is in a safe condition.

4. Tree related complaints can be highly emotive, and in some circumstances can cause polarised views relating to their maintenance. For this reason, Members approved the recommendation to consult widely on the draft policy.

## **Consultation**

5. Consultations began on 19<sup>th</sup> December 2013 and ended on 13<sup>th</sup> March 2014, with a wide variety of organisations contacted and residents all invited to respond either directly or using a questionnaire format on the County Council's website.
6. A total of forty nine responses were received. Thirty one were from residents (63.3%) and eighteen were from organisations (36.7%). These organisations included six Town & Parish Council's, County Durham Association of Local Councils, three Residents Groups / Community Partnerships, a community newspaper, Access & Rights of Way Team, Countryside Service, DCC Senior Forester, The Woodland Trust, Forestry Commission, and the Campaign to Protect Rural England. The survey was open ended and allowed respondents to answer freely on any aspect of the policy.
7. The consultation has revealed an overall strong endorsement of the draft proposals with the majority of respondents supportive of a new countywide policy. Some Parish Councils felt that they would want to adopt similar policies themselves, which is welcomed in bringing a consistency of approach.
8. The suggestions / comments made have been grouped into the most common themes and our responses to them given as follows:
  - eight respondents specifically commented that it is a fair and balanced policy. Three respondents thought it too negative, that it should be more proactive and highlight more the benefits that trees give. The importance of trees is highlighted in Section 3 of the draft policy and the presumption is on the protection of trees as far as possible.
  - Two respondents highlighted the need to inform residents / local community when carrying out more impacting tree works. Section 8 of the draft policy outlines when and how we will do this.
  - Eleven respondents felt that trees with a Tree Preservation Order (TPO) should be the responsibility of the Council rather than the landowner as it is the Council who enforces the TPO. The Town & Country Planning Act and associated legislation does not provide for Council's to take on this responsibility.
  - Eleven respondents commented on procedures / issues with requesting trees to be removed / trimmed back due to light pollution and / or blocking TV reception; and tree roots and damage to footpaths. The draft policy will lead to greater clarification / consistency of response on how we will deal with these issues.
  - One respondent commented that there is no mention of the woodland management function contained within the policy. This aspect is felt to be a more specialist area and outside the scope of the general tree management proposals contained in the draft policy.



- One respondent raised points regarding subsidence and heave. Such issues will be dealt with on a case by case basis taking account of appropriate legal advice at the time.
- Two respondents made comments regarding carrying out tree works during the birds nesting season and also European Protected Species Directive. The wording in the original draft proposals has been amended, following consultation with the Council's Ecologist, to further clarify these issues.
- Three respondents expressed concern for little mention of replacement planting or continuity of planting schemes. This is covered in Section 16 of the draft policy but has been strengthened to say that where trees are removed on land owned / managed by DCC, replacement planting will be carried out where appropriate. The policy already proposed a commitment to undertake the planting of new trees on our land when suitable opportunities arise.
- One respondent felt that reference should be made to the emerging County Local Plan. After taking advice from Planning colleagues it was felt that as this has not yet been published or adopted it could not be referenced as part of this draft policy. Future revisions of the policy may allow for this.
- Two respondents raised concerns regarding the Council charging a fee (currently £385) to handle resolution issues between neighbours relating to high hedges as people may not be able to pay. This power, under the Anti-social Behaviour Act 2003 and High Hedges Regulations 2005, is only used when all avenues for resolving a hedge dispute have been exhausted. The fee contributes towards the cost of administering the complaint and is in line with national guidelines.

### **Main Changes made to the draft policy following consultation**

9. The suggestions / comments made by respondents have been considered and some changes made to the draft proposals in light of this feedback. None has substantially changed the original draft proposals and in many cases have enhanced them or led to greater clarification. The main changes are as follows:
  - Section 7 Tree Maintenance. 7.1 has been amended to highlight the fact that some cyclical tree maintenance is already carried out with some countryside sites having site specific inspection / maintenance plans. 7.3 and 7.4 has been amended to give greater clarification over what priority response will be given to certain tree issues. 7.5 has been amended to mention ancient and veteran trees.
  - Section 9 Dealing with Tree Care. 9.3 has been amended to highlight that particular care will be given to proposals affecting ancient or veteran trees.
  - References throughout the policy to roads and footpaths have been amended to roads, footways and public rights of way.
  - Section 10.3 Damage to walls and fences has been amended to state that if a tree on DCC land is found to be causing damage to a neighbouring property we will investigate and take action as appropriate.
  - Section 14 Protected Trees. 14.1.15 and 14.2.5 Contact details have been simplified. 14.3 relating to Forestry Commission Felling Licences has been further clarified.

- Section 15 Other factors constraining work to trees. 15.1 Birds and 15.2 Bats have been further clarified following consultation with the Council's Ecologist.
- Section 16 Replacement Tree Planting has been strengthened to say that where trees are removed on land owned / managed by DCC, replacement planting will be carried out where appropriate.

### **Summary**

10. A tree management policy will act as an important guide for the management of the Council's tree stock and responding to service requests. The consultation involving both organisations and residents has revealed an overall endorsement of the proposals, as well as allowing some refinements to further improve the document.

### **Recommendations**

11. It is recommended that the draft tree management policy is adopted by Cabinet.

### **Background Papers**

Cabinet Report 18<sup>th</sup> December 2013

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<b>Contact:</b>	Oliver Sherratt	Tel: 03000 269258
	Stuart Timmiss	Tel: 03000 267334

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### **APPENDIX 1 – Implications**

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**Finance** Moving from a re-active to a pro-active tree inspection regime will generate additional tree maintenance works. These will need to be costed and included in an annual work programme.

Further information will be provided for consideration if it is felt that the volume of requests generated as a result of this work exceeds the budget available. If necessary implementation of all priority 3 (desirable) will be dependent upon the availability of budgetary resources at the time.

**Staffing** The tree inspection regime will be accommodated within existing staff resources from both Neighbourhood Services and RED

**Risk** We will work to a risk-based approach to tree management: a programme of inspection identifying and prioritising potential hazards. The cycle of inspection for trees will be set according to their location and area of risk. Highway trees are considered the highest priority.

The implementation of a more pro-active tree inspection regime will enable us to more effectively defend claims which will mitigate some of the financial losses currently experienced in this regard.

Currently the absence of a written policy exposes the Council to risks of inconsistent responses and challenge.

A Comprehensive Risk Assessment has been reviewed with no reportable risks. There are operational risks and these will be monitored and reported on, if appropriate, at an operational level.

**Equality and Diversity** An Equalities Impact Assessment has been carried out and is attached at Appendix 3. Where issues arise relating to the needs of disabled, infirm or elderly people the presumption in favour of tree protection will be weighted against those needs on a case by case basis. This approach recognises the Council's duty under the Equality Act 2010 to advance equality of opportunity for disabled people, as well as other people with protected characteristics specified in the Act.

**Accommodation** - N/A

**Crime and disorder** – Vandalism is an increasing pressure on trees. There are various ways in which vandalism can be counteracted, but none of these is 100% effective against determined attack. We will investigate any reports of vandalism / damage to trees in our ownership / management, and try to repair any damage where we can. Where possible, we will take legal action against the person(s) causing the damage.

**Human rights** – N/A

**Consultation** – a working group of officers from Neighbourhood Services and from RED have been involved in the development of this draft policy.

Public consultation has been carried out. The suggestions / comments made by respondents have been considered and some changes made to the draft proposals

in light of this feedback. None has substantially changed the original draft proposals and in many cases have enhanced them or led to greater clarification.

Public consultation has revealed an overall endorsement of the draft proposals with the majority of respondents supportive of a new countywide policy.

**Procurement**– N/A

**Disability Issues** Where issues arise relating to the needs of disabled people the presumption in favour of tree protection will be weighted against those needs on a case by case basis.

**Legal Implications** There is a range of legislation which has been considered during the development of this policy (listed in Section 4 of the policy document).



# **DURHAM COUNTY COUNCIL**

## **CORPORATE TREE MANAGEMENT POLICY**

**D R A F T**

May 2014

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## **1. SUMMARY**

- 1.1 Trees are a highly valued feature of County Durham; they make an enormous contribution to the character and beauty of our landscape and create /maintain environments rich in biodiversity. Durham County Council values its trees and recognises both the human and environmental benefits of having a healthy and sustainable tree population.
- 1.2 We also recognise that although trees are a positive feature, they can cause of a range of problems, from being a nuisance or inconvenience to potentially causing serious injury or even death. As a tree owner we have a direct responsibility for ensuring our trees do not pose a danger to the public or property and are managed appropriately. This policy sets out our approach to tree management.
- 1.3 We aim to inspect our tree stock at an appropriate frequency, depending upon number of pedestrians, vehicles and other targets either passing beneath or within falling distance of the tree, to ensure continued public safety. Following inspection the trees will be assigned a risk classification which will inform their prioritisation for maintenance works.
- 1.4 We also have a duty under the Highway Act to ensure that those trees in private ownership adjacent to the highway do not pose a danger to its users. We seek to ensure that all roads are inspected at reasonable intervals, defective trees are noted, tree owners are identified and contacted and the appropriate work is undertaken to remove identified hazards.
- 1.5 We aim to provide high standards of tree management based on the latest arboricultural research and promote such standards with other parties, (e.g. private tree owners).

## **2. POLICY SCOPE**

- 2.1 This policy applies to all trees under our ownership / management, regardless of their location, and to those trees in private ownership which pose a safety risk to the public.
- 2.2 Although, we believe this policy to be as comprehensive as possible, we acknowledge it does not cover every situation. We reserve the right to exercise discretion in application of this policy when to do so would be in the best interests of the Council and its residents.



### 3. THE IMPORTANCE OF TREES IN THE URBAN AND RURAL LANDSCAPE

3.1 Trees are important features in the landscape. They help to create an attractive environment, making the County a better place to live, work, study and visit. They bring colour and contrast, screen unsightly structures, give privacy, soften the hard lines of and contribute to the setting of the County's magnificent buildings, streets and landscapes. Not only do trees have a visual quality, but they also enhance the environment in less obvious ways:

- they improve air quality by filtering airborne dust, smoke and fumes;
- they absorb traffic noise in built-up areas and can help limit noise pollution;
- they reduce temperature extremes by providing shelter in hot weather and insulation in cold weather; trees adjacent to buildings can reduce air conditioning and heating costs;
- they act as a screen, increasing privacy in residential roads and gardens;
- they convert carbon dioxide to oxygen, increasing the quality of the air locally and helping to reduce the 'greenhouse effect';
- they provide food and habitat for birds and other wildlife, thus supporting nature conservation value and biodiversity;
- research has shown that trees provide many psychological and health benefits and have been shown to reduce stress significantly.

### 4. LEGISLATION

There is a range of legislation which has been considered during the development of this policy, for example:

- 4.1 The Forestry Act (1967) requires certain permissions and licences to be granted where felling of trees is proposed within a woodland setting. Durham County Council will ensure that any proposed felling is fully compliant with the requirements of the Forestry Act.
- 4.2 We, as the Local Planning Authority are able to create Tree Preservation Orders (TPOs), in respect of trees or woodland, which is considered to have a significant impact on the amenity of a local area.
- 4.3 In addition to those trees protected by a Tree Preservation Order, the Town & Country Planning Act (1990) also makes special provision for trees in conservation areas.
- 4.4 The Wildlife & Countryside Act (1981, as amended CROW Act 2000) states that it is illegal to intentionally or recklessly damage or destroy the nest of a wild bird while that nest is in use or being built. For Schedule 1 (Wildlife and Countryside Act) bird species it is also an offence to disturb birds whilst they are building or using a nest.

- 4.5 Many bat species use holes, cracks and crevices in trees as roosts. Bats are a European Protected Species and are protected by Conservation of Habitats & Species Regulations 2010 and the Wildlife & Countryside Act 1981 (as amended). Causing damage to or destroying a roost site, preventing access to a roost site and killing bats are all criminal offences which can lead to imprisonment or a fine. A roost cavity is considered to be a roost even if bats are not currently using it. Felling trees with bat roosts for health & safety reasons without first consulting Natural England may still be an offence under the Regulations.
- 4.6 The Hedgerow Regulations (1997) introduced powers allowing important rural native hedgerows to be protected.
- 4.7 We have no authority to intervene in a dispute between neighbours regarding trees; Part 8 of the Anti-social Behaviour Order Act (2003) gives Local Authorities the powers to deal with complaints or disputes about high hedges affecting residential properties.

## 5. TREES ON DURHAM COUNTY COUNCIL OWNED / MANAGED LAND

- 5.1 We have a responsibility to maintain trees within our ownership / management to ensure they are in a safe condition and not causing an unreasonable danger or actionable nuisance. All enquiries regarding trees on County Council land be directed to our **Customer Services** on 03000 26 1000.

## 6. INSPECTION OF TREES

- 6.1 We work to a risk-based approach to tree management: a programme of inspection identifying and prioritising potential hazards. The cycle of inspection for trees will be set according to their location and area of risk.
- 6.2 Highways trees are considered to be highest priority. They include both trees on land owned by the Council and trees on land owned by other parties. Roads are inspected on a regular basis. The inspection cycle is determined by a number of factors including road category, traffic use, incident history, local knowledge and the presence and frequency of trees. Tree defects likely to cause a hazard are identified. In the case of trees on land owned or adopted by the Council the appropriate work is undertaken to remove the hazard. In the case of trees on land owned by other parties, the land owner is contacted and requested to remedy the situation (see 11.0 below).

## 7. TREE MAINTENANCE

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- 7.1 Tree maintenance is currently mostly 'reactive' in nature and conducted in response to reports received by the council concerning specific trees. In future, a greater level of tree maintenance work will be conducted as a result of information gathered during pro active tree inspections.

Some cyclical maintenance is already carried out with some countryside sites having site specific inspection / maintenance plans. However, reactionary tree maintenance will always form a key element of overall tree maintenance operations and normally originates from the following:

- programmed and routine inspections by the Tree Officer;
- ad-hoc inspections by the Tree Officer following enquiries, reports and service requests;
- reports from Customers;
- enquires from County and Parish Councillors;
- reports from utility companies;
- cyclic maintenance;
- emergency works (e.g. resulting from high winds).

- 7.2 The following categories will be used when prioritising tree works:

<b>Priority</b>	<b>Response</b>
Priority 1: Urgent Public Safety	From within 24 hours to one week depending upon the risk
Priority 2: Non-urgent but essential work	Between 1 to 6 months depending upon risk and time of year
Priority 3: Desirable	12 months where possible
Non-priority	No action proposed

- 7.3 Priority 1 - A tree could warrant immediate attention if, for example

- it has snapped or blown over;
- it is rocking (roots are damaged);
- it is uprooted but held up by another tree or building;
- a large branch has broken off or is hanging off the tree;
- it or its branch is blocking the road or footway / public right of way;
- it or its branch is blocking access to property;
- it has fallen on to a structure, such as a building or car.

- 7.4 Priority 2 - A tree may be a risk to people or property but does not require immediate attention if: for example

- it is dead;
- it is dying (few leaves in summer or dieback in the crown);
- its bark is loose and falling off;
- mushrooms or fungi are growing on or near the tree;
- old splits and cracks are in the trunk or large branches;
- smaller branches are falling from the tree.

7.5 Trees will be made safe via pruning or felling and we would use the most cost effective approach. However, for certain high value trees such as ancient and veteran trees, we would consider other options to reduce the risk to an acceptable level. This would include options to reduce the likelihood of the tree failing or the likelihood of persons being close to the tree if it did fail.

## **8. PUBLICISING TREE FELLING / PRUNING**

- 8.1 Where works are minor such as pruning (including repeat cyclical pruning of trees) or involve removing trees that are less than 15 cm diameter (6 inches) at a height of 1.3 metres, we will not publicise the works.
- 8.2 Where works are more impacting, for example, felling larger trees, carrying out works to a veteran tree or a tree with a Tree Preservation Order (TPO), we will erect an informative site notice on or very close to the affected tree. If more than one tree at the same location are affected it may be more appropriate to erect a site notice including a map / schedule. We will also tell 10 houses opposite and either side by letter (if applicable), copying in the relevant Town or Parish Council / residents' association / community groups as they are known to us and the ward councillors.
- 8.3 If a tree scheme (felling, pruning or planting) is judged to be more impacting on the local area we will consider more publicity as appropriate.
- 8.4 Where a competent officer has determined that the tree should be felled on public safety grounds there will be no public consultation and no right of objection.
- 8.5 It is our intention to publish our annual tree maintenance programme on our website.

## **9. DEALING WITH TREE CARE**

- 9.1 While we recognise the need to conserve the present tree cover, we also recognise that removal of trees is sometimes justified for sound
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arboricultural reasons and that pruning works are sometimes necessary to ensure that trees are in a safe and healthy condition.

- 9.2 We receive many requests and complaints regarding trees. It is important that individual issues are dealt with consistently and that decisions are balanced against the positive contribution that trees make to the environment and enjoyment of the County by local residents and visitors. Many of the complaints received involve minor or seasonal issues that are generally considered to be foreseeable or social problems associated with living near trees, which can often be minimised through careful pruning and careful species selection when planting.
- 9.3 In all cases, consideration will be given as to whether the tree in question is worthy of retention and protection. Particular care will be given to proposals affecting ancient or veteran trees.
- 9.4 To ensure that requests for works to trees are dealt with efficiently, consistently and fairly, our policy in relation to the more common types of request is outlined below.

### **9.5 Obstructing / Overhanging Tree Branches**

- 9.5.1 Tree branches can cause obstructions to roads, footways, public rights of ways, signs, streetlights and open spaces. Appropriate pruning to eliminate hazards caused by obstructive branches will normally be acceptable, providing efforts are made to retain the shape of the tree.
- 9.5.2 We will undertake work to trees in council ownership / management to maintain a minimum 5 metres clearance over roads, 2.4 metres over footpaths / public rights of way and 3 metres over railway paths.
- 9.5.3 We will not prune trees that overhang neighbouring properties unless the trees are dangerous or causing an actionable nuisance (i.e. touching the walls, roofs, windows, gutters, garage etc). This will ensure that damage to property such as aerials, tiles or gutters is avoided.
- 9.5.4 Adjacent Landowners do have a common law right to prune back tree branches to their boundary, providing that the tree in question is not protected by a Tree Preservation Order (TPO) or situated within a Conservation Area.

### **9.6 Shading and Loss of Light**

- 9.6.1 Trees are often perceived to block light to nearby properties.  
~~However, pruning or removal of trees will often have a negligible~~

impact on the amount of light reaching a house or garden.

Therefore, tree works to improve light levels will not normally be considered. However we will consider taking action (pruning or felling) in the following circumstances:

- if the height of the tree is more than 12metres and the distance between the base of the tree and the window of the nearest habitable room is less than 5metres;
- if the height of the tree if less than 12 metres and the distance between the base of the tree and the window of the nearest habitable room is less than half the height of the tree (where the separation between the edge of the tree canopy and a vertical line through that window is less than 2metres).

9.6.2 A 'habitable room' is a dining room, lounge, kitchen, study or bedroom but not a WC, bathrooms, utility room, landing or and hallway.

9.6.3 Where elderly, infirm or disabled persons who spend a significant amount of time within their home are affected there will be flexibility to look at some intervention. Where it can be established that the presence of trees is detrimental to the health of such residents, further consideration will be given to the management approach to trees. This consideration will also take into account the quality and importance of the tree in question, as well as the benefits to the wider community.

9.6.4 If natural light is being blocked by the growth of a high hedge then action may be taken under the Anti-social Behaviour Act 2003 (see Anti-social Behaviour – High Hedges).

## **9.7 Loss of View**

9.7.1 Trees will only be pruned or removed to restore views when necessary to retain important public viewpoints or there is potential to bring about significant public benefit and/or enhance the local landscape or townscape. Historical records may be used to determine the level of management required. Pruning of trees for highway sight-line requirements will be dealt with on a case by case basis.

## **9.8 Trees affecting reception (Television / Satellite / Solar Panels)**

9.8.1 Pruning in the short term may help improve television reception. However in the long term the flush of quick, extra growth associated with pruning can exacerbate the problem. In most cases the problem can be resolved by relocating the aerial or

satellite dish, or alternatively using a Booster. Residents are advised to contact their satellite or TV provider for specialist advice. Removal or pruning of trees to enable a clear television reception would only be considered in exceptional circumstances.

- 9.8.2 Similarly we will not prune or fell a tree in our ownership / management to improve natural light to a solar panel. Whilst we recognise the need for renewable energy sources, trees are also important in tackling climate change.

## **9.9 Overhead Cables / Telephone Wires**

- 9.9.1 Utility companies have certain legal rights to carry out works to public or privately owned trees to address health and safety problems and to maintain a clearance between trees and their apparatus to ensure continuity of supply. This may sometimes involve the loss of trees. Where works to trees are necessary as a result of proximity or conflict, we will encourage utility operators to adopt the most appropriate long term solution, giving consideration to tree health, local tree cover and visual amenity.
- 9.9.2 Problems caused by branches interfering with privately owned telephone wires can usually be eliminated through appropriate pruning and tree removal would not usually be considered.
- 9.9.3 We will not prune or fell a tree in our ownership / management to prevent or reduce interference with telephone wires. We would recommend contacting the telephone service provider in such circumstances.

## **9.10 General / Minor Nuisances**

- 9.10.1 We will not fell or prune trees solely to alleviate problems caused by natural and/or seasonal phenomena, which are largely outside of our control. There are a variety of potential nuisances associated with trees, most of which are minor or seasonal and considered to be normal and acceptable consequences of living near trees. Examples of such problems are:
- falling leaves, twigs, sap, blossom, fruit, nuts, bird and insect droppings;
  - insects associated with trees (spiders, wasps, flies etc);
  - reduction or increase of moisture to gardens;
  - suckers or germinating seedlings in gardens;
  - leaves falling into gutters, drains or onto flat roofs;
  - the build-up of algae on fences, paths or other structures.
- 9.10.2 Clearing of leaves from gutters and pathways and weeding of set seeds are considered to be normal routine seasonal maintenance which property owners are expected to carry out.
- 9.10.3 Falling leaves, sap, blossom, fruit, nuts, bird and insect droppings are not readily controllable by pruning and cleaning of affected
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surfaces can be considered to be routine maintenance. Pruning will not normally be considered solely as a way of alleviating problems with these issues alone.

- 9.10.4 We would not normally prune or fell a tree under our ownership / management that bears poisonous fruit / foliage (such as laburnum or yew). However, where it is known that unsupervised young children are likely to be exposed to berries or foliage that will make them ill if eaten, we will investigate on a case by case basis and take action, where appropriate.

### **9.11 Trees considered too big / too tall**

- 9.11.1 We will not prune or fell a tree under council ownership / management because it is considered to be 'too big' or 'too tall' for its surroundings.

### **9.12 Personal Medical Complaint**

- 9.12.1 We will normally not prune or fell a tree under our ownership / management where a request has been made to do so because of a personal medical complaint. However, where it can be established that the presence of a tree is causing a detriment to the health of residents further consideration will be given to the management approach of trees.

## **10. DAMAGE AND TREE ROOTS**

- 10.1 Many tree conflicts arise on account of the presence of tree roots and the perception that they are causing damage. Where damage is alleged, each complaint will be investigated on an individual basis. The following guidance will be used in assessing levels of nuisance and identifying appropriate action.

### **10.2 Root invasion in gardens**

- 10.2.1 Tree roots in gardens are a natural occurrence and root presence is unlikely to be affected by tree pruning or removal. Landowners do have a common law right to prune back tree roots to their boundary, providing that the tree in question is not protected by a Tree Preservation Order (TPO) or situated within a Conservation Area.

- 10.2.2 Most species of deciduous tree will re-sprout from the stump when cut down. Many species will produce a new growth shoot from a root if it becomes exposed to sunlight through ground erosion. Some species readily produce shoots from their buried roots as a way to regenerate and this is often stimulated by stresses, such as heavy pruning or felling. Numerous tree species (including Cherry and Poplar) are therefore likely to



produce vigorous root suckers as a response to being felled. Poisoning a stump to prevent such suckering is not always successful since application of herbicide onto a stump face often only affects the stump and the upper roots.

- 10.2.3 Tree felling or branch pruning in response to root invasion in gardens would not normally be appropriate, as such works are likely to worsen existing problems. The pure encroachment of roots into adjoining land is not considered to amount to actionable nuisance.

### **10.3 Damage to walls and fences**

If a tree on County Council owned land is found to be causing damage to a neighbouring property we will investigate and take action as appropriate.

It is often possible to rebuild or repair garden walls and fences to take account of adjacent trees. This can be achieved in a number of ways (for example installing a section of railing or bridging foundations around the base of a tree). Therefore where trees are considered to be causing damage to walls or fences, we will normally only consider tree removal if the walls or fence is irreplaceable and of exceptional importance e.g. a retaining wall or of historical interest, or if there is a risk to public health in leaving the tree which cannot otherwise be mitigated. If a damaged wall or fence was constructed after planting of the tree, it may mean that the design or construction has failed to take the presence of nearby trees into account.

### **10.4 Damage to paths**

It is often possible to repair paths to take account of adjacent trees and tree roots. Where roots protrude they can be root pruned, or the path re-laid around the tree with flexible materials such as asphalt to provide a smooth surface. Where trees are considered to be causing damage to paths or footpaths, we will not normally consider tree removal except where there is a risk to public health which cannot otherwise be mitigated.

### **10.5 Damage to drains or water pipes**

There is no evidence to suggest that the tree roots can actively penetrate an intact pipe or drain, but they can find their way into drains by any existing fault and increase damage. In these situations, the owner of the drain should seek to get the drain repaired at their own expense. Tree removal will not normally be considered.

### **10.6 Trip Hazards**

We will make safe an unacceptable trip hazard in a street, road or highway which is caused by a tree in our ownership / management.

### **10.7 Installation of drop kerbs**

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We will consider felling or pruning the roots of a tree under our ownership / management to allow the installation of a drop kerb. Each case will be considered on an individual basis.

## **10.8 Subsidence**

10.8.1 While we recognise our responsibilities for the trees in our ownership / management, we will expect any claim against our own trees to be supported by sufficient evidence to show that the tree in question is a contributory factor in the subsidence. In a similar way, where an application to work on a protected tree is received we will again expect sufficient evidence to be provided to show that the tree in question is a contributory factor in the subsidence. Where this evidence is provided, permission to remove the tree will not unreasonably be withheld. We will obtain expert specialist advice to verify submitted evidence as necessary. We will therefore require the following information in order to consider a claim associated with tree related subsidence:

- description of type of damage;
- indication of seasonal movement;
- levels and distortion survey;
- visual evidence of damage;
- depth of foundations demonstrated from excavated trial holes;
- analysis of soil type under foundation;
- presence and identification of trees roots.

10.8.2 In situations where a protected tree is alleged to be causing damage to a building we will permit the removal of the tree provided that:

- on the balance of probabilities there is sufficient evidence to demonstrate that the tree is an influencing factor;
- the removal of the tree is necessary to deal with the problem or if were dealt with by pruning, this would effectively destroy the amenity value of the tree;
- removal can be carried out without contravening wildlife legislation

10.8.3 We will not normally subject our trees to regular heavy pruning to deal with suspected damage. Instead we will where feasible opt for removal and replacement planting with an alternative species that is less likely to cause future problems.

## **10.9 Heave**

10.9.1 When a tree is removed in a clay sub-soil, the soil will rehydrate and swell in volume. The expansion may lift the foundations and cause cracking to the property. This is known as 'heave'. This is more likely to occur if the removed tree was mature and had a high water demand such as an oak tree.

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## **11. TREES ON PRIVATE LAND CAUSING A DANGER / OBSTRUCTION TO THE PUBLIC HIGHWAY**

If a privately owned tree is causing

- i) a danger to the highway including public rights of way
- ii) an obstruction to a road
- iii) impairing visibility at a road junction, to a traffic signal, street light or street sign, or
- iv) damage to a pavement

we will use powers which exist under the Highways Act to request the owner makes safe / removes the obstruction. If they do not, we will undertake the work and recharge the owner.

## **12. TREES ON PRIVATE LAND CAUSING A DANGER (OTHER THAN TO THE PUBLIC HIGHWAY)**

12.1 We have discretionary powers under the Local Government (Miscellaneous Provisions) Act 1976, Section 23, to deal with trees in private ownership that are dangerous. This legislation only allows the County Council to become involved when trees pose an imminent threat to people or property.

12.2 We can serve notice on a tree owner to carry out specified safety works within a period of not less than 21 days. Where the specified safety works are not carried out, we do have powers to enter the land, carry out the works and reclaim from the land owner any reasonable costs incurred.

12.3 Where trees on privately owned land represent an immediate threat to people or property we will undertake one of the following actions, dependant on the severity of the risk and the site location and conditions:

- secure the affected area to prevent public access and notify the tree owner of the risk posed and action to be taken;
- undertake work from a position within council owned / managed land (only if safe to do so);
- as a last resort, enter the property and carry out remedial works to remove the risk.

12.4 In such cases, we will seek to recover the cost of these works from the owner of the tree.

12.5 The Local Government (Miscellaneous Provisions) Act 1976 does not enable us to become involved with private trees causing a nuisance to a neighbouring property by causing shade, blocking views or dropping leaves, flowers or fruit etc. unless the trees are imminently dangerous.

## **13. ANTI-SOCIAL BEHAVIOUR**

### **13.1 Trees**

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If a county council owned tree is the focus of a nuisance leading to anti-social behaviour we will take measures to reduce the problem. These measures will be determined on a site by site basis.

### **13.2 High Hedges**

- 13.2.1 Once all avenues for resolving a hedge dispute have been tried and exhausted, a complaint about a neighbour's evergreen hedge can be made to the Council's Planning Enforcement Team. A fee is payable for this service.
- 13.2.2 Our role is not to mediate or negotiate between the complainant and the hedge owner but to adjudicate on whether, in the words of the The Anti-social Behaviour Act 2003 (High Hedges), the hedge is adversely affecting the complainant's reasonable enjoyment of their property.
- 13.2.3 In doing so, we must take account of all relevant factors and must strike a balance between the competing interests of the complainant and hedge owner, as well as the interests of the wider community.
- 13.2.4 If we consider that the circumstances justify it, a formal notice will be issued to the hedge owner, which will set out what they must do to the hedge to remedy the problem, and when by. Failure to carry out the works required is an offence which could lead to a fine.
- 13.2.5 More details can be found on Durham County Council's website.

## **14. PROTECTED TREES**

### **14.1 Tree Preservation Orders (TPO's)**

- 14.1.1 A TPO is a legal document made, administered and enforced by the local planning authority, to protect specified trees and woodlands with public amenity value.
- 14.1.2 A TPO prevents cutting down, uprooting, topping, lopping, wilful damage or destruction of trees (including cutting roots) without our permission.

#### Works on Protected Trees

- 14.1.3 If you intend to carry out any works to protected trees, you must apply for consent from the council first.
- 14.1.4 If you do not own the tree you must obtain the owner's permission before carrying out the works.

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- 14.1.5 You may also need to submit supporting technical information if the reason for your application relates to the condition of the tree - for example due to the presence of pests, diseases, fungi, or structural defects affecting the safety of the tree. Written evidence from an appropriate arboricultural professional may be required to support your application. For a list of arboriculturalists who are members of the Arboricultural Association, visit their website for details.
- 14.1.6 If the reason for your application relates to suspected structural damage caused by the tree, please submit a report from a structural engineer/surveyor together with technical advice to support your application.
- 14.1.7 Once an application has been submitted, we may either grant or withhold consent for works on a tree with a TPO or we may give a conditional consent. In determining whether to grant consent the Council will have regard to the amenity value of the tree and the considerations set out in sections 9 and 10 above. Permission to fell a preserved tree usually carries a condition to plant a replacement, which will automatically become the subject of the TPO.
- 14.1.8 If there are trees which you think should be protected or if you have seen work being carried out on a protected tree and want to know if the owner has permission, please contact one of our tree officers (see Further Information section below)

#### Penalties

- 14.1.9 If you carry out work on a protected tree without our consent, this may result in a criminal prosecution and a fine of up to £20,000. Consent is not required where the tree is dead, dying or dangerous, but we should be given five days notice before any works are carried out, unless it is an emergency.

#### Rights to appeal

- 14.1.10 You have a right of appeal both against the making of a TPO or any refusal of consent to do works to the tree.

#### Which trees are covered by a TPO?

- 14.1.11 Any tree, group of trees or woodland may be protected. There are currently around 700 TPOs in County Durham and whilst many are on individual trees there are some groups of trees. You can find out if your tree is covered by a Tree Preservation Order by contacting one of our tree officers (see 'Further Information' section below).
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- 14.1.12 When you are buying a property, the presence of a TPO should be revealed by the search of the local land charges register.
- 14.1.13 The Council will make new TPOs where appropriate. In deciding whether or not to make an order we will take into account the amenity value of trees, their potential life expectancy, and the level of threat posed to them.
- 14.1.14 The Council may at any time review an existing TPO to assess whether it is still appropriate to provide protection in circumstances which may be different to those when the Order was made. When it is considered necessary to make changes we will either revoke the order, revoke the order and make a new order, or vary the order in some detail.
- 14.1.15 Further information

More details can be found on our web-site:

[www.durham.gov.uk](http://www.durham.gov.uk)

or contact **Customer Services** on 03000 26 1000

or Email: [treeofficers@durham.gov.uk](mailto:treeofficers@durham.gov.uk)

## **14.2 Trees in Conservation Areas**

- 14.2.1 It is an offence to cut down, prune, lop, top, uproot or wilfully damage or destroy a tree in a conservation area without giving us prior written notice.

### Work on trees with in a Conservation Area

- 14.2.2 If a tree has a stem diameter greater than 75mm (3") measured 1.5m from the ground level, you are required to give us six weeks notice of any tree works that you are proposing. This enables us to assess the proposed works and if necessary serve a Tree Preservation Order. If no decision is received within six weeks then consent is gained by default.
- 14.2.3 Please notify us by using the standard application form, available upon request.

Contact **Customer Services** on 03000 26 1000

or Email: [treeofficers@durham.gov.uk](mailto:treeofficers@durham.gov.uk)

### Penalties

14.2.4 The penalties for failing to notify us are similar to an offence affecting a tree under a TPO.

14.2.5 Is my Tree in a Conservation Area?

More details can be found on our web-site:

[www.durham.gov.uk](http://www.durham.gov.uk)

or contact **Customer Services** on 03000 26 1000

or Email: [treeofficers@durham.gov.uk](mailto:treeofficers@durham.gov.uk)

### **14.3 Forestry Commission (FC) Felling Licences**

14.3.1 A felling licence from the Forestry Commission may be required in some circumstances i.e. for example if you wish to fell more than five cubic metres of timber per calendar quarter. More details can be found on the Forestry Commission web-site:

[www.forestry.gov.uk](http://www.forestry.gov.uk)

or contact the North England office on 01434 220242

or email: [enquiries.northengland@forestry.gsi.gov.uk](mailto:enquiries.northengland@forestry.gsi.gov.uk)

## **15. OTHER FACTORS CONSTRAINING WORK TO TREES**

### **15.1 Birds**

Under the Wildlife & Countryside Act 1981 (as amended) it is an offence to kill, injure or take wild birds, their young, their eggs or nests. For Schedule 1 birds it is an offence to disturb them whilst building or using a nest. Tree work involving tree removal / reduction and hedge cutting operations should not normally be undertaken during the bird nesting season without a nest survey carried out by a suitably qualified person.

### **15.2 Bats**

Bats are a European Protected Species and are protected by the Conservation of Habitats and Species Regulations 2010 and the Wildlife & Countryside Act 1981 (as amended). Causing damage to or destroying a roost site is a criminal offence which can lead to imprisonment or fine. Trees with suitable features such as holes, cracks, crevices and dense ivy should be risk assessed for their ability to support bats. Trees, in DCC ownership, displaying signs of roosting bats will be referred to our Ecologist before any work commences. Any trees

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supporting roosting bats will not be worked on until Natural England is consulted.

For further information and advice regarding trees and wildlife contact should be made with the our Ecology Team on 03000 267 134 or email: [ecology@durham.gov.uk](mailto:ecology@durham.gov.uk).

### **15.3 Planning Permission**

Where planning permission has been granted, trees may be protected as a condition of that permission. Any works to such trees will require consent from the council and an application for a variation of the planning condition may be required.

### **15.4 Restrictive Covenants**

Occasionally, restrictive covenants attached to the deeds for a property may restrict what work can be undertaken to trees.

## **16. REPLACEMENT TREE PLANTING**

- 16.1 Appropriate replacement tree planting will be encouraged whenever trees are removed from private land. Where a tree is protected by a Tree Preservation Order and it is dead or unsafe, a tree replacement will be required.
- 16.2 Where trees are removed from land owned / managed by us, replacement planting will be carried out where appropriate.
- 16.3 To help maintain a continuity of tree cover across the county we will undertake the planting of new trees on our land when suitable opportunities arise. Having too many of the same type of tree in a locality is a concern because of the increased risk of a devastating loss of one or more species of tree due to pests / diseases or other environmental factors. We will increase the resilience of our trees by planting species mixes rather than monocultures and avenues.

## **17. TREES & DEVELOPMENT**

- 17.1 We are committed to continuously improving the way that trees are considered in relation to planning applications for new development. We will ensure that full consideration is given to both the retention of existing trees and the planting of new ones. We will take into account the ultimate mature size of the tree, available space and the relationship to buildings when designing layouts to avoid causing future relationship issues.
  - 17.2 Once the trees to be retained have been identified, their removal can be prohibited by a Tree Preservation Order, planning conditions or a
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planning agreement. The aim of this policy is to ensure that trees are not unnecessarily lost and that the most suitable ones are retained.

## **18. VANDALISM AND DAMAGE TO COUNCIL OWNED/MANAGED TREES**

- 18.1 Vandalism is an increasing pressure on trees. Usually it is young newly planted trees that are damaged; however, mature trees are often damaged too. There are various ways in which vandalism can be counteracted, but none of these is 100% effective against determined attack.
- 18.2 The main methods of deterring vandals are to plant large numbers of very young trees, known as whips, or to plant larger robust trees depending on the site. Another method is to put guards or fencing around trees, but these have to be large enough and strong enough to offer real protection.
- 18.3 This latter approach tends to be the most expensive method and only appropriate in very high profile positions. In the long run, increasing environmental awareness within schools and communities should help reduce vandalism.
- 18.4 There are cases where trees we own / manage have been irrevocably damaged or removed without permission. We will investigate any reports of vandalism / damage to trees in our ownership / management, and try to repair any damage where we can. Where possible, we will take legal action against the person(s) causing the damage.

## **19. BIOSECURITY / PEST & EPIDEMIC MANAGEMENT**

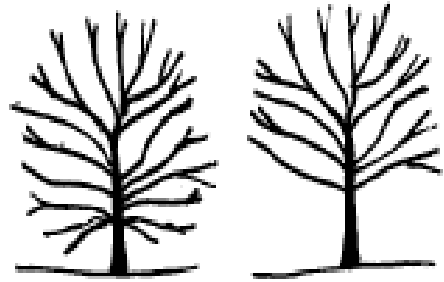
- 19.1 Biosecurity is a set of precautions that aim to prevent the spread of pests, pathogens or invasive species. The threat to trees from these has never been greater and as a large landowner we undertake to follow best practice and specific advice which is regularly published by the Forestry Commission. Attendances to high risk sites are subject to risk assessment and we employ measures to minimise pest or disease spread.

## **20. TREE PRUNING TECHNIQUES**

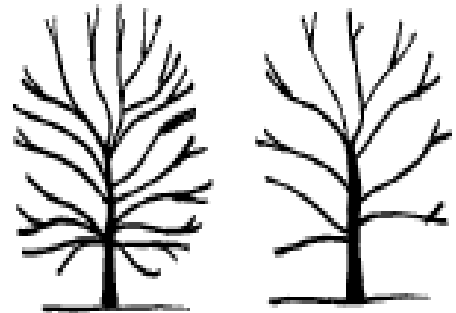
- 20.1 We will seek to ensure that tree works are carried out to the highest standards. In carrying out tree works, we and any third party working on trees over which we have a responsibility, will ensure that pruning conserves the overall amenity value, form and shape of the tree and all tree works must be carried out in accordance with British Standard 3998 – Recommendations for Tree Work.
- 20.2 Particular pruning specifications may or may not be appropriate for trees of different ages, species, health and condition, or even between trees of the same species depending on their condition, age and environment.

20.3 Clear and acceptable pruning objectives are necessary in advance of approval of a pruning specification. The pruning objectives may require implementation of one or more of the following operations:

- **Crown lifting** –The removal of the lowest branches of a tree so that the remaining lowest branches are at a specified height, usually 2.4m over a footpath and 5m over a road. This operation is undertaken for a number of reasons, such as to allow access under a tree; to clear branches from low structures; or to allow light under the canopy.



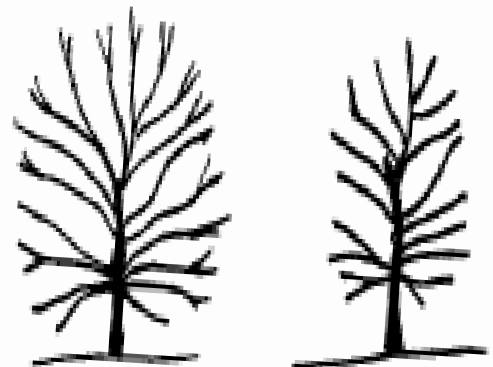
- **Crown thinning** – The removal of a specified proportion of branch material from the interior of the crown without affecting the shape of the tree. This operation is usually undertaken to reduce crown density; form a healthy branch structure by removing dead; diseased, damaged, crossing and rubbing branches, and allow more light through the canopy. Many tree species evolve a canopy density for adaptive reasons and crown-thinning can increase turbulence and cause drought stress and branch failures.



For this reason, crown thinning is usually only acceptable when carried out as part of crown cleaning or balancing works.

- **Crown Reduction** – Reducing the overall size of the crown area by a specified percentage by pruning back the leaders and branch terminals to lateral branches that are large enough to assume the terminal roles (at least one third the diameter of the cut stem).

Crown reduction up to a maximum of 15-20% may be acceptable to semi-mature trees providing cuts do not exceed 5-7cm and where shaping and restricting size and spread is essential. Crown reduction

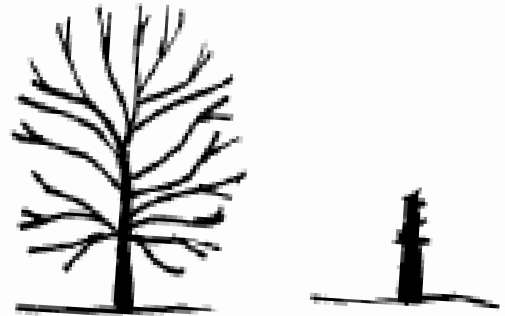


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of mature or older trees is not normally acceptable as it can severely affect tree health and may lead to the death or decline of the tree and is generally only acceptable as management of last resort.

- **Topping** – This entails cutting at a certain height to reduce the height of the tree. Topping is not acceptable as it severely affects the public amenity and health of the tree, sometimes leading to death. Topping can also lead to future problems due to a flush of weak re-growth that can represent a danger and also exacerbate existing problems. If height reduction is considered essential and unavoidable, crown reduction (see above) is preferred.

- **Pollarding** – This severe operation entails the removal of the entire tree's branch structure back to the trunk. Pollarding is an ancient way of maintaining trees that is sometimes necessary, particularly on trees that have been pollarded previously. Only certain species will tolerate this degree of pruning, and new growth may be weak and prone to tearing off. This method of management is not therefore normally acceptable.



- **Dead Wooding or Crown Clean** – This operation is similar to a crown thin except that only dead, diseased, crossing and rubbing branches are removed to tidy up the appearance of the tree. No healthy, sound wood is removed. This operation is recommended to help maintain a healthy, safe tree.

- **Formative Pruning** – The removal of problematic or potentially problematic branches, ensuring good tree development.

- **Stump Grinding** – Stump grinding is the practice of removing a tree stump to below ground level by mechanical means. We will carry out stump grinding where necessary to enable new trees to be planted or to remove a significant hazard. Where stump removal is not necessary tree stumps will be removed close to ground level so as not to leave a trip hazard.

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# Equalities and Diversity Impact Assessment

## Tree Management Policy



**Durham County Council – Altogether Better Equality Impact Assessment form**

**NB: Equality impact assessment is a legal requirement for all strategies plans, functions, policies, procedures and services. We are also legally required to publish our assessments.**

**Section one: Description and initial screening**

<b>Section overview: this section provides an audit trail.</b>	
<b>Service/team or section:</b> Direct Services	
<b>Lead Officer:</b> County Clean and Green Manager Neighbourhood Services	<b>Start date:</b> 1 September 2013 <u>Reviewed 12<sup>th</sup> May 2014</u>
Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)	
<p>The Tree Management Policy sets out the Council's approach to retaining, managing and enhancing the tree stock for the benefit for all who live work and visit the County. It will also be used to encourage others responsible for trees to take a positive approach to the management of trees in their care.</p> <p><u>Reviewed 12<sup>th</sup> May 2014</u></p> <p>Consultation with organisations and residents has revealed an overall endorsement of the proposals, as well as allowing some refinements to further improve the policy document. There were no equality issues identified.</p>	
<b>Who are the main stakeholders: General public / Employees / Elected Members / Partners/ Specific audiences/Other</b> (please specify) – Professional Organisation/stakeholders who have a stake in woodland management and development, Tourists	
<b>Is a copy of the subject attached?</b> No	
<b>If not, where could it be viewed?</b> County Clean and Green Manager – Direct Services	
<b>Initial screening</b>	
The introduction of a risk based approach to prioritising tree maintenance will have a positive impact across the protected strands as the policy will lead to improved management of council and privately owned trees. The management of the trees in a more proactive way will lead to earlier intervention when trees are identified as being potentially dangerous leading to increased public	

<p>confidence.</p> <p>Clarifying the circumstances when intervention will or will not take place will also lead to an increased public understanding of how and why tree maintenance is carried out by the council.</p> <p>The council also has a responsibility for the planning of residential developments and this policy will provide the opportunity to further benefit the protected groups by promoting developments with trees species matched to sites avoiding the problem of them out growing their location.</p> <p>Prompts to help you: Who is affected by it? Who is intended to benefit and how? Could there be a different impact or outcome for some groups? Is it likely to affect relations between different communities or groups, for example if it is thought to favour one particular group or deny opportunities for others? Is there any specific targeted action to promote equality?</p> <p><b>There is an actual/potential negative or and positive impact on specific groups within these headings?</b> Indicate : Y = Yes, N = No, ?=Unsure</p> <table border="1"> <tr> <td>Gender</td> <td>N</td> <td>Disability</td> <td>N</td> <td>Age</td> <td>N</td> <td>Race/ethnicity</td> <td>N</td> <td>Religion or belief</td> <td>N</td> <td>Sexual orientation</td> <td>N</td> </tr> </table> <p><b>What evidence do you have to support your findings?</b></p> <p>Officers knowledge of service provision</p> <p><b>Decision: Proceed to full impact assessment – No</b>      <b>Date: 1 September 2013</b></p> <p><b>If you have answered 'No' you need to pass the completed form for approval &amp; sign off.</b></p>							Gender	N	Disability	N	Age	N	Race/ethnicity	N	Religion or belief	N	Sexual orientation	N
Gender	N	Disability	N	Age	N	Race/ethnicity	N	Religion or belief	N	Sexual orientation	N							
<p><b>Section two: Identifying impacts and evidence- Equality and Diversity</b></p> <p><b>Section overview: this section identifies whether there are any impacts on equality/diversity/cohesion, what evidence is available to support the conclusion and what further action is needed.</b></p> <table border="1"> <tr> <td>Identify the impact: does this increase differences or does it</td> <td>Explain your conclusion, including relevant evidence and consultation you have</td> <td>What further action is required?</td> </tr> </table>							Identify the impact: does this increase differences or does it	Explain your conclusion, including relevant evidence and consultation you have	What further action is required?									
Identify the impact: does this increase differences or does it	Explain your conclusion, including relevant evidence and consultation you have	What further action is required?																

	aim to reduce gaps for particular groups?	considered.	(Include in Sect. 3 action plan)
<b>Gender</b>			
<b>Age</b>			
<b>Disability</b>			
<b>Race/Ethnicity</b>			
<b>Religion or belief</b>			
<b>Sexual orientation</b>			

**How will this promote positive relationships between different communities?**

**Section three: Review and Conclusion**

Summary: please provide a brief overview, including impact, changes, improvements and any gaps in evidence.

The public consultation will enable a more detailed assessment to be developed based on the respondents and their profile

Action to be taken	Officer responsible	Target Date	In which plan will this action appear
The information gathered from the consultation will be used to determine if the policy will affect the protected characteristics	County Clean and Green Manager	Completed	EqIA plan
Consultation -to ensure consultation and engagement process with the public is in place	County Clean and Green Manager and Communications and	Completed	Consultation plan



	Marketing Team Leader		
EqIA to be reviewed in line with any changes generated through consultation	County Clean and Green Manager and Service Improvement Officer (Equalities)	Completed	EqIA Plan
When will this assessment be reviewed?	Date: 16 <sup>th</sup> May 2015		
Are there any additional assessments that need to be undertaken in relation to this assessment?	No		
Lead officer - sign off: County Clean and Green Manager Neighbourhood Services			Date: 27 November 2013 Reviewed 12 <sup>th</sup> May 2014
Service equality representative - sign off: Customer Relations and Performance Manager			Date: 28 <sup>th</sup> November 2013 Reviewed 12 <sup>th</sup> May 2014

**Please email your completed Impact Assessment to the Service Improvement Officer (Equalities)**

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**Cabinet**

**16 July 2014**



**Medium Term Financial Plan (5), Council Plan, Service Plans 2015/16 – 2017/18 and Review of the Council’s Local Council Tax Reduction Scheme**

**Key Decision CORP/R/14/02**

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**Report of Corporate Management Team  
 Don McLure, Corporate Director Resources  
 Lorraine O’Donnell, Assistant Chief Executive  
 Councillor Alan Napier, Cabinet Portfolio Holder for Finance  
 Councillor Simon Henig, Leader of the Council**

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**Purpose of the Report**

- 1 To provide an update on the development of the 2015/16 budget, the Medium Term Financial Plan (MTFP (5)) and Council Plan/Service Plans 2015/16 to 2017/18 and a review of the Council Tax Reduction Scheme, which has been in place since 1 April 2013.

**Executive Summary**

- 2 The financial outlook for the Council continues to be extremely challenging. Although the Chancellor of the Exchequer’s March 2014 Budget did not announce any additional specific funding cuts for local government, it confirmed that funding cuts to the public sector will continue until at least 2018/19. Future funding cuts are expected to be of the same scale and scope as those experienced over the last four years although this is conditional upon an additional £12bn of savings being identified against the national Welfare budget.
- 3 In terms of future forecasting, the Council has only received indicative Government funding allocations for 2015/16. Indicative funding allocations beyond 2015/16 have been extrapolated from the chancellor’s budget statements and estimates of the impact on the Council made against these. For 2016/17 and beyond, the cuts will only be known after the May 2015 General Election, which means there will be significant uncertainty and risk to planning across years 2016/17 and 2017/18 of the MTFP (5) period. With this in mind, it is prudent for detailed savings plans in MTFP (5) to be focussed upon 2015/16 only at this stage.
- 4 There can be no doubt that the achievement of savings across the three years of the MTFP (5) period will become ever more challenging. The emphasis since 2011/12 has been to minimise savings in front line services protecting them wherever possible whilst maximising savings in management and support service functions. This will become much more difficult in the future however as the scope for management and back office efficiencies are increasingly exhausted.

- 5 The Council has utilised reserves of over £10m in 2014/15 to balance the budget in order to reduce the immediate impact of savings upon the public and it is likely that this policy will become a constant feature of budget planning in the MTFP (5) period and beyond as the Council continues to deal with the uncertainty of future financial settlements, and seeks to delay where practical, the impact of service cuts.
- 6 Between 2011/12 and the end of 2014/15 the Council will have delivered £136.9m of savings. It is forecast that by the end of the MTFP (5) period 2015/16 to 2017/18 additional savings of £87.5m could be required, resulting in a cumulative savings total between 2011/12 and 2017/18 of £224.4m.
- 7 The development of MTFP (5) will utilise the public feedback the Council received during the extensive consultation process in the Autumn of 2013. It is recommended that this consultation feedback continues to drive the development of MTFP (5).
- 8 Similarly the results of the extensive consultation process in the Autumn of 2013 are reflected in the Council Plan and Service Plans which will be updated in the final draft Council Plan presented to Cabinet and Council for consideration following agreement of the final MTFP(5) proposals.
- 9 The Council is one of only two local authorities in the North East to have retained entitlement levels for Council Tax discounts via the Local Council Tax Reduction Scheme in line with that which applied under the Council Tax Benefit regime prior to 2013/14. This policy has protected vulnerable residents at a time when Welfare Reform changes have had a significant adverse impact. This report is recommending that the current Local Council Tax Reduction Scheme is retained for 2015/16. Should the Cabinet agree, the Council will need to formally adopt this proposal at Full Council by 31 January 2015

## **Background**

- 10 To ensure MTFP (5), Council Plans and Service Plans can be developed effectively, it is important that a robust plan and timetable is agreed and followed.
- 11 The Council's current MTFP (4) covers the three year period 2014/15 to 2016/17. There continues to be significant uncertainty in relation to a number of factors, especially the level of future Government financial settlements beyond 2015/16. With this in mind MTFP (5) will cover a three year period, with detailed savings proposals being worked up for 2015/16 only at this stage.
- 12 At this stage of the planning cycle for MTFP (5) the following areas need to be considered:
  - (i) An update on development of the 2015/16 budget since the Council agreed its MTFP (4) on 26 February 2014;
  - (ii) An update on the MTFP (5) period – 2015/16 to 2017/18;
  - (iii) Proposed approach to the Council Plan and Service Plans for 2015/16 to 2017/18;
  - (iv) A draft MTFP (5) and Council Plan timetable;
  - (v) Proposed approach for consultation on MTFP (5) and the Council Plan;
  - (vi) Equality Considerations;

- (vii) Consideration of the proposed Local Council Tax Reduction Scheme for 2015/16.

## 2015/16 Budgets

- 13 In line with previous years, a thorough review of the Council's budget has taken place subsequent to the approval of MTFP (4) at the County Council meeting on 26 February 2014. This has resulted in a number of changes to the assumptions built into 2015/16 and where necessary future years' budget models. The key adjustments are detailed below.

### (i) New Homes Bonus

The New Homes Bonus was introduced in 2011/12 to incentivise and reward local authorities where new houses are built and where empty homes are brought back into use. The funding to finance the New Homes Bonus is being top sliced from the Revenue Support Grant (RSG) and paid back to local authorities as the separately assessed New Homes Bonus. Between 2011/12 and 2014/15 the total sum top sliced from RSG for the Council is estimated to be £9.242m. The New Homes Bonus is expected to be in place for 6 years. At this stage there is some uncertainty as to what may happen to the New Homes Bonus post 2017/18.

The annual sums received by the Council for New Homes Bonus to date are as detailed below:

Year	Sum Received
	£m
2011/12	1.300
2012/13	1.251
2013/14	2.248
2014/15	1.985
<b>TOTAL</b>	<b>6.784</b>

The Council has been particularly successful in the last two years in bringing empty homes back into use which, together with new house building, has boosted the New Homes Bonus sums received, but this income is still £2.458m less than the amount of RSG withheld over this four year period.

It is felt prudent at this stage for planning purposes to introduce an estimate of additional New Homes Bonus of £750k for both 2015/16 and 2016/17. Further work is being undertaken in the current year to review all long term empty properties in advance of the submission of the data which determines the New Homes Bonus grant.

### (ii) Council Tax and Business Rates – Tax Base Increase

The Council benefits from any growth in either the Council Tax or Business Rate tax base due in the main to more properties being built. In relation to Council Tax in 2014/15, the Council benefitted from additional council tax income of £1.08m due to council tax base increases. It is felt prudent at this

stage to assume an annual increase in council tax income of £750k per annum across the MTFP (5) period from 2015/16 due to tax base increases.

In relation to business rates, the Council is continuing to develop forecasting strategies to determine future business rate income levels. The key difficulty at this stage is the requirement for the Council to finance the full costs of successful business ratepayer appeals to have the rateable values of their properties reduced, including all backdated reductions. The impact of appeals has resulted in a forecast £3.247m deficit on the business rate collection fund in 2013/14 of which the Council's share is £1.591m. This deficit sum is being recovered during 2014/15.

It is expected that the position on outstanding ratepayer appeals will be more fully understood by the end of 2014/15 with the likelihood of some growth in the business rate tax base being available in 2015/16 including the new Hitachi site in Aycliffe. It is felt prudent therefore to include £750k of additional business rate income in 2015/16. At this stage it is not recommended that any additional tax base increase or reduction is included for later years.

### **(iii) Health Funding**

The Council has worked in partnership with health partners and has been utilising additional NHS funding for a number of years to invest in services and to protect current, vital social care services. There is a shared understanding of the need for partnership working across the two sectors as decisions made on either side can have a financial impact upon the other. The transfer of Public Health functions to the Council in April 2013, the introduction of the Better Care Fund from April 2015 and the introduction of the Care Bill are resulting in ever closer working relationships between the Council and health partners. As part of this approach the Council has fully reviewed all of the funding streams available from Health in partnership with the Clinical Commissioning Groups and identified those elements which can be utilised to invest in new services and those which can be utilised to protect and support current core council services linked to health. The outcome of this review has been reflected in the assumptions for the 2015/16 budget and for the MTFP (5) period. This position will be kept under constant review due to the uncertainty regarding future health funding.

### **(iv) Employer National Insurance Increase**

As previously reported, the introduction of the single State Pension in 2016/17 results in a significant increase in employer national insurance costs for the Council due to the change in 'contracting out' regulations. The cost of this to the Council was previously forecast to be £5.1m. This cost has been reviewed in the light of the reduction in the number of employees in the Council and is now estimated to be £4.7m.

### **(v) Other Budget Pressures**

The Council has previously forecast that Concessionary Fares would continue to be a budget pressure. Significant work has been carried out in negotiation with Bus Contractors and it is felt that the annual £400k budget pressure can now be reduced to £320k in 2015/16 and £100k in later years.

An additional pressure has been introduced into the 2015/16 budget plans in relation to insurance premiums. The Council has been under a long term agreement in relation to Public Liability insurance and Employers Liability insurance which ends as of 31 July 2014. The Council's insurance advisers have indicated that it is likely based upon market conditions that the Council will face an increase in insurance premiums on these policies at renewal. A pressure of £250k has therefore been included in plans for 2015/16 at this stage.

**(vi) Capital Financing**

The Council is required to borrow to finance some of the projects within the capital programme. Annually sums are included in the MTFP plans to finance future borrowing. These plans assume the interest rate that must be paid on borrowings with the Public Works Loan Board (PWLB) being the main body from which loans are taken. In recent years interest rates have been forecast for borrowing purposes to be in the 5.5% to 6% range in line with advice from the council's treasury management advisers.

Although forecasts in recent years have indicated that interest rates would soon rise, rates have now remained at historically low levels for a number of years and are unlikely to increase until the end of 2015/early 2016. In addition, the PWLB have allowed discounts of 0.2% on loans in recent years further reducing the rates paid.

The Council in recent years has been accessing loans with interest rates below 4.3% which is generating underspends in the Capital Financing budget which can now be released into the MTFP after a review of the future borrowing strategy. With this in mind a sum of £4m has been released back into the MTFP in 2015/16 from the capital financing budget.

**Utilisation of Reserves**

- 14 In recent years the council has utilised reserves to delay the impact of savings and to smooth the MTFP process. In 2014/15 the following reserves have been utilised to delay the impact of making further savings:

Reserve Utilised	Amount
	£m
Adult Demographic Reserve	3.150
Equal Pay Reserve	3.475
Cash Limit Reserves	2.617
General Reserve	0.933
Procurement Reserve	0.104
<b>TOTAL</b>	<b>10.279</b>

- 15 The utilisation of reserves in this way is significantly aiding effective planning whilst delaying the impact of having to make further savings.
- 16 In relation to the Adult Demographic pressures which are forecast to be an additional £1m per annum across each year of the MTFP, it is forecast that sufficient reserves will be available to delay the need to finance the accumulated budget pressure until

2018/19. This reduces the budget pressure by £800k, £4.35m and £1m in 2015/16, 2016/17 and 2017/18 respectively. It is recognised by utilising the Adult Demographic Reserve in this way will delay a £7.15m budget pressure until 2018/19.

- 17 In relation to the Equal Pay Reserve, sufficient sums are now available to finance the costs of Equal pay which was agreed with effect from October 2012 and are forecast to be £4.5m per annum; until 2017/18. This enables this pressure to be removed from the 2016/17 budget forecast in the previous MTFP model and moved back a year.

### **2015/16 Savings Forecast**

- 18 This thorough review of the Council's budget has resulted in the requirement for the Council to identify savings of £16.362m at this stage to balance the 2015/16 budget. Service Groupings are working up options against this target and planning is well advanced and good progress is being made. Further work will be required over the coming months to finalise these savings plans before final approval at County Council on 25 February 2015.

### **MTFP (5) – 2015/16 to 2017/18 Update**

- 19 When the Council agreed its MTFP (4) on 26 February 2014, it identified that significant additional savings would have to be delivered, especially in 2016/17 to achieve a balanced position across the MTFP (4) period. The base budget reviews described earlier in this report have allowed a full revision to be carried out as regards the 2016/17 position whilst a plan has also been developed for 2017/18.
- 20 Whilst developing plans for MTFP (5) consideration has been given to the ongoing utilisation of Reserves to support the MTFP process.
- 21 Although Earmarked Reserves as detailed above are being used in a targeted way, it is felt prudent at this stage to consider the additional utilisation of Reserves during MTFP (5). This would provide the Council with the scope and flexibility to react to the current uncertainty in relation to future government finance settlements.
- 22 With this in mind, a review will be carried out of all Earmarked Reserves to determine the sums that could be made available to support MTFP (5). In addition the 2014/15 forecast of outturn position will also be monitored closely during the year to determine if additional funding could be made available, albeit on a temporary basis.
- 23 Any sums available would be utilised to create a Planned Delivery Programme (PDP) Reserve. This reserve would be available to the Council to support MTFP (5).



- 24 In relation to MTFP (5), an initial utilisation of £10m from the PDP Reserve could be introduced into MTFP (5) model for both 2016/17 and 2017/18 i.e. the utilisation of £20m PDP Reserve in total in order to reduce the savings targets in these two years. The table below summarises the current forecast budget shortfall across MTFP (5) and the impact of utilising £10m of PDP in each of 2016/17 and 2017/18. An updated MTFP (5) model is attached at Appendix 2.

Year	Budget Shortfall	PDP Utilisation	Savings Requirement
	£m	£m	£m
2015/16	0	0	0
2016/17	32.011	(10.000)	22.011
2017/18	49.100	(10.000)	39.100
Total	-	-	61.111

- 25 Utilisation of the PDP Reserve in this way postpones the need to achieve £10m of additional savings until at least 2018/19 and will be kept under continuous review throughout MTFP (5) and (6) in the context of the Council's overall budget position. Savings of £61.111m would still be required over 2016/17 and 2017/18.
- 26 It is expected that greater clarity in relation to government funding cuts across the 2016/17 to 2018/19 period will become clearer after the outcome of the May 2015 General Election and detailed savings proposals will be developed against these requirements at that stage.

### **Proposed Approach to the Development of the Council Plan and Service Plans**

- 27 The Council Plan is the high level corporate plan for the Council. It sets out what the Council is aiming to achieve over the next three years, and is updated on an annual basis. Investments and savings agreed as part of the MTFP (5) will be targeted to achieving the objectives identified in the Council Plan as part of our strategic planning process.
- 28 The Council Plan also aligns to the Sustainable Community Strategy (SCS), which is a long term strategy for the county running to 2030, developed and agreed by the council and its partners through the County Durham Partnership.
- 29 The Council Plan sets out how the Council will deliver its contribution to the SCS across five priority themes:
- Altogether Wealthier
  - Altogether Better for Children and Young People
  - Altogether Healthier
  - Altogether Safer
  - Altogether Greener
  - Plus a sixth theme of an Altogether Better Council, aimed at improving how the council runs itself.

- 30 The priorities set out in the current Council Plan reflect the results of an extensive consultation exercise carried out in late 2013 and early 2014 on spending priorities, and include an ongoing focus on protecting frontline services. Our spending plans for this year and 2015/16 are also based on these assumptions.
- 31 It is proposed that this year there will be a review of the Council Plan format as well as a rolling forward of the current plan. It is proposed to maintain the focus on ongoing priorities which came out of the 2013/14 consultation, but to streamline the format of the document to include a more concise narrative which is quicker and easier to read, with streamlined performance monitoring arrangements.
- 32 The refresh will also allow the Council Plan to be updated to reflect relevant changes in Government policy, plus any changes to local priorities for example arising from consideration of performance outcomes for the last year. In particular, it is proposed that the refreshed Council Plan and the Neighbourhood Services Service Plan will provide an updated high level policy framework for waste management. In the interests of efficiency, this will replace the separate 2010 Municipal Waste Management Strategy which was due for update via Cabinet in Spring 2014. Member input is proposed via Corporate Issues Overview and Scrutiny Committee considering key Cabinet reports, linked to the MTFP, in accordance with the timetable at paragraph 26.
- 33 Draft Service Plans for each service grouping are also scheduled for development during the autumn, and will include a high level action programme across all services. The final draft Council Plan will be presented to Cabinet and Council for consideration following agreement of the final MTFP (5) proposals.

#### **MTFP (5) and Council Plan and Timetable**

- 34 The development of MTFP (5) is fundamental to ensuring that the Council can plan and prepare for the continuing reductions in government funding. The timetable for delivery of MTFP (5), the Council Plan and Service Plans has taken the following into account:
- The need to make changes to Council priorities as part of the development of the Council Plan;
  - Consultation Requirements;
  - Equality and diversity impact considerations;
  - Government announcements;
  - The need to consider both revenue and capital.

35 A high level timetable up to Council Budget Setting is detailed below:

16 July	MTFP/Council Plan scene setting and update report to Cabinet
12 September	Overview and Scrutiny Management Board considers 16 July Cabinet Report
19 September	Corporate Issues Overview and Scrutiny Committee consider 16 July Cabinet report
15 October	MTFP/Council Plan report to Cabinet providing further update
14 November	Corporate Issues Overview and Scrutiny Committee consider 15 October Cabinet report
October/Nov	MTFP/Council Plan consultation process
November/Dec	2015/16 Finance Settlement announced by DCLG
17 December	Tax Base Update
14 January 2015	MTFP/Council Plan report to Cabinet. Detail on settlement and outcome of consultation process
23 January	Corporate Issues Overview and Scrutiny Committee consider 14 January Cabinet report
11 February	Budget report to Cabinet
13 February	OSMB meeting to consider Budget
25 February	Council Budget and MTFP report

### **Proposed Approach to Consultation**

- 36 During autumn 2013, the Council attracted over 10,000 people to take part in the largest public engagement event ever held in County Durham. These events were managed through the Area Action Partnerships (AAPs) and were held across the County. They provided the opportunity for the public to take part in allocating grants to local projects, setting AAP priorities and critically, providing views as to how the Council should manage its budget challenges up to March 2017.
- 37 At these events, almost 1,300 people took the time to take part in 270 budget setting group exercises where, over 30-45 minutes they deliberated with other members of the public as to how the Council should allocate savings of £100 million over the next few years. Feedback from those taking part in the activities was very positive, with 97% of participants feeling that it was a good way to involve local people in decision making.
- 38 In addition to the group exercises, comments as to how the Council should achieve its savings target were also provided in 2,074 completed paper questionnaires with a further 517 completed online.
- 39 The results of this budget consultation, which included over 3,800 responses, were reported to Cabinet on the 12<sup>th</sup> February 2014. It is intended that the results of the

2013 events will inform the Council's budget setting process for this and subsequent years.

- 40 It is proposed that the budget consultation carried out in October and November 2014 will concentrate on seeking views from the 14 AAPs and the key partner agencies that make up the County Durham Partnership on the details of the 2015/16 proposals. Where individual budget proposals involve a significant service change to the public, these will be subject to a detailed public consultation prior to a decision being made in line with our established practice.

### **Equality Considerations**

- 41 As in previous years, equality impact assessments will be considered throughout the decision making process, alongside the development of MTFP (5). This is in line with the Equality Act 2010 which under the public sector equality duty requires us to pay 'due regard' to the need to:
- Eliminate discrimination, harassment, victimization and any other conduct that is prohibited under the Act;
  - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 42 To ensure that equalities considerations are properly built into this year's MTFP (5) process, there will be updated guidance for services, setting out an overall timetable and approach for completing equality impact assessments for any additional savings proposals identified. Cumulative impacts of ongoing changes will also continue to be considered through quarterly reports to Cabinet on MTFP delivery, and cumulative impacts will also be considered alongside any new impact assessments,
- 43 We will continue to ensure that full equality impact assessments inform final decision-making on implementing MTFP (5) savings for 2015/16 and subsequent years. This is built into management arrangements to monitor delivery of all MTFP savings, and will help to ensure that any changes implemented take into account equality impacts and that mitigating actions are taken where possible.

### **Local Council Tax Reduction Scheme**

- 44 The Government abolished the national Council Tax Benefit System on 1 April 2013, replacing it with a requirement for local authorities to work with their precepting bodies to establish a local Council Tax Reduction Scheme. These schemes provide a discount against Council Tax, rather than a benefit, and as such impact on the Council Tax Base and therefore the amount of council tax raised in the year.
- 45 Councils are free to design their own Local Council Tax Reduction Schemes, however pensioners, who account for around 50% of the caseload in County Durham, have to be protected, with any reductions in benefit awards applied to working age claimants only. Local schemes must be consulted upon and be subject to an equality impact assessment. Councils are required to review and approved their schemes annually and have this agreed by a Council Meeting before 31 January each year.

- 46 The Local Council Tax Reduction Scheme adopted by the Council for 2013/14 and continued into 2014/15 mirrors the previous entitlement under the national Council Tax Benefit System for all claimants. This created a budget pressure in 2013/14 in terms of the reductions in Government support under the new system, which now forms part of formula grant, and an increased risk in terms of sensitivity to changes in caseload and costs from that point.
- 47 In approving the scheme for 2013/14 and extending this into 2014/15, the Council considered the impacts of the wider Welfare Reforms and the fact that the additional Council Tax liabilities would be relatively small at around £250 per annum and were expected to be more difficult and costly to recover.
- 48 In the North East region, Durham and Northumberland have schemes that mirror entitlement under the former Council Tax Benefit system, whilst the other ten have schemes that have entitlement to working age claimants on average by between 7% and 30%. Budget assumptions in terms of collecting this additional Council tax income from affected council tax payers in these ten authorities ranges from 50% to 96.7% in 2013/14.
- 49 Whilst the full impacts of the Government's Welfare Reforms is complex and difficult to track, anecdotal evidence, from demand for Discretionary Housing Payments; Social Fund Applications and Rent Arrears statistics in County Durham compared to others across the region, would suggest that the council tax benefit protection afforded to working age claimants in addition to the wide ranging proactive support that has been put in place is having a positive impact on these areas.
- 50 Given the updated financial forecast position for 2015/16 and in light of the beneficial impact on vulnerable residents who are being impacted by other Welfare Reform changes, it is proposed that Cabinet recommends to full Council that the existing council tax reduction scheme be extended into 2015/16 without any changes.

## **Recommendations and Reasons**

- 51 Cabinet is asked to:
- (i) Note the updated 2015/16 budget position with the requirement for £16.362m of savings to balance the budget at this stage;
  - (ii) Note the current budget shortfall of £61.111m for the two year period 2016/17 to 2017/18;
  - (iii) Note the option to create a Planned Delivery Programme Reserve and utilise £10m in 2016/17 and 2017/18 to delay savings and to smooth savings implementation;
  - (iv) Agree the proposed approach to preparing the Council Plan and Service Plans;
  - (v) Agree the approach outlined for consultation;
  - (vi) Agree the high level MTFP (5) and Council Plan timetable;
  - (vii) Agree the proposals to build equalities considerations into decision making;

- (viii) Agree that Cabinet recommend to Full Council that the Local Council Tax Reduction Scheme should remain unchanged for 2015/16, with a review to be undertaken in quarter 1 of 2015/16 to inform budget options for 2016/17 and beyond.

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**Contact: Jeff Garfoot (03000 261946), Jenny Haworth (03000 268071)  
or Gordon Elliott (03000 263605)**

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## **Appendix 1: Implications**

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**Finance** – The report highlights that at this stage £16.362m of savings are required to balance the 2015/16 budget. If £10m of PDP Reserves are utilised in each of 2016/17 and 2017/18 then forecasted additional savings of £61.111m are required for the period 2016/17 to 2017/18.

**Staffing** – The savings proposals in MTFP(5) could impact upon employees. HR processes will be followed at all times.

**Equality and Diversity** – Equality considerations are built into the proposed approach to developing MTFP(5), Council Plan and Services Plans, as a key element of the process.

**Accommodation** – None.

**Crime and Disorder** – None.

**Human Rights** – Any Human Rights issues will be considered for any detailed MTFP(5) and Council Plan proposals as they are developed and decisions made to take these forward.

**Consultation** – The approach to consultation on MTFP(5) is detailed in the report.

**Procurement** – None.

**Disability Discrimination Act** – All requirements will be considered as part of the equalities considerations outlined in the main body of the report.

**Legal Implications** – None.

**Appendix 2**

<b>Medium Term Financial Plan (MTFP5) 2015/16 - 2017/18 Model</b>			
	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
	£'000	£'000	£'000
<b>Government Funding</b>			
Government Net Funding Reduction	33,195	33,676	33,791
Town and Parish Council RSG Adjustment for LCTSS funding	-285	-196	-211
Business Rates - RPI increase (2.8%/3%/3%)	-1,491	-1,650	-1,700
Top Up Grant - RPI increase (2.8%/3%/3%)	-1,630	-1,830	-1,880
<b>Other Funding Sources</b>			
Council Tax Increase (2% per annum)	-3,370	-3,440	-3,510
New Homes Bonus (Estimate)	-750	-750	0
Council Tax /Business Rate - tax base increase (estimate)	-1,500	-750	-750
NHS Funding - Social Care Transformation	-15,864	-4,432	0
<b>Estimated Variance in Resource Base</b>	<b>8,305</b>	<b>20,628</b>	<b>25,740</b>
Pay inflation ( 1% - 1.5% - 1.5%)	2,150	3,100	3,100
Price Inflation (1.5% - 1.5% - 1.5%)	2,310	2,160	2,160
Corporate Risk Contingency Budget	-1,283	-2,117	0
<b>Base Budget Pressures</b>			
Employer National Insurance increase - State Pension changes	0	4,700	0
Single Status Implementation	0	0	4,500
Council Housing - if 'Large Scale Voluntary Transfer' goes ahead	3,550	0	0
Additional Employer Pension Contributions	760	940	1,000
Energy Price Increases	500	500	500
Insurance Premiums	250	0	0
Concessionary Fares	320	100	100
CAS Demographic and Hyper Inflationary Pressures	1,000	1,000	1,000
Use of Earmarked/Cash Limit Reserve in CAS	-1,000	-1,000	-1,000
<b>Prudential Borrowing to fund new Capital Projects</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>
<b>Capital Financing for current programme</b>	<b>-2,500</b>	<b>0</b>	<b>0</b>
<b>TOTAL PRESSURES</b>	<b>8,057</b>	<b>11,383</b>	<b>13,360</b>
<b>SUM TO BE MET FROM SAVINGS</b>	<b>16,362</b>	<b>32,011</b>	<b>39,100</b>
<b>Savings</b>	<b>-16,362</b>	<b>-32,011</b>	<b>-39,100</b>
<b>Deferred Savings (Utilisation of PDP)</b>	<b>0</b>	<b>0</b>	<b>-10,000</b>
<b>SAVINGS REQUIREMENT</b>	<b>-16,362</b>	<b>-32,011</b>	<b>-49,100</b>
<b>Planned Delivery Programme (PDP)</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>
<b>REVISED SAVINGS REQUIREMENT</b>	<b>-16,362</b>	<b>-22,011</b>	<b>-39,100</b>
<b>Cumulative Use of PDP Reserve To Support MTFP</b>	<b>0</b>	<b>10,000</b>	<b>20,000</b>



**Cabinet****16 July 2014****Treasury Management Outturn 2013/14**

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**Report of Corporate Management Team****Don McLure, Corporate Director Resources****Councillor Alan Napier, Cabinet Portfolio Holder for Finance**

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**Purpose of the Report**

- 1 The regulatory framework of Treasury Management on the Council's cash management, loans and investments requires that the Council receive, comment upon and agree Treasury Management review reports. This report is therefore to update Cabinet with the annual treasury management report for the year ended 31 March 2014.
- 2 As well as meeting the regulatory framework, the report also incorporates the needs of the 'Prudential Code', which can be regarded as being best operational practice, to ensure adequate monitoring of the Council's capital expenditure plans and prudential indicators (PIs). The treasury strategy and PIs for 2013/14 were previously reported to Council as part of the Medium Term Financial Plan 2013/14 – 2016/17 on 20 February 2013.
- 3 The report also supports the objective in the revised Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management and the Communities and Local Government Investment Guidance. These state that Members should receive reports and scrutinise the Treasury Management service.

**Background**

- 4 Treasury Management is the management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks. It is concerned with how the Council manages its cash resources and its scope covers borrowing, investment and hedging instruments and techniques. Risk is inherent in all treasury management activities and it is necessary to balance risk against return on investment.
- 5 The financial year 2013/14 continued to be the challenging investment environment of previous years of low investment returns, although levels of counterparty risk had subsided. The original expectation for 2013/14 was that Bank Rate would not rise during the year and for it only to begin to gradually rise from quarter 1 of 2015. Bank rates did stay the same and this forecast rise has now been revised to a delayed start of quarter 3 of 2015.

- 6 Economic growth (GDP) in the UK had been virtually flat during 2012/13 but it grew strongly during 2013/14. Consequently, there was no additional quantitative easing during 2013/14 and Bank Rate ended the year unchanged at 0.5% for the fifth successive year. Consumer Price Index (CPI) inflation remained high and substantially above the 2% target during 2012, but by January 2014 it had fallen below the target rate to 1.9% and then fell further to 1.7% in February. It is also expected to remain slightly below the target rate for most of the two years ahead.
- 7 Gilt yields had been on a sharply rising trend during 2013 but volatility had returned in the first quarter of 2014.
- 8 The Government's Funding for Lending Scheme, announced in July 2012, resulted in cheap credit being made available to banks which resulted in money market investment rates falling significantly in the second half of that year and continuing into 2013/14. That part of the Scheme which supported the provision of credit for mortgages was terminated in the first quarter of 2014 due to concerns over the impact on rising house prices.
- 9 The UK Government maintained its tight fiscal policy stance but recent strong economic growth has led to a cumulative, (in the Autumn Statement and the March Budget), reduction in the forecasts for total borrowing of £97bn over the next five years, culminating in a forecasted £5bn surplus in 2018/19.
- 10 The EU sovereign debt crisis subsided during the year and confidence in the ability of the Eurozone to remain intact increased substantially. Perceptions of counterparty risk improved after the European Central Bank statement in July 2012 that it would do "whatever it takes" to support struggling Eurozone countries; this led to a return of confidence in its banking system which has continued into 2013/14 and led to a move away from only very short term investing. However, the problems of the Eurozone, or its banks may not have ended as the zone faces the likelihood of weak growth over the next few years at a time when the total size of government debt for some nations is likely to continue rising. Future stress tests of Eurozone banks could also reveal some areas of concern.

## Treasury Position

11 The Treasury position at the beginning and end of 2013/14 is shown in the table below:

	31-Mar-13 (Restated)	Rate/ Return	Average Life	31-Mar-14	Rate/ Return	Average Life
	£m	%	yrs	£m	%	yrs
<b>Total Debt</b>	440	4.61		437	4.49	
<b>Capital Financing Requirement (CFR)</b>	603			607		
<b>Over / (-) Under Borrowing</b>	-163			-170		
<b>Total Investments</b>	112	1.72	0.3	152	0.71	0.3
<b>Net Debt</b>	328			285		

12 Investments increased by £40m across the period as a result of re-profiling of the capital programme and a lower than anticipated use of reserves. Due to the reduction of interest rates offered by high quality counterparties by 1.00%, the average rate earned on those balances fell during 2013/14.

13 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).

14 As a result of the favourable cash balances position, no new borrowing was raised during the year.

## Capital Expenditure and Financing

15 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants or revenue contributions), which has no resultant impact on the Council's borrowing need, or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

- 16 Actual capital expenditure forms one of the required prudential indicators. The table below shows actual capital expenditure in 2013/14 and how this was financed.

	<b>2012/13 Actual</b>	<b>2013/14 Estimate</b>	<b>2013/14 Actual</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Non-HRA Capital Expenditure	117.09	135.74	107.11
Non-HRA PFI and Finance Lease	5.09	-	2.48
HRA Capital Expenditure	43.92	50.31	45.70
<b>Total capital expenditure</b>	<b>166.10</b>	<b>186.05</b>	<b>155.29</b>
Resourced by:			
Capital receipts	9.12	16.59	8.15
Capital grants	76.44	81.72	91.64
Capital reserves and Revenue	39.25	31.82	35.38
<b>Unfinanced capital expenditure</b>	<b>41.29</b>	<b>55.92</b>	<b>20.12</b>

### Overall Borrowing Need

- 17 The CFR results from the capital activity of the Council and what resources have been used to pay for the capital spend. It represents the 2013/14 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.
- 18 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the Corporate Director Resources' treasury management team organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements.
- 19 This may be sourced through borrowing from external bodies (such as the Government, through the PWLB or the money markets), or utilising temporary cash resources within the Council.
- 20 The Council's (non HRA) underlying borrowing need known as its capital finance requirement (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the non-HRA borrowing need (there is no statutory requirement to reduce the HRA CFR).
- 21 The Council's 2013/14 MRP Policy, as required by the Department of Communities and Local Government (CLG) guidance was approved as part of the Treasury Management Strategy Report for 2013/14 on 20 February 2013.
- 22 The Council's CFR for the year is shown in the following table, and represents one of the key prudential indicators. The 2012/13 CFR has been restated as follows:
- To correct the opening CFR, which was overstated.

- To recognise the impairment in 2012/13 of the Durham County Waste Management Company loan; this has reduced the CFR.
- To recognise HRA non-dwelling impairment, which can no longer be reversed to the Capital Adjustment account, and which has the effect of reducing the CFR.

<b>CFR</b>	<b>31-Mar-13 Actual (Restated)</b>	<b>31-Mar-14 Estimate</b>	<b>31-Mar-14 Actual</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Opening balance	579.135	604.828	603.431
Add unfinanced capital expenditure (as above)	41.293	55.921	20.117
Less MRP/VRP	-15.600	-16.005	-16.018
Adjusted for:			
Restatement of Opening Balance	-0.573		
Impairment of Loan	-0.801		
HRA non-dwelling impairment/revaluation losses	-0.023		-0.270
<b>Closing balance</b>	<b>603.431</b>	<b>644.744</b>	<b>607.260</b>

- 23 The borrowing activity is constrained by prudential indicators for net borrowing and the CFR, and by the authorised limit. In order to ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of investments, must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure.
- 24 The authorised limit is the "affordable borrowing limit" required by section 3 of the Local Government Act 2003. The Council does not have the power to borrow above this level.
- 25 The operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.
- 26 The table below demonstrates that during 2013/14 the Council has maintained gross borrowing within its authorised limit.

	<b>2013/14 £m</b>
Authorised limit	746.000
Operational boundary	693.000
Maximum gross borrowing position	440.389
Average gross borrowing position	438.625

## Investment Strategy

- 27 The prime objective of the Council's Investment Strategy is to ensure prudent investment of surplus funds. The Council's investment priorities are therefore the security of capital, liquidity of investments and, within those objectives, to secure optimum performance. The Council has regard to the CLG Guidance and the CIPFA Treasury Management Code when making decisions.
- 28 Therefore the primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration.

## Selection Criteria

- 29 The criteria for providing a pool of high quality investment counterparties are:
- i. Banks 1 – the Council's strategy requires the use of UK banks only which have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):

	<b>Fitch</b>	<b>Moody's</b>	<b>Standard &amp; Poors</b>
Short Term	F1	P1	A-1
Long Term	A	A2	A
Viability/Financial Strength	BB-	C-	-
Support	3	-	-

- ii. Banks 2 - Part nationalised UK banks – Lloyds Bank and Royal Bank of Scotland. These banks are included so long as they continue to be part nationalised or they meet the ratings in Banks 1 above.
- iii. Banks 3 – Co-operative Bank - The Council's own banker for transactional purposes. If the bank falls below the above criteria balances will be minimised in both monetary size and time.
- iv. Bank subsidiary and treasury operation. The Council will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.
- v. Building societies. The Council only uses building societies which meet the ratings for banks outlined above.
- vi. Money Market Funds.
- vii. UK Government (including gilts, Treasury Bills and the Debt Management Account Deposit Facility).
- viii. Local authorities and parish councils.

## Time and Monetary Limits applying to Investments

- 30 The time and monetary limits for institutions on the Council's Counterparty List for 2013/14 were as follows:

	Long Term Rating	Money Limit	Time Limit
Banks 1 category high quality	AA	£50m	1 year
Banks 1 category medium quality	A	£25m	3 months
Banks 2 category – part-nationalised	n/a	£60m	1 year
Banks 3 category – Council's banker	A-	£25m	3 months
DMADF/Treasury Bills	AAA	unlimited	6 months
Local Authorities	n/a	£10m each	1 year
Money Market Funds	AAA	£10m each (overall £50m)	liquid

## Icelandic Deposits Update

- 31 In October 2008, the Icelandic banks Landsbanki, Kaupthing and Glitnir collapsed and the UK subsidiaries of the banks, Heritable and Kaupthing Singer and Friedlander went into administration. The authority had £7m deposited across three of these institutions, with varying maturity dates and interest rates as follows:

Bank	Date Invested	Maturity Date	Amount Invested	Interest Rate
			£	%
KSF	30/10/07	28/10/08	1,000,000	6.120
Landsbanki (1)	12/04/07	13/10/08	1,000,000	6.010
Landsbanki (2)	12/04/07	14/04/09	1,000,000	6.040
Glitnir Bank (1)	25/10/06	24/10/08	3,000,000	5.620
Glitnir Bank (2)	18/12/07	16/12/08	1,000,000	6.290
<b>Total</b>			<b>7,000,000</b>	

- 32 All monies within these institutions are currently subject to the respective administration and receivership processes. The amounts and timing of payments to depositors such as the Council will be determined by the administrators / receivers.
- 33 The current situation concerning the recovery of sums deposited varies between each institution.

## Kaupthing Singer and Friedlander Ltd

- 34 The current position on actual amounts received and estimated future receipts are as shown in the table. The Council has recognised an impairment based on it recovering 85.75p in the £ compared to 85.25p in the £ at 31 March 2013.

Date	Repayment
	%
Received to 31 March 2014	81.50
Received in June 2014	2.00
June 2015	2.25

- 35 Recoveries are expressed as a percentage of the authority's claim in the administration, which includes interest accrued up to 7 October 2008.

### Landsbanki

- 36 Landsbanki Islands hf is an Icelandic entity. Following steps taken by the Icelandic Government in early October 2008 its domestic assets and liabilities were transferred to a new bank (new Landsbanki) with the management of the affairs of Old Landsbanki being placed in the hands of a resolution committee.
- 37 The Icelandic Supreme Court's decision to grant UK local authorities priority status was followed by the winding up board making a distribution to creditors in a basket of currencies in December 2011. Further distributions were made in May 2012, October 2012 and September 2013 respectively.
- 38 An element of the distribution was in Icelandic Krona which was placed in an escrow account in Iceland and was earning interest of 4.17% as at 31 March 2013. This element of the distribution was retained in Iceland due to currency controls currently operating in Iceland and as a result was subject to exchange rate risk, over which the Council has no control.
- 39 During 2013/14, the Council sold its claims against the insolvent estate of Landsbanki through a competitive auction process. The price at which the claims were sold was based on a reserve price set by the Council, on the basis of legal advice received through the Local Government Association and its lawyers Bevan Brittan.
- 40 The administration of the insolvent estate of Landsbanki is likely to continue for several years given the complexity of the on-going issues in Iceland, which created uncertainty around the timings of future recoveries. The sale of the Council's claims has removed this uncertainty.
- 41 The sale included the Icelandic Kronur which had been held in an escrow account in Iceland since it was paid with the first distribution to priority creditors in December 2011.
- 42 The proceeds of the sale were paid in Pounds Sterling and were received in February 2014 so the Council is no longer a creditor of Landsbanki.



## **Glitnir Bank hf**

- 43 Glitnir Bank hf is also an Icelandic entity. Following steps taken by the Icelandic Government in early October 2008 its domestic assets and liabilities were transferred to a new bank (new Glitnir) with the management of the affairs of Old Glitnir being placed in the hands of a resolution committee.
- 44 The Icelandic Supreme Court's decision to grant UK local authorities priority status was followed by the winding up board made a distribution to creditors in a basket of currencies in March 2012.
- 45 An element of the distribution is in Icelandic Krona which has been placed in an escrow account in Iceland and earned interest of 3.4% up to 22 June 2012 and thereafter is earning 4.2%. This element of the distribution has been retained in Iceland due to currency controls currently operating in Iceland and as a result is subject to exchange rate risk, over which the Council has no control.
- 46 The distribution has been made in full settlement, representing 100% of the claim.

## **Recommendations and Reasons**

- 47 It is recommended that Cabinet:
- Note the Treasury Management Outturn position for 2013/14.

## **Background Papers**

- a) 16 July 2014 – Cabinet - 2013/14 Final Outturn for General Fund, Housing Revenue Account and Collection Fund.
- b) 20 February 2013 – County Council - General Fund Medium Term Financial Plan, 2013/14 – 2016/17 and Revenue and Capital Budget 2013/14
- c) 26 February 2014 – County Council - General Fund Medium Term Financial Plan, 2014/15 to 2016/17 and Revenue and Capital Budget 2014/15

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**Contact: Jeff Garfoot Tel: 03000 261946**

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## **Appendix 1: Implications**

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### **Finance**

The report details of the overall financing of the Council's anticipated capital expenditure, along with forecast borrowing and investment income returns are provided in the report.

### **Staffing**

None.

### **Risk**

None.

### **Equality and Diversity / Public Sector Equality Duty**

None.

### **Accommodation**

None.

### **Crime and Disorder**

None.

### **Human Rights**

None.

### **Consultation**

None.

### **Procurement**

None.

### **Disability Issues**

None.

### **Legal Implications**

None.

**Cabinet****16 July 2014****2013/14 Final Outturn for General Fund,  
Housing Revenue Account and  
Collection Fund**

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**Report of Corporate Management Team****Don McLure, Corporate Director Resources****Councillor Alan Napier, Cabinet Portfolio Holder for Finance**

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**Purpose of the Report**

- 1 To provide Cabinet with details of the revenue and capital outturn for both the General Fund and the Housing Revenue Account (HRA) for 2013/14, and also provides the outturn for the Collection Fund in respect of Council Tax collection and Business Rates collection.

**Background**

- 2 In setting the 2013/14 budget, the Council continued to face unprecedented levels of reductions in Government grants. Over the period of the current Comprehensive Spending Review (CSR) period to 31 March 2015 the expectation for local government was a 28% cut in Government grant for the period 2011/12 to 2014/15. Since then, the position has deteriorated further for local government and in total the Council is forecasting that Government support over the six year period 2011 to 2017 will reduce by £139m, which equates to a 36% reduction in Government support over this period.
- 3 The Council agreed a net revenue budget of £457.814m for 2013/14. Factoring in cuts in Government grant, inflation and other budget pressures required the delivery of £20.900m of savings in 2013/14 in order to deliver a balanced budget.
- 4 Quarterly forecast outturn reports have been considered by Cabinet throughout the 2013/14 financial year.
- 5 This final outturn for 2013/14 has been determined as part of the production of the Annual Statement of Accounts. During the process of finalising the Statement of Accounts, the Corporate Director Resources will be required to make a number of technical decisions in the best financial interests of the Council. Such decisions will be fully disclosed in the Statement of Accounts.

**General Fund Outturn**

- 6 This section of the report shows the following:
  - (i) Cash Limit Outturn for Service Groupings;

- (ii) Overall Revenue Outturn for the General Fund with summarised Service Grouping commentary;
- (iii) Overall Capital Outturn of the General Fund with summarised Service Grouping commentary;

### **Cash Limit Outturn for Service Groupings**

7 The overall outturn for the Council is shown in Appendix 2, which shows details of how the cash limit outturn for each Service Grouping is calculated. Two key elements have been excluded from the Service Grouping outturn when calculating the cash limit outturn as detailed below:

(i) Sums Outside the Cash Limit

Some expenditure and Income should be excluded from the Cash Limit for a number of reasons. Some of these are detailed below:

- Items not controlled by the Service Groupings e.g. Capital Charges, Central Administration Recharges and items relating to International Financial Reporting Standards (IFRS).
- Exceptional items and expenditure pressures which were not accounted for in the service grouping base budget build and which are covered by contingencies or earmarked reserves held corporately e.g. Flooding and additional Winter Maintenance due to exceptional long periods of ice or snow and redundancy costs linked to Medium Term Financial Plan (MTFP) savings proposals.

(ii) Use of or Contribution to Earmarked Reserves

Sums that Service Groupings have utilised or contributed to Earmarked Reserves, have been excluded from their outturn position in order to calculate their cash limit position.

8 After taking into account the above exclusions, through tight budgetary control by managers and robust delivery of financial savings targets, all Service Groupings have generated a cash limit underspend in 2013/14 apart from the Regeneration and Economic Development Service Grouping who incurred a relatively small overspend of £0.248m but this was after taking into account a contribution of £0.875m to the Council's MTFP Redundancy and Early Retirement Reserve.

9 The 2013/14 cash limit position for each Service Grouping is detailed in the table below:

Type of Reserve	Opening Balance as at 1 April 2013	Budgetted use at 1 April 2013	Movement during 2013/14		Closing Balance as at 31 March 2014
			Planned contribution to (-) or use of reserve	Contribution to (-) or use of reserve	
	£m	£m	£m	£m	£m
<b>Service Grouping Cash Limit</b>					
Assistant Chief Executive	-1.165	0.389	-0.108	-0.121	-1.005
Children and Adults Services	-9.732	2.991	1.700	-7.538	-12.579
Neighbourhoods	-2.311	0.139	0.356	-0.966	-2.782
Regeneration and Econ Development Resources	-3.416	0.000	0.161	0.248	-3.007
	-3.280	0.000	0.084	-0.367	-3.563
<b>TOTAL CASH LIMIT RESERVE</b>	<b>-19.904</b>	<b>3.519</b>	<b>2.193</b>	<b>-8.744</b>	<b>-22.936</b>

## Revenue Outturn

- 10 Appendix 2 provides a more detailed Outturn position for the Council's General Fund by Service Grouping. In addition, Appendix 3 provides a detailed Outturn position for the Council by type of expenditure and income. The table below provides a summary of the Final Outturn position:

	£m	£m
Gross Expenditure		1,355.563
Less:		
Gross Income		<u>-958.024</u>
Net Expenditure		397.539
Financed by:		
Council Tax	164.469	
Council Tax Freeze Grant	2.029	
Start Up Funding Assessment	278.342	
Capitalisation Provision Redistribution Grant	0.881	
New Homes Bonus	4.799	
New Homes Bonus – re-imburement	0.943	
Section 31 Grant – Small Business Rate Relief	2.191	
Education Services Grant	7.685	
Net Contribution to Cash Limit Reserves	-3.032	
Net Contribution to Earmarked Reserves:		
Schools and DSG	-7.010	
Non-Schools	-50.036	
Net Contribution to the General Reserve	-3.722	
<b>Total Financing</b>		<b>397.539</b>

11 The final outturn position for the Council's General Reserve is detailed below:

	<b>£m</b>
Opening Balance as at 1 April 2013	-24.410
Add:	
Net Contribution to the General Reserve in 2013/14	-3.722
<b>Closing General Reserve Balance as at 31 March 2014</b>	<b>-28.132</b>

12 The General Reserve balance carried forward of £28.132m is within the Council's General Reserves policy of retaining between 5% and 7.5% of the Net Budget Requirement, which in cash terms equates to between £22m and £33m. The £28.132m balance at 31 March 2014 equates to 6.4% of 2014/15 Net Revenue Expenditure Budget and gives the Council options in Medium Term Financial Plan (5) to use some of the reserve to smooth the savings targets in future years.

13 The main reasons why the General Reserve has increased are detailed below:

- Section 31 Small Business Rate Relief Grant income –£2.191m;
- Capitalisation Provision Redistribution Grant income - £0.881m;
- Interest and Investment income - £1.861m more than budgeted;
- Education Services Grant - £0.449m more than budgeted;
- Contingencies - £1.327m less than budgeted offset by;
- A transfer of £5.000m to the MTFP Redundancy and Early Retirement Reserve during the year

- 14 Appendix 4 details the movement on Earmarked Reserves during 2013/14. The position at the end of the year is as follows:

	<b>Non-Schools</b>	<b>Schools and DSG</b>	<b>Cash Limits</b>	<b>TOTAL</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Opening Earmarked Reserve Balances as at 1 April 2013	-61.925	-24.041	-19.904	-105.870
Less contribution to Earmarked Reserves	-50.036	-7.010	-3.032	-60.078
<b>Earmarked Reserve Balance as at 31 March 2014</b>	<b>-111.961</b>	<b>-31.051</b>	<b>-22.936</b>	<b>-165.948</b>

### Service Grouping Commentary

- 15 A summary of the outturn for each Service Grouping is provided below. Detailed outturn reports will be provided to the relevant Overview and Scrutiny Committees.

### Assistant Chief Executive (ACE)

- 16 The 2013/14 outturn is a cash limit underspend of £0.121m. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from the strategic reserve, yearend capital entries and a contribution of £0.353m to the MTFP Redundancy and Early Retirement Reserve to assist in meeting the cost of future redundancy payments, which was actioned in quarter 3.
- 17 The cash limit position compares to the previously forecast position of a cash limit underspend of £84k.
- 18 The underspend is a managed position, reflecting the proactive management of activity by Heads of Service across ACE throughout the year to remain within the cash limit. The main reasons for the outturn position are as follows:
- Partnerships and Community Engagement - £71k underspend primarily due to an underspend on premises costs within Community Buildings.
  - Planning and Performance - £0.334m underspend primarily due to proactive management of vacancies in anticipation of future year MTFP savings which accounts for £0.140m of the saving. There is also a £78k saving in supplies and services including a managed underspend in relation to resident surveys. The remaining £0.116m is an over recovery of income particularly around the County Records Office.
  - Policy and Communications - £70k underspend predominantly resulting from a £50k managed underspend on employees in the Civil Contingencies Unit with the remainder from a managed underspend on

supplies and services and additional income generated from advertising.

- Central Costs - £0.353m overspent as a result of making a contribution to the MTFP Redundancy and Early Retirement Reserve to assist in meeting the costs of future redundancy payments.
- Each of the 14 Area Action Partnerships (AAPs) had an area budget to contribute to local projects of £0.120m in 2013/14. Combined with revenue budget carried forward from previous years (relating to committed expenditure on agreed projects) the total revenue budget across all AAPs was £2.636m. Actual spend of £1.713m was incurred during 2013/14 leaving a balance of £0.923m. In addition contributions from Public Health, Clinical Commissioning Groups and the Welfare Assistance Fund factored in a further £1.312m of resource resulting in £2.235m committed to future projects.
- Each elected member manages a “Members Neighbourhoods Budget” of £20k for priorities in their local AAP areas made up of £10k revenue budget and £10k capital. Previous years unspent allocations totalling £0.892m are held in an earmarked reserve as all spending has been committed to specific projects. During 2013/14 £1.173m was spent, resulting in a balance of £87k being transferred to the reserve leaving a closing balance of £0.979m.
- The Members Initiative Fund outturn was £0.196m resulting in a transfer to the Members Initiative Fund Reserve of £56k.

19 Further to the quarter 3 forecast of outturn report, the following items have been excluded from the outturn in arriving at the cash limit outturn position:

- £0.482m – relates to contributions to and from earmarked reserves and cash limits to support specific projects in 2013/14 and 2014/15, including carrying forward AAP (£0.349m); Members Neighbourhood Initiative Reserve (£87k) and Members Initiative Fund Reserve (£56k) underspending in 2013/14, offset by a range of other minor contributions to and from reserves.
- £0.206m net contribution to reserves in relation to Direct Revenue Financing of Capital, ER/VR costs and Insurance recharges.
- £1.732m – relates to a range of adjustments associated with capital charges, centralised repairs and maintenance and central administration.

20 Taking the final outturn position into account, including items outside the cash limit, transfers to and from earmarked reserves, the cash limit reserve to be carried forward for ACE is £1.005m. There is pre-committed planned use of £0.250m of this reserve across the MTFP 4 period.



## Children and Adults Services (CAS)

- 21 The 2013/14 outturn for Children and Adults Services (CAS) is a cash limit underspend of £7.538m. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from the strategic reserve, yearend capital entries and a contribution to earmarked reserves including £6.199m to the MTFP Redundancy and Early Retirement Reserve to assist in meeting the cost of future redundancy payments, which was actioned in quarter 3 and a £4.350m contribution to the Demographics / Hyper Inflation reserve at year end that will be used across the MTFP 4 period.
- 22 The cash limit outturn position compares to the previously forecast position of a cash limit underspend of £9.358m.
- 23 The outturn is a managed position, reflecting the proactive management of activity by Heads of Service across CAS to remain within the cash limit. The main reasons accounting for the outturn position are as follows:
- Early achievement of a number of future year MTFP management and support service proposals, together with the careful management and control of vacancies and general budgets across the Adults area of the service has created a net underspend for the year of approximately £6.0m.
  - Net spend on adult care packages was approximately £7.1m under budget, which represents circa 7% of the total adult social care budget. This area of spend is closely monitored to assess the impact of demographic and procedural/operational changes. Savings have arisen from tighter, consistent and effective application of the existing eligibility criteria, reducing the level of care packages subsequently commissioned, and the transformational change agenda, linked to the provision of social care, will further refine processes.
  - The service continually reviews its approach to MTFP savings in order to consider increasing the saving associated with consistent application of eligibility criteria. This is being carefully considered in light of transition cases, potential for ordinary residence claims and the potential for increased care package costs linked to older carers and general increases in demand. Inflation rate increases within the MTFP are 2.5% for 2013/14 and 1% for 2014/15. Contracts with residential and domiciliary care providers have increases of 2% in both these years. This has led to a forecast underspend in 2013/14 of £0.400m which will be needed to underwrite part of the inflationary uplift in 2014/15 which will be 1% higher than the 1% budget provision.
  - A review of one-off additional funding has identified an in-year contribution to the overall cash limit of approximately £0.400m. It is anticipated that this funding will be utilised in part to resource the work associated with the outcomes of the work linked to the ongoing transformation agenda in social care for children and adults.

- Home to School and college transport was £0.250m under budget. This represents a net saving of £0.420m linked to policy changes offset by a £0.170m in year reduction in Extended Rights to Free Travel grant.
- The Education Service was £1.303m underspent. A number of savings have been made across the School Places and Admissions Team, Special Education Needs (SEN) and Disability teams and Educational Support and Development Teams mainly relating to employee related spend through vacancies and the early achievement of MTFP savings, reduced supplies and services expenditure and additional income.
- The Early Intervention and Involvement Service was under budget by £1.200m. A number of savings have been made across the Community Safety and involvement Team, the One Point Service and Youth Offending Service mainly relating to employee related spend through vacancies and the early achievement of MTFP savings, reduced transport spend and reduced supplies and services expenditure.
- Central Costs/Other were £9.814m over budget due to a combination of the contribution to the MTFP Redundancy and Early Retirement Reserve (£6.199m) to assist in meeting the costs of future redundancy payments; a contribution to the Demographics / Hyper Inflation Reserve of £4.350m at year end to offset and delay MTFP pressures in future years; and an increase in the provision for bad and doubtful debts of £0.120m at year end; offset in the main by a review of one-off additional funding and a procurement rebate.
- Children's care was £1.404m underspent. Early achievement of 2014/15 MTFP saving targets resulted in the employee costs being under budget by £1.180m. The continued effective implementation and operation of the Looked after Children (LAC) reduction strategy has been successful in containing fostering and residential care costs within budget – this was a substantial budgetary pressure in previous years and the outturn shows expenditure in this area was £2.300m less than the previous year, where an overspend occurred. The LAC reduction strategy also led to smaller associated efficiencies particularly in connection with transportation and supplies and services costs.
- Secure Services are operated on a trading basis and therefore report a breakeven position in terms of the CAS cash limit, but it should be noted that the service has been successful in attracting additional income and achieved a contribution to the trading reserve of £0.959m at year end. Similarly, the Continuous Professional Development and Education Development Services in the Education Service returned surpluses of £0.306m and £0.284m respectively, which have also been transferred to earmarked reserves at year end.
- Public Health underspending against the Public Health Grant was £4.442m and this has been transferred to an earmarked reserve to

meet known future commitments required in transforming the service delivery model. The underspend is in part a result of demand led activity in connection with prescribing charges being at a lower level than previously anticipated.

24 Further to the quarter 3 forecast outturn report, the following items have been excluded from the outturn in arriving at the cash limit at year end:

- £4.950m relates to contributions to and from earmarked reserves and cash limits to support specific projects in 2013/14 and 2014/15, including £4.350m transferred to the Demographics / Hyper Inflation Reserve to offset and delay MTFP pressures in future years; £0.306m transferred to the Continuous Professional Development reserve, relating to the trading account surplus at the yearend; £0.114m transfer to the Tackling Troubled Families reserve which will fund planned commitments in 2014/15; £0.284m transfer to the Education reserve, relating to trading account surplus at the yearend across a number of service areas within the Education service; and a £0.105m adjustment to previously forecast contribution to the Aycliffe Secure Reserve;
- a number of reserves totaling £1.817m, mainly in respect of adult care projects, were planned to be used in 2013/14 but these have been carried forward at year end to reflect revised spending profiles;
- £0.378m net contribution to reserves in relation to Direct Revenue Financing of Capital, ER/VR costs and Insurance recharges.
- £0.648m – relates to a range of adjustments associated with capital charges, centralised repairs and maintenance and central administration.

25 Taking the outturn position into account, the cash limit reserve to be carried forward for Children and Adults Services is £12.579m. There is pre-committed planned use of this reserve of £2.066m across the MTFP 4 period.

### **Dedicated Schools Grant**

26 The Dedicated Schools Grant (DSG) allocation for 2013/14 was £349.409m, however due to schools converting to academies and reduction in high needs allocation for payments made direct by the Education Funding Agency the budget was reduced by £69.292m in year to £280.117m. This includes both the delegated schools budget and the centrally retained DSG budget.

27 The total revised delegated budget for maintained schools (including early years' providers) was £261.113m.

28 Where schools spent more than their delegated budgets, the overspend reduces their accumulated balance. Schools-related balances were £24.684m at 31 March 2014, an increase of £5.266m from the previous year.

29 This is due in part, to the balance on the equal pay provision being returned to schools amounting to £3.572m following the settlement of these claims in year. Schools will now be fully responsible for any further equal value claims

going forward. The balance (£1.695m) results from general underspending across most schools and represents an improved position to that reported at quarter 3.

- 30 Members will be aware that over the last two years schools have been operating in an environment of uncertainty with regard to the impact of the National Fair Funding Formula changes the Government are implementing from 2015/16. Schools have been prudent and have tightly managed their expenditure in recent years to build up their balances to be able to better accommodate any adverse impacts from 2015/16. Additionally, reductions in Department for Education (DfE) grant to support capital investment has resulted in schools earmarking balances for investment in planned capital improvements in their schools, effectively “saving-up” to self-finance these schemes. The Council encourages schools to have retained balances of a minimum of 2.5% of their revenue budget but also challenges schools where balances exceed this level to ensure there is a strategic plan / reason for this.
- 31 2013/14 was the first year all schools have been requested to forecast their outturn position during each quarter throughout the year. Spending in schools has been impacted by the reluctance to commit to spending due to the freeze on inflation within school budgets and until the impact of the School Funding Reforms, particularly the National Funding Formula from April 2015, becomes clearer.
- 32 The level of school balances is being closely managed; particularly those schools with a deficit balance and robust arrangements have been put in to place to monitor these in parallel with budget plans given the additional risks from schools that could potentially become a sponsored academy.
- 33 There has been greater scrutiny and challenge being put into schools budget plans to identify and address areas of concern and risk to the Council in 2013/14 and this is an ongoing process. Whilst the vast majority of schools continue to be well managed and are financially sound, termly updates have been required from all maintained schools on their projections for the year, with reports also provided to School Governors. The Council have worked constructively with schools to address any concerns and where appropriate take action to ensure the risk to the School and the Council is mitigated.
- 34 At 31 March 2014 there were 6 schools with a deficit balance carried forward totalling £0.960m, 12 schools holding a balance less than 2.5% of their overall funding and 240 schools with balances of more than 2.5% of their overall funding. This is an improved position from the 2012/13 outturn, where there were 15 schools with a deficit balance carried forward; 25 schools holding a balance less than 2.5% of their overall funding and 220 schools with balances of more than 2.5% of their overall funding.
- 35 The pressure areas for the centrally controlled element of the DSG in 2013/14 have been within the additional cost of High Needs Special Education Needs and Disabilities (SEND) children’s placements in maintained, academy and independent special schools and school redundancy costs. This has been offset by underspends within the Education Service Team dealing with SEND children, post 16 high needs provision, capitalised repair and maintenance, school improvement and early years provision.

- 36 The overall outturn position for the centrally retained element of the DSG shows an underspend of £1.744m. The earmarked reserve relating to centrally retained DSG carried forward at 31 March is £6.367m, of which £2.873 is earmarked for specific requirements (carry over commitments on SEND, post 16 high needs provision and 2 year old provision etc.), leaving a residual sum of £3.493m, of which £0.800m is required to fund long standing capital programme commitments in respect of schemes approved in 2012/13, the balance is earmarked to support spend and budget pressures in school improvement services.

### **Neighbourhood Services**

- 37 The 2013/14 outturn for Neighbourhood Services is a cash limit underspend of £0.966m. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from an earmarked reserve, year-end capital accounting entries and use of / contributions to earmarked reserves.
- 38 The cash limit outturn position compares to the previously forecast Quarter 3 position of a cash limit underspend of £0.844m.
- 39 The underspend is a managed position, reflecting the proactive management of activity by Heads of Service across Neighbourhoods to bring spend within the cash limit. The main reasons accounting for the outturn position are as follows:
- There was an underspend of £0.600m within Technical Services, which was mainly due to a higher than anticipated surplus being generated within the Highways Services trading account. This was a result of increased levels of workload across the year partly due to the extremely mild winter, along with an improvement in efficiency as a result of the review of workforce levels at the end of 2012/13.
  - Within Direct Services, there was an underspend of £0.400m, due to savings in the running costs of council accommodation, and an increased surplus within the Building Services trading account.
  - An overspend of £0.500m within Strategic Waste was due to higher than anticipated one off costs associated with maintaining landfill gas power generation equipment, and also a continuing fall in income from the sale of dry recyclates. The fall in income is due to prevailing market conditions and higher than anticipated levels of contamination within the recyclable material that is collected.
  - The Library Service was £0.200m underspent due to savings associated with changes in opening hours and shift patterns brought about by the early implementation of a 2014/15 MTFP saving.
  - There was also an underspend of approximately £0.300m within the Environment, Health and Consumer Protection service due to savings in employees and supplies and services. A significant proportion of

this is due to the early achievement of MTFP savings planned for 2014/15.

40 Further to the quarter 3 forecast outturn report, the following items have been excluded from the outturn in arriving at the cash limit:

- £3.840m – relates to contributions to and from earmarked reserves and cash limits to support specific projects in 2013/14 and 2014/15, including a £0.505m contribution to earmarked reserves to support one off expenditure in Culture and Sport; a £1.260m contribution to earmarked reserves in respect of Highways, Waste Disposal, and Environmental Health; a £1.725m contribution to earmarked reserves in respect of Buildings and Grounds Maintenance, and Street Cleaning; and a £0.350m contribution to earmarked reserves for Customer Services.
- An additional underspend (against the quarter 3 forecast) on Winter Maintenance activities of £0.312m. In previous years, any overspends on Winter Maintenance have been treated as outside the cash limit. The 2014/15 budget has been increased by £1.300m and an earmarked reserve is being created corporately at year end to help manage these costs within the Neighbourhood's cash limit in future years. The Winter Maintenance Reserve established at year end is £1.000m and this will be utilised in future years in severe winter events should the increased budget be insufficient to meet the unavoidable costs in this area.
- £1.755m net contribution to reserves in relation to Direct Revenue Financing of Capital, ER/VR costs and Insurance recharges.
- £9.143m relates to a range of adjustments associated with capital charges, centralised repairs and maintenance and central administration.

41 Taking the outturn position into account, the Cash Limit Reserve to be carried forward for Neighbourhood Services is £2.782m. There is pre-committed planned use of this reserve of £0.360m across the MTFP 4 period.

### **Regeneration and Economic Development (RED)**

42 The 2013/14 outturn for Regeneration and Economic Development is a cash limit overspend of £0.249m. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from the strategic reserve, yearend capital entries and use of / contributions to earmarked reserves including a contribution of £0.875m to the MTFP Redundancy and Early Retirement Reserve to assist in meeting the cost of future redundancy payments, which was actioned in quarter 3.

43 The cash limit outturn position compares to the previously forecast position of a cash limit overspend of £0.273m.

- 44 The outturn is a managed position, reflecting the proactive management of activity by Heads of Service across RED to bring spend within the cash limit. The main reasons accounting for the outturn position is as follows:
- £0.144m underspending in Strategy Programmes and Performance relates to savings on employee costs, including vacancies and the secondment of an employee to the Association of North East Councils, maternity savings and other general efficiency savings on supplies and services;
  - Economic Development and Housing was £39k overspent, primarily due to additional spend on tourism activities;
  - Planning and Assets returned a £0.646m underspend at year end due to a £0.863m underspend in the Planning Service and a £0.217m overspend on Asset Management. The underspend in the Planning service primarily relates to overachievement of planning fee income, employee savings from vacant posts and other efficiency savings on transport and supplies and services. The Assets Management Service experienced income pressures, mainly from Newgate Street in Bishop Auckland, the Brackenhill Centre in Peterlee and Millennium Square in Durham City where anticipated rental income is not being achieved;
  - Transport Services were £0.139m overspent, which is primarily due to the increase in contract costs to NSL Limited for enforcement of parking policies throughout County Durham, offset by savings on bus contract payments due to new contracts being negotiated in 2013/14 and the effects of a mild winter;
  - Central Costs were £0.861m overspent due to a £0.875m contribution to the MTFP Redundancy and Early Retirement Reserve, offset by a £14k underspend on central financing costs.
- 45 Further to the quarter 3 forecast outturn report, the following items have been excluded from the outturn in arriving at the cash limit:
- £0.346m – relates to net contributions from earmarked reserves and cash limits to support specific projects in 2014/15;
  - £1.646m net contribution to reserves in relation to Direct Revenue Financing of Capital, ER/VR costs and Insurance recharges.
  - £15.442m – relates to a range of adjustments associated with capital charges, centralised repairs and maintenance, central administration and concessionary fares
- 46 Taking the outturn position into account, the Cash Limit reserve to be carried forward for Regeneration and Economic Development is £3.007m. There is pre-committed planned use of this reserve of £2.019m across the MTFP 4 period.

## Resources

- 47 The 2013/14 outturn for Resources is a cash limit underspend of £0.367m. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from the strategic reserve, yearend capital entries and use of / contributions to earmarked reserves including a contribution of £2.573m to the MTFP Redundancy and Early Retirement Reserve to assist in meeting the cost of future redundancy payments, which was actioned in quarter 3.
- 48 The cash limit outturn position compares to the previously forecast position of a cash limit overspend position of £0.379m.
- 49 The underspend is a managed position, reflecting the proactive management of activity by Heads of Service across Resources to bring spend within the cash limit. The main reasons accounting for the final outturn position are as follows:
- Corporate Finance was £0.170m under budget due to £48k savings on employee costs and the balance coming from additional income arising from Service Level Agreements and VAT recovered;
  - Financial Services was £1.360m under budget as a result of the early achievement of 2014/15 MTFP savings (£0.360m), underspending on employee related budgets (vacancies) in year of £0.438m and additional income of £0.522m from court cost fee income, which is also a 2014/15 MTFP saving, plus £30k from supplies and services savings and other areas;
  - Human Resources was £0.216m underspent at year end arising from £0.272m savings in employee budgets as a result of the active management of vacant posts in advance of MTFP related restructuring in 2014/15 alongside a small overspend on running expenses of £56k;
  - ICT was £0.256m underspent largely explained by a £0.250m underspend in employee budgets as a result of the active management of vacant posts in advance of MTFP related restructuring in 2014/15;
  - Legal and Democratic Services was £0.734m under budget, explained by £0.123m savings on employee related budgets, additional income of £89k and general underspends on supplies and services of £0.522m;
  - Internal Audit and Risk returned an underspend of £0.178m as a result of £0.198m savings against employee budgets as a result of the active management of vacant posts in advance of MTFP related restructuring in 2014/15 offset by a £20k overspend on supplies and services related expenditure;
  - Service Management and Central Costs were £2.546m overspent due to a combination of the £2.573m contribution to the MTFP Redundancy and Early Retirement Reserve, offset by a £27k underspend due to additional income arising from rebate from Comensura contract.



- 50 Further to the quarter 3 forecast of outturn report, the following items have been excluded from the outturn in arriving at the cash limit outturn position:
- £0.817m – relates to contributions to and from earmarked reserves and cash limits to support specific projects in 2014/15, including a contribution to the Corporate Procurement Reserve (£0.376m), a contribution to the Elections Reserve (£0.186m) and a contribution to the ICT Trading Account Reserve (£0.321m), offset by a range of other minor contributions to and from reserves.
  - £0.104m net contribution from reserves in relation to Direct Revenue Financing of Capital, ER/VR costs and Insurance recharges.
  - £2.787m – relates to a range of adjustments associated with capital charges, centralised repairs and maintenance and central administration.
- 51 Taking the final outturn position into account, including items outside the cash limit, transfers to and from earmarked reserves, the cash limit reserve to be carried forward for Resources is £3.563m. There is pre-committed planned use of this reserve of £0.358m across the MTFP 4 period.

### **Resources - Centrally Allocated Costs (Corporate Costs)**

- 52 Centrally Allocated Costs were £0.176m underspent in 2013/14. The outturn has been adjusted to take into account adjustments for the use of / contributions to earmarked reserves.
- 53 The outturn position compares to the previously forecast position of an underspend of £0.136m.
- 54 The main reasons accounting for the final outturn position are as follows:
- Supplies and Services were underspent by £0.206m, primarily due to savings on audit fees, bank charges and subscriptions; offset by.
  - Under-recovery of income by £30k from the VAT sharing arrangement with North Star Housing Group.
- 55 Further to the quarter 3 forecast of outturn report, the following items have been excluded from the outturn in arriving at the cash limit outturn position:
- £0.115m – relates to a contribution from the Welfare Assistance Earmarked Reserve to support specific projects in 2013/14

### **Central Budgets**

#### **Interest Payable and Similar Charges**

- 56 The Revenue Summary at Appendix 2 shows a net £3.821m underspend at year end against this heading. This saving has been achieved due to lower than forecast interest rates on loans and delayed borrowing decisions due to higher levels of cash balances than forecast.

## **Interest and Investment Income**

- 57 There has been an overachievement of investment income of £1.861m which is due to the higher than anticipated levels of cash balances held during 2013/14. This is due in the main to lower than expected use of reserves and re-profiling of capital expenditure originally anticipated to be expended in 2013/14. In addition, a dividend of £0.279m has been received in respect of Newcastle International Airport from the Airport Company and a premium of £0.405m was received following a premature redemption of a loan.

## **Education Services Grant**

- 58 The outturn reflects net additional grant income of £0.449m which was due to the actual grant notification being higher than the amount budgeted for in 2013/14.

## **Section 31 Grant – Small Business Rate Relief**

- 59 Business properties with rateable values under £12,000 benefit from relief on their rates payable. It had been intended that the enhanced relief granted in recent years would be returned to standard rates for 2013/14. However the Government decided to extend the enhanced rates relief scheme for the whole of 2013/14. This meant that the income receivable under the new Business Rates Retention Scheme reduced and a special grant, 'Section 31 grant' has been awarded to recompense authorities for the shortfall produced as a result.
- 60 The Section 31 grant awarded against 2013/14 Business Rates bills was £8.942m. Of this, the Council will receive £2.191m and this has been accrued in the accounts for 2013/14.

## **Capitalisation Provision Redistribution Grant**

- 61 The Government proposed in the illustrative 2014/15 settlement that £100m would be held back from Revenue Support Grant for capitalisation in 2014/15. Any provision not allocated would be distributed in accordance with the authorities' share of the 2013/14 Start-Up Funding Assessment. As there was limited take up in 2013/14, the Council's share of the redistribution was £0.881m. The Council was notified of this redistribution in March 2014.

## **2013/14 Capital Outturn**

### **General Fund Capital Programme**

- 62 The original General Fund (GF) capital budget for 2013/14, taking into account the budgets approved by Council on 26 February 2013 and adjustments for re-profiling of underspends at 2012/13 year end was £163.141m. This was agreed by Cabinet on 17 July 2013.
- 63 Throughout the year, the Capital Member Officer Working Group (MOWG) has continually reviewed progress in delivering the capital programme to take into account changes in planning and delivery timescales and analysis of changes in demands on resources. Regular updates to the capital programme were reported and approved by Cabinet as part of the quarterly

budgetary control reports in year. Requests for re-profiling capital programme underspends at 31 March 2014 have also been agreed by MOWG.

- 64 The following table summarises the revised capital budgets, taking into account revisions agreed by MOWG and Cabinet throughout the year, together with the outturn position for each service area. The table also details the action that has been taken with regard to re-profiling and other budget adjustments at year end, which were approved by MOWG on 22 May 2014.

#### General Fund Capital Programme 2013/14

Service	Revised 2013/14 Budget £m	2013/14 Outturn £m	Variance £m	Additions / Deletions From Budget £m	Reprofiling £m
Assistant Chief Executives	2.244	1.158	-1.086	-0.154	-0.932
Children and Adults Services	52.382	41.241	-11.141	0.556	-11.697
Neighbourhoods	30.722	26.090	-4.632	0.720	-5.352
Regeneration and Economic Development	37.172	34.725	-2.447	0.388	-2.835
Resources	5.267	3.892	-1.375	0.150	-1.525
<b>Total</b>	<b>127.787</b>	<b>107.106</b>	<b>-20.681</b>	<b>1.660</b>	<b>-22.341</b>

- 65 In addition to underspends requested to be carried forward into 2014/15 to fund the completion of capital scheme / programmes, the variances in the table above also include some overspends on projects that span multiple financial years, which resulted from acceleration of project delivery timescales. In such instances the 2014/15 budgets have been reduced to offset the increased activity in 2013/14. All re-profiling agreed by MOWG has now been reflected in the 2014/15 revised capital budget.
- 66 The Capital Programme is financed via various funding sources including grants, capital receipts, revenue contributions, contributions from reserves and borrowing. The financing of the 2013/14 Outturn is detailed in the table below.

#### Financing – General Fund Capital Programme 2013/14

Financed by	2013/14 Outturn £m
Grants	72.243
Direct Revenue Financing	
DSG	4.336
Other	6.516
Capital Receipts	6.857
Borrowing	17.154
<b>Total</b>	<b>107.106</b>

#### Service Grouping Commentary

- 67 The primary reasons for the net capital underspending of £20.681m (circa 16% under budget at year end) are set out below:

## Assistant Chief Executive (ACE)

68 The underspend of £1.086m within ACE is mainly due to:

- **Members Budgets** – Underspend £1.260m.  
Elected members are encouraged to invest their annual allocation within each financial year. Current guidance states that uncommitted funds may be carried forward but not beyond an elected member's term of office.
- **Community Buildings** - Underspend £39k.  
Progress on the community assets transfer has been delayed due to the on-going negotiations between the Council and the relevant community groups regarding the lease agreements for the buildings.
- **Community Facilities in Crook** - Underspend £12k.  
Progress has been delayed pending the submission of business plans from the relevant community groups.
- **AAP – AAP Area Budgets** - Overspend £0.225m.  
This reflects the capitalisation of some schemes approved and fully financed from AAP Area programmes revenue funding.

## Children and Adults Services (CAS)

69 The underspend of £11.141m for CAS is mainly due to:

- **BSF Schemes** – Underspend £2.600m.  
Milestone payments for work at Consett Academy and North Durham Academy were delayed and some outstanding final accounts and asbestos claims have yet to be resolved.
- **Devolved Formula Capital** – Underspend £2.600m.  
Work has been delayed whilst individual schools finalise capital investment plans.
- **Other School Related** – Underspend £3.500m.  
Capital expenditure on Special Education Needs (SEN) has been deferred pending the outcome of the current SEN review which along with delays in starting several schemes have contributed to the underspend in this area.
- **Adult Care** – Underspend £1.300m.  
Projected expenditure associated with in-house residential care was not committed whilst the outcome of the review of the in-house residential provision was determined. The recommendations from the review were not agreed by Cabinet until 16 April 2014.
- **Early Years** – Underspend £0.700m.  
The two year programme to provide places for 2 year olds is still due for completion in 2014/15. However, the delivery of the scheme has

been rescheduled with a greater element of the work committed in 2014/15 than originally anticipated.

- **Other areas** – Underspend £0.441m.  
Delays to programmes associated with Children’s Residential Homes, performance and planning systems development.

## Neighbourhood Services

70 The underspend of £4.632m for Neighbourhood Services is mainly due to:

- **Direct Services** – Underspend £2.115m.  
The underspend primarily relates to a planned delay in the implementation of the Garden Waste scheme. This delayed the procurement of additional wheeled bins. There were also procurement issues which led to delays in the delivery of vehicles and plant. These issues resulted in underspend of £0.886m. Outstanding work on Bereavement and Environmental Improvement schemes which were expected to be completed in 2013/14 are now due for completion in 2014/15.
- **Culture and Sport** – Underspend £0.440m.  
The delay in notification of Heritage Lottery Fund grant connected with the restoration of Wharton Park delayed progress and contributed to the majority of the Culture and Sport underspend.
- **Projects and Business Support** – Underspend £0.481m.  
Improvements to the Waste Transfer Stations previously expected to be completed in 2013/14 are now scheduled for completion in 2014/15.
- **Technical Services** – Underspend £1.582m.  
Primarily due to several projects where works have been committed in 2013/14 but which span multiple financial years and will not be completed until 2014/15.
- **Environmental Health and Consumer Protection** – Underspend £14k.  
Development of a single integrated environmental health system was completed under budget – the residual budget is not required and has been released to capital contingencies in 2014/15.

## Regeneration and Economic Development (RED)

71 The underspend of £2.447m for RED is mainly due to:

- **Economic Development and Housing** – Net overspend £0.366m.  
The outturn position results from an overspend of £1.077m due to work progressing more quickly than anticipated at the Gypsy, Roma and Traveller sites in 2013/14. This is offset by an underspend of £0.215m due to delays in contract finalisation for Durhamgate, together with an underspend on Stella Gill Industrial Estate and slower than expected progress with the Housing Renewal programme (£0.253m). In addition, there have been delays in the acquisition of properties and

demolition costs associated with the Office Accommodation project (£0.109m). The residual budget for the Urban and Rural Renaissance Initiative (URRI) programme underspent by £0.134m and is to be reviewed in future years.

- **Planning and Assets** – Underspend £1.044m.  
Underspends primarily related to capitalised maintenance (£0.552m), and projects associated with Drainage works (£0.151m) and renewable technologies (£0.318m).
- **Strategy and Performance** Underspend £78k –  
This was a contingency figure, which was not required in year.
- **Transport** – Underspend £1.691m.  
Delays in completion of schemes at Pelton / Ouston Junction and Belmont Business Park Junction following a traffic flow assessment.

## Resources

72 The underspend of £1.375m for Resources relates to ICT, details as follows:

- **ICT - Underspend £1.375m**  
Procurement issues connected to the business continuity scheme has led to delays in completing this project which is now expected to be finalised in 2014/15. Installation work for the 'Dark Fibre' network has been rescheduled to 2014/15 leading to an underspend of £0.390m. The Infrastructure Environment Monitoring scheme has underspent in 2013/14 due to delays in completion and is now anticipated to be completed by September 2014.

## Housing Revenue Account (HRA) – 2013/14 Revenue and Capital Outturn

### Revenue Outturn

73 Appendix 5 provides a detailed breakdown of the outturn position for the HRA, showing the actual position compared with the original budget. In summary, it identifies a balanced outturn position on the revenue account after using a projected surplus of £0.759m towards financing the capital programme. The following table summarises the HRA outturn position:

Housing Revenue Account	2013/14 Budget	2013/14 Final Outturn	Variance
	£000	£000	£000
<b>Income</b>			
Dwelling Rents	-63,633	-63,295	338
Other Income	-1,466	-1,672	-206
Interest and Investment Income	-104	-71	33
<b>Total Income</b>	<b>-65,203</b>	<b>-65,038</b>	<b>165</b>
<b>Expenditure</b>			
ALMO Fees	16,469	16,469	0
Repairs, Supervision and Management Costs	12,220	12,910	690
Depreciation	7,850	7,821	-29
Interest Payable	12,447	10,862	-1,585
Revenue Contribution to Capital Programme	16,217	16,976	759
<b>Total Expenditure</b>	<b>65,203</b>	<b>65,038</b>	<b>-165</b>
<b>2013/14 Surplus transferred to balances</b>	<b>0</b>	<b>0</b>	<b>0</b>

74 In summary, the main variances with the budget are explained below and relate to the figures and corresponding notes shown in Appendix 5:

- a) **Dwelling Rents £0.338m reduced income** – this results from an increase in “Right to Buy” sales where there were 80 sales in the year and an increase in the number of void properties across all three housing management areas, which providers are reporting is linked, at least in part, to the Government’s Welfare Reforms;
- b) **Charges for Services and Facilities £0.178m additional income** – this results from the additional “Right to Buy” administrative income plus additional income resulting from backdating Intensive Housing Management charges;

- c) **Repairs and Maintenance £0.762m over budget** – at the yearend a review of the capital programme expenditure identified costs which needed to be aligned to revenue spend as opposed to capital, the higher spend has been offset by a corresponding reduction in the revenue contribution to the capital programme;
- d) **General Supervision and Management £0.289m over budget** – this results from the Customer Service charge for Durham City Homes being higher than the original budget and additional asset management work relating to Housing Stock Transfer;
- e) **Rents, Rates and Taxes £0.220m over budget** – this is an increase in Council Tax charges resulting from the increased numbers of void properties;
- f) **Changes in Bad Debt Provision £0.561m under budget** – this results from lower than anticipated arrears compared to forecast, due to the delay by the Government in introducing Universal Credit and the work carried out by the three providers in maintaining rent arrears at a consistent level;
- g) **Interest Payments £1.585m under budget** – this results from a lower interest rate and lower outstanding loan debt than originally anticipated, due in part to re-profiling of the capital programme in year;
- h) **Revenue Support to Capital £0.759m over budget** – the balancing item on the HRA, which identifies the potential resources available to support the capital programme and reduce our reliance on borrowing.

75 The final position on HRA general and earmarked balances as at 31 March 2014 is as follows:

- Durham City Homes Improvement Plan - £0.650m
- Welfare Reform - £0.393m
- HRA Reserve - £7.155m

### **HRA Capital Outturn**

76 The original HRA capital budget for 2013/14, taking into account the budgets approved by Council on 26 February 2013 and adjustments for re-profiling of underspends at 2012/13 year end was £55.583m. This was agreed by Cabinet on 17 July 2013.

77 As with the General Fund Capital Programme, throughout the year, the Capital Member Officer Working Group (MOWG) has continually reviewed progress in delivering the HRA capital programme, to take into account changes in planning and delivery timescales and analysis of changes in demands on resources. Regular updates to the capital programme were reported and approved by Cabinet as part of the quarterly budgetary control reports in year. The budget was reviewed throughout 2013/14 with the revised budget being £49.819m.



- 78 The following table summarises the revised capital budgets, taking into account revisions agreed by MOWG and Cabinet throughout the year, together with the outturn position for each service area. The table also details the action that has been taken with regards to re-profiling and other budget adjustments at year end, which were approved by MOWG on 22 May 2014.

#### Housing Revenue Account Capital Programme 2013/14

Service	Revised 2013/14 Budget £m	2013/14 Outturn £m	Variance £m	Additions / Deletions From Budget £m	Reprofiling £m
HRA	49.819	45.698	-4.121	-4.121	-
<b>Total</b>	<b>49.819</b>	<b>45.698</b>	<b>-4.121</b>	<b>-4.121</b>	<b>-</b>

- 79 The following table summarises the recommended financing of the HRA capital programme spend in 2013/14:

#### Financing – Housing Revenue Account Capital Programme 2013/14

Financed by	2013/14 Outturn £m
Grants	19.400
Direct Revenue Financing	16.976
Capital Receipts	1.293
Major Repairs Allowance	7.550
Borrowing	0.479
<b>Total</b>	<b>45.698</b>

- 80 The 2013/14 outturn capital expenditure was £45.698m against a revised budget of £49.819m, resulting in a £4.121m underspend for the year.
- 81 Expenditure on assets such as communal halls and garages were found to be revenue rather than capital in nature, resulting in an underspend of £1.218m.
- 82 The majority of the underspend (£1.848m) relates to the East Durham Homes programme and is due to significant savings being achieved through the introduction of a new contract in July 2013 to deliver planned Decent Homes schemes, where work is being delivered at a cheaper rate.
- 83 There was also an underspend of £0.738m on Durham City Homes schemes, which is also due to more competitive rates being obtained, resulting in planned activity being completed below budget.
- 84 The remaining £0.317m is largely attributable to underspends in mortgage rescue and new build projects.

## Collection Fund – Council Tax and Business Rates

- 85 The Collection Fund accounts for two main income streams – Council Tax and Business Rates.

### Council Tax

- 86 Council Tax is charged for all residential dwellings in bandings agreed by the Valuation Office (part of Her Majesty's Revenues and Customs). Exemptions, reliefs and discounts are awarded dependent upon the state of the property, its use and occupiers' personal circumstances.
- 87 Since its inception in 1993, the council tax system has remained largely unchanged. However, from 1 April 2013, local authorities were given the powers to amend discounts awarded to certain empty properties and apply a premium to those that had been empty for more than two years, plus remove any discounts awarded to second homes.
- 88 In December 2012 Cabinet decided to adopt these powers and therefore from 1 April 2013, no reduction is now awarded for empty properties, previously, no charge was applied for first six months empty and a 50% premium / additional charge is now applied to those properties that have been empty for two or more years. The Council also removed the 10% previously applied to second homes. These changes increased the budgeted collectable debit by c£5.5m in 2013/14.
- 89 Overall collection rates do not appear to have been adversely affected by these changes. As at 31 March 2014, the in-year overall Council tax collection rate was 95.4% which was 0.5 percentage points higher than the 2012/13 in-year performance and 1.6 percentage points above the 2011/12 in-year performance at 31 March. A major factor in this improved performance is the adjustments made to recovery cycles in 2013/14, ensuring late payers are being prompted to pay more quickly and recovery action taken against bad payers in a more timely manner.
- 90 The in-year collection rates for the last three years including the current year are shown below:

<b>Billing year</b>	<b>Position at 31 March Each Year %</b>
2013/14	95.4
2012/13	94.9
2011/12	93.8

- 91 The current overall collection rate for 2012/13 council tax liabilities is now 95.85% and for 2011/12 council tax liabilities is now 97.30%. The Council continues to recover Council Tax from earlier years and, in the long run, recovers at least 98.5%, upon which the tax base calculation is based.
- 92 The income shown in the Council Tax Collection Fund is the amount collectable from Council Tax payers in the long run, rather than the actual

cash collected in the year the charges are raised. Likely bad debts are accounted for by maintaining a bad debt provision. The amount estimated to be collectable is estimated each year by reference to the actual council taxbase for all domestic properties in the county (schedule of all properties, discounts and reliefs) with an allowance for non-collection, currently 1.5%.

- 93 Due to changes in the number of properties (including new build and demolitions), eligibility of discounts and reliefs during the year, the actual amount collectable increases or decreases from the estimate on a dynamic day to day basis. In addition, adjustments for previous billing years take place during each accounting year. All of these adjustments mean that the actual amounts collected will always differ from the estimate. Such differences at the end of each accounting year, after taking into account the calculated change required in the 'bad debt' provision, determines whether a surplus or deficit has arisen, which is then shared between the major preceptors, Durham County Council, Durham Police Authority and County Durham and Darlington Fire and Rescue Authority based on the relative proportions of the Band D council tax at the beginning of the financial year.
- 94 At 31 March 2014, the Outturn for the Council Tax Collection Fund was a surplus of £2k, arrived at as shown in the following table.

	<b>£'000</b>
Net Bills issued during Accounting Year 2013/14	263,499
LCTRS and previous year CTB adjustments	-52,421
Calculated change in provision for bad debts required	-4,974
Net income receivable (a)	206,104
Precepts and Demands	
Durham County Council (including Parish/Town Councils)	174,452
Durham Police Authority	20,060
County Durham and Darlington Fire and Rescue Authority	11,596
Total Precepts and Demands (b)	206,108
Net Surplus / (-) Deficit for year (a) – (b)	-4
Surplus Brought Forward from 2012/13	6
<b>Surplus at 31 March 2014</b>	<b>2</b>

- 95 At 15 January in each year, the estimated surplus/deficit on the Collection Fund Council Tax Account is notified to the major preceptors for inclusion in the budget setting process for the following year as an additional income or expenditure item. At 15 January 2014 an estimated break-even position on the Council Tax Collection Fund for 2013/14 was declared. The actual surplus of £2k was in line with that estimate and this will be carried forward to

15 January 2015 and will be taken into account in estimating the surplus/deficit for 2014/15, which will need to be taken into account for 2015/16 budget setting.

## Business Rates

- 96 Business rates have been levied on all non-domestic properties since 1990. In all previous years, the Council acted simply as a tax collector for Central Government, with all amounts receivable, debtor and creditor balances and provisions owing to or from Central Government. The Council remained largely unaffected by changes in business rate yield or liabilities in each year.
- 97 2013/14 was the first year of the new Business Rates Retention Scheme whereby the Council now has a real vested budget interest and stake in the level of business rate yield as income generated from Business Rates is now shared between Central Government (50%), Durham County Council (49%) and County Durham and Darlington Fire and Rescue Authority (1%). For the first time, therefore, it is not only the accuracy and timeliness of bills levied and collected that is monitored and audited, but the level of income anticipated for the year is of utmost importance and new monitoring procedures have been devised for this purpose.
- 98 Bills raised, exemptions and reliefs awarded are examined together with local knowledge of anticipated changes in reliefs such as Mandatory Charitable relief and Discretionary Rate Relief on a monthly basis to enable a comparison with the January 2013 estimate that was used for budget setting purposes. At 31 March 2014, the Outturn for the Collection Fund Business Rates was a deficit of £3.275m, arrived at as shown in the following table.

	£000
Net rate yield for 2013/14 including previous year adjustments	112,365
Estimate of changes due to appeals lodged and future appeals	-5,192
Estimated losses in Collection – Provision for Bad Debts and Write-offs	-1,769
Net income receivable (a)	105,404
Agreed allocated shares	
Central Government (50%)	54,037
Durham County Council (49%)	52,957
County Durham and Darlington Fire and Rescue Authority (1%)	1,081
Cost of Collection Allowance (paid to Durham County Council)	604
Total fixed payments (b)	108,679
Net Deficit for year (a) - (b)	-3,275
<b>Deficit at 31 March 2014</b>	<b>-3,275</b>

99 The deficit shown above is made up of £3.282m to be shared between Durham County Council, Central Government and County Durham and Darlington Fire and Rescue and a surplus of £7k payable only to Durham County Council in respect of Business Rates from Renewable Energy projects. This compares with the deficit estimated in the March 2014 Quarter 3 Forecast of Outturn report to Cabinet of £3.247m. (Nil Renewable Energy surplus or deficit forecast at that time).

100 The Quarter 3 estimate was notified to Central Government and County Durham and Darlington Fire and Rescue Authority as part of the statutory 2014/15 NNDR1 return to Central Government, whereby the estimated income from Business Rates for the following year is calculated. Any surplus or deficit for 2014/15 notified on the NNDR1 becomes part of the payment to be made during the following financial year and then forms part of the Council's budget projections. The shares relating to the January 2014 estimate have been fully accounted for in budget setting for 2014/15, and the difference carried forward to January 2015 is shown in the following table:

<b>Authority</b>	<b>Share of Business Rates</b>	<b>Share of deficit declared January 2014</b>	<b>Share of deficit at 31 March 2014</b>	<b>Deficit carried forward to January 2015</b>
		£000	£000	£000
Durham County Council	49%	1,591	1,608	17
Central Government	50%	1,624	1,641	17
County Durham and Darlington Fire and Rescue Authority	1%	32	33	1

101 The Business Rates Retention Scheme has not changed the actual business rates charged to ratepayers and therefore was not expected to have a detrimental effect on collection rates. At 31 March 2014, the in-year collection rate for 2013/14 charges was 96.4% which was 1.2 percentage points above the same point in 2012/13 and 1.7 percentage points above the in-year figure for 2011/12.

102 The in-year collection rates for the last three years, including the current year, are shown below:

<b>Billing year</b>	<b>31 March %</b>
2013/14	96.4
2012/13	95.2
2011/12	94.7

## **Section 31 Grant- Small Business Rate Relief**

- 103 Business properties with rateable values under £12,000 benefit from relief on the rates payable. It had been intended that the enhanced relief granted in recent years would be returned to standard rates for 2013/14. However, Government decided to extend the enhanced rates relief scheme for the whole of 2013/14. This meant that the income receivable under the new Business Rates Retention Scheme would be reduced and a special grant has been awarded to recompense authorities for the shortfall produced as a result.
- 104 Properties with rateable values up to £6,000 are currently being granted full relief instead of 50% relief under the previous scheme, and properties with rateable values between £6,000 and £12,000 have a tapered relief applied to them ranging from 100% down to 0%, but in all cases double the standard relief.
- 105 The grant has been calculated as 50% of the extended small business rate relief given. Under rules governing the share of Business Rates income, the Local Share of the grant is therefore calculated as 25% of the total relief granted, with 98% of that figure accruing to Durham County Council and 2% to County Durham and Darlington Fire and Rescue Authority.
- 106 The gross Small Business Relief awarded against 2013/14 Business Rates bills was £8.942m. Of this, Durham County Council will receive £2.191m and this has been accrued in the accounts for 2013/14.
- 107 Central Government has only agreed to repay by Section 31 grant the additional Small Business Rate Relief in respect of 2013/14 business rates bills. However, there have been adjustments made in respect of previous years' bills that also included the doubling of Small Business Rate Relief. The Council has raised this matter with the Department for Communities and Local Government (CLG), the response to which was that it was being considered but no date was given for the decision. If agreed, a further £80k would be payable in Section 31 grant, though for prudence purposes this has not been accrued in our accounts for 2013/14.

## **Deferred Rates**

- 108 During 2012/13, businesses could choose to spread the retail price index increase (3.2%) of their bill over three years. The bills were issued for the whole amount due but part of the bill was not collectable during the billing year.
- 109 Billing Authorities were compensated in 2012/13 by a reduction in the cash payable to Central Government of the whole amount of the rates so deferred. This was done by an adjustment of the audited statutory outturn return for business rate income – the NNDR3. Normally, this would have been repayable in 2013/14 and 2014/15 with the deferred rates being added back into the amount payable to Central Government.
- 110 In December 2013, CIPFA notified Authorities that Central Government was not looking to recover the deferred rates and that Authorities would be able to

retain this. However, it now appears that Central Government has changed its position but has not clarified if it expects to recover all of this or allocate it in the same shares as Business Rates income. If they choose to allocate the deferred rates balance to Authorities in the same shares as Business Rates income then Durham County Council would retain £0.219m. In line with guidelines issued by CLG, the balance has been carried forward into 2014/15 as a Central Government creditor and will be dealt with in that year when confirmation is received.

## Provision for Appeals

- 111 Ratepayers have the right to appeal against the rateable value of their properties which are assessed by the Valuation Office Agency, part of HM Revenues and Customs. If successful, the appeal may result in a reduction being applied to all bills issued from 1 April 2010 for that property. Appeals can continue to be lodged against bills dating back to 1 April 2010 at any time up to 31 March 2017. The level of appeals being lodged and the time taken to settle them can have a detrimental and unpredictable effect on the income for any one year. In order to try to manage this, we make a provision in our Business Rates Collection Fund for the repayment of rates already billed due to potential successful appeal outcomes.
- 112 At 31 March 2014, the provision for appeals, based on the Valuation Office appeals list for the same date, and prudent assumptions of anticipated outcomes, including potential appeals coming forward that are not known at 31 March 2014, was assessed at £5.192m. This is made up as shown in the following table:

<b>Reason for provision</b>	<b>£000</b>
Residual outstanding appeals from 2005 rating list	56
Estimated settlement reduction on outstanding appeals lodged on 2010 list	3,090
Estimated settlement reduction on appeals to be received up to end of 2010 rating list appeal period, relating to bills raised to 31 March 2014	2,004
Estimated reduction on properties close to large scale out of town development (tone of the list changes)	42
<b>TOTAL</b>	<b>5,192</b>

## Recommendations and Reasons

- 113 It is recommended that Cabinet note:
- (i) the addition to the Cash Limit Reserves of £3.032m in the year. These sums will be held as Earmarked Reserves and be available for Service Groupings to utilise to manage budgets effectively.
  - (ii) the closing General Reserve balance of £28.132m.

- (iii) the closing balance on Earmarked Reserves (excluding Cash Limit Reserves) is £143.013m of which £31.051m relate to school and DSG balances.
- (iv) the closing HRA balance of £7.155m.
- (v) the closing balance on HRA Earmarked Reserves of £1.043m.
- (vi) the position for the Collection Funds in respect of council tax and business rates.

114 It is recommended that Cabinet approve

- (vii) that capital budget carried forward of £22.341m for the General Fund is moved into 2014/15 and that Service Groupings regularly review capital profiles throughout 2014/15 reporting revisions to MOWG and Cabinet as necessary.

### **Background Papers**

- (a) Cabinet – 11 September 2013 – 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
- (b) Cabinet – 20 November 2013 - Forecast of Revenue and Capital Outturn 2013/14 for General Fund and Housing Revenue Account – Period to 30 September 2013
- (c) Cabinet – 19 March 2014 - Forecast of Revenue and Capital Outturn 2013/14 for General Fund and Housing Revenue Account – Period to 31 December 2013

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## **Appendix 1: Implications**

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### **Finance**

The report details the financial outturn for the Council for 2013/14 for Revenue and Capital. The report covers General Fund and Housing Revenue Account for both Revenue and Capital and the outturn position for General and Earmarked Reserves at 31 March 2014, plus the Collection Fund outturn, covering both Council Tax and Business Rates.

### **Staffing**

None.

### **Risk**

The figures contained within this report have been extracted from the General Ledger, and have been scrutinised and supplemented with information supplied by Budget Managers and Service Management Teams. The outturn has been produced taking into consideration all spend in year and year end accounting requirements and standard / recommended accounting practices. This should mitigate any risks with regards to challenge over the accuracy and validity of the financial outturn position of the Council as reported.

### **Equality and Diversity / Public Sector Equality Duty**

None.

### **Accommodation**

None.

### **Crime and Disorder**

None.

### **Human Rights**

None.

### **Consultation**

Budget Managers and Service Management Teams have been consulted on and contributed to the contents of the report and the accounting entries contained within.

### **Procurement**

None.

### **Disability Issues**

None.

### **Legal Implications**

The outturn contained within this report has been prepared in accordance with standard accounting policies and procedures.

## Appendix 2: General Fund Revenue Summary 2013/14

	Cash Limit Adjustments								
	Original Budget 2013/14	Revised Budget	Service Groupings Final Outturn Position	Variance	Sums outside the cash limit	Cash Limit Reserve	Contribution to / Use of Earmarked Reserves	Cash Limit Position	Forecasted Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assistant Chief Executive	11,178	10,220	11,143	923	-1,733	-72	761	-121	121
Children and Adults Services	291,815	272,521	245,843	-26,678	2,847	0	16,293	-7,538	7,538
Neighbourhood Services	108,776	111,742	96,038	-15,704	9,143	0	5,595	-966	966
Regeneration and Economic Development	41,801	41,354	55,743	14,389	-15,442	0	1,301	248	-248
Resources	22,246	18,024	14,156	-3,868	2,787	0	714	-367	367
<b>Cash Limit Position</b>	<b>475,816</b>	<b>453,861</b>	<b>422,923</b>	<b>-30,938</b>	<b>-2,398</b>	<b>-72</b>	<b>24,664</b>	<b>-8,744</b>	<b>8,744</b>
Contingencies	7,852	5,827	0	-5,827			4,500	-1,327	1,327
Centrally Held Budgets	0	0	-15,526	-15,526	15,883	0	0	357	-357
Corporate Costs	80	1,670	1,609	-61	0	0	-115	-176	176
<b>NET COST OF SERVICES</b>	<b>483,748</b>	<b>461,358</b>	<b>409,006</b>	<b>-52,352</b>	<b>13,485</b>	<b>-72</b>	<b>29,049</b>	<b>-9,890</b>	<b>9,890</b>
Capital charges	-51,723	-50,473	-81,220	-30,747	-9,552			-40,299	40,299
Gain/Loss on disposal of fixed assets	0	0	40,299	40,299				40,299	-40,299
Interest and Investment income	-1,441	-1,441	-3,302	-1,861				-1,861	1,861
Interest payable and similar charges	35,148	34,796	30,975	-3,821			3,750	-71	71
HR Accrual - reversal	0	0	1,781	1,781	-1,781			0	0
<b>Net Expenditure</b>	<b>465,732</b>	<b>444,240</b>	<b>397,539</b>	<b>-46,701</b>	<b>2,152</b>	<b>-72</b>	<b>32,799</b>	<b>-11,822</b>	<b>11,822</b>
<b>Funded By:</b>									
Council tax	-164,469	-164,469	-164,469	0				0	0
Council tax freeze grant	-2,033	-2,033	-2,029	4				4	-4
Use of earmarked reserves	-4,399	24,250	57,046	32,796				32,796	-32,796
Estimated net surplus on Collection Fund	0	0	0	0				0	0
Start up Funding Assessment	-278,370	-278,370	-278,342	28				28	-28
Capitalisation Provision Redistribution Grant	0	0	-881	-881				-881	881
New Homes Bonus	-4,799	-4,799	-4,799	0				0	0
New Homes Bonus - Re-imburement	-943	-943	-943	0				0	0
Section 31 Grant - Small business rate relief	0	0	-2,191	-2,191				-2,191	2,191
Education Services Grant	-7,200	-7,236	-7,685	-449				-449	449
Forecast contribution to Cash Limit Reserve	-3,519	-5,640	3,032	8,672				8,672	-8,672
Forecast contribution to General Reserves	0	-5,000	3,722	8,722				8,722	-8,722
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-0</b>	<b>2,152</b>	<b>-72</b>	<b>32,799</b>	<b>34,879</b>	<b>-34,879</b>

**Appendix 3: General Fund Revenue Summary by Expenditure / Income for 2013/14**

	Original Budget 2013/14	Revised Budget	Service Groupings Final Outturn	Corporate Costs	Variance	Cash limit Adjustments			Cash Limit Position	Cash Limit Carry Forward (including Corporate Costs)	Variance - Corporate Costs
						Sums Outside the Cash Limit	Cash Limit Reserve	Contribution to / Use of Earmarked Reserves			
						£'000	£'000	£'000			
<b>Employees</b>	474,690	516,784	508,478	0	-8,306	1,619	0	-311	-6,998	6,998	0
<b>Premises</b>	49,324	52,423	54,286	0	1,863	-3,557	0	395	-1,299	1,299	0
<b>Transport</b>	50,097	50,448	46,459	0	-3,989	454	0	398	-3,137	3,137	0
<b>Supplies and Services</b>	113,512	127,120	149,446	1,633	23,959	456	0	3,437	27,852	-27,852	-192
<b>Agency and Contracted</b>	269,897	259,189	258,614	3,134	2,559	671	0	2,577	5,807	-5,807	-13
<b>Transfer Payments</b>	210,685	213,183	208,047	0	-5,136	0	0	4,705	-431	431	0
<b>Central Costs</b>	101,309	98,155	75,647	0	-22,508	6,672	-72	9,188	-6,720	6,720	0
<b>Other</b>	1,265	2,018	12,160	0	10,142	27	0	4,245	14,414	-14,414	0
<b>DRF</b>	0	100	10,852	0	10,752	0	0	2,758	13,510	-13,510	0
<b>Capital Charges</b>	51,723	50,473	40,921	0	-9,552	9,552	0	0	0	0	0
<b>GROSS EXPENDITURE</b>	<b>1,322,502</b>	<b>1,369,893</b>	<b>1,364,910</b>	<b>4,767</b>	<b>-216</b>	<b>15,894</b>	<b>-72</b>	<b>27,392</b>	<b>42,998</b>	<b>-42,998</b>	<b>-205</b>
<b>Income</b>											
- Specific Grants	528,182	571,825	562,710	3,037	-6,078	0	0	4,501	-1,577	1,577	0
- Other Grants and contribs	25,320	30,956	35,191	0	4,235	853	0	-565	4,523	-4,523	0
- Sales	6,720	5,147	10,198	0	5,051	-368	0	0	4,683	-4,683	0
- Fees and charges	108,122	106,686	112,832	0	6,146	0	0	-288	5,858	-5,858	0
- Recharges	169,661	187,788	211,397	0	23,609	1,924	0	-219	25,314	-25,314	0
- Rents	5,176	5,457	5,675	0	218	0	0	0	218	-218	0
- Other	3,426	6,505	13,561	121	7,177	0	0	-586	6,591	-6,591	29
<b>Total Income</b>	<b>846,607</b>	<b>914,364</b>	<b>951,564</b>	<b>3,158</b>	<b>40,358</b>	<b>2,409</b>	<b>0</b>	<b>2,843</b>	<b>45,610</b>	<b>-45,610</b>	<b>29</b>
<b>NET EXPENDITURE</b>	<b>475,895</b>	<b>455,529</b>	<b>413,346</b>	<b>1,609</b>	<b>-40,574</b>	<b>13,485</b>	<b>-72</b>	<b>24,549</b>	<b>-2,612</b>	<b>2,612</b>	<b>-176</b>

## Appendix 4: General Fund Earmarked Reserves as at 31 March 2014

EARMARKED RESERVES AND CASH LIMIT RESERVES	SERVICE GROUPING	2012/13 CLOSING BALANCE	USE OF RESERVES	CONTRIBUTION TO RESERVES	TRANSFERS BETWEEN RESERVES	TOTAL MOVEMENT ON RESERVES	2013/14 CLOSING BALANCE
		£,000	£,000	£,000	£,000	£,000	£,000
ACE AAP/Members Reserve	ACE	-1,854	0	-1,422	0	-1,422	-3,276
ACE Grant Reserve	ACE	-233	8	-5	0	3	-230
ACE Operational Reserve	ACE	-140	8	0	0	8	-132
ACE Public Health Reserve	ACE	0	0	0	0	0	0
ACE Clinical Commissioning Group Reserve	ACE	0	0	0	0	0	0
Social Care Reserve	CAS	-4,053	1,201	-5,662	0	-4,461	-8,514
Health and Wellbeing Reserve	CAS	-500	500	0	0	500	0
Community Safety Reserve	CAS	-22	16	0	0	16	-6
Aycliffe Young People's Centre Reserve	CAS	-428	0	-959	0	-959	-1,387
Continuing Professional Development Reserve	CAS	-469	0	-524	0	-524	-993
Education Reserve	CAS	-383	0	-204	-400	-604	-987
Tackling Troubled Families	CAS	-942	0	-615	0	-615	-1,557
Special Projects Reserve	CAS	-60	0	0	0	0	-60
Public Health Reserve	CAS	0	0	-4,442	0	-4,442	-4,442
Neighbourhoods AAP Reserve	NS	-66	14	0	14	28	-38
Customer Services Reserve	NS	-110	73	-350	0	-277	-387
Direct Services Reserve	NS	-2,594	736	-1,817	0	-1,081	-3,675
Env. Health and Consumer Protection Reserve	NS	-430	93	-179	0	-86	-516
Culture and Sport Reserve	NS	-2,291	1,024	-695	0	329	-1,962
Strategic Waste Reserve	NS	-376	150	-199	0	-49	-425
Technical Services Reserve	NS	-445	320	-1,619	125	-1,174	-1,619
Transport Asset Management Programme Reserve	NS	-318	0	0	0	0	-318
Economic Development Reserve	RED	-1,018	163	-546	0	-383	-1,401
Planning Reserve	RED	-1,688	0	-25	540	515	-1,173
North Pennines AONB Partnership Reserve	RED	-919	282	0	0	282	-637
Employability and Training Reserve	RED	-846	157	-79	124	202	-644
RED Regeneration Reserve	RED	-1,051	87	0	-664	-577	-1,628
Housing Regeneration Reserve	RED	-77	16	0	0	16	-61
Housing Solutions Reserve	RED	-987	72	-164	0	-92	-1,079
Restructure Reserve	RED	-729	0	0	0	0	-729
LSVT Reserve	RED	-111	11	0	0	11	-100
Transport Reserve	RED	-364	35	0	0	35	-329
Funding and Programmes Management Reserve	RED	-175	44	0	0	44	-131
Resources Corporate Reserve	Resources	-1,843	0	-376	0	-376	-2,219
Resources DWP Grant Reserve	Resources	-107	1	-822	0	-821	-928
Resources System Development Reserve	Resources	-850	309	-750	0	-441	-1,291
Resources Housing Benefit Subsidy Reserve	Resources	-2,579	381	0	0	381	-2,198
Local Council Tax Support Scheme Reserve	Resources	0	0	-1,031	0	-1,031	-1,031
Resources Land Search Fees Reserve	Resources	-1,000	0	0	0	0	-1,000
Resources Legal Expenses	Resources	-200	0	0	0	0	-200
Resources Elections Reserve	Resources	-800	464	-700	0	-236	-1,036
Resources ICT Reserves	Resources	-480	0	-250	0	-250	-730
Cabinet Reserve	Corporate Fin	-220	0	0	0	0	-220
Corporate Reserve - Demographic Pressures	Corporate Fin	-8,650	2,150	-4,350	0	-2,200	-10,850
Equal Pay Reserve	Corporate Fin	-7,111	1,232	-11,526	0	-10,294	-17,405
Insurance Reserve	Corporate Fin	-7,832	172	-5,397	0	-5,225	-13,057
Performance Reward Grant Reserve	Corporate Fin	-1,735	427	0	0	427	-1,308
MTFP Redundancy and Early Retirement Reserve	Corporate Fin	-4,839	3,583	-15,000	0	-11,417	-16,256
Office Accommodation Reserve	Corporate Fin	0	0	-1,000	0	-1,000	-1,000
Capital Expenditure Reserve	Corporate Fin	0	0	-2,658	-139	-2,797	-2,797
<b>Total Non-Schools Reserve</b>		<b>-61,925</b>	<b>13,729</b>	<b>-63,366</b>	<b>-400</b>	<b>-50,037</b>	<b>-111,962</b>
<b>Cash Limit Reserves</b>							
Assistant Chief Executive		-1,165	281	-121	0	160	-1,005
Children and Adults Services		-9,732	4,291	-7,538	400	-2,847	-12,579
Neighbourhood Services		-2,311	495	-966	0	-471	-2,782
Regeneration and Economic Development		-3,416	409	0	0	409	-3,007
Resources		-3,280	84	-367	0	-283	-3,563
<b>Total Cash Limit Reserves</b>		<b>-19,904</b>	<b>5,560</b>	<b>-8,992</b>	<b>400</b>	<b>-3,032</b>	<b>-22,936</b>
<b>Schools' Balances</b>							
Schools' Revenue Balance	CAS	-19,418	0	-5,266	0	-5,266	-24,684
DSG Reserve	CAS	-4,623	0	-1,744	0	-1,744	-6,367
<b>Total Schools and DSG Reserve</b>		<b>-24,041</b>	<b>0</b>	<b>-7,010</b>	<b>0</b>	<b>-7,010</b>	<b>-31,051</b>
<b>Total Earmarked Reserves</b>		<b>-105,870</b>	<b>19,289</b>	<b>-79,368</b>	<b>0</b>	<b>-60,079</b>	<b>-165,949</b>

## Appendix 5: Housing Revenue Account 2013/14 Outturn Position

	Annual Budget	Final Outturn	Forecasted Variance	
	£000	£000	£000	
<b>Income</b>				
Dwelling Rents	-63,633	-63,295	338	a)
Non Dwelling Rents	-1,075	-1,103	-28	
Charges for Services and Facilities	-391	-569	-178	b)
<b>Total Income</b>	<b>-65,099</b>	<b>-64,967</b>	<b>132</b>	
<b>Expenditure</b>				
ALMO Management Fee and Outsourced Contract	16,469	16,469	0	
Repairs and Maintenance	4,433	5,195	762	c)
Supervision and Management - General	4,417	4,706	289	d)
Supervision and Management - Special	411	408	-3	
Rents, Rates, Taxes and other Charges	310	530	220	e)
Depreciation and Impairment of fixed assets	7,850	7,821	-29	
Increase/Decrease in bad debt provision	968	407	-561	f)
Debt Management Costs	194	194	0	
<b>Total Expenditure</b>	<b>35,052</b>	<b>35,730</b>	<b>678</b>	
<b>Net cost of HRA services per Authority I&amp;E Account</b>	<b>-30,047</b>	<b>-29,237</b>	<b>810</b>	
HRA services share of Corporate and Democratic Core	1,085	1,085	0	
Net Cost of services but not allocated to specific services	402	385	-17	
<b>Net cost of HRA Services</b>	<b>-28,560</b>	<b>-27,767</b>	<b>793</b>	
Interest Payable and Similar Charges	12,447	10,862	-1,585	g)
Direct Revenue Financing [Balancing Item on HRA]	16,217	16,976	759	h)
Interest and Investment Income	-104	-71	33	
<b>[Surplus] / Deficit for the year on HRA services</b>	<b>0</b>	<b>0</b>	<b>0</b>	

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**Cabinet**

**16 July 2014**

**Transfer of Land Held in Trust at Peases  
West, Crook**



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**Report of Corporate Management Team  
Ian Thompson, Corporate Director for Regeneration and Economic  
Development  
Councillor Neil Foster, Cabinet Portfolio Holder for Economic  
Regeneration**

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**Purpose of the Report**

1. The purpose of this report is to obtain approval from Cabinet in their capacity as Trustees to disposing of an area of land held on trust by the Council at Peases West Crook to Crook Community Leisure.

**Background**

2. In 2012 the Council took the decision to hold a participatory budget event in Crook to allow the community to decide where they would like to see a resource of £500,000 allocated to assist community groups and associations to develop locally based initiatives and schemes.
3. The funding had been originally earmarked for Elite Hall in Crook, but had become available as the increased costs for the refurbishment of that building had made such a scheme unviable.
4. Following the public vote in 2013, Crook Community Partnership were awarded in principle, subject to the project fulfilling a number of requirements set as part of the bidding process, the full funding provision of £500,000 towards the first phase of a three phase project to develop new leisure provision in the town.
5. Phase one of the project is to develop a fitness suite and dance studio for the residents of Crook and the surrounding area. Phase two will include a sports hall and the final phase a swimming pool. The latter stages are subject to further funding being obtained.
6. The partnership has created a charitable organisation known as Crook Community Leisure (CCL) and it is this organisation that seeks the necessary land to deliver this project.

## **Proposal**

7. The initial proposal was to develop the project on a former school site situated at Croft Street, however, after detailed consideration of the scheme it was concluded that this location was not a viable option for the proposal and alternative sites were considered with a site at Peases West, shown verged on the attached plan, considered the most suitable alternative.
8. Throughout the development of this process County Council officers have met regularly with CCL to receive updates on progress on the initiative including aspects such as Business Planning and the attraction of match funding. This process is still ongoing and as yet, no funding has been released from the £500,000 allocated in principle.
9. In order to gauge public opinion on the potential relocation of the proposed leisure facility, a single question survey took place from the 8<sup>th</sup> of April to 29<sup>th</sup> April to ascertain whether the members of the 3 Towns AAP Forum were in favour or against relocating the proposed leisure facility from Croft Avenue to the Peases West site. The survey was sent out to 696 email addresses and to 784 postal addresses, a total of 1480. 449 people responded (30.3%) and a large majority of nearly 70% were in favour of relocating the leisure facility to the Peases West site.
10. The majority of this site was transferred to the Urban District Council of Crook and Willington by the Miners Welfare Committee Trustees on 5<sup>th</sup> April 1966. It was to be held upon trust as an open space for the benefit of the inhabitants of the Township of Crook and the neighbourhood thereof.
11. Those responsibilities transferred to the County Council from Wear Valley District Council on 1<sup>st</sup> April 2009. In order to transfer those responsibilities to CCL, the Council will need to seek the consent of the Coal industry Social Welfare Organisation. It will also be necessary to seek approval from the Charity Commission for the transfer of the land and trust responsibilities.
12. Peripheral land required for the project will be sold or leased to CCL upon terms to be agreed, and processed through the normal procedures relating to disposal/lettings of this nature subject to all approvals being obtained in relation to the Trust land.
13. The delivery of the project meets the overall objectives of the Council in working towards its Altogether Healthier objective through the increased participation in physical activity the new facilities will provide. It also contributes to both the children and young people and altogether wealthier objective through the provision of both opportunities to play sport and to be employed in sport

## **Recommendation**

14. It is recommended that the Cabinet, acting as Charity Trustee, approve the transfer of the site at Peases West to Crook Community Leisure subject to



- I. any necessary approvals being obtained from CISWO and the Charity Commission, and,
- II. the provision of a satisfactory Business Case from Crook Community Leisure for the project, as supported at the participatory budget event, with this decision delegated to the Corporate Director Regeneration and Economic Development in consultation with the Portfolio Holder for Regeneration and Economic Development.

**Background papers**

None

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**Contact: Gerard Darby Asset Services Manager Tel: 03000 267024**

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## **Appendix 1: Implications**

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### **Finance –**

The scheme will require additional Council land which may result in the Council receiving a capital receipt or rental income. A transfer will also obviate the necessity of incurring further estate management costs.

### **Staffing –**

Not Applicable

### **Risk –**

The Council has a duty as charity trustee to consider the best interests of the beneficiaries when deciding whether to hand over responsibility for the site. It is however considered the proposed use is consistent with the objectives of the Trust.

### **Equality and Diversity/ Public Sector Equality Duty –**

The scheme will enhance access to Leisure facilities in the area.

### **Crime and Disorder –**

Not applicable

### **Human Rights –**

Not applicable

### **Consultation –**

The funding approved for this project was subject to public vote and extensive consultation with the community. Local ward members have also been consulted and the Portfolio Holder for Neighbourhoods and Local Partnerships has been briefed on the proposals

### **Procurement –**

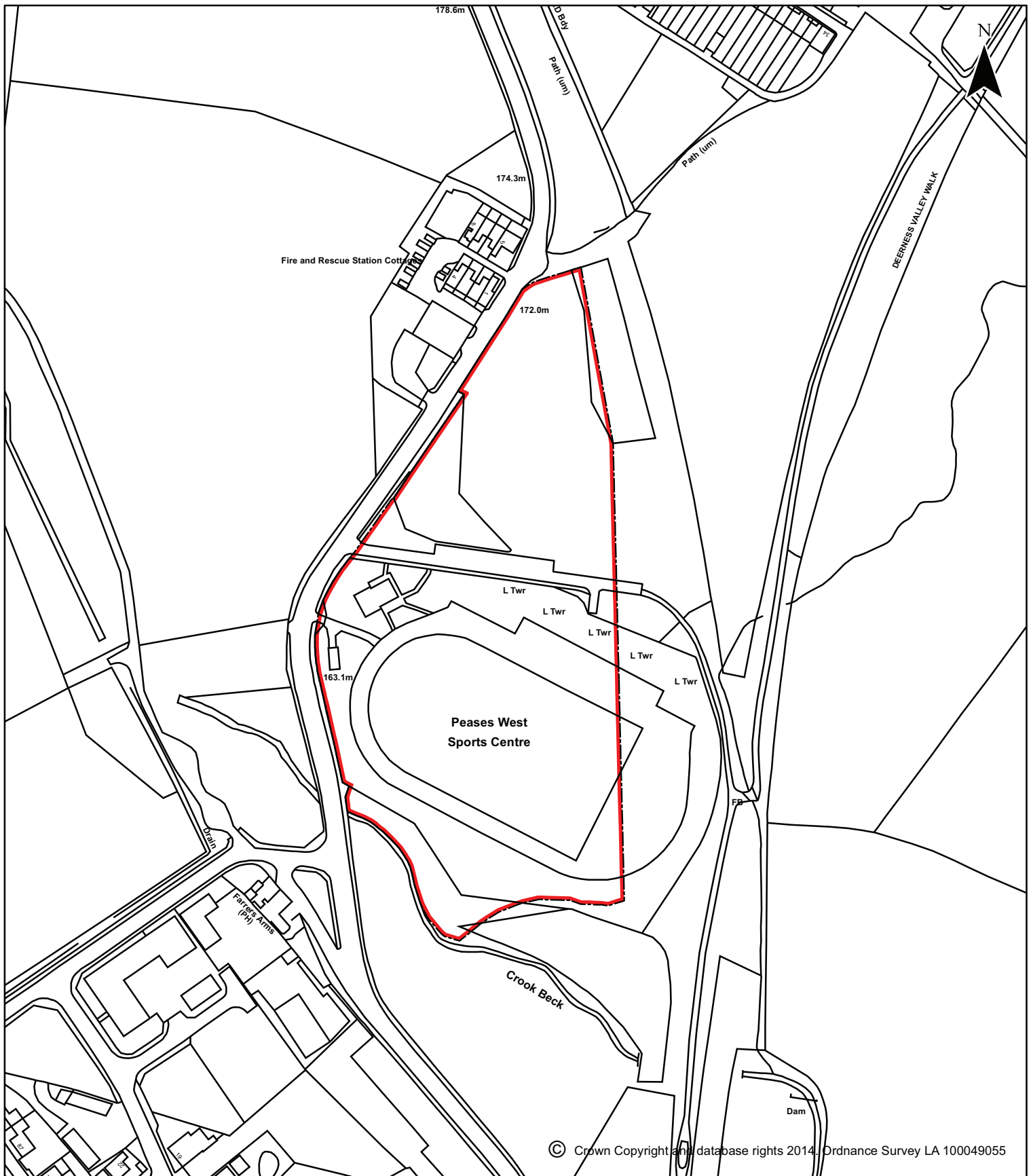
Not Applicable

### **Disability Issues –**

Not Applicable

### **Legal Implications –**

Covered in report



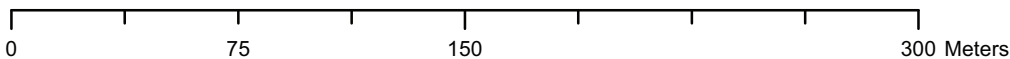
**PEASES WEST RECREATION GROUND.**

Scale : 1:2,500

Total Area Verged Red : 8.25 Acres.

Based Upon O.S Map : NZ1636

UPRN NO : 90039S02. Plan Ref: ARC-14-156. Date: 17/06/2014



IAN THOMPSON  
 REGENERATION AND ECONOMIC  
 DEVELOPMENT.  
 COUNTY HALL,  
 DURHAM,  
 DH1 5UJ.  
 TEL 0191 3833000. Page 207  
 ASSET MANAGEMENT DIVISION.

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**Cabinet**

**16<sup>th</sup> July 2014**



**World War 1 Centenary Activity:  
Victoria Cross Winner's Commemorative  
Paving Stone Project**

**Report of Corporate Management Team**

**Terry Collins, Corporate Director Neighbourhood Services**

**Cllr Neil Foster, Portfolio Holder for Economic Regeneration**

**Purpose of the Report**

- 1 To outline the Council's involvement in delivering the Department of Communities and Local Government's Victoria Cross Winner Commemorative Paving Stone Project.
- 2 The report proposes a process for determining where the paving stones will be permanently located.

**Background: National Importance**

- 3 The centenary of World War 1 (WW1) (2014 – 2018) will be a period of major importance to the people of the Country and particularly those countries with regiments that took part in the conflict. The effects of the war have been far reaching and society changing.
- 4 In the United Kingdom (UK) the centenary of World War 1 is already the subject of immense interest among government, media, funding bodies, universities, schools, community groups and individuals, and this interest is universally expected to grow as we approach August 2014 (the centenary of the outbreak of war).
- 5 The government is working alongside partners, including the Heritage Lottery Fund, Commonwealth War Graves Commission and Imperial War Museums, on a series of national remembrance events, an extensive cultural programme and educational schemes.
- 6 In August of 2013 The Department for Communities and Local Government (DCLG) announced an open competition for a design to be put on to commemorative paving stones to honour Victoria Cross recipients throughout the UK. There will also be a QR reader on each stone which people can scan with a smartphone to learn more details about the recipient. It is intended that individual stones will be given to the relevant participating local authority so as they may determine their location. Durham County Council was among the first authorities to confirm it would take part in supporting the scheme and would place the commemorative stones within the County.

- 7 On Monday 4 November 2013 the Communities Secretary unveiled the design of the paving stone. The winning design uses the material, form and lettering of the family of memorials used by the War Graves Commission.
- 8 The stones will be unveiled across the country in a rolling programme exactly 100 years after each individual won the Victoria Cross.

### **Background: Local Importance**

- 9 The DCLG has produced a national list of Victoria Cross winners with locations of the recipient's birth. This list will identify the stones that will be produced and the Councils that will be allocated them.
- 10 The Culture and Sports Team has worked closely with the DCLG to ensure that the County Durham Victoria Cross winners and the locations attributed to them are correct.
- 11 All stones will be supplied to the Council in late 2014 and it will be the responsibility of the Council to place the stones in their final location on the centenary of the act for which the Victoria Cross was awarded.
- 12 County Durham has seven Victoria Cross winners appearing on the DCLG list and each of these will be allocated a paving stone. The recipient and related details are as follows:

<b>Name</b>	<b>Born</b>	<b>Date VC awarded</b>	<b>Notes</b>
Roland Bradford	Witton Park	01 Oct 1916	9th Battalion Durham Light Infantry Died 30 Nov 1917, aged 25, youngest Brigadier General in the British Army
George Bradford	Witton Park	23 April 1918	Royal Navy Officer who was awarded the Victoria Cross for his actions on 22/23 April 1918.
Michael Heaviside	Durham City	06 May 1917	15th Battalion Durham Light Infantry
Thomas Kenny	South Wingate	04 Nov 1915	13th Battalion Durham Light Infantry First DLI soldier awarded VC in WW1
George McKean	Willington	27/28 April 1918	14th Infantry Battalion (The Royal Montreal Regiment)
William McNally	Murton	27-29 Oct 1918	8th (Service) Battalion The Yorkshire Regiment (Green Howards)
John Youll	Thornley	15 June 1918	Attached to 11th (Service) Battalion Northumberland Fusiliers

- 13 The first stone will be placed on 4th November 2015.
- 14 It should be noted that, of the County Durham Victoria Cross winners, two have potential for major national media coverage:
- Roland Boys Bradford (youngest Brigadier General in the British Army)
  - George Nicholson Bradford

Roland and George Bradford are known as 'The Fighting Bradfords'. The story of two brothers both winning Victoria Crosses is potentially a major press story. The DCLG have expressed that they may promote this story.

- 15 The stones will provide an enduring legacy for County Durham of their local heroes - a fitting tribute to mark the centenary of their extraordinary bravery and service fighting for their country. This will also enable residents to gain a greater understanding of how their area fitted into the story of the First World War.

## **Co-ordination of Activity**

### **Temporary Display**

- 16 The Council will take charge of the stones in late 2014 and will need to store them until they are required for placing in their final location; the first stone not being installed in its permanent location until November 2015. It is proposed that rather than place them in store that they are placed on temporary public display in the Durham Light Infantry Museum.
- 17 It is anticipated that such a display would be of considerable interest to the local community and likely to attract a high number of visitors.
- 18 In order to facilitate the display of the stones within the Museum, it would be appropriate that they are displayed properly and complimented with interpretive information. The cost of producing a temporary exhibition of the stones is estimated to be circa £10K.

### **Permanent Locations**

- 19 The permanent location of the stones is for the Council to determine and has the potential to be both emotive and controversial. It is important that the Council has a clear process for determining the final location of each stone. In order to achieve this the following steps are proposed:
- Step 1 – relevant Area Action Partnership (AAP) approached to act as main local co-ordinator
  - Step 2 – Culture & Sport work with AAP to identify location options
  - Step 3 – AAP recommend preferred location to Council
  - Step 4 – Locations approved through Cabinet
- 20 In order to achieve these steps a member of the Culture & Sport Team will consult with the local AAPs to identify potential locations for the stones and to gauge the support from within the community. They will also advise on external funding opportunities available via the Heritage Lottery Funds, the Arts Council and trusts and foundations.
- 21 As it is anticipated that there may be a number of individual groups wishing to lead in each community, which may raise issues around location of the stone and associated activity, it is suggested that the local AAP is selected as the main contact point for the Council to operate through. This approach will provide a strong connection into communities and in identifying a lead organisation for the stones and associated activity. Local Members will also be given the opportunity to engage in this discussion prior to recommendations being made to the Council on location.

- 22 It is proposed that the placing of the Victoria Cross paving stone on site will be carried out by Technical Services; however, identifying the exact site will be the responsibility of the community who will need to consult with interested parties and engage with the land owner and appropriate experts (including Council departments such as planning where applicable). All works will be subject to a site assessment by Technical Services to ensure future utilities or other works are not likely to affect the stones. Guidance will be provided to AAPs in choosing suitable sites.
- 23 Any relatives of Victoria Cross winners contacting the Council will be directed towards the appropriate local group/AAP. The Council will not actively seek out relatives of Victoria Cross winners but will ensure that the media and press are informed of any paving stone activity in advance so that this can be fully publicised.
- 24 It is anticipated that there will be a desire from the community to add additional activity such as landscaping or commemorative events to enhance the site and unveiling. This will be discussed with the local community who would be required to find the appropriate funding and ensure plans are achievable.
- 25 The Corporate Events Team will offer practical advice on holding any event. Where there is to be an arts element, advice and guidance will be available from the Council's Arts Team. Similarly the Chairman's office will be kept informed of activities for which a Civic involvement may be requested.

## **Funding**

- 26 The basic cost of placing the stones will be met by the Council. This is estimated by Technical Services as being £300 per paving stone. Additional costs will be dependent upon the needs of the community. It is therefore proposed that the Council meets the £300 installation costs of each stone and the communities source the funding for any commemorative events and/or additional landscaping that may be desired. Each community will be advised to contact the Council to arrange a quote on delivery of any associated work.
- 27 The HLF has announced the provision of a WW1 Small Projects Fund which can provide the opportunity for match funding and developing projects around the laying of the paving stones. Awards from the WW1 Small Projects Fund will be set at between £3,000 and £10,000. The HLF has other funds that can be applied for should a larger amount be required.
- 28 Further potential for funding is available via a number of trusts and foundation streams specifically designed to support WW1 Centenary activity. Applications to access these funds would need to come from the local community.
- 29 All of the above funding streams require a financial commitment from the applicants and the £300 in-kind allocation from the Council can be used for this purpose.



## **Financial Implications**

- 30 The Council's financial commitment to the installation of the paving stones is £2,100. It is anticipated that the majority, if not all, of this will be in staff time and use of existing resources from within Direct Services and Culture and Sport. In addition, £10,000 is requested for exhibiting all stones at the Durham Light Infantry Museum prior to installation. This takes the total cost from the Council to £12,100.

## **Recommendations**

It is recommended that:

- (i) Arrangements are made to display all County Durham paving stones at the Durham Light Infantry Museum prior to permanent installation.
- (ii) The process of determining the permanent location of stones as set out in paragraphs 19 to 25 is agreed.
- (iii) Subject to recommendations (i) and (ii), funding of £12,100 is identified from Neighbourhood's cash limits to fund the project.

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**Contact: Stephen Howell Tel: 03000 264 550**

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## **Appendix 1: Implications**

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**Finance –** As set out in the main body of the report.

**Staffing –**

Use of existing staff resource

**Risk -**

Local political and media interest will be high.

**Equality and Diversity/Public Sector Equality Duty -**

Full consideration will be given in the development of projects

**Accommodation –**

Nil

**Crime and Disorder -**

Nil

**Human Rights -**

Nil

**Consultation -**

Consultation on the location of stones will be undertaken with AAPs as set out in the body of the report.

The Strategic Manager Heritage and Culture is attending and updating the County Durham Local Councils Working Group, the County Durham Armed Forces Forum and the DCC Internal WW1 Corporate Working Group on all County Durham based WW1 activity and at which the VC Paving Stones project has been discussed.

**Procurement -**

Council's procurement procedures will be adhered to.

**Disability Issues -**

All activity will fully consider disabled access.

**Legal Implications -**

There are no legal implications.

**Cabinet**

**16<sup>th</sup> July 2014**



**Durham County Council's Festivals and Events Programme Development**

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**Report of Corporate Management Team**

**Terry Collins, Corporate Director Neighbourhood Services**

**Councillor Neil Foster, Portfolio Holder for Economic Regeneration**

**Councillor Maria Plews, Portfolio Holder for Leisure, Libraries and Lifelong Learning**

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**Purpose**

1. The purpose of this report is to review the current position regarding the Council's involvement with festivals and events and to provide a framework to ensure the best use of existing resources to create a vibrant and diverse programme of events and festivals.

**Background**

2. Events and festivals have an important role in raising the county's profile and have a direct positive economic impact on the county. These events and festivals can also play a role in boosting local pride, providing opportunities for both individuals and communities as well as raising aspirations.
3. Until recently the Council's event programming, content and delivery was spread across a number of service areas. As a result, events and festivals emerged from a number of individual initiatives including the City of Culture bid. Whilst in many instances these festivals and events addressed the economic needs of the county, in ongoing austere times it is recognised that a programme that offers best value for the Council's investment is required.
4. This report focuses upon the development of a coherent structure for activity within the available resources and proposes a framework of three programmes of work. This should lead to a clearer plan and process for the future development of festivals and events.

**Current Programme/Offer**

5. The Council currently supports a range of events across the county through a mixture of direct delivery, commissioning and partnering arrangements. These events constitute the Council's event programme. Although individual events have been added to the programme since local government reorganisation, mainly on a sound economic benefit basis, to date no consideration has been given to the overall programme and its coherence as a collective offer.

6. In 2013/14 the Council's 'Year of Culture' was made up of a range of festivals and events that the Council had a financial interest in either supporting or leading. A list of these festivals and events is attached at Appendix 2.
7. The existing programme contains a range of cultural, sporting and community based events that are currently distributed unevenly across the calendar and are made up of both annual and one-off events. Details on the nature of these individual events are attached at Appendix 3.
8. Whilst this report focuses on events that receive, or may receive, direct or indirect support from the Council, it should be recognised that there is a separate programme beyond this including events such as the Great North Festival of Transport; Durham Dales Walking Festival; Christmas at Beamish and Durham City Christmas Festival amongst others.

### **Current Resources**

9. The Council has historically deployed a number of resources in delivering a programme of festivals and events. These are essentially: -
  - a. Direct revenue support to specific festivals and events
  - b. Direct support services to the delivery of events
  - c. Indirect support
10. Direct Revenue Support: The Council spent £960,000 on delivering a programme of festivals and events in 2013, which brought in a contribution from external funders in excess of £1.5m.
11. Direct Support Services: The main support resource is the Corporate Events Team (CET), which currently has five officers dedicated to the delivery of events and festivals. The team was established in 2010 to ensure that events are delivered consistently, safely and professionally. In addition to the CET, a number of employees from within the Arts team contribute to the delivery of festivals and events.
12. The following is a breakdown of current staffing resources allocated to festivals and events:

<b>Service Area</b>	<b>Number of Staff</b>	<b>Budget</b>
Corporate Events Team	5 FT staff + casual budgets	£217,000
Arts Team	3.5 FT staff (1 FT fixed term to Jan 2016)	£131,000
Total		£348,000

13. It should be noted that although employees within the CET are wholly dedicated to the delivery of festivals and events, the Arts team undertake other functions with the exception of one temporary post.
14. The total financial resource available from the Council for events and festivals has now been transferred into a single budget. As budgets reduce, it has been beneficial to create a single budget from which a programme can be developed.
15. Indirect Support: Whilst monetary values can be easily attached to the direct support given to events, it should be recognised that the authority also deploys a

range of resources for which specific costs are more difficult to identify. This includes officer time given to marketing and promoting events particularly within Visit County Durham, specifically the Councils Corporate News Team and Culture and Sport. Many events also demand input from Direct Services, Health & Safety Teams and Highways.

## **Material Considerations**

### **Future Funding:**

16. Culture & Sport's 2013/14 Medium Term Financial Plan identified savings of £300,000 directly from events commissioning. This will severely restrict the support given to events and festivals unless a different approach to funding is adopted. The next round of Arts Council NPO funding is due for renewal in 2015/16. An application to the Arts Council of England has been made. In addition, some current posts are temporary and due to end on 31<sup>st</sup> March 2016.
17. General opportunities to steer the Council's resources into festivals and events is diminishing. For example the Performance Reward Grants will no longer be available for events in 2015 onwards. There is also a risk of future reductions in resources to the Council's Event Team. Future opportunities to attract resources need to be considered in how we shape any future offer.
18. The newly created Culture and Sport revenue budget for events incorporates all festival and events related costs. This identifies a total resource of £698,000 for 2014/15, which is split between direct delivery and support, £350,000 and £348,000 respectively.

### **Programme and Content:**

19. Event Criteria: Essentially, this report focuses on events and festivals that are *predominantly* outward-facing and aimed at either raising the profile of the County or having a demonstrable economic impact. In order to assess if an event meets this aim it is proposed that activities within the programme should broadly aspire to contribute to as many as possible of the following:-
  - a. Appeals to Durham's target visitor audience.
  - b. Enhances Durham's profile as a cultural destination both regionally, nationally and internationally.
  - c. Overtly encourages overnight stays by providing activity over multiple days and evenings.
  - d. Demonstrably aims to increase dwell-time of day visitors.
  - e. Generates a significant Return on Investment and maximises the economic impact for the festival location and wider County.
  - f. Generates visits outside of the main season either by placing the event at the beginning or end of the peak season or entirely off season as well as generating repeat visits.
  - g. Be able to leverage investment from outside agencies, sponsors and via income

- h. Be rooted in Durham and/or have the potential to present Durham in an appealing way for visitors, bringing alive the built and natural landscapes and heritage in a manner that will attract new audiences.
- i. Demonstrates a high standard of artistic/cultural integrity.

20. Programme Shape: It is evident that the nature and scope of individual events differs significantly. Whilst there are a range of annual events, there are also those that are one-offs or of such a scale that they would be beyond any existing or future revenue capacity. It is therefore proposed that any future programme (and funding) be developed on the following basis:

- a. Annual Programme: This is a group of events that would be funded on an on-going basis and are anticipated to occur annually. Whilst such a list may change over time, it would represent a 'core offer' that residents and visitors would be familiar with. An initial annual programme is proposed at Appendix 4 and at this stage incorporates the following existing festivals and events which would receive direct revenue and events team support.

i. Bishop Auckland Food Festival	£40,000
ii. Durham Streets Festival	£40,000
iii. Durham Regatta	£1,000
iv. County Durham Cycling Festival	£40,000
v. BRASS	£100,000
vi. Miners Gala	£4,000
vii. Durham Book Festival	£75,000
viii. Take Off Theatre Festival	£10,000

It is proposed that the annual programme is allocated a budget of £310,000 from existing Culture & Sport resources.

- b. Investment & Development Programme: These events would, essentially, be one-off or short series. Historically, these have proved difficult to fund as they can be relatively high numbers but have no funding attached. As part of any future arrangement it is proposed that an element of event funding be identified to manage medium scale one-off events as and when they occur. Previous examples of such events would include A4's at the Locomotion Museum at Shildon, the Ashes Test Matches at Durham County Council's Cricket Ground and other opportunistic events.

It is further proposed that this resource is also utilised across a wider scope of activity to include support to major exhibitions in the county as well as developing the infrastructure and resilience of events delivery across the county.

The use of this resource will be key to respond to wider partners as well as providing opportunities to research and pilot future activities.

It is proposed that this programme has a budget of £40,000 per annum and is managed within an events cash limit by the internal Culture Board, which is chaired by Terry Collins, Corporate Director of Neighbourhood Services.

- c. Signature Festivals and Events: The County will, from time to time, be afforded the opportunity to participate or stage events of a scale that are unachievable from on-going revenue resources. It may be necessary on such occasions to seek corporate funding from outside the cash limits should the Council be minded to support/provide the event. Examples of such events include Lumiere, Lindisfarne Gospels and the Olympic Torch Relay.

It is likely that signature events will be large scale with high costs and will therefore need to demonstrate the significant beneficial impact they would have for County Durham. It is important to recognise that events of this nature would require corporate support.

A range of festivals and events which could take place in the county over the next four to five years and for which requests for resources may be required are detailed in appendix 4.

21. All festivals and events will need to demonstrate they fit the relevant event criteria.

### **Other Considerations**

22. Management and Governance: Following the merger of Sport and Leisure and Culture, Heritage and Libraries into a combined Culture and Sport service, the strategic development and delivery of events is now carried out by a single service.

23. A Festivals and Events Project Team has been developed to provide an overview of all activities. The structure of this team is set-out in appendix 5 and shows how the technical and delivery; content and programme and strategic development of the programme is managed. The Festivals and Events Project Team reports directly into the Culture Board which has representation at Director and Head of Service level from both Neighbourhood Services and Regeneration and Economic Development together with Visit County Durham.

24. Marketing and Promotion: Any events and festivals programme needs to be promoted to external audiences in a consistent, coherent and compelling way. This requires a single agreed approach and clear brand recognition.

25. It is proposed that the marketing and communications representatives from VCD and the Council's corporate communications team form part of the Festivals and Events Project Team structure and work collectively to develop plans with Culture and Sport to support the programme. Within the Council there are a range of specialist skills in areas such as destination marketing, and it is vital that they are utilised to best effect and play a major role in determining the approach both to individual events and as a collective programme. Consideration will also need to be given to the resource implications in supporting this work.

26. Evaluation: In order to understand the value of each event or festival there needs to be a robust and consistent evaluation framework. There are no common performance measures (social and economic) and currently each event commissions its own evaluation making it harder to compare the value of supporting individual events.
27. It is proposed that evaluation of events is centralised and an evaluation model developed via a single provider. This would allow for a range of indicators, social, economic, health etc that could be consistently applied to all events against pre-agreed outcome profiles. In order to achieve this, individual events would be top-sliced proportionately and the evaluation resource moved to a central pool in order to facilitate a single contractor appointment.
28. The development of such an evaluation tool would certainly be challenging given its breadth and the need to meet both the Council's and potentially external organisations requirements.
29. Annual Review: In order to ensure the Council maintains an overview of its Festival and Events Programme across it is proposed that an annual review is carried out. Given the nature of this programme and the need to plan in advance, consideration would need to be given up to five years in advance.
30. It is envisaged that an initial review will take place in time to agree a refreshed programme for 2015/16.

### **Financial Implications**

31. There are no direct financial implications from this report. The proposed budgets are to be achieved through the re-profiling of existing Culture and Sport resources.
32. The proposed approach to funding Signature festivals and events from outside the Culture and Sport budget will result in future requests to service grouping cash limits and corporate resources. These will be made on an individual case basis and will be subject to separate reports.

### **Equality and Diversity**

33. As the programme is developed, each event will have equality as a core objective embedded within the planning and implementation. The programme will be made up of many events, some of which will be attractive to specialist audiences i.e. cycling and some attracting a wider audience such as lumiere will be monitored to ensure that this objective is being achieved overall.

### **Conclusion**

34. The above provides an overview of the current programme of Council events and festivals. It is important to move forward in a strategic way to ensure that resources are allocated to events and festivals that deliver the most impact.
35. Development of the proposed three programming strands against the event criteria will provide a clear framework through which a more cohesive programme can be developed. The provision of the proposed governance arrangements, together with greater co-ordination of market and evaluation work, will also



strengthen capacity to develop and deliver a diverse and vibrant festivals and events programme.

## **Recommendations**

36. It is recommended that:

- i. The proposed budget alignment for the future delivery of Festivals and Events is approved.
- ii. DCC Festivals and Events programme is managed by the Culture Board under a framework of:-
  - a. Annual Programme
  - b. Investment and Development
  - c. Signature Events
- iii. The Festivals and Events Project Team continue to review and develop the programmes for consideration by the Culture Board.
- iv. Individual reports are prepared to bid against funding from outside cash limits for the Signature Programme of festivals and events as appropriate.
- v. An annual review of Festivals and Events is undertaken by the Culture Board to agree the continuation of the Annual Programme, approve the Investment and Development Programme and provide full evaluation feedback on the years activities.
- vi. A single evaluation process and provider for the Festivals and Events programme is established.
- vii. A marketing and promotion plan is established encompassing all Festivals and Events programmes.

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## **Appendix 1: Implications**

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**Finance** - There are no financial implications. Corporate funding may be required to support one off strategic events that meets the Council's priorities and thereby demonstrate value for money.

**Staffing** - There is a potential realignment of staff for which protocols from the Council's change management toolkit would be followed.

**Risk** - Failure to consider these proposals will result in no agreed approach to planning events and festivals, failure to have a clear plan, will reduce funding and opportunity.

**Equality and Diversity/Public Sector Equality Duty** - None

**Accommodation** - None

**Crime and Disorder** - None

**Human Rights** - None

**Consultation** - None

**Procurement** - None

**Disability Issues** - None

**Legal Implications** - None

i.	Bishop Auckland Food Festival April		Annual
ii.	The Cycle Tour Series	Annual	May
iii.	Durham Regatta	Annual	June
iv.	Festival of the North East (FNE)	One-off	June
v.	Take Off Fest	One-off	July
vi.	The Gospels	One-off	July/August
vii.	BRASS	Annual	July
viii.	Miners Gala	Annual	July
ix.	Streets of	Annual	August
x.	The Ashes	One-off	August
xi.	Book Festival	Annual	October
xii.	Etape	Annual	October
xiii.	Lumiere	Bi-Annual	November

## Durham County Council Supported Events

**BRASS** Is a Council lead annual festival designed specifically for the County. Building on Durham's strength in brass-playing, it features international artists, challenging collaborations and contemporary brass playing. An extensive outreach and educational programme that engaged 20,000 school Children across the County.

**Durham Miners Gala** or 'The Big Meeting' as it is known affectionately by locals, is organised by the Durham Miners Association (DMA) with support from the Corporate Events Team. The Gala is the Counties largest event (audience 100,000+) and also one of its longest running events having been held for over 120 years.

**Durham Book Festival** is an annual celebration of the written and spoken word and runs over eleven days in October mainly within the City and is increasingly attracting national attention. The festival is now on an upward trajectory after a three year (12/13 -14/15) funding agreement from the Council and University was put in place. Further growth is planned in 2014.

**Lumiere** is Durham's bi-annual light festival – over four nights in November, Durham City is transformed by a series of light installations, projections and performances .created by regional, national and international artists. Delivered in partnership with Artichoke: 2009, 2011, 2013.

**Bishop Auckland Food Festival** is the counties premier food festival. The event originated from the Town Forum and has passed to DCC once it outgrew the capabilities of the team. C&S now lead on what is a 2 day event and have plans to grow the event into a major food festival over the next 3 years.

**Durham Regatta** is one of the longest running sporting events in the county, dating back to 1834. The Council currently supports the event by providing some welfare facilities and assistance at a cost of £1,000. The event has the potential to grow into a larger festival that would require substantial increases in funding.

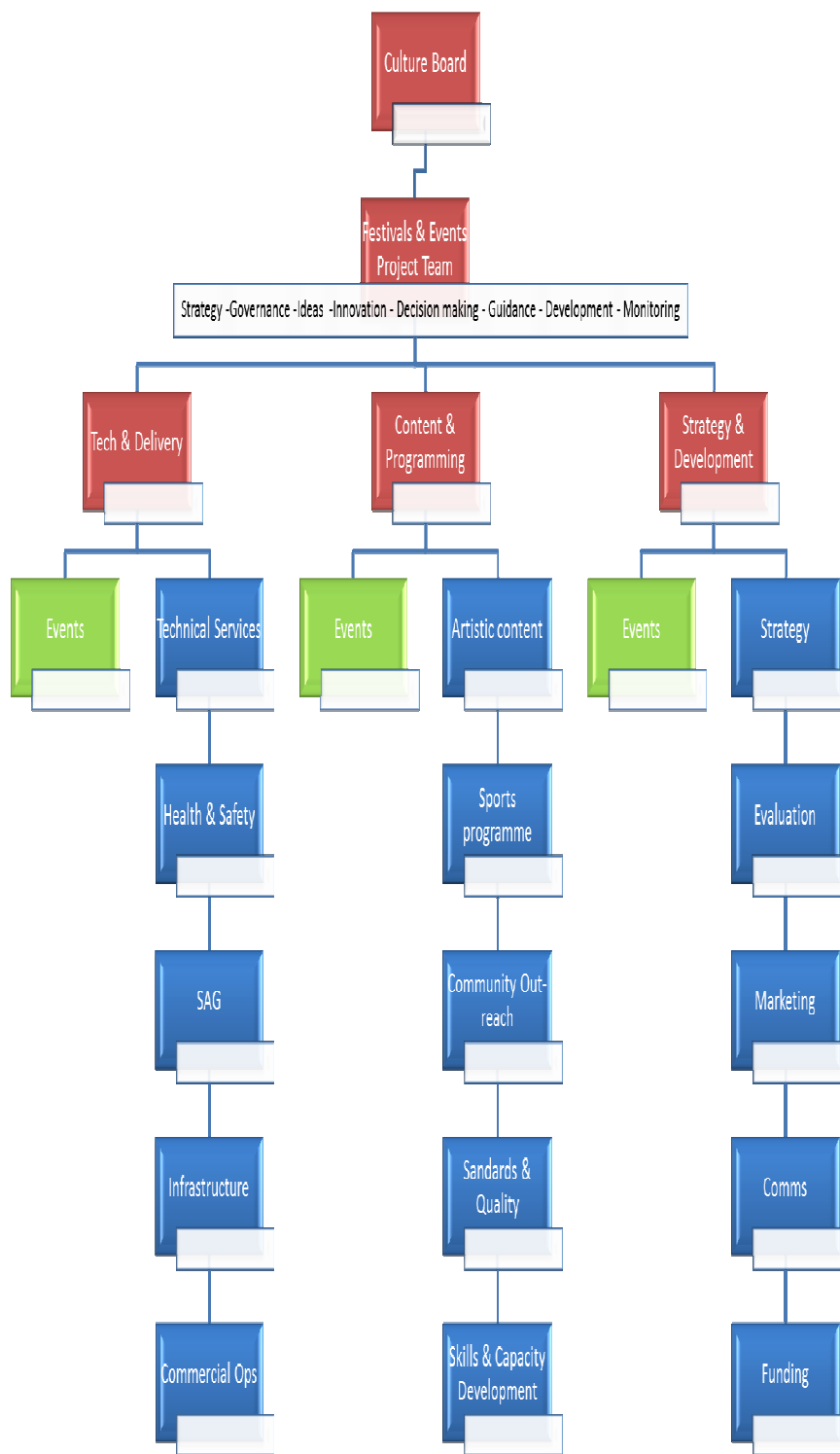
**Streets Of Festival** for one weekend each year, the streets of Durham City are home to a line-up of Street Entertainers, Jugglers, Unicyclists, Acrobats, Clowns, Circus Artists and professional merrymakers. The festival also takes place within indoor venues.

**The Tour Series Cycle Race** is a televised closed circuit cycle race which takes place on the cobbled streets of Durham City. As part of a ten city tour of the UK, the event brings up to ten teams of elite professional cyclists to the region. The event is screened on ITV 4 the following evening and showcases the city as well as the race. Durham has a contract with Sweetspot for 3 races from 2012 -2014.

**Etape Pennines** is a 65 mile closed road cycle event, open to all. It was the first closed road mass participation cycle event in England. Following the success of Etape Caledonia (Perthshire, Scotland) the organiser IMG Challenger World approached DCC to host the Etape North Pennines.

**TAKE OFF Festival** of theatre for children and young people. Takes place in November and includes performances in venues right across the region with its main focus and heart in Durham and the Gala theatre. It attracts theatre companies from across the world to perform for children and families, offering amazing theatrical experiences in a wide range of venues.

Festival & Events Governance



**Cabinet**

**16<sup>th</sup> July 2014**



**Lumiere 2015**

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**Report of Corporate Management Team**

**Terry Collins, Corporate Director Neighbourhood Services**

**Councillor Neil Foster, Portfolio Holder for Economic Regeneration**

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**Purpose of the Report**

1. The purpose of this report is to inform Cabinet of the evaluation of the 2013 Lumiere festival and to consider whether a similar event should be held in 2015.

**Background**

2. The report 'Durham County Council's Festivals and Events Programme Development' also to be considered by Cabinet at its meeting on 16<sup>th</sup> July 2014 sets out a framework for the Council's involvement in festivals and events focusing on three stands of programming which include; an annual programme, investment and development programme and a signature event programme.
3. Signature events are recognised as those which provide the Council with the opportunity to participate in or stage events of a scale that are unachievable from existing revenue budgets and for which it would be necessary to seek funding from outside the Culture and Sport budget envelope. Having considered this approach to resourcing festivals and events, Lumiere is the first 'Signature Event' to be put forward for consideration.

**Lumiere 2013**

4. Following the extremely successful light festivals in 2009 and 2011, Artichoke was again commissioned by the Council to produce and deliver a third festival in 2013.
5. Whilst commissioned by the Council, the festival was supported by over eighty partners and funders, including Arts Council England (ACE), Durham University, Durham Cathedral, East Coast Travel and Carillion. The Council also had a significant role in the delivery of the event. Artichoke was primarily responsible for generating the non-Council income for the festival.
6. The previous festivals had a proven record in encouraging visitors to both Durham City and the wider County. Businesses had also witnessed first-hand the significant financial benefits and there was an overwhelming eagerness to become involved in the 2013 festival.

7. The popularity of Lumiere has grown dramatically since the first festival held in 2009. In 2013 more than 175,000 visitors attended the festival compared to 150,000 in 2011 and 75,000 in 2009. It is now considered to have become an important event in the North East cultural landscape.
8. Growth on this scale brings with it challenges and a public consultation involving residents and local businesses, carried out after the 2011 event identified issues with overcrowding and crowd management that needed to be resolved if the event was to develop and enhance the experiences of all visitors, businesses and residents of the city.
9. These challenges were addressed in the delivery of Lumiere 2013, with significant improvements made in the areas of crowd and traffic management as follows:
  - The introduction of a Steering Group to consider the strategic approach to planning and delivery, consisting of decision makers from the key stakeholders and organisations.
  - The introduction of a Project Delivery Group which was tasked with implementing the strategic decisions made by the Steering Group. Again there were representatives on the group from the key stakeholders and organisations.
  - Artichoke held a facilitated audience session early in the planning process (5<sup>th</sup> December 2012) to gather feedback from a range of stakeholders.
  - The appointment of an experienced crowd management operator who had experience of delivering large and complex events.
  - The introduction of a timed ticket entry system to the peninsula area between 16.30 and 19.30 hours each day of the event to assist with the management of crowds at peak times.
  - The addition of infra-red head counting gantries to manage the capacity on the peninsula.
  - Additional CCTV cameras in key areas to assist with crowd management.
  - Enhanced Park and Ride services and additional temporary car parks.
  - Enhanced stewarding and the use of volunteers to assist with generating a positive visitor experience.
  - Early planning so that detailed delivery plans could be produced working with the Safety Advisory Group and with key partners such as the Police.
  - The extension of the operating hours from 16.30 to 23.00 hours each day of the event.
10. Lumiere 2013 followed the highly successful format of the previous events taking place over four nights in November (Thursday 14<sup>th</sup> – Sunday 17<sup>th</sup>).
11. The 2013 festival consisted of twenty seven light installations and projections across the City, placed in and on a variety of venues. A number of the works were created specifically for the festival in response to Durham's unique environment and heritage. Other existing pieces were reimaged and adapted to work with the City's natural and built landscape. Some of the installations were unique such as 'Elephantastic' on Framwellgate bridge which was one of the visual highlights of the event.



12. In the months prior to the festival, Artichoke also worked with local creative practitioners and artists to deliver a series of projects in various communities across the County as follows:

- *Twist Design workshops and toolkits*: a workshop plan based on the 'stained glass cars'. An arts toolkit was circulated to schools across the County and three workshops took place in Durham City, Stanley and Chester le Street.
- *Keyframes by Group LAPS*: the Durham Arts Team and the Durham Music Service worked with Artichoke and twenty one young musicians aged between 15 and 19 from across the County to create the soundtrack to accompany this installation.
- *The Other Side of the Wall*: a series of workshops in Durham's three prisons and the young offenders institute based around the offenders reflections on the past and hopes for the future. The resulting artwork was installed in the Galilee Chapel in Durham Cathedral as part of the main festival.
- *Litre of Light*: over thirty Durham schools participated in workshops to learn about this inspirational project which is bringing light to homes across the developing world. The children created their own water bottle light bulbs which formed part of the installation in Walkergate during the festival.
- *Consumerist Christmas Trees*: a series of public and school workshops explored the issues of sustainability and recycling, which produced the Christmas tree and garlands made from recycled carrier bags.

13. As part of the 2013 programme, Artichoke also repeated 'Brilliant', an open call-out for artists from the North East. This provides local artists with a vital national and international platform to exhibit their work and opportunities to further develop their skills. Many local artists commissioned through the Brilliant scheme go on to exhibit their work at other festival in the UK and abroad.

14. One new aspect of the event in 2013 was the addition of an international conference that ran alongside the festival. 'Arts Means Business' attracted speakers from around the world and delegates from across the country. The addition of a conference of this standing has strengthened Durham's reputation with the arts sector both nationally and internationally and it would be hoped to repeat this element of the festival as part of any future programme.

## Evaluation

15. As in previous years, the 2013 event was subject to a detailed evaluation. A report has been produced by Public Knowledge Evaluation Consultancy, an independent organisation with a proven track record in the events and festivals sector. The report concluded that Lumiere 2013 had been a considerable success. It particularly highlighted: the significant beneficial economic impact; the substantial value of media coverage and the high profile enjoyed by Durham as a consequence; the high satisfaction amongst

people who had filled in questionnaires; and the considerable return on investment for the Council.

16. The evaluation targeted three specific interest groups:

- Festival goers/visitors
- Local businesses
- Accommodation providers

A mixed methodological approach was utilised incorporating both face-to-face and online interviews. The following summarises the main points of the event evaluation.

17. Economic Impact: The total economic impact of the event is estimated at approximately £5.8million (£4.3 million in 2011). This includes :

- 20,071 hotel bed nights generated
- The value of Public Relations (PR) generated was calculated at £3.16 million (£2,25million in 2011)
- The return on investment for the Council was calculated at 1,358% (983% in 2011).

18. An event of this scale demands a wide supply chain of both supplies and services. Indeed over £500k worth of contracts were placed directly in County Durham. The direct benefits to local suppliers from this are clear. However there are also increased multiplier effects further down the supply chain that will also result from the event's activities.

19. Visitor Satisfaction: In total seven hundred and fourteen individual visitors were surveyed as part of the evaluation through a combination of face-to-face interviews at the festival and online interviews via the Lumiere website. Statistically this constitutes a robust and reliable sample and infers confidence in the results.

20. In the majority, festival-goers were overwhelmingly positive about their general experience, with many using a multitude of positive adjectives to describe it including 'fantastic', 'excellent', 'amazing', 'illuminating' and 'wonderful'. Overall, 81% rated their experience as 'good' or 'very good', 88% rated the atmosphere as 'good' or 'very good' and 80% rated the art installations as good. Enjoyment of and satisfaction with the festival is exemplified by the fact that 95% would like to see it return to Durham in the future and 90% said they were likely to attend the festival if it did return.

21. Survey data suggests that the festival had a very broad appeal. More than half of the UK based sample (51%) were from County Durham, an increase on previous years, with 29% from the wider North East region and 20% from elsewhere in the UK. Overall, 82% of the sample were specifically visiting Durham to attend the festival, a rise of 7% on 2011.

22. The data also suggests that the 2013 festival was successful in attracting large numbers of visitors who rarely (never or less than twice a year) attend city based cultural events or music/arts festival and more visitors from lower

socio-economic grades compared to the 2011 festival. This suggests the festival is increasingly reaching audiences who do not normally engage with the arts, particularly in the North East where arts engagement is typically lower than other areas. This is supported by the fact that the festival continues to reach new audiences and 50% of the sample had not previously attended either the 2009 or the 2011 Lumiere festival.

23. 2013 Financial Considerations: In 2013 the total budget for the event was £1.4 million. Artichoke raised the funds from a wide range of sources including the Council, ACE, trusts, foundations, and the private sector. Essentially the Council's investment in the programme acted as a catalyst which helped to secure ACE funding, and which Artichoke was able to use as leverage to wider resources.

24. The above evaluation suggests the festival represents good value for money in terms of the inward investment opportunity and the press and PR attention that is generated for the city and wider county. This position has also been reiterated by the County Durham Partnership at its May 2014 meeting.

25. The Council's framework for festivals and events sets out a range of criteria against which it suggests events should aspire to contribute. Specifically the framework proposes that festivals and events should:

- Appeal to Durham's target visitor audience.
- Enhance Durham's profile, regionally, nationally and internationally, as a cultural destination worthy of a visit.
- Overtly encourage overnight stays by providing activity over multiple days and evenings.
- Demonstrably aim to increase dwell-time of day visitors.
- Generate a significant Return on Investment and maximise the economic impact for the festival location and wider County.
- Generate visits outside of the main season either by placing the event in the period just before or just after the end of the season, or off season or by generating repeat visits.
- Be able to leverage investment from outside agencies, sponsors and via income
- Be rooted in Durham and/or have the potential to present Durham in an appealing way for visitors, bringing alive the built and natural landscapes and heritage in a manner that will attract new audiences.
- Demonstrate a high standard of artistic/cultural integrity.

26. It is clear from the evaluation of the 2013 event, both from the summarised information above and the full report, that Lumiere makes a significant contribution to all of the proposed criteria and that it was able to deliver a range of outcomes in line with the Council's aspirations and objectives.

### **Lumiere 2015**

27. It would appear that there is a clear public demand for the Council to deliver an equally spectacular event again. If the biannual pattern previously adopted was followed, this would see a further Lumiere event in 2015.

28. It is anticipated that to stage the event in 2015 the cost will be an estimated £1.7million. This will enable the festival to maintain the event's quality, safely manage the expected visitor numbers, continue to raise Durham's profile nationally and internationally, and attract further funding from external sources.
29. The achievement of this budget would require greater resources from all partners due both to the rising costs of the event itself and the increasingly challenging economic environment in which to raise sponsorship and support.
30. In order to achieve the required level of resource, an indicative funding package has been developed that would see a cash contribution of £500k from the Council funded from the remaining Performance Reward Grant earmarked reserve, that would help to lever a further £500k from ACE. It is anticipated that the remaining £700k of funding needed would be raised from wider partners and sponsorship although the Council would also provide £100k of in-kind assistance.
31. Initial discussions with stakeholders suggest this is an achievable budget. The Council has already been in close discussion with ACE in relation to support for the 2015 event and beyond. As a result, Culture and Sport have submitted a 'National Portfolio Organisation' bid to ACE which includes, amongst other things, £375k towards a Lumiere event in 2015.
32. In addition, a 'Grant for Arts' application has been submitted in partnership with the Cathedral, for a further £125k towards a 2015 event. If successful, this will take the total request from ACE for the 2015 event to £500k; essentially matching the Council's contribution.
33. Early wider discussions with a range of partners and potential sponsors have also been very positive and there is every expectation that the remaining funding can be raised. The ability to get commitment from sponsors is more dependent on there being a decision to host the event in 2015.
34. The 'Lumiere' brand is owned and managed by Artichoke, a charitable arts organisation funded by Arts Council England, and in addition to their exclusive rights for "Lumiere" there has been significant learning in the delivery of previous festivals that has resulted in Artichoke possessing a unique set of skills required to deliver this event. It is therefore proposed that Artichoke should be re-commissioned should the event go-ahead under the appropriate procurement arrangements as stated in Appendix 1 of the report.

## **Conclusion**

35. The 2013 Lumiere festival was a significant success, The wider consideration of the evaluation of the festival has re-enforced the view that there is a compelling case for commissioning a further Lumiere festival for 2015.
36. In order to meet the growth in demand and increased expectations of the public and to fully maximise the economic benefit to the County, It is proposed that the Council commissions a 2015 Lumiere event.

## **Recommendations**

37. It is recommended that:

- i. Artichoke are re-commissioned to plan and programme a Lumiere festival for delivery in 2015, in consultation with relevant stakeholders
- ii. The Council provides a cash contribution of £500k from remaining Performance Reward Grant and £100k of in-kind assistance.
- iii. The terms of the contract are delegated to the corporate Director of Neighbourhood services in consultation with the Cabinet Portfolio for Culture.
- iv. Further reports providing an update on progress in relation to the 2015 event will be presented to Cabinet.

## **Background papers**

- Public Knowledge evaluation
- Learning and Participation Programme report

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## Appendix 1: Implications

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**Finance** - The proposed contribution of the Council, as set-out in the report is a cash contribution of £500k from remaining Performance Reward Grant and £100k in kind assistance.

**Staffing** – Staff will need to be identified to assist with this work from the existing complement

**Risk** - There are significant risks with public events which will be controlled through risk management processes and the SAG

**Equality and Diversity / Public Sector Equality Duty** - All of the protected groups are potentially affected and the proposed planning will address their needs and identify and implement mitigations where possible.

**Accommodation** - There are minor temporary accommodation needs associated with running the event.

**Crime and Disorder** - Events attract unlicensed traders and there may need to be extra work undertaken using normal procedures.

**Human Rights** - Not applicable

**Consultation** - None

**Procurement** – It is proposed that in line with Section 14 (1) (iii) of the Public Contract Regulations (2006) that the Negotiated Procedure would be followed if the project goes ahead. The Regulations permit the use of the Negotiated procedure (where the Council would negotiate the terms of the contract with Artichoke) where for technical or artistic reasons, or for reasons connected with the protection of exclusive rights, the public contract may be awarded only to a particular economic operator.

**Disability Issues** - Will be addressed through the Equality and Diversity Impact assessment and the implementation of mitigations to avoid negative impacts wherever possible.

**Legal Implications** - None outside of normal contractual arrangements.

**Cabinet**

**16<sup>th</sup> July 2014**



**Dog Control Order – Seasonal  
Exclusion of Dogs from Seaham Beach**

**Report of Corporate Management Team**

**Terry Collins, Corporate Director Neighbourhoods**

**Councillor Brian Stephens, Portfolio Holder for Neighbourhoods  
and Local Partnerships**

**Purpose of the Report**

1. To consider the making of a Dog Control Order which would prohibit dogs from Seaham Beach for the summer months (1<sup>st</sup> April to 30<sup>th</sup> September). This would be effective from 2015 onwards.

**Background – Dog Control Orders**

2. There are five offences which may be prescribed in a Dog Control Order which were introduced as part of the Clean Neighbourhoods and Environment Act 2005:
  - a. Failing to remove dog faeces
  - b. Not keeping a dog on a lead
  - c. Not putting and keeping a dog on a lead when directed to do by an authorised officer
  - d. Permitting a dog to enter land from which dogs are excluded
  - e. Taking more than a permitted number of dogs onto land
3. In August 2009 the Council introduced its first countywide Dog Control Order for the ‘failure to remove dog faeces’. This harmonised the arrangements which had previously been in place in the former district councils (under the Dogs ‘fouling of land’ Act 1996) and extended the Order to apply to all areas of land that are open to the air and to which the public are entitled or permitted to have access (with or without payment) and this includes Seaham Beach.
4. In implementing Dog Controls, the Council needs to balance the interests of those in charge of dogs against the interests of those affected by their activities, bearing in mind the need for people, in particular children, to have access to dog-free areas and areas where dogs are kept under strict control, whilst respecting the need for those in charge of dogs to have access to areas where they can exercise their dogs without undue restrictions.
5. Before making or amending a Dog Control Order, an authority must consult any other primary or secondary authority within the area in which a Dog Control Order is being made. Authorities must also publish a notice describing the

proposed order in a local newspaper circulating in the same area as the land to which the order would apply and invite representations on the proposal.

6. The legislation sets out regulations for the introduction of any proposed dog control order (Appendix 2) and includes:
  - a. Consultation on the proposals including who that should be with and that they should last at least 28 days.
  - b. Consideration of any feedback that may be received
  - c. If there are no significant amendments then a commencement date and publicity must be planned prior to the start.
7. It is a legal requirement that, where practicable, signs must be placed summarising the order on land to which a new order applies, thereby informing the public that land is subject to an order. Where orders are made that apply only at certain times of the day or year, any signage must also make clear the periods in which the Dog Control Order will apply.
8. An example of the type of signage which would be required is shown in the picture below.



9. It is also recommended that if the proposed ban is implemented, that signage be put up on the parts of the land (if any) of the where dogs are permitted, so that dog owners are clear about which area dogs are permitted on. An example of this type of signage is shown in the picture below.





## **Seaham Beach**

10. Seaham Town Council has requested that we implement a ban of dogs along the stretch of beach at Seaham highlighted on the attached plan (Appendix 3). The proposal would be to ban dogs from this area of the beach from 1<sup>st</sup> April until 30<sup>th</sup> September each year. This ban would not include the promenade or the area of beach to the north of the Seaham Hall car park.
11. Both the County Council and the Town Council are working to regenerate areas of Seaham. The Town Council strongly feels that the beach experience would be improved by keeping it free from dogs running loose and help ensure that has no dog dirt left on it during the summer season. In turn this would help attract and retain visitors to the town and thereby increase the economic viability of the area.
12. Whilst there have only been 8 complaints about dog fouling on Seaham beach/promenade logged on the CRM since December 2009, it is felt that this may be an under-representation of levels of local concern. 4 fixed penalty notices (FPN's) have been issued for dog fouling around the beach area since May 2011.

## **Local Benchmarking**

13. Several nearby coastal authorities, including Northumberland, Sunderland, South Tyneside and Hartlepool Councils already have Dog Control Orders in place, which include banning dogs from certain beaches within their areas between 1<sup>st</sup> May and 30<sup>th</sup> September each year.
14. Feedback from Sunderland city council is that no FPN's have been issued over the last couple of years. The exclusion zones are monitored by both Streetscene staff and RNLI Lifeguards who advise members of the public if they enter the zone with dogs and ask them to vacate the area. Generally this approach works, however the subject of dogs on the beach is a contentious one and complaints have been received from both pro-dog and anti-dog parties regarding the exclusion zones.

## **Considerations**

15. It is important for the authority when considering any aspect of a Dog Control Order to be able to show that this is a necessary and proportionate response to the problems caused by the activities of dogs and those in charge of them.
16. People may still walk their dogs along the remainder of the beach at Seaham, not included within the highlighted area, and would also be able to walk their dogs on the highlighted stretch of beach between 1<sup>st</sup> October and 31<sup>st</sup> March. The requirement to remove any dog fouling would of course remain in force at all times.

17. The Council should also consider how easy a Dog Control Order would be to enforce, since failure to properly enforce could undermine the effect of an order.
18. Enforcement would be carried out by Neighbourhood Wardens with Police Community Support Officers (PCSO's) also now having the power to issue Fixed Penalty Notice's. The penalty in relation to any offence under the above Dog Control Order is a fixed penalty notice of £80.00 with the opportunity to pay a reduced amount of £50.00 if payment is made within 10 days of the notice being issued. If the penalty notice is not paid the offender may be prosecuted at the Magistrates Court.
19. In recognition of the need for the exclusion to be adhered to, the Town Council has indicated that their newly recruited environmental wardens could fulfil an education/ directional role locally through the period any prospective ban would be in place. They would also consider the buying in of Neighbourhood Warden support if this became necessary.
20. It should be noted that the new Anti-Social Behaviour, Crime and Policing Act 2014 comes into effect from October 2014, and effectively replaces provisions of the Clean Neighbourhood and Environment Act 2005 relating to Dog Control Orders. Any existing Dog control Orders will remain in force, however, from the date the new Act comes into effect, new Public Space Protection Orders will be introduced and these can only apply for a maximum period of three years, after which they will have to be reviewed.

### **Wider Issues**

21. Introducing a new dog control order for Seaham beach may prompt other requests across the county such as around children's play parks and cemeteries, or indeed for other beaches to the south. Taken collectively these cover several hundred locations and there are currently not sufficient resources to enforce.
22. Whilst it is felt that there is a strong case for Seaham beach, if further areas for dog exclusion are to be considered, they should be set against a list of criteria, so that priorities can emerge. It would be proposed that this would be set out in a report during 2015 when the legislative requirements of the Anti-Social Behaviour, Crime and Policing Act are better known.

### **Summary**

23. The introduction of a seasonal dog exclusion order at Seaham beach is in keeping with the ambition of encouraging tourism and regeneration. It is also in line with the practice of neighbouring authorities in addition to being at a location where alternative dog walking areas are readily available.
24. There is local support from Seaham Town Council to introduce a seasonal dog ban. They have indicated that their two environmental wardens would provide education and guidance for the beach during the summer months. This will help with the education of the order along with the general compliance of the population.

25. The costs for advertising, consultation and signage relating to the Dog Control Order would be met from existing budgets.

26. The potential for dog exclusions from other sites would be considered as part of the forward plan in 2015 and in the context of the resources available to enforce.

### **Recommendations and reasons**

27. That Cabinet approves consultation on the proposed dog control order for Seaham Beach in line with legal requirements.

28. Subject to the outcome of this consultation, to delegate the confirmation of the order to the Corporate Director of Neighbourhood Services, in conjunction with the Portfolio Holder for Neighbourhoods and Local Partnerships.

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**Contact: Oliver Sherratt, Head of Direct Services 03000 269 258**

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## Appendix 1: Implications

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**Finance:** There will be a requirement to purchase some permanent signage to advertise the ban which will be located at entrance points to the beach. The cost of these will be met from within existing budgets.

**Staffing:** None

**Risk:** None

**Equality and Diversity / Public Sector Equality Duty:** Dog control orders provide exemptions in particular cases for registered blind people, and for deaf people and for other people with disabilities who make use of trained assistance dogs. Anyone with any type of assistance dog is not subject to a Dog Control Order, and anyone other than a registered deaf person (whose disability will not prevent him or her from being aware of and removing dog faeces) is similarly exempt from a Dog Control Orders on the fouling of land. These exemptions are not relevant to the other three offences which can be the subject of Dog Control Orders.

**Accommodation:** None

**Crime and Disorder:** Dog fouling is a concern across the county and the ban will help with the healthier living and promote tourism to Seaham.

**Human Rights:** None

**Consultation:** The consultation process will be undertaken as outlined within the body of the report

**Procurement:** None

**Disability Issues:** See 'Equality and Diversity / Public Sector Equality Duty' above

**Legal Implications:** This report was completed in consultation with the legal service. Regulation 3(4)(a) of the Dog Control Orders (Procedures) Regulations provides the legal requirement that, where practicable, signs must be placed summarising the order on land to which a new order applies, thereby informing the public that land is subject to an order.

## Appendix 2

### Procedure for the implementation of a Dog Control Order

Advertise the proposals and a notice must:

- identify the land to which the order will apply
- summarise the order
- if the order refers to a map, say where the map can be inspected. This must be at an address in the authority's area, be free of charge, and be available at all reasonable hours during the consultation period
- give the address to which, and the date by which, representations must be sent to the authority. The final date for representation must be at least 28 days after the publication of the notice.

At the end of the consultation period the authority must consider any representations that have been made. If it then decides to proceed with the order, it must decide when the order will come into force. This must be at least 14 days from the date on which it was made.

Once an order has been made the authority must, at least 7 days before it comes into force, publish a notice in a local newspaper circulating in the same area as the land to which the order applies stating:

- that the order has been made; and
- where the order may be inspected and copies of it obtained. Where practicable,
- a copy of the notice must also be published on the authority's website.

If, after considering representations on a proposal to make an order an authority decides significantly to amend its proposal, it must start the procedure again, publishing a new notice describing the amended proposal.

### Appendix 3 – Proposed Dog Control Area



**Location : Seaham**

Based on the Ordnance Survey's mapping with kind permission of Her Majesty's Stationery Office.  
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1:9,000

**Cabinet**

**16 July 2014**



**County Durham Youth Justice Plan 2014/16**

**Report of Corporate Management Team**

**Rachael Shimmin, Corporate Director Children & Adults Services**

**Councillor Ossie Johnson, Cabinet Portfolio Holder for Children and Young People's Services**

**Purpose of the Report**

- 1 The purpose of the report is to present County Durham Youth Justice Plan 2014/16 to Cabinet for information. The Youth Justice Plan 2014/16 was approved by County Durham Youth Offending Service (CDYOS) Management Board (19 May 2014) in line with YJB/MoJ requirements. It will go to Council on (23 July 2014) for approval before submission to the Youth Justice Board (end July).

**Background**

- 2 The Crime and Disorder Act 1998 places a statutory responsibility on the local authority to establish a youth offending team – CDYOS in Co. Durham – and ensure that it is adequately resourced to deliver the range of youth justice services outlined in section 38(4) of the Act. Police, National Probation Service (NPS) and Clinical Commissioning Groups (CCGs) are statutorily required to assist in the funding and operation of the YOS. CDYOS is a statutory partnership.
- 3 The Crime and Disorder Act 1998 (s.40) places a duty on every Local Authority, after consultation with the partner agencies, to formulate and implement an annual Youth Justice Plan which sets out:
  - How youth justice services in the area are to be provided and funded, and
  - How the Youth Offending Service will be composed and funded, and what statutory functions the service is to carry out.
- 4 Legal and data requirements placed on the YOS and the Management Board include:
  - Complying with the statutory requirements laid out in s.38 to 40 of the Crime and Disorder Act 1998, and other relevant sections of the Act
  - Complying with National Standards for Youth Justice and reporting requirements for Community Safeguarding and Public Protection Incidents

- Adhering to the relevant Youth Justice Board (YJB) data recording guidance
- 5 As well as reviewing the progress made in youth justice over the previous 12 months, the plan sets out the key priorities and next steps for the partnership, in particular for County Durham Youth Offending Service.

### **Key Achievements 2013/14**

- 6 Key achievements include improved performance in two of the three national outcome measures (First Time Entrants and Re-offending); maintained good performance in the third (Use of Custody):
- First Time Entrants (FTEs) to the youth justice system: 210, our lowest ever; 16.3% reduction compared to 2012/13 (251 FTEs). 81.4% reduction in FTEs since 2007/08 (1129 FTEs).
  - Re-offending: 13.1% reduction in the binary rate; 16.5% reduction in the frequency rate (MoJ data, March 2014)
  - Custodial sentences: 25 custodial sentences (same as 2012/13)
  - 47.7% reduction in the number of offences committed by young people (2010/11 – 2013/14)
  - 50.5% reduction in the number of young people offending (2010/11 – 2013/14)

### **Youth Justice Plan 2014/16**

- 7 The key priorities in the plan are:
- To reduce first time entrants to the youth justice system
  - To reduce re-offending
  - To reduce the use of custody (both remands and sentences)
- 8 To achieve these, a range of actions are being implemented. Examples include:
- Improving how CDYOS communicates with young people and the interventions the service completes with them
  - Putting victims, including young victims, and restorative justice at the heart of everything CDYOS does
  - Targeting resources on those young people committing the most offences
  - Ensuring robust quality assurance and staff management processes are in place and a skilled management team to manage those processes
  - Ensuring CDYOS listens and responds to what young people and their families say
  - Ensuring volunteering, by both adults and young people, is a key component of the work undertaken with young people and victims



- Ensuring case management systems and admin support provides highest quality support to staff and managers

9 The Youth Justice Plan 2014/16 also sets out the resource plan for the service, including staffing and finance. Council will note that the Youth Justice Plan is resourced through partnership activity and finance and that several of these funding streams have transferred to the Police and Crime Commissioner. CDYOS has worked closely with the Safe Durham Partnership and PCC in agreeing priorities for 2014/16.

**Recommendations and reasons**

10 Cabinet are recommended to:

- (a) Note the Youth Justice Plan 2014/16

**Background papers:**

County Durham Youth Offending Service Youth Justice Plan 2014/16.

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**Contact: Gill Eshelby, Strategic Manager, County Durham Youth Offending Service Tel: 03000 265 989**

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## **Appendix 1: Implications**

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**Finance** - The plan contains information on the resourcing of CDYOS. A costed Good Practice Development Plan must be submitted to the YJB by 30 June 2014 (Terms and Conditions of Youth Justice Good Practice Grant 2014-2015). This (the Service Improvement Plan) can be found in Appendix 3 of the Youth Justice Plan (attached).

**Staffing** - The plan contains information on staffing in CDYOS

**Risk** - The resourcing of CDYOS is dependent on a range of funding streams,

**Equality and Diversity/ Public Sector Equality Duty** – Have been considered in the development of the Youth Justice Plan and key priorities for 2014/15

**Accommodation** – None. CDYOS has reduced office bases as part of strategy to achieve 2014/15 MTFP savings. Staff are working flexibly, supported by ICT and Juniper licences.

**Crime and Disorder** - The statutory duty of the youth justice system is to prevent crime and disorder by young people (Crime and Disorder Act 1998, S37 (1)).

**Human Rights** – Have been considered

**Consultation** – Management Board members have been consulted

**Procurement** - None

**Disability Issues** – Have been considered and addressed

**Legal Implications** – The delivery of statutory youth justice functions.

**Durham**  
County Council



County Durham Youth Offending Service  
**Youth Justice Plan**

2014 / 2016



## Foreword from the Chair

It is my pleasure to present the County Durham Youth Offending Service Youth Justice Plan for 2014/16. This statutory plan reviews the work of the service over the last year and sets out priorities for the next period.

County Durham Youth Offending Service continues to achieve some remarkable outcomes. For several years, the number of young people entering the criminal justice system has reduced as a result of effective joint work between the service and the Police. This trend continues. We know that for most young people, this will be their only involvement with youth justice, and that they will not be in trouble again.

The number of young people committing offences has halved over the last four years, as has the number of offences committed. Most of those offences had a victim, so that means there are many fewer victims too. That's great news for our community as a whole.

Many other achievements are set out in the plan, including the success of Restorative Justice, community reparation and a reduction in the use of custody.

CDYOS' innovation has been acknowledged nationally, with a string of national award successes.

These achievements would not be possible without the full and active engagement of a range of partners, committed to working together to meet the needs of challenged and challenging young people. I would like to thank the partners who make up the Youth Offending Service for their continued commitment of time, expertise and resources.

I would also like to thank the staff of the service, under the leadership of Gill Eshelby and Dave Summers. Their unceasing commitment to realising the best possible quality and outcomes is shown in this performance.

All public services are facing challenges from reduced funding, and CDYOS is no different. However, the service has set out realistic priorities for the future, building on the firm foundations built over recent years.

This plan gives the full flavour of what has been achieved and what the next steps are.

I am confident that by continuing to work together, we can continue to achieve great things.



**Carole Payne**  
**Chair of CDYOS Management Board**

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## Executive Summary

The Youth Justice Plan 2014/16 highlights work done to date, and key achievements and outcomes for 2013/14. It outlines key priorities, budget, staffing, service developments and the service improvement plan for 2014/15. A light touch refresh for 2015/16 will be produced in due course.

### National Outcome Measures 2013/14

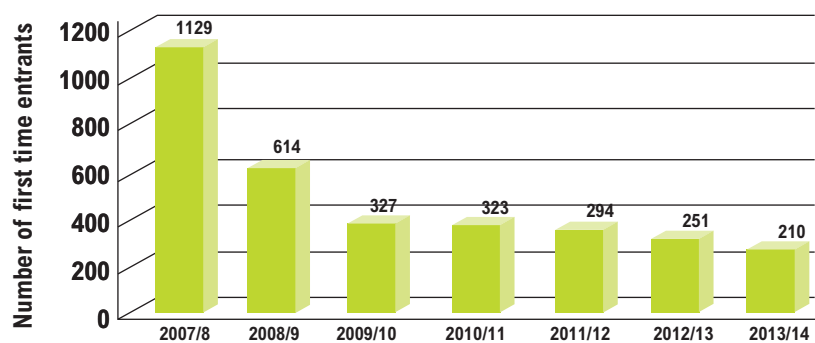
- **First time Entrants (FTEs) to the Youth Justice System: 210**, our lowest ever, and a 16.3% reduction compared to 2012/13 (251 FTEs). Well below the locally agreed target (less than 340). 81.4% reduction in FTEs 2007/08 – 2013/14. (Source: CDYOS case management system, April 2014)

- **Re-offending** latest Ministry of Justice (MoJ) data (March 2014) shows **13.1% reduction** in the **binary rate** and **15.6% reduction** in the **frequency rate** (April 11 – March 12) compared to the same period the previous year. This includes all offences. (Source: Police National Computer (PNC) data; MoJ, March 2014).
- **Use of custody:**  
**Custodial Sentences: 25** custodial sentences, the same as 2012/13. (Source: CDYOS case management system, April 2014)  
**Remand Bed Nights:** we have reduced the number of YOI bed nights. Remands are used only when necessary.

### First Time Entrants 2007/08 to 2013/14

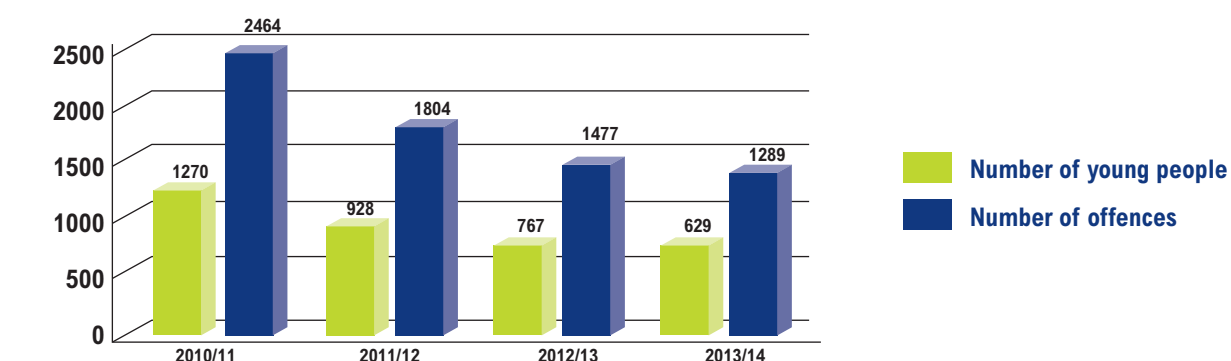
As a result of our fully integrated pre court/out of court system which provides assessment and intervention at a young person’s first point of contact with the youth justice system (first offence), we have reduced first time entrants (FTEs) and re-offending.

Between 2007/08 and 2013/14 we have achieved **81.4% reduction** in first time entrants, from 1,129 in 2007/08 to 210 in 2013/14.



### Number of young people offending and offences committed 2010/11 to 2013/14

We have achieved a **47.7% reduction** in the number of offences committed and a **50.5% reduction** in the number of young people offending (2010/11 – 2013/14). This includes all offences committed by young people aged 10-17 years, resulting in a Pre Reprimand Disposal (PRD) – a Pre Caution Disposal (PCD) since April 2013 - pre court/out of court decision or court conviction.



### **In 2013/14 we: Miscellaneous**

- achieved a 53.3% reduction in the number of alcohol related offences committed (from 655 offences in 2010/11 to 306 in 2013/14) and a 39.4% reduction in the number of young people committing them (from 302 in 2010/11 to 183 in 2013/14)
- improved the quality and consistency of our work with victims, including increasing victim involvement in our work with young people
- expanded restorative justice across all orders within existing resources
- ensured our Out of Court Disposals work and Positive Futures programme are integrated into the Police and Crime Commissioner (PCC)'s planning for 2014/15
- trained 90 case managers and volunteers in restorative approaches, including conferencing at level 2 and 3, to improve our work with victims of youth crime
- lead partnership work on the Integrated Restorative Practice Strategy on behalf of the Safe Durham Partnership
- implemented our service restructure (1 February 2014), introducing new ways of working, and building resilience in the context of reducing resources
- won The Youth Justice Award, Children and Young People Now Awards 2013 with our Intensive Employability Programme. This is the third time in four years that we have won this national award
- achieved excellent outcomes with our successful Summer Arts College, a partnership between CDYOS, Positive Futures, and The Living Well Trust. Seven young people achieved Bronze Arts Awards; the programme won 3 of the 8 national awards; and one young person won the 'Achiever of the Year' award
- reshaped Positive Futures to focus on a specific cohort of young people/offences
- raised almost £1,000 for the Royal British Legion from 'bling poppies' produced as part of young people's court ordered reparation
- were chosen as one of only 31 YOTs nationally to work with the British Dyslexia Association on a 2 year project to become dyslexia friendly
- secured funding from the North Durham Clinical Commissioning Group (NDCCG) to enable the

secondment of a Speech and Language Therapist to CDYOS (from March 2014) to

- improve how we work with young people with speech, language and communication needs
- embedded Prince's Trust accreditation in core work
- improved the quality of exit strategies/pathways for young people after statutory supervision
- identified and embedded best practice across the whole service

### **Reducing First Time Entrants (FTEs)**

- achieved our best ever FTE figures (210 young people)
- introduced robust risk and vulnerability processes to pre court practice
- included FTEs/pre court in the Positive Futures Outcomes Plan
- further integrated out of court and post court delivery, especially in respect of high risk young people
- ensured a holistic model of assessment, planning intervention and supervision (APIS) for pre court /out of court delivery
- embedded the Think Family approach to all pre court/out of court work
- introduced a pre court case closure checklist to ensure continued quality

### **Reducing Re-offending**

- implemented our Reducing Re-offending by Young People Strategy to further reduce re-offending
- implemented our Reducing Re-offending by Looked After Children (LAC) Strategy in partnership with Children's Services (former children's social care) and Durham Constabulary
- reduced re-offending by 13.1% (binary rate) and 15.6% (frequency rate). (Source: PNC data; MoJ, March 2014)
- implemented Re-engagement Panels prior to breach
- exceeded our targets for our Intensive Employability Programme for progression into employment/training
- ensured the Prince's Trust is a core part of CDYOS intervention programmes
- implemented improved processes for exit planning after statutory supervision

- sourced 2 larger reparation units to enhance service delivery and allocated over 5,000 hours of court ordered reparation
- expanded the use of restorative justice across all orders
- implemented our Enhanced Transitions Pilot for vulnerable 18-20 year olds, in partnership with Durham Tees Valley Probation Trust
- ensured a proactive approach in court to supporting Pre Sentence Reports (PSR) proposals
- further improved links with Crown Court sentencers
- implemented Team Manager reviews of all cases, which include young people and their parents/carers, to ensure their feedback improves service design and delivery
- embedded the Think Family approach to all post court work
- maximised the flexibilities inherent in new National Standards for Youth Justice to improve service delivery
- provided training for all staff on Case Recording
- developed discrete Vulnerability Policy and Procedures

### **Reducing Use of Custody**

- implemented Custody Panels to review all custodial sentences
- improved the quality of work with Detention and Training Orders (DTOs), including resettlement after custody
- reviewed and improved our Bail Supervision and Support Programme
- reviewed and improved our Intensive Supervision and Surveillance (ISS) programme
- strengthened our links with Integrated Offender Management (IOM) partners
- implemented our Reducing Remand Bed Nights Strategy
- monitored remand bed nights and associated costs robustly
- developed and implemented a protocol with Children's Services (former children's social care) regarding Remands to Youth Detention Accommodation

### **We are particularly proud, in 2013/14, of:**

- improving performance in two of the three national outcome measures (First Time Entrants and Re-offending) and maintaining the previous year's good performance in the third (Use of Custody)
- reducing re-offending by 13.1% (binary rate) and 15.6% (frequency rate). (Source: PNC data; MoJ, March 2014). This improvement is better than the North East and England performance
- implementing our Reducing Re-offending by Young People Strategy to further reduce re-offending
- achieving our lowest ever number of first time entrants (FTEs): 210. A 16.3% reduction compared to 2012/13 (251 FTEs) and a 81.4% reduction since 2007/08 (1129 FTEs)
- having only 25 custodial sentences (same as 2012/13)
- increasing victim participation in our work with young people: 62.4% in 2013/14 compared to 51.8% in 2012/13
- embedding new roles for volunteers in service delivery and having 70 trained active volunteers
- winning The Youth Justice Award, Children and Young People Now Awards 2013 with our Intensive Employability Programme - the third time in four years that the service has won this national award. (The PRD won in 2010; Fully Integrated Pre Court System won in 2012)
- our partnership with Children's Speech and Language Therapy Services, County Durham and Darlington Foundation Trust, and the North Durham Clinical Commissioning Group (NDCCG) to enable the secondment (from March 14) of a Speech and Language Therapist to CDYOS to improve how we work with young people with speech, language and communication needs
- becoming one of only 31 YOTs nationally chosen to work with the British Dyslexia Association to become a dyslexia friendly organisation



- our partnership with The Royal British Legion to produce 'bling poppies' which raised almost £1,000 from young people's court ordered reparation. The partnership has been extended for 2014/15 to include other work e.g. First World War gravestones
- showcasing our restorative justice work at the Safe Durham Partnership's Restorative Practice Conference (January 2014)
- implementing our restructure (February 2014), including new ways of working
- securing additional funding from the Police and Crime Commissioner (PCC) to expand our speech, language and communication project to include improving how we work with young victims of youth crime
- our staff and volunteers' hard work and continued commitment to reduce first time entrants, re-offending and the use of custody; their work to improve outcomes for young people, families, victims and communities; and their willingness to adapt to new challenges

#### In 2014/15 we will:

- Reduce First Time Entrants to the Youth Justice System
- Reduce re-offending by young people
- Reduce the use of custody for both sentenced and remanded young people

By:

- Improving how we communicate with young people and the interventions we complete with them
- Putting victims, including young victims, and restorative justice at the heart of everything we do
- Targeting our resources on those young people committing the most offences
- Ensuring we have robust quality assurance and staff management processes in place and a skilled management team to manage those processes
- Ensuring we listen and respond to what young people and their families are telling us
- Ensuring volunteering, by both adults and young people, is a key component of the work we undertake with young people and victims
- Ensuring that case management systems and administration support provides the highest quality support to staff and managers in the delivery of services to courts, communities and young people

See Appendix 3 (Service Improvement Plan) for more detail.

## Introduction

Youth Offending Teams (YOTs) are statutory partnerships, established under the Crime and Disorder Act 1998, with the principal aim of preventing offending by children and young people. Local Authorities are responsible for establishing a Youth Offending Team within their area. Police, Probation and Clinical Commissioning Groups (CCGs) are statutorily required to assist in their funding and operation.

It is the duty of each local authority, after consultation with the partner agencies, to formulate and implement a statutory annual youth justice plan setting out:

- How youth justice services in their area are to be provided and funded;

- How the Youth Offending Service (YOS) will be composed and funded, how it will operate, and what functions it will carry out.

Legal and data requirements placed on the YOS and the Management Board include:

- Complying with the statutory requirements laid out in s.38 to 40 of the Crime and Disorder Act 1998, and other relevant sections of the Act
- Complying with National Standards for Youth Justice and reporting requirements for Community Safeguarding and Public Protection incidents
- Adhering to the relevant Youth Justice Board (YJB) data recording guidance

## County Durham Youth Offending Service (CDYOS)

County Durham Youth Offending Service (CDYOS), a statutory multi-agency partnership, is part of Children's Services within Children and Adults Services, Durham County Council. Active links are maintained at both strategic and operational level to the Criminal Justice / Community Safety arenas. The Service is represented at strategic level in a range of key partnerships (e.g. Children and Families Partnership, Safe Durham Partnership (CSP), Local Safeguarding Children Board, Local Criminal Justice Board, Strategic MAPPA Board, Think Family Partnership etc.) as well as relevant sub groups.

### Strategic Purpose of CDYOS

- To prevent re-offending by children and young people
- To reduce First Time Entrants (FTEs) to the youth justice system
- To be achieved by delivering specialist interventions
- Underpinned by safeguarding and public protection

For 2014/15, CDYOS' primary focus is on the following three outcome areas:

- reducing first time entrants
- reducing re-offending
- reducing the use of custody (both sentenced and remanded)
- and ensuring public protection/safeguarding by providing specialist interventions.

We will embed service improvements; focus on the quality of practice; and work to ensure that our new structure continues to improve outcomes and focus on core business.

See Appendix 3: Service Improvement Plan 2014/15

We are particularly proud of:

- our integrated pre/out of court structures which have resulted in 81.4% reduction in first time entrants (2007/8 – 2013/14)
- reducing re-offending by 13.1% (binary rate) and 15.6% (frequency rate). (Source: PNC data; MoJ, March 2014)
- reducing all offences committed by young people by 47.6% (2010/11 – 2013/14)
- reducing the number of young people offending by 50.5% (2010/11 – 2013/14)
- increasing victim participation in CDYOS' work with young people: 62.4% in 2013/14 compared to 51.8% in 2012/13
- our strong partnership work
- our child centred approach – where safeguarding of young people is a priority alongside preventing re-offending
- our range of professionals in the service who work to their specialist skills
- delivering our work in the communities where young people and families live
- allocating over 5,000 hours of court ordered reparation in 2013/14
- our willingness to change and improve

## Structures and governance

### Outcome:

Integrated strategic planning and working with clear performance oversight to ensure effective delivery of youth justice services.

### Governance – Management Board

CDYOS is accountable to a multi-agency Management Board, chaired by the Head of Children's Services, Children and Adults Services, Durham County Council. The membership and terms of reference of the

Management Board are reviewed annually. Membership is at Chief Officer or appropriate Senior Officer level. The Management Board consists of:

- Children and Adults Services, Durham County Council (DCC) (Chair)

- Durham Constabulary
- National Probation Service
- North East Commissioning Support (NECS) representing the two Clinical Commissioning Groups (CCGs)
- HM Courts and Tribunals Service
- Improving Progression of Young People Team, DCC
- Office of the Police and Crime Commissioner

Membership and governance were reviewed (April 2014) in line with 'Modern Youth Offending Partnerships – Guidance on Effective Youth Offending Team Governance in England' (MoJ/YJB, November 2013). As a result of this review, the Community Rehabilitation Company (CRC) and Public Health will be invited to join the Management Board (June 2014).

The Management Board (via the Chair) reports to the Children and Families Partnership, Safe Durham Partnership and County Durham Partnership. The Council's Safer and Stronger Communities Overview and Scrutiny Committee also monitors performance (e.g. First Time Entrants) within its quarterly performance reports.

The Management Board ensures CDYOS can deliver effective youth justice services and improve outcomes for young people by:

- Providing clear performance oversight and direction
- Receiving regular budget reports
- Ensuring the service is adequately resourced
- Providing clear governance and accountability
- Reviewing the statutory partners' budget contribution to CDYOS
- Ensuring excellent links with the Children and Families Partnership, Safe Durham Partnership, Local Criminal Justice Board (LCJB), Local Safeguarding Children Board (LSCB) and broader partnership arena

This is achieved by providing:

- Strategic oversight and direction
- Support
- Partnership working
- Planning and resources

## Structures

Since October 2013, CDYOS has been part of Children's Services, Children and Adults Services, Durham County Council. The Strategic Manager CDYOS is line managed by the Head of Children's Services (Chair of the Management Board) and is a member of Children's Services Senior Management Team.

Children's Services include:

- One Point (Integrated Children and Family Services)
- CDYOS
- Think Family Services
- Secure Services
- Child Protection and Disability
- Looked After Children and Permanence
- Assessment and Intervention

The new service grouping provides valuable opportunities for joint work and a clear continuum of services which includes early help and prevention as well as specialist youth justice services (CDYOS and Secure Services). The Think Family strategy underpins all our work. The transformation of Children's Services and the creation of the Single Front Door and Single Assessment (April 2014) shows the commitment to early help and prevention in Co. Durham.

Children and Adults Services, including Public Health which became part of the local authority in April 2013, provide opportunities for joint work and innovation – essential in the context of a rapidly changing partnership operating environment and reducing resources.

## Reducing Youth Crime – Integrated Strategic Planning

The primary focus of CDYOS – preventing re-offending by young people, reducing first time entrants to the youth justice system and reducing the use of custody – is fully integrated into the following strategic plans/strategies in County Durham:

- Safe Durham Partnership (SDP) Plan (2014/17)
- County Durham Children, Young People and Families Plan (2014/17)
- Durham County Council Plan (2014/17)

- The Sustainable Community Strategy for County Durham (2014/30)
- Safe Durham Partnership Reducing Re-Offending Strategy (2014/17), including Integrated Offender Management developments
- Safe Durham Partnership Integrated Restorative Practice Strategy (2013) and Action Plan (2014/15)
- Safe Durham Partnership Anti-Social Behaviour Strategy and Action Plan (2014/17)
- Safe Durham Partnership Alcohol Harm Reduction Plan (2012/15)
- Think Family Strategy
- Early Help Strategy
- Durham Police and Crime Plan (2013/17)

The health needs of young people who offend are included in both the Joint Strategic Needs Assessment and Joint Strategic Assessment 2013. This maximises opportunities for joint

work across Children and Adult Services, Health, Community Safety and Criminal Justice and ensures a co-ordinated strategic approach across County Durham.

The service has developed links with the Police and Crime Commissioner and CDYOS partnership priorities are included in the Police and Crime Plan. We have secured some extra funding for 2014/15 from the PCC's Victims Fund to improve how we work with young victims of youth crime, with a special focus on their speech, language and communication needs.

Think Family work in Co. Durham has been improved by the active involvement of the service. Additional funding has been secured for 2014/15 to develop to the role of CDYOS volunteers as family mentors for the Stronger (Troubled) Families programme.

## Resourcing and value for money

### Outcome:

Efficient deployment of resources to deliver effective youth justice services to prevent offending and re-offending.

CDYOS is committed to the following principles:

- maintaining front line delivery and core services to young people and partners as far as possible
- ensuring CDYOS remains in a position to improve practice and outcomes for young people
- ensuring young people are safeguarded and risk is managed
- ensuring Value for Money (VfM).

These underpin all our work re budgetary management. Robust financial management is underpinned by regular budget reports to the Management Board.

### Budget 2014/15

CDYOS budget comprises partnership funding, YJB funding and specific grant funding. The budget allocation is reviewed annually by

CDYOS Management Board and all partners (Police, Probation, Health and Local Authority) agree funding contributions for the following year.

The pooled budget for 2014/15 is £3,785,186. A detailed budget breakdown can be found at Appendix 2.

88% of CDYOS budget (£3,334,096) is spent on staff costs. 93% of this is front line delivery.

CDYOS partnership has implemented a comprehensive youth crime prevention strategy which includes pre/out of court and post court. Our nationally recognised fully integrated pre court/out of court system has evidenced success in reducing first time entrants and re-offending and is an Invest to Save Strategy.

It has resulted in a 47.7% reduction in the number of offences committed by young people aged 10-17 and a 50.5% reduction in the number of young people offending (2010/11 – 2013/14).

### **YJB Grant Funding 2014/15**

The YJB provides 4 grants which are part of CDYOS' pooled budget:

- Good Practice Grant
- Restorative Justice Grant
- Remand Framework for Children
- Youth Rehabilitation Order (YRO) Unpaid Work Order Grant

All four grants are ring-fenced to youth justice services.

**Good Practice Grant: £815,343.** This grant must be used for the development of good practice in the service and underpins the work of our Service Improvement Plan (SIP) 2014/15. The SIP and costed Business Plan for this grant (as required by YJB/MoJ grant conditions) can be found at Appendix 3.

### **Remand Framework for Children: £43,511.**

From April 2013, the full cost of all remand bed nights became the responsibility of the local authority, following implementation of that part of the Legal Aid, Sentencing and Punishment of Offenders (LASPO) Act 2012. The Remand to Youth Detention accommodation (RYDA) presents a new – and major – burden and risk to local authorities.

The grant is part of CDYOS' pooled budget. The 2014/15 grant is a 42% reduction on that received for 2013/14 (£75,297). Actions to mitigate risk of overspend include: Reducing Remand Bed Night Strategy and remand/special court cover for all courts, including weekend and Bank Holidays.

**Restorative Justice Grant: £17,413.** This supports the Restorative Justice Improvement Plan, part of the Service Improvement Plan (Appendix 3). Restorative justice is at the heart of everything we do. A full action plan to expand and improve the work we undertake has been produced and is now being implemented.

### **YRO Unpaid Work Order Grant: £12,604**

**(indicative).** As part of Transforming Rehabilitation, responsibility for the delivery of the YRO unpaid work requirement for 16/17 year olds (if imposed by the courts), transfers from Probation/NOMS to youth offending services from 1 June 2014. This is a new responsibility for youth offending services. This grant is to be used for developing good practice in respect of unpaid work.

### **Budget Savings 2014/15**

CDYOS has to manage within a tough budgetary environment. The Service had a budget reduction of 175k for 2014/15 (excluding reduction in Remand Framework Grant). This equates to 4.5% of the pooled budget. Since 2011/12 CDYOS budget has been reduced by 15% (£653,268).

We managed the budget reductions for 2014/15 by:

- restructuring the service (February 2014)
- reducing from 3 to 2 office bases and implementing new ways of working
- reviewing all staffing in light of service needs and re-profiling some posts to increase resilience/capacity
- formalising working arrangements for service operation 6 days per week (7 when necessary), with dedicated management cover
- holding/deleting a range of vacancies to minimise risk to staff
- reducing support/admin services
- introducing a range of lean admin processes/operating procedures
- reducing all non-staffing expenditure to an absolute minimum
- maximising Durham County Council's support structures
- changing the way we work with local partnerships (e.g. Safe Durham Partnership/ Children and Families Partnership etc.)

It should be noted the budget savings have been achieved while improving performance in two of the three national outcome measures (FTEs and re-offending) and maintaining our good performance in the third (use of custody).



## Staffing and Service Delivery

### Service Delivery

CDYOS works with young people across the whole Youth Justice spectrum (pre/out of court and post court):

- prevention of offending (Safe Durham Partnership ASB Escalation Procedures)
- pre conviction arena (bail and remand management)
- fully integrated pre/out of court system (nationally recognised)
- community sentences
- long term custodial sentences.

CDYOS ensures the delivery of court orders (both in the community and custody) in line with National Standards for Youth Justice, national Case Management Guidance and other statutory requirements. We recruit, train, manage, supervise and deploy volunteers to carry out a range of functions (including the statutory delivery of Referral Orders). We operate a fully staffed court rota for the Youth Court, Remand Court, Crown Court and Special Courts (Saturdays and Bank Holidays). We ensure safeguarding and management of risk, including public protection, in relation to young people in the youth justice system.

CDYOS works with victims of youth crime to ensure meaningful input to work with young people who have offended and has expanded restorative justice across all orders within existing resources.

See Appendix 4 (Statutory Functions) for more detail.

During 2013/14 we worked with 1199 cases (pre/out of court and post court) with 36,858 contacts by CDYOS over the year.

### Staffing

The Service is staffed in line with the requirements of the Crime and Disorder Act (1998), including: Social Workers, Probation Officers, Police Officers, Health staff (Community Nurses), Education Officers plus a range of other staff e.g. Managers, Practice

Improvement Officers, Victim Liaison Officers, Think Family Mentor, Family Support Officer, Intensive Supervision and Surveillance (ISS) Officer, Reparation Officer, Police staff, Admin staff and staff who deliver a range of interventions with young people to reduce re-offending, including ISS, reparation, and pre court/out of court.

The service has 99 staff (89.34fte) and 70 active volunteers in 2014/15, a reduction from 107 staff (93.56fte) in 2013/14.

Some staff are seconded to CDYOS from Durham Constabulary, National Probation Service, County Durham and Darlington Foundation Trust, and the Think Family Team. The vast majority are employed by DCC on behalf of the partnership.

As a result of the increasing complexity of cases managed, CDYOS operates a specialist model of case management, enabling staff to work to their expertise. The primary focus of staff is on their specialist roles. Specialist case managers hold overall responsibility for between 15-18 cases each.

We operate a multi-professional Team around the Child, maximising expertise of professionals in CDYOS, and utilising additional skills from outside the service as required.

The integration of pre and post court staff under single line management at local level (2011); establishment of the countywide admin team (2012); and restructure of the service into two office bases, facilitated by remote working/technology (February 2014) have helped to build capacity and capability, improve outcomes and ensure Value for Money.

'CDYOS ...is now operating out of two offices, providing services using more flexible working arrangements... all staff working flexibly with over 60 using Juniper licences. This will provide efficiencies without significantly impacting on frontline service.' (YJB, March 2014)

## Partnership arrangements

### Outcome:

Effective partnership arrangements are in place between YOS statutory partners and other local partners that have a stake in delivering local youth justice services, and these arrangements generate effective outcomes for children and young people who offend or are at risk of offending.

### Partnership Arrangements

Partnership arrangements in place to deliver effective and efficient youth justice services in County Durham include:

- Partners (Police, Probation and Health) have maintained their specialist staff and financial contributions to the service for 2014/15
- Durham County Council as lead partner
- The Management Board consists of statutory partners plus broader membership (Office of the Durham Police and Crime Commissioner, HMCTS)
- Public Health and the Community Rehabilitation Company will be invited to join the Management Board (June 2014)
- Seniority of Management Board members
- Management Board members are proactive, working both within and outside the Board, to support the work of the service
- Partnership work to support the development of a range of projects and initiatives

### Effective Partnership Work

CDYOS has strong partnership work with an extensive range of partners at both strategic and operational level. Partners include:

- Criminal Justice (Police, Probation, Courts)
- Community Safety (DCC, Health, Fire and Rescue)
- Children and Families Partnership (DCC, Health, Police, VCS)
- LSCB
- MAPPA
- Health (CDDFT, CCGs, NECS, TEWW)
- Transforming Rehabilitation (TR) partners (National Probation Service (NPS), Community Rehabilitation Company (CRC) etc.)
- Think Family

A priority for 2014/15 is to ensure effective partnership work with the NPS and CRC in the context of Transforming Rehabilitation. This work is being progressed via the Safe Durham Partnership.

Strong partnership resourcing in CDYOS is formalised by HR Service Level Agreements with partners in regards to seconded staff (NPS, Police, CCGs, Think Family). HR Service Level Agreements (SLAs) are reviewed annually.

The Service operates a range of protocols with partners (including courts, health, Children and Adolescent Mental Health Service (CAMHS), Children's Services – former children's social care) – which are regularly reviewed.

Partnership information sharing protocols/agreements work very well and ensure holistic assessment, intervention and outcomes for young people who offend. Staff have access to a range of case management systems/databases in CDYOS offices, including:

- All Police intelligence systems inc. PNC, Sleuth, Blue Delta, Red Sigma (Police)
- SystemOne (Health)
- ICS/SSID (Safeguarding/ Children's social care)
- ONE (Education)
- Capita (Education)
- CareWorks (Youth Justice case management system)

Police intelligence systems are available to a group of vetted and suitably trained staff in CDYOS, in addition to Police Officers and Police staff.

The range of case management systems/databases in CDYOS allows staff and secondees to access critical, real-time information regarding the young person/family to support management of risk and vulnerability, and ensure holistic assessment and information sharing to improve outcomes for young people in the youth justice system.

In addition, CareWorks is available in house for:

- Emergency Duty Team (EDT)
- 4Real (young people's substance misuse service)
- One Point (integrated early intervention service for young people 0 -19 and families)
- All magistrates courts in County Durham.

### Key new partnerships

Key new partnerships/joint work during 2013/14 and 2014/15 include:

- The Royal British Legion - reparation work
- Children's Speech and Language Therapy Services, County Durham and Darlington Foundation Trust and the North Durham Clinical Commissioning Group – Speech and Language Therapy pilot/ speech language and communication needs of young people who offend
- British Dyslexia Association – speech language and communication needs
- Safe Durham Partnership – strategic lead for partnership work on Integrated Restorative Practice
- The Prince's Trust – accreditation of core work
- Colleges, training providers, VCS, Improving Progression of Young People Team – Intensive Employability Programme
- Safe Durham Partnership, NPS, CRC, Police, PCC – TR developments
- Office of the PCC – young victims of youth crime

'There is evidence of positive engagement with partners.' (YJB, March 2014)

### Reducing Re-offending

The impact of early intervention via pre/out of court work and robust case management post court is evidenced by:

- 81.4% reduction in first time entrants (FTEs) – from 1129 in 2007/08 to 210 in 2013/14
- reducing re-offending by 13.1% (binary rate) and 15.6% (frequency rate). (Source: PNC data; MoJ, March 2014)
- reducing all offences committed by young people by 47.6% - from 2464 in 2010/11 to 1289 in 2013/14
- reducing the number of young people offending by 50.5% from 1270 in 2010/11 to 629 in 2013/14
- reducing alcohol related offences by 53.3% and the number of young people committing alcohol related offences by 39.4% (2010/11-2013/14)

### National Recognition

National recognition of CDYOS' work includes:

- Winning the Youth Justice Award, Children and Young People Now Awards – three times in four years (2010, 2012, 2013)
- Being awarded Investing in Volunteers (IiV) status (January 2013) – the first Durham County Council service to achieve IiV status
- Being runner up in the Howard League Community Programmes Awards 2010 (Children and Young People category); and being shortlisted in 2012 and 2013
- Being highly commended in the LGC Awards 2011 (Children's Services)
- Being awarded two Butler Trust Commendations: in 2011 (Strategic Manager - for contribution to diverting young people from the criminal justice system) and in 2012 (one of our volunteers for over 10 years' service in CDYOS). CDYOS is the only YOS in the country to have been awarded two commendations from The Butler Trust
- A visit from HRH The Princess Royal, Royal Patron of the Butler Trust (Sept 2011) as follow up to the Strategic Manager's Butler Trust Commendation
- Our fully integrated Out of Court System being included as national best practice in the Out of Court Disposals Guidance (MoJ/YJB, 2013)



## Risks to Future Delivery

Risk	Action to Mitigate Risk
Remands to Youth Detention Accommodation (RYDA) – financial risk to local authority	<ul style="list-style-type: none"> <li>• Reducing Remand Bed Nights Strategy</li> <li>• Robust monitoring systems/management oversight</li> <li>• Fully staffed weekend and Bank Holiday court rota with dedicated management cover</li> <li>• 2 full time Bail Coordinators</li> <li>• Senior Management oversight/leadership</li> <li>• Bail supervision and support programme</li> </ul>
Future budget efficiencies/reduction in partner contributions	<ul style="list-style-type: none"> <li>• Review service restructure (Feb 2014) by March 2015</li> <li>• Review impact of remote working (inc. QA systems /vfm)</li> <li>• Management Board planning to mitigate risk</li> <li>• Explore new ways of working</li> <li>• Further expand role of volunteers</li> </ul>
Maintaining/improving performance and quality service in face of on-going real reductions in budget	<ul style="list-style-type: none"> <li>• Implement SIP 2014/15</li> <li>• CDYOS Quality Assurance systems/processes</li> <li>• Audits</li> <li>• Ongoing self- assessment against HMIP Thematic inspections</li> <li>• Impact of Early Help Strategy</li> <li>• Explore new ways of working/innovation</li> <li>• Continue focus on national outcome measure</li> </ul>
Continue to reduce re-offending in context of very challenging cohort as a result of impact of fully integrated pre court/out of court system	<ul style="list-style-type: none"> <li>• Reducing Re-offending by Young People Strategy</li> <li>• Reducing Offending by Looked After Children Strategy</li> <li>• SDP Integrated Restorative Practice Strategy</li> <li>• Speech, language and communication needs of young people who offend</li> <li>• Further develop interventions/resources</li> </ul>

Robust management and governance will continue to ensure that CDYOS improves outcomes for young people in the youth justice system and reduces re-offending. The Service is well placed to build on the progress and improved performance of the last 7 years.

‘The excellent work of CDYOS and key partners is now translating to significant improvements in re-offending performance. The rate of improvement seen in MoJ data is commendable especially given the national and regional trends. CDYOS continues to demonstrate success... in reducing FTEs which has contributed to a significantly smaller offending cohort, making the performance in re-offending even more remarkable....A significant reduction in remands suggests a determination to use custody only when necessary, and provide appropriate services to support this.

With evidence of robust governance overseeing the work of a well-established and effective leader I would expect this service to continue to progress in 2014.’  
(YJB, March 2014)

## Appendix 1 CDYOS Management Board Membership and Approval of Strategic Plan

Name	Role / Agency	Approval of the Plan
Carole Payne (Chair)	Head of Children's Services, Children and Adults Services, Durham County Council	
Michael Banks	Deputy Chief Constable, Durham Constabulary	
Carina Carey	Local Area Lead – Durham, National Probation Service	
Emma Thomas	Joint Commissioning Manager – Children NHS NECS, (on behalf of ND and DDES CCGs)	
Natalie Robinson	Youth Lead Legal Advisor Co. Durham and Darlington HM Courts and Tribunals Service	
Christine Usher	Planning, Analysis and Provision Manager, Improving Progression of Young People Team, Children and Adults Services, Durham County Council	
Ron Hogg	Durham Police and Crime Commissioner	
Gill Eshelby	Strategic Manager, County Durham Youth Offending Service, Children and Adults Services, Durham County Council	
Dave Summers	Countywide Manager, County Durham Youth Offending Service, Children and Adults Services, Durham County Council	

The plan has also been approved by Nicola Bailey, Chief Operating Officer, ND and DDES CCGs.

## Appendix 2 County Durham Youth Offending Service Budget 2014/15

Agency	Staffing Costs	Payments in Kind	Other Delegated Funds	Total
Local Authority	-	-	1,933,320	1,933,320
Police Service	153,991	72,000	128,000	353,991
National Probation Service	107,919	-	54,058	161,977
Health Service	149,573	-	50,267	199,840
Police Crime Commissioner	-	-	160,872	160,872
YJB - Good Practice Grant	-	-	815,343	815,343
Other Funding (Stronger Families)	-	-	35,000	35,000
<b>Total</b>	<b>411,483</b>	<b>72,000</b>	<b>3,176,860</b>	<b>3,660,343</b>

**CDYOS also has a budget of £126,643 for specific projects as detailed below.**

YJB - Remand Grant	43,511	43,511
YJB – Restorative Justice Grant	17,413	17,413
YJB – YRO Unpaid Work Grant (indicative)	12,604	12,604
Police Crime Commissioner - Victims Fund	22,000	22,000
NDCCG - Speech, Language, Communication	19,747	19,747
Police Community Safety Prevent Funding	8,568	8,568
Miscellaneous/Research	1,000	1,000
<b>Total CDYOS Pooled Budget</b>		<b>3,785,186</b>

## Appendix 3 Service Improvement Plan 2014/15

Priority	YJB Good Practice Grant
<b>1) Improving how we communicate with young people and the interventions we complete with them</b> <ul style="list-style-type: none"> <li>• Improve CDYOS response to the speech, language and communication needs of young people</li> <li>• Integrate further the 'Think Family' approach in post court work</li> <li>• Identify and obtain Intervention Packages and Best Practice toolkits to complement those already in place</li> <li>• Identify and implement CDYOS role in Anti-Social Behaviour developments</li> <li>• Improve the delivery and robustness of the Intensive Support and Supervision requirement</li> <li>• Review and amend the AIM procedures</li> </ul>	<p style="text-align: right;">228,929</p> <p style="text-align: right;">117,861</p> <p style="text-align: right;">18,612</p> <p style="text-align: right;">42,685</p> <p style="text-align: right;">28,461</p> <p style="text-align: right;">14,460</p>
<b>2) Putting victims, including young victims, and Restorative Justice at the heart of everything we do</b> <ul style="list-style-type: none"> <li>• Implement Restorative Justice Improvement Plan</li> </ul>	<p style="text-align: right;">Funded by specific YJB Grant</p>
<b>3) Targeting our resources on those young people committing the most offences</b> <ul style="list-style-type: none"> <li>• Reduce Offending by Looked After Children</li> <li>• Develop a premium service and monitoring process for the Persistent Offender Cohort</li> <li>• Implement the Transfer to Local Authority Accommodation under PACE protocol</li> <li>• Implement Quality Standards for Case Management based on HMIP criteria</li> </ul>	<p style="text-align: right;">18,976</p> <p style="text-align: right;">62,280</p> <p style="text-align: right;">32,426</p> <p style="text-align: right;">34,212</p>
<b>4) Ensuring we have robust quality assurance and staff management processes in place and a skilled management team to manage these processes</b> <ul style="list-style-type: none"> <li>• Develop and implement a specific Management Development Programme for CDYOS managers</li> <li>• Develop and implement a Pre-court Quality assurance process</li> <li>• Develop and implement procedures for the management of remote working</li> </ul>	<p style="text-align: right;">18,322</p> <p style="text-align: right;">31,541</p> <p style="text-align: right;">28,852</p>
<b>5) Ensuring we listen and respond to what young people and their families are telling us</b> <ul style="list-style-type: none"> <li>• Achieve Investing in Children status</li> </ul>	<p style="text-align: right;">43,434</p>
<b>6) Ensuring volunteering, by both adults and young people, is a key component of the work we undertake with young people and victims</b> <ul style="list-style-type: none"> <li>• Extend and embed the volunteers' role in mentoring for young people and families</li> <li>• Develop and embed young people's volunteering opportunities</li> </ul>	<p style="text-align: right;">21,874</p> <p style="text-align: right;">21,874</p>
<b>7) Ensuring that case management systems and administration support provides the highest quality support to staff and managers in the delivery of services to courts, communities and young people</b> <ul style="list-style-type: none"> <li>• Develop and implement Data Retention procedures</li> <li>• Develop use of the case Management System as the primary source of information for case management and quality assurance processes</li> <li>• Develop, implement and monitor performance measures for administration</li> </ul>	<p style="text-align: right;">11,670</p> <p style="text-align: right;">23,277</p> <p style="text-align: right;">15,597</p>
<b>Total</b>	<p style="text-align: right;"><b>815,343</b></p>

## Appendix 4 | CDYOS Statutory Functions

### Statutory functions include:

- Supervision of Court Orders (Community and Custody) in line with National Standards for Youth Justice.
- Provision of Youth Conditional Caution Supervisions.
- Provision of Court staffing (Youth, Crown, Remand Courts, inc Saturdays and Bank holidays)
- Provision of Bail supervision functions.
- Provision of Appropriate Adults for Police interviews.
- Provision of Pre Sentence Reports.
- Provision of Community Volunteers for Referral Panels.
- Recruit, train, manage, supervise and deploy volunteers to carry out statutory functions
- Provision of Referral Panel reports.
- Provision of ' Prevention' services to prevent youth crime.
- Provision of YJMIS data/ management information to YJB/MoJ re youth justice cases.
- Delivery of court ordered reparation to community and victims.
- Provision of a service to victims of youth crime.
- Comply with arrangements for multi –agency public protection (MAPPA).
- Duty to cooperate with MAPPA, LSCB, SDP (CSPs) etc.
- Duty to cooperate re safeguarding and public protection incidents in the community (YJB).
- Duty to comply with National Standards for Youth Justice (accountable to Ministers).
- Statutory duty to provide and support a Management Board.
- Statutory duty to produce and deliver an annual Youth Justice Plan.
- Statutory duty to provide assistance to persons determining whether Youth Cautions or Youth Conditional Cautions should be given.
- Management of children Remanded to Youth Detention Accommodation (RYDA).
- Statutory duty to cooperate with Children's Services to improve wellbeing of children in Co Durham.
- Management of sex offenders (AIM) – young people under 18 years of age.
- Provision of Parenting Orders imposed in the youth court (criminal matters).
- Management of remands to youth detention accommodation (RYDA).
- Provision of ASB escalation supervision.

### Additional functions include:

- Provision of integrated Out of Court delivery.
- Provision of services for Think Family/Stronger Families.
- Manage safeguarding and risk management inherent in all the above tasks.

## Appendix 5 Glossary

Abbreviation	Meaning
<b>APIS</b>	Assessment, Planning, Intervention and Supervision
<b>ASB</b>	Anti-Social Behaviour
<b>CAMHS</b>	Child and Adolescent Mental Health Service
<b>CCG(s)</b>	Clinical Commissioning Group(s)
<b>CDDFT</b>	County Durham and Darlington Foundation Trust
<b>CDYOS</b>	County Durham Youth Offending Service
<b>CRC</b>	Community Rehabilitation Company
<b>CSP</b>	Community Safety Partnership
<b>DCC</b>	Durham County Council
<b>DDES</b>	Durham Dales, Easington and Sedgefield CCG
<b>DTO</b>	Detention and Training Order
<b>FTEs</b>	First Time Entrants (to the Youth Justice System)
<b>HMCTS</b>	Her Majesty's Courts and Tribunals Service
<b>HR</b>	Human Resources
<b>iiv</b>	Investing in Volunteers
<b>IOM</b>	Integrated Offender Management (Adults)
<b>ISS</b>	Intensive Supervision and Surveillance (alternative to custody)
<b>LAC</b>	Looked After Children
<b>LCJB</b>	Local Criminal Justice Board
<b>LSCB</b>	Local Safeguarding Children Board
<b>MAPPA</b>	Multi-Agency Public Protection Arrangements
<b>MoJ</b>	Ministry of Justice
<b>NECS</b>	North East Commissioning Support (Health)
<b>NPS</b>	National Probation Service
<b>PCC</b>	Police and Crime Commissioner
<b>PCD</b>	Pre Caution Disposal (April 2013 onwards)
<b>PNC</b>	Police National Computer
<b>PRD</b>	Pre Reprimand Disposal (May 2008 – March 2013)
<b>PSR</b>	Pre-Sentence Report
<b>QA</b>	Quality Assurance
<b>SDP</b>	Safe Durham Partnership (CSP)
<b>SIP</b>	Service Improvement Plan
<b>TEWV</b>	Tees, Esk, and Wear Valleys NHS Foundation Trust (Mental Health)
<b>TR</b>	Transforming Rehabilitation
<b>VCS</b>	Voluntary and Community Sector
<b>VfM</b>	Value for Money
<b>YJB</b>	Youth Justice Board
<b>YOS</b>	Youth Offending Service
<b>YOT</b>	Youth Offending Team

## Appendix 6 Contact Details

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County Durham Youth Offending Service  
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2014 / 2016

**Cabinet**

**16 July 2014**



**Review of Children's Centres in County Durham**

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**Report of Corporate Management Team**

**Rachael Shimmin, Corporate Director, Children & Adults Services**

**Councillor Ossie Johnson, Cabinet Portfolio Holder for Children & Young People's Services**

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**Purpose of Report**

1. This report sets out the detail of a review of the current service delivery model in view of the new Early Years Strategy and the role/requirement of Children's Centre buildings to deliver improved outcomes.
2. The outcome of the review proposes a new model of service delivery for children and families in the early years and gives consideration to the implications for the existing stock of Children's Centre buildings in the implementation of the new model.
3. The proposals put forward for consultation as a result of this review are intended to improve service delivery while at the same time reducing the cost base of the service. This will be achieved by retaining as many front-line staffing posts as possible, reducing the number and cost of fixed buildings and making more use of community venues to improve access and use of these services.
4. Proposals outlined within this report sets out an approach that will:-
  - Shift emphasis from the provision of buildings to the provision of services;
  - Deliver services closer to where families live;
  - Concentrate resources where deprivation levels and needs are highest;
  - Deliver services that are directly linked to local needs and outcomes;
  - Retain the flexibility to move points of delivery as community needs change;
  - Make better use of existing buildings in the heart of communities such as libraries, leisure centres, youth centres, community centres and schools, and
  - Reduce the financial, managerial, administrative and regulatory burdens faced by the council linked to the current children's centres.

5. This report seeks Cabinet agreement to consult on the proposals contained in the report, namely:
  - The proposed Community Delivery Model
  - A proposed change to the number of children's centres from 43 to 15

## **Background**

6. The Council's current MTFP requires efficiency savings of approximately £224 million from 2011 to 2017. Savings targets for 2011/12 and 2012/13 have been achieved. Savings targets for Children & Adults Services (CAS) are currently £11.212m for 13/14 and £12.4m for 14/15. Further budget reductions are expected for the service from 2015/16 onwards.
7. The current Children's Centre budget is £4,908,264. £1,553,976 is for the provision of Children's Centre buildings which amounts to 32% of the overall Children's Centre budget and £3,354,288 for staffing. The proposals outlined in this report focus on a different delivery model that will ensure that the services which continue to be provided are targeted at those children and families who need them most.
8. The proposals set out in this paper, if approved following consultation, would deliver MTFP 14/15 and 15/16 savings of approximately £1 million from buildings and staffing.
9. It is important to note that Children's Centre spend represents only 40% of Council spend on early intervention and prevention services. These services aim to support families early when additional needs emerge in order to prevent those needs escalating and requiring the involvement of more resource intensive specialist services.
10. In addition to the Children's Centre budget, the Council currently funds £7.3m on preventative services including Family Pathfinder Services, Family Intervention Teams and the Stronger Families programme and also early years support such as qualified teachers, nursery respite provision for children with special needs and child care provision.
11. In 2011 the Children's Services Overview & Scrutiny Committee carried out an extensive review of Children's Centre services across County Durham. This review outlined 9 recommendations which are summarised as follows:-
  - Make sure resources are used to more effectively target those children and families who would benefit most;
  - Develop an engagement strategy to help identify vulnerable families;
  - Improve information sharing;
  - Obtain live birth information from the County Durham Registry Office;

- Ensure all staff receive training in the Common Assessment Framework;
  - Ensure adult learning opportunities are being accessed by those parents most in need;
  - Implement the integrated service (the One Point Service);
  - Ensure services provide value for money;
  - Review the implementation of the above recommendations.
12. Whilst a number of improvements have been made to Children's Centre service delivery, it remains the case that County Durham's children are less ready to start school and fewer achieve a good level of development at the end of the reception year than their peers both regionally and nationally. More detailed evidence to support this is set out in paragraphs 29-37.
13. In March 2014, Cabinet approved the Early Years Strategy which sets out three Key Ambitions for children and families during their early years, and the actions required to achieve them. The key ambitions are:-
- I. **Quality of Care:**  
All children have access to high quality universal health and learning opportunities that are safe;
  - II. **Equity of Outcomes:**  
Children who are not making the required progress or whose outcomes are compromised are identified and additional help is provided to them and their families at the earliest possible opportunity;
  - III. **Working Together:**  
All practitioners involved in the delivery of early years services work together in a coordinated way in the provision of a genuinely joined up, integrated service to children and families.
14. The Early Years Strategy seeks to create a service that:
- Is more accessible, particularly to those who are reluctant to use the service they need;
  - Targets our resources to those who need it most;
  - Improves support to families through access to services which are well coordinated and focus on improving outcomes;
  - Makes sure children are well equipped to engage in learning by the time they reach school age;
  - Makes more flexible use of resources to provide the best possible outcomes for children and value for money;
  - Requires better joint working between agencies and effective information sharing;
  - Makes better use of community resources by delivering an outreach model;

- Makes savings by reducing the number of buildings overall, whilst retaining a sufficient level of front-line staff resource to deliver the services needed by our communities.
15. The Early Years Strategy contributes to the Health & Wellbeing Strategy and Children & Families Partnership shared priority to help children and young people make healthy choices and have the best start in life.
  16. The Strategy agreed in March 2014 acknowledged that a review of the service delivery model would be required to ensure that the following is provided:
    - Support targeted to those who need it most;
    - Accessible services for all;
    - Flexible use of resources;
    - Effective community engagement in early years delivery;
    - Continued development of an expert workforce;
    - Improved outcomes.

## **Review of Early Years' Service Model and Children's Centres**

17. Proposals for the future service model, including configuration of Children's Centres in County Durham, have been developed within the context of national policy and guidance. The proposals contained in this report have also been informed by comparisons with national, regional and statistical neighbours.
18. A new operating framework is being proposed to ensure a more targeted and a more effective approach to family support is established in County Durham. This is designed to provide the best service possible within available resources and to deliver savings predominantly through a reduced estate. This will allow the council to protect, as far as possible, front line staff resource and service provision acknowledging that people not buildings deliver services.
19. The One Point Service<sup>1</sup> currently manages 43 Children's Centres. Each of the 43 Children's Centres covers a defined geographical area and provides a range of services to families within the "reach" area. The "reach" refers to the total number of children under the age of 4 who live within the geographical area covered by the centre.
20. For management purposes the 43 Children's Centres are currently grouped into five geographical areas (Localities) and details of these along with the number of 0-4 year olds served, including those in the top 30% most deprived

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<sup>1</sup> One Point is a 0-19 integrated service delivering to children, young people and families. Working together with staff from the NHS, One Point provides a one-stop shop for support, advice and a range of activities for children, young people and their families.

areas that are within each Locality are set out in **Appendix 2**.

21. In reviewing the current arrangements we have:-
- Reflected on the evolution of Children's Centres in County Durham and changes in policy direction between 1999 to date;
  - Analysed needs relating to deprivation, using the Index of Deprivation 2010<sup>2</sup>;
  - Considered the impact of our Children's Centres in relation to social, economic and learning outcomes;
  - Considered the inspection outcomes for our Children's Centres over the period 2010-13;
  - Considered the views of service users as expressed through user surveys; and
  - Considered the need to make required MTFP efficiency savings.

### **Existing Provision: Background and Policy Context**

22. Sure Start Local Programmes (SSLP) were introduced in 1999. The aims of the programme were to break the intergenerational cycle of poverty, school failure and social exclusion by improving the life chances of children under 4 growing up in disadvantaged neighbourhoods. All programmes were expected to provide family support; outreach and home visiting; good quality play and learning and childcare; health care and advice; and support for families with special needs.
23. Ring fenced funding was available for the programme and between 2000/01 and 2010/11 Durham received funding of c. £100 million via the Sure Start Programme. The ring fenced funding arrangement ceased in 2011/12 at which point the funding was included within the general formula grant allocations.
24. By 2003 Durham County Council had developed 12 Sure Start Local Programmes (SSLP) and 2 mini programmes governed by Local Programme Boards. These programmes were expected to serve the 20% most disadvantaged communities in England as defined by the Index of Multiple Deprivation (2000). 52 of Durham's 152 electoral wards were served by these programmes.
25. The first phase of Children's Centres in 2004, led to 19 Children's Centres being developed from within the SSLP's and a further 11 centres which increased coverage to 63 wards. Full designation of the 30 centres was achieved in 2006.

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<sup>2</sup> The Index of Deprivation has seven distinct domains: Income Deprivation; Employment Deprivation; Health Deprivation and Disability; Education Skills and Training Deprivation; Barriers to Housing and Services; Living Environment Deprivation; Crime.

26. By 2005/06, (in phase two) the target for County Durham was to make Children's Centres available to 17,600 under-fives in the top 30%<sup>3</sup> Super Output Areas (SOA's). This involved the creation of a further 13 centres making a total of 43 centres in County Durham.
27. In phase 3, (2008-10) all under-fives and their families were to have access to Children's Centre services. There was government acknowledgement that these later centres would not need to provide the full core offer of services that applied at the time, but should be sensitive to local needs. No further centres were built in County Durham but the use of existing Children's Centres with further premises identified as 'outreach' bases was expected to broaden access to services.
28. The core offer was revised in 2012 by government and a Core Purpose agreed, which required Children's Centres to be focussed on:-
- Improving outcomes for young children and their families, with a particular focus on the most disadvantaged families, in order to reduce inequalities in:-
    - i. child development and school readiness;
    - ii. parenting aspirations, self-esteem and parenting skills;
    - iii. child and family health and life chances;
  - Assessing need across the local community;
  - Providing access to universal early years services in the local area including high quality and affordable early years education and childcare;
  - Providing targeted evidence based early interventions for families in greatest need, in the context of integrated services;
  - Acting as a hub for the local community, building social capital and cohesion;
  - Sharing expertise with other early years settings to improve quality;
  - Respecting and engaging parents;
  - Working in partnership across professional/agency boundaries.

## **Outcomes for Children during their Early Years**

29. The 43 Children's Centres have become familiar to a number of families in County Durham and many describe how their centre has supported them in their parenting role. Overall feedback from those who use the service has been positive.
30. Outcomes for children are measured using the Early Years Foundation Stage (EYFS) framework. The EYFS is the statutory framework that sets the standards that all Early Years providers must meet to ensure that children

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<sup>3</sup> Super Output Areas are a geography for the collection and publication of small area statistics. SOAs give an improved basis for comparison across the country because the units are more similar in size of population than, for example, electoral wards.



learn and develop well and are kept healthy and safe. It promotes teaching and learning to ensure children are ready for school and gives children the broad range of knowledge and skills that provide the right foundation for good future progress through school and life.

31. There has been improvement in Early Years Foundation Stage (EYFS) outcomes between 2006/07 to 2011/12, but the gap between outcomes for children in County Durham and those achieved nationally has not narrowed, with children in County Durham experiencing poorer outcomes through the EYFS profiling when compared with national and regional benchmarks. See Fig.1 below.

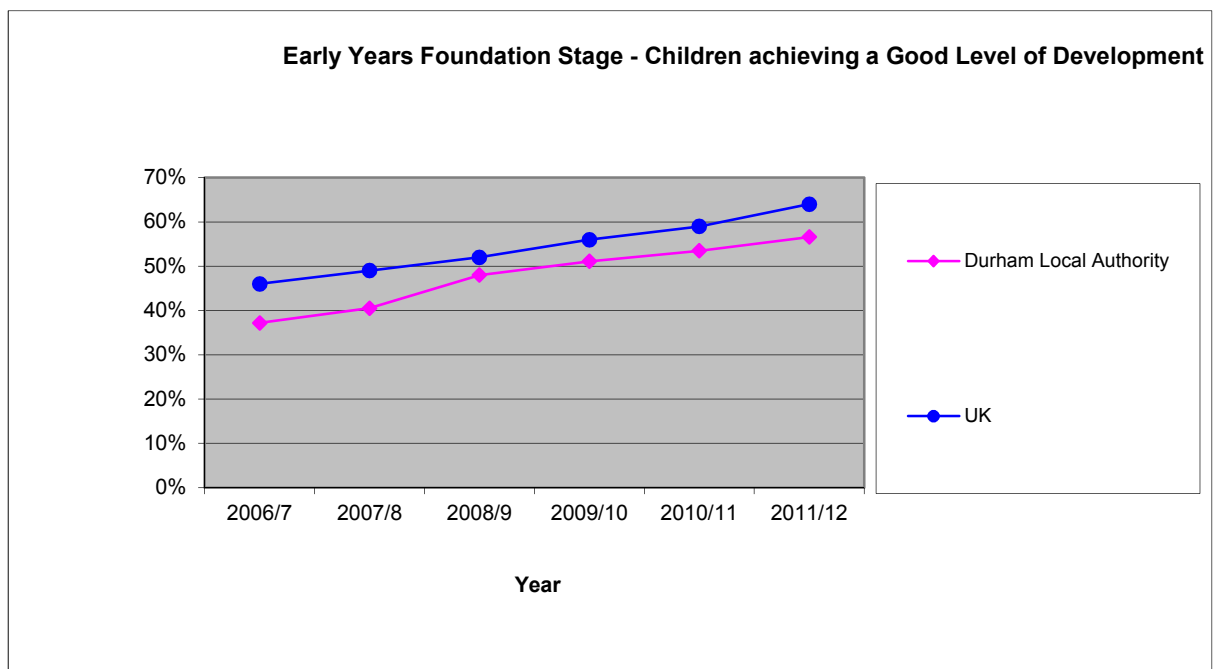


Fig.1

32. In 2013, 52% of children achieved a Good Level of Development (GLD) across England compared with 41.7% of children in Durham over the same period.
33. Children living in the lowest performing 30% areas in England who achieved a GLD was 44% compared to only 36% in Durham. 36% of those eligible for Free School Meals achieved a GLD in England compared to 26% in Durham.
34. In comparison to the IPF<sup>4</sup> group average, County Durham has a significant number of children's centres. (**Appendix 3**). On average our Children's Centres each serve the lowest numbers of children aged 0-4 compared to others. This is not reflected in performance outcomes, which still lag behind and the attainment gap has not narrowed over the last 7 years.

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<sup>4</sup> The Institute of Public Finance (IPF) compare Local Authorities most similar based on deprivation and demography data.

35. The Department of Education (DfE) Section 251<sup>5</sup> statement sets out Durham's current planned spend on Children's Centres per capita. The "per capita" for this area of spend is based on the total 0-17 population, which for County Durham in 2013/14 was 101,258. This calculation provides a comparison with planned spend at regional level and with Durham's statistical neighbours. Durham is ranked fifth of twelve when compared with North East authorities, and third of eleven authorities in our statistical benchmark group. In 2013/14 Durham's planned spend was £74 per capita on Children's centres, the regional average was £65 per capita and Durham's statistical neighbours average was £61 per capita. Based on these per capita levels of planned spend, Durham County Council planned spend in 2013/14 was £0.91million more than the regional average and £1.32 million more than the average planned spend by statistical neighbours.
36. The Annual Report of Early Years Provision (2011/12) by Sir Michael Wilshaw, Her Majesty's Chief Inspector, identified Durham as one of the ten lowest performing Authorities in the Country. The report reviewed inspection outcomes across a range of early years' provision, which included Childminders, Daycare, Nurseries and Children's Centres.
37. Children's Centre Inspection Outcomes from 2010 to date are provided in **Appendix 4**. In summary, as of January 2014, 40% of Centres inspected have achieved a Good judgement, 57% a Satisfactory/Requires Improvement judgement and 2% have been judged "inadequate". Under the new Inspection Framework implemented in April 2013, 'Satisfactory' judgements have been replaced with 'Requires Improvement'. In County Durham, "good" or "outstanding" inspection judgements are fewer than the national average.

## Children's Centre Service

38. In late 2012, in line with the need to make savings and in accordance with proposed changes to the OfSTED Inspection Framework, the 43 Children's Centres were grouped into 16 Clusters. This achieved efficiency savings of approximately £330,000, brought about by a more streamlined management arrangement.
39. County Durham's Children's Centres have not, by and large, differentiated their services to reflect changing requirements nationally and locally. Most centres have delivered a very similar range of services regardless of their location.
40. Most services are offered on a universal basis to all families within their reach and many children and families access services provided regardless of whether they or their children have additional needs. Providing services in

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<sup>5</sup> Section 251 refers to a summary of planned and actual expenditure by Local Authorities on a range of services relating to children and young people and is published annually by the Dept. of Education.

this way across 43 centres is already proving difficult to resource and will be impossible to maintain within the context of the Councils financial position.

41. Contact with the most vulnerable families has historically been limited. In 2009, levels of contact with families in the top 30% Super Output Areas (SOAs) was at 20%. This has increased to 65% during 2013 as a result of recent efforts to target support and services to vulnerable families.
42. Although contact with vulnerable families is now showing improvement, there remains a need to ensure services are made more accessible to those families whose children are vulnerable to poor outcomes, but who are often less likely to attend Children's Centre buildings. Improvements to date have been achieved through outreach strategies and the use of a broader range of buildings through which services are delivered.
43. As an example, the outreach model has been working to good effect in the Chester-le-Street Children's Centre cluster. This cluster utilises 9 community venues for service delivery. The approach has achieved significant success in improving contact, particularly with vulnerable children and families and those living in the top 30% areas, which improved from 37% in October 2012 to 72% in January 2014.

### **Children's Centre Service User Survey**

44. A recent service user satisfaction survey canvassed the views and opinions from current service users on the range of services they have used and how they have accessed provision. 58% (421) of the 732 respondents to the survey, who provided their postcode and lived within County Durham, resided within the 30% most deprived communities.
45. Key headline findings based on comparisons of the most and least deprived communities in County Durham include:
  - 40% of respondents walked to the Children's Centre; this varied from 47% in the top 30% most deprived communities to 33% in the least.
  - Those in the most deprived communities were least likely to drive themselves (40%) compared to those in the least deprived communities (58%).
  - This is reflected in those who have access to a car; which ranged from 69% in the most deprived communities to 85% in the least.
  - Those living in the most deprived communities were significantly less likely to have used (29% compared to 47%), or would use (21% compared to 37%) breastfeeding activities.
  - Over half of those living in the most deprived communities were aged under 30 years old (52%), compared to 42% in the least.

- 54% of those living in the most deprived communities were in employment, compared to 71% of those in the least.
  - Half of all respondents in the most deprived communities (50%) have an annual household income of less than £15,599, compared to 29% in the least deprived communities.
46. This highlights the need to improve accessibility across the County, rather than relying on fixed bases.

## **A New Way of Working – Early Help for Children & Families**

47. Giving children the best start in life is a priority for all partner agencies in County Durham. We know that when children fall behind in their social, emotional and educational development in the early years of their lives, they are often unable to catch up and these gaps persist and widen throughout life. It is essential that the service provides the help and support families need to reduce barriers to learning and development later on. Getting it right early on is the right thing to do for children, for their families and for their communities.
48. There are a number of risk factors linked to parenting capacity which can have an adverse impact on outcomes for children, such as negligent or abusive parenting; poor parental mental and/or physical health; smoking during pregnancy; parent has low or no qualifications; criminality and/or anti-social behaviour.
49. Several pieces of research have been carried out which conclude that targeting funding and resources to reduce inequalities in health, education and social care during these formative early years achieves better outcomes than taking a universal approach to the way services and support is provided (see **Appendix 5** for a summary of this research).
50. The Childcare Act 2006 gives Children's Centres their statutory basis and makes it clear that services should be specifically focussed on meeting the needs of families living in the top 30% most disadvantaged SOA's.
51. The Children's Centre Review supports the need to improve service delivery and implement a more targeted use of resource towards families living in the top 30% most deprived areas and to ensure services provided are accessible and within easy reach of those children and their families. To do so will require a new model of working.
52. It is proposed that a targeted approach for children and families during their early years is implemented in County Durham.
53. It is proposed that all children and families living in County Durham will continue to receive Universal Services to support parent and child development. For example, Midwives deliver a range of routine checks with

parents during the ante-natal stages of pregnancy. This includes the provision of advice on nutrition, smoking, alcohol and breastfeeding and provides Midwives with an opportunity to identify parents who may require additional help and support. A final ante-natal appointment is also carried out jointly between the Midwife and a Health Visitor to ensure a smooth transition to their care after birth.

54. Health Visitors deliver the 'Healthy Child Pathway' which consists of seven developmental checks from the ante-natal period just before birth, up to the child's fifth birthday.
55. Daycare and Nursery Providers from the maintained, private and voluntary sectors (including Childminders) also have regular contact with many children from birth onwards. From the age of 2 years those children who would be eligible for free school meals and/or are 'Looked After' and **all** children from age 3 years can access up to 15 hours of early learning opportunities free of charge.
56. These universal contacts provide regular opportunities for practitioners to identify families who have additional needs and children whose development may not be as expected and who would benefit from additional support. It is at these points, following an assessment of need, when Children's Centre provision would be provided and targeted towards the individual needs identified.
57. Through the delivery of a clearly targeted approach, it will be the role of Family Workers and Local Advisory Boards (LABs)<sup>6</sup> to ensure that those parents and children who need support most engage with the services on offer. The main aim of the Local Advisory Boards is to oversee, advise and make recommendations about the development and running of the Children's Centre and ensure a focus on improving outcomes for all children within the 'reach' of the centre and closing the gap between the outcomes for the most disadvantaged children and others.
58. If this targeted approach is not adopted, limited resources will continue to be stretched to cover all children under 5 in the County (currently 27,461), the majority of whom will achieve good outcomes during their early years without additional support

## **A Community Delivery Model – Taking Services Closer to Families**

59. It is proposed to move away from the practice of families coming into Children's Centres to receive services. Instead, a community delivery model is proposed which will make better use of community buildings.

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<sup>6</sup> Local Advisory Boards (LAB) provide Children's Centres with effective governance, vision, sense of purpose and strategic oversight determining the provision offered through the centres.

60. This model will benefit children and families by ensuring services are more easily accessible, closer to where families live by delivering in multi-use community venues which they may already access, for example schools, libraries, community centres, leisure centres etc. Services will be delivered in a more flexible way to meet the changing needs of communities without the current constraints of having 43 fixed Children's Centre buildings.
61. This creates an opportunity to generate additional income to strengthen and help sustain community venues by utilising existing premises suitable for the delivery of Children's Centre services particularly those managed by community and voluntary organisations, as well as broadening the range of services offered at a local level.
62. An example of some of the additional community delivery venues that have been used for Children's Centre service delivery over the past 12 months are set out at **Appendix 6**.
63. Further analysis and public consultation will identify which other community facilities are suitable for the delivery of services and to achieve best reach for families.

## **Maximising Resources**

64. The proposed model reduces reliance on the current fixed Children's Centre buildings, making use instead of an array of community buildings, many of which are already well used by children and their families. This will enable a rationalisation of current Children's Centre buildings and the provision of services within communities closer to the families who most need them.
65. Using the Index of Deprivation 2010 as a key indicator, this report includes a proposal for determining the locations of a reduced number of Children's Centres. This will ensure that our Children's Centres are located where they are most needed and will draw on a range of community provision to successfully engage families in the top 30% most deprived communities and those in greatest need of additional help.
66. Family Worker staffing resource will be deployed using the same methodology as developed to rationalise the buildings. This will ensure an equitable distribution of staffing resource linked to need.
67. The plans will link with corporate developments on asset transfer and buildings rationalisation across the County.
68. It is important to have a good understanding and knowledge of the local areas served and that best use is made of community resources (buildings and people). This will enable the delivery of effective early years provision which meets local needs. This will be done by strengthening Local Advisory Boards which seek to harness the skills and abilities of local people and empower them to influence service delivery. It is envisaged that this partnership

approach with local community members and early year's providers will deliver effective, high quality services that will make a genuine difference to children and families.

## Legislation and Statutory Guidance

69. The proposals set out in this report are consistent with legislative requirements. The current Children's Centre Statutory Guidance is summarised below:

- **Childcare Act 2006:**

*'A Children's Centre is a place or places through which early childhood services are made available and at which activities for children are provided'*.

The Act makes it clear that services can be provided 'at or through' Children's Centres and that outside of the 30% most disadvantaged SOAs, the level of service provision to be provided will be based on levels of local need and existing provision.

- **Sure Start Statutory Guidance (DfE April 2013)**

*'It is as much about making appropriate and integrated services available, as it is about providing premises in particular geographical areas'*

*'A network of Children's Centres is accessible to all families with young children in the Local Authority area'*

*'Children's Centres and their services are within reasonable reach of all families with young children in urban and rural areas, taking into account distance and availability of transport'*

*'Children's Centre services are targeted at young children and families in the area who are at risk of poor outcomes; and demonstrate that all children and families can be reached effectively'*.

## Proposal – The 43 Children's Centres and the 15 it is proposed to retain

70. The Council's Children's Centres are arranged in five localities (see **Table 1** below) to ensure that all areas of the county have a proportion of Children's Centres consistent with their levels of deprivation. No change is proposed to these arrangements.

71. Within the 5 localities, Children's Centres are grouped into 16 'clusters'. Each of the 16 clusters has a "Main" Children's Centre. The cluster arrangement will be retained for management purposes, with the exception of the Coundon cluster which, having only 423 0-4 year olds, is significantly smaller than any of the others. Work to merge the Coundon Cluster with the Bishop Auckland

cluster is underway which will result in the number of clusters reducing to 15, see **Table 1** below

**Table 1**

Locality	No. 0-4s in top 30% SOAs	Proportion of 15 centres	Number of "Main" centres	Children's Centre Clusters
Consett and Stanley	2478	16.7%	2	Consett
				Stanley
Durham and Chester-le-Street	2547	17.2%	3	Chester-le-Street
				Deerness Valley
				Durham
Peterlee and Seaham	4477	30.2%	5	Easington
				Seaham
				Peterlee East
				Peterlee Central
				Peterlee West
Ferryhill and Newton Aycliffe	2856	19.3%	3	Ferryhill
				Spennymoor
				Newton Aycliffe
Bishop Auckland and Barnard Castle	2449	16.5%	2	Bishop Auckland
				Durham Dales

72. It is proposed to retain one Children's Centre building in each cluster, thereby reducing the number of centres from 43 to 15. These 15 centres, alongside an extensive and flexible network of outreach venues will deliver services across each cluster and provide a base for staff.
73. With the focus on services rather than buildings, it is expected that the proposed community delivery model will improve accessibility for families to Children's Centre services. This has been demonstrated through analysis of travel distances to community venues.

### Identifying the centres to be retained

74. A range of factors have informed the proposals regarding which centres should be retained. Within each cluster, these have been taken into account and the centre that represents the 'best fit' and can offer what is needed for that cluster has been proposed.
- **Population**
    - the proportion of children aged 0-4 in the top 30% SOAs in the cluster who live in the centre's 'reach'<sup>7</sup> area;

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<sup>7</sup> The Children's Centre Reach refers to the total number of children aged 0-4 living in the geographical area that the Children's Centre serves



- The proportion of all children aged 0-4 in the cluster who live in the centre's 'reach' area.
- **Practical issues:**
  - the building's capacity to deliver services;
  - The building's capacity to accommodate those staff who work in the area.
- **Current use of the Children's Centre building:**
  - the centre in the cluster that had the highest proportion (%) of all visits by children and parents to centres in the cluster between April 2011 and September 2013;
  - The centre in the cluster that had the highest proportion (%) of all visits by children and parents from the top 30% SOAs in the cluster area in the same period.
- **Financial issues**
  - the centre in the cluster subject to the highest level of potential clawback from any funder;
  - the centre in the cluster with the highest level of potential clawback from the European Regional Development Fund (ERDF);
  - whether a centre or space within it, may be needed to accommodate an increase in school places to 2017 (which might represent an opportunity to mitigate against the risk of clawback);
  - Whether a centre, or space within it, may be needed to provide additional space for nursery places for vulnerable 2 year olds (as above).
- **The level of economic and social needs of the centre's reach area:**
  - the centre in the cluster with the highest proportion (%) of 2 year olds in the cluster eligible for free nursery provision;
  - the centre in the cluster with the highest proportion (%) of children living in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance;
  - the centre in the cluster with the highest number per 1000 of children 'in need';
  - the centre in the cluster with the highest number per 1000 of children subject to a child protection plan;
  - The centre in the cluster with the highest number per 1000 of children 'looked after'.
- **The level of achievement of young children in the centre's reach area:**
  - the centre in the cluster with the highest proportion (%) of children in the cluster not judged as achieving a 'good level of development' in Early Years Foundation Stage Profile 2013 (EYFSP '13);
  - The centre area where the % point gap between children eligible for free school meals and their peers is widest (EYFSP '13).

75. All Children's Centre buildings are relatively new and condition surveys confirm that none require significant capital investment. **Table 2** below summarises the proposal and shows the centres proposed for retention.

**Table 2**

<b>Locality</b>	<b>Children's Centre (CC) Proposed for Retention</b>	<b>Children's Centre Cluster</b>	<b>Cluster Coverage</b>
Consett and Stanley	<b>Moorside CC</b>	Consett	Leadgate, Benfieldside, Moorside and Consett
	<b>Stanley CC</b>	Stanley	Catchgate, Burnhope, Stanley and Craghead
Durham and Chester Le Street	<b>Bullion Lane CC</b>	Chester-le-Street	Chester-le-Street and Pelton
	<b>Brandon CC</b>	Deerness Valley	Brandon, Ushaw Moor, Framwellgate Moor and Sacriston
	<b>Laurel Avenue CC</b>	Durham	Sherburn Hill, Durham City, Kelloe
Peterlee and Seaham	<b>Easington CC</b>	Easington	Easington, Murton
	<b>Seaham CC</b>	Seaham	Seaham
	<b>Horden CC</b>	Peterlee East	Horden, Blackhall
	<b>Seascape CC</b>	Peterlee Central	Peterlee Centre, Howlatch, Dene House
Ferryhill and Newton Aycliffe	<b>Wheatley Hill CC</b>	Peterlee West	Wheatley Hill, Wingate, Shotton, Haswell, Thornley
	<b>Dean Bank CC</b>	Ferryhill	Ferryhill, Chilton, Fishburn
	<b>Tudhoe Moor CC</b>	Spennymoor	Tudhoe Moor, Middlestone Moor, West Cornforth, Spennymoor
Bishop Auckland and Barnard Castle	<b>Newton Aycliffe CC</b>	Newton Aycliffe	Newton Aycliffe, Shildon
	<b>St Helen Auckland CC</b>	Bishop Auckland	Bishop Auckland, St Helen Auckland, Woodhouse Close, Coundon
	<b>Willington CC</b>	Durham Dales	Wear Valley, Teesdale, Weardale

76. Please refer to **Appendix 7** for the full list of Children's Centres proposed for transfer to interest groups/organisations for the continued benefit of children and families.

77. Paragraphs 78 to 154 summarise:

- The basis on which these 15 centres have been identified using the data described in paragraph 74 above.

- The availability of alternative community venues which will facilitate the community delivery model so that access to Children's Centre services is improved.

## **CONSETT & STANLEY LOCALITY:**

### **1. CONSETT CLUSTER:**

Benfieldside, Leadgate and Moorside Children's Centres.

#### **Proposed retained centre : Moorside Children's Centre.**

78. Moorside Children's Centre serves both the largest proportion of children overall and the largest proportion in the top 30% Super Output Areas (SOAs). The building is large and offers good capacity for service delivery and is equipped to accommodate staff. It is well situated close to social housing.
79. The centre has the lowest proportion of the visits to centres in this cluster both for all children and for the top 30% SOAs. This is not reflective of a low level of need in the area, but rather indicates the need to make more use of outreach strategies to encourage and support the engagement of children and families access the services and support on offer.
80. Both Moorside and Leadgate centres could be subject to clawback in respect of ERDF funding if they were not retained as a Children's Centre. The centre with the highest level of clawback risk is Moorside by a significant margin. All three Children's Centre areas are projected to require an increase in school and nursery places for vulnerable 2 year olds which could be an opportunity to mitigate the risk of clawback should they be used in this capacity.
81. Moorside has the highest % of 0-4s living in households in receipt of Council Tax Credit or Income Support/Job Seekers Allowance and the highest proportion of children 'in need', children subject to a child protection plan and those 'looked after' and the highest proportion in the cluster of children not judged to have achieved a good level of development (EYFS '13).

### **2. STANLEY CLUSTER:**

Burnhope, Catchgate, Craghead and Stanley Children's Centres.

#### **Proposed retained centre: Stanley Children's Centre.**

82. Stanley Children's Centre serves the largest proportion of children in the cluster area by a significant margin.
83. The centre is large and well placed to serve families across the cluster, being located in the town centre. It offers significant capacity for service delivery and is equipped to accommodate staff.
84. The Stanley centre is the busiest of the four, with 65% of all visits by children and parents in the cluster being to this centre.
85. This centre also poses the highest risk of clawback in the cluster should it not be retained as a Children's Centre. All four centre areas are projected as potentially requiring additional nursery places (for 2 year olds). Both

Catchgate and Burnhope Children's Centres are within school buildings and both schools already use some of the space. The Catchgate area has a projected need for additional school places in the future. The Craghead Children's Centre currently houses nursery provision only and other services are delivered from outreach venues including the community centre nearby.

86. The Stanley centre has the highest proportion in the cluster, of children in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance and the highest number per 1000 of children 'in need', subject to a child protection plan and those 'looked after'. Similarly, it has the highest proportion in the cluster of those children not judged as achieving a 'good level of development' in EYFS Profile 2013 and the largest % point gap between children eligible for free school meals and their peers (EYFSP '13).
87. Over the past 12 months across the Consett & Stanley Locality a total of 12 community venues have been used for Children's Centre service delivery on an outreach basis. This is in addition to Schools in the area. **See Appendix 6.**

## **DURHAM & CHESTER-LE-STREET LOCALITY:**

### **3. CHESTER-LE-STREET CLUSTER:**

Bullion Lane Children's Centre and Pelton Children's Centre.

**Proposed retained centre: Bullion Lane Children's Centre (Chester-le-Street).**

88. Bullion Lane serves the largest number of children overall and the largest number in the top 30% SOAs.
89. The building offers significant capacity for service delivery and is equipped to accommodate staff. It is located close to social housing and between two local primary schools.
90. More than half of all visits in this cluster are to the Bullion Lane centre.
91. Bullion Lane was the only centre in this area to have had ERDF funding and retaining this centre will mitigate the risk of clawback. Both of the centres are in areas requiring additional nursery places in the future (2 year olds).
92. The centre has the highest proportion of 2 year olds eligible for free nursery provision, the highest proportion of children in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance and the highest number per 1000 of children 'in need', subject to a child protection plan and those looked after'. Similarly, it has the highest proportion in the cluster of those children not judged as achieving a 'good level of development' and the largest % point gap between children eligible for free school meals and their peers (EYFSP '13).

- 4. DEERNESS VALLEY CLUSTER:**  
Brandon, Sacriston and Ushaw Moor Children's Centres.

**Proposed retained centre: Brandon Children's Centre**

93. Brandon Children's Centre offers the best accommodation for service delivery. It is the best equipped for staff accommodation and is well located, adjoining the primary school within the village. Whilst this centre serves only a quarter of the children in this cluster, it serves a third of those who live in the top 30% SOAs. Additional space was recently secured for service delivery when the nursery moved from the Children's Centre into the school.
94. Brandon is comparable with Ushaw Moor in terms of the proportion of visits taking place across the cluster especially those of families in the top 30% SOAs.
95. There is a risk that not retaining the Ushaw Moor Children's Centre could incur clawback in respect of ERDF funding, though the amount is relatively small. None of the schools linked to these centres are predicted to require additional school places but all three areas are likely to require additional nursery places for 2 year olds.
96. The Brandon Children's Centre area has higher numbers of children per 1000 'in need', subject to a child protection plan and those looked after.

- 5. DURHAM CLUSTER:**  
Kelloe Children's Centre, Laurel Avenue Children's Centre, Sherburn Hill Children's Centre.

**Proposed retained centre: Laurel Avenue Children's Centre**

97. In this cluster, the Laurel Avenue Children's Centre serves the largest proportion of children overall and the largest proportion in the top 30% SOAs.
98. The location of the Laurel Avenue centre is good in that it is attached to the local primary school and community centre and is very close to social housing. The centre offers good space for service delivery and is equipped to accommodate staff.
99. Most of the visits by families in the top 30% SOAs to centres in the cluster are to Laurel Avenue.
100. None of the centres in this cluster would be subject to clawback in respect of ERDF funding.
101. The Laurel Avenue centre serves the largest proportion of 2 year olds eligible for free nursery provision, the highest proportion of children in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance and the highest number per 1000 of children 'in need' and those subject to a child protection plan. Similarly, the highest proportion in the cluster of those

children not judged as achieving a 'good level of development' in EYFS Profile 2013 live in the Laurel Avenue area.

102. Over the past 12 months across the Durham & Chester-le-Street Locality a total of 22 community venues have been used for Children's Centre service delivery on an outreach basis. This is in addition to Schools in the area. **See Appendix 6.**

## **PETERLEE & SEAHAM LOCALITY:**

### **6. EASINGTON CLUSTER:**

Easington Children's Centre and Murton Children's Centre.

#### **Proposed retained centre: Easington Children's Centre**

103. Easington Children's Centre serves the larger proportion in the cluster of children overall and the larger proportion living in the top 30% SOAs.
104. The centre offers the biggest space for service delivery of the two and is equipped to accommodate staff. It is well located in the centre of the village on the site of one of the primary schools.
105. Just over half of the visits by children and families in the top 30% SOAs in this cluster are to the Easington Children's Centre.
106. Neither of the centres are at risk of clawback from ERDF funding. Both centre areas are expected to require additional nursery places for 2 year olds and the Murton area has a projected need for additional school places.
107. The Easington centre area has the larger proportion of 2 year olds eligible for free nursery provision, the highest proportion of children in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance and the highest number of those subject to a child protection plan. The highest proportion of those children in the cluster not judged as achieving a 'good level of development' in EYFS Profile (2013) live in the Easington centre's area and here, the gap between those children eligible for free school meals and their peers in the EYFS profile is widest.

### **7. SEAHAM CLUSTER:**

Seaham Children's Centre

#### **Proposed retained centre: Seaham Children's Centre**

108. There is only one centre, Seaham Children's Centre, in this cluster area which is proposed to be retained.

## **8. PETERLEE EAST CLUSTER**

Blackhall Children's Centre, Horden Children's Centre.

### **Proposed retained centre: Horden Childrens Centre.**

109. Of the two centres in this cluster, Horden serves the larger proportion of children overall and the larger proportion of those living within the top 30% SOAs.
110. The building is the larger and more accessible of the two, with good space for service delivery and accommodation for staff. Over 70% of all visits by children and parents to centres in this cluster area are to the Horden centre.
111. Neither of the centres are at risk of clawback from ERDF funding. Both areas are expected to require additional space for nursery provision for 2 year olds.
112. The Horden centre has the highest proportion of 2 year olds eligible for free nursery provision, the highest proportion of children in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance and the highest number per 1000 of children 'in need' and those subject to a child protection plan. Additionally it has the highest proportion in the cluster of those children not judged as achieving a 'good level of development' in the EYFS Profile 2013.

## **9. PETERLEE CENTRAL CLUSTER:**

Dene House Children's Centre, Howletch Children's Centre and Seascape Children's Centre.

### **Proposed retained centre: Seascape Children's Centre (Peterlee)**

113. Seascape Children's Centre in Peterlee serves the largest proportion of children overall and the largest proportion in the top 30% SOAs.
114. All three centres in this cluster are small in scale and none offer accommodation for staff who are housed elsewhere in the nearby One Point Hub.
115. While the Howletch centre is the busiest of the three, around a third of visits that families make to centres in this cluster are to the Seascape centre.
116. Both the Dene House centre and Seascape could be subject to clawback from ERDF funding with the amount for Seascape being slightly smaller. All three centres are in areas where additional nursery places for 2 year olds are likely to be needed and the Howletch area is projected to require additional school places.
117. The Seascape area has the highest proportion of 2 year olds eligible for free nursery provision, the highest proportion of children in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance and the highest number per 1000 of children 'in need' and those subject to a child protection



plan. It also has the highest proportion in the cluster of those children not judged as achieving a 'good level of development' in EYFS Profile 2013.

**10. PETERLEE WEST CLUSTER:**

Haswell Children's Centre, Shotton Children's Centre, Thornley Children's Centre, Wheatley Hill Children's Centre, Wingate Children's Centre.

**Proposed retained centre: Wheatley Hill Children's Centre**

118. The decision regarding which Centre to propose for retention is difficult within this cluster because of the need to balance accommodation and service delivery requirements with the data relating to levels of need.
119. Wheatley Hill Children's Centre offers the best space for service delivery and is the only centre in the cluster that can provide staff accommodation.
120. Shotton, Thornley and Wingate Children's Centres are limited in terms of the space they can offer for service delivery.
121. Whilst Wingate Children's Centre came out strong on many of the data indicators, it offers only very limited service delivery space. The centre shares space with the nursery school and an independent Family Centre, both of which offer a range of services to families in the area. Outreach will continue to be particularly important in this area to make sure that each of these small but distinct communities can access the services they need.
122. Each of the five Children's Centres that make up this cluster area, serve a small number of children overall, with the largest proportion living within the reach area for the Wingate centre.
123. The busiest centre is Shotton with a little over a quarter of all visits to centres taking place here. The Wingate centre offers so little space for service delivery, it has not been considered as an option to be retained despite being an area where the level of need is great (see section 121).
124. Three of the five centres here could be subject to clawback from ERDF with the largest amount being in respect of Haswell Children's Centre. With the exception of Shotton all five are in areas projected to need additional capacity for nursery provision for 2 year olds and both Shotton and Thornley are predicted to require additional school places.
125. The Wingate area has the highest proportion of 2 year olds eligible for free nursery provision, while the Shotton area has the highest proportion of children in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance. Wingate has the highest number per 1000 of children 'in need' and those subject to a child protection plan while the Haswell area has the higher number per 1000 of those looked after'. Early learning outcomes (EYFS '13) are worst in the Shotton area while the gap between children eligible for free school meals and their peers is widest in Thornley.

126. Over the past 12 months across the Peterlee & Seaham Locality a total of 36 community venues have been used for Children's Centre service delivery on an outreach basis. This is in addition to Schools in the area. **See Appendix 6.**

## **FERRYHILL & NEWTON AYCLIFFE LOCALITY:**

### **11. FERRYHILL CLUSTER:**

Chilton Children's Centre, Dean Bank Children's Centre, Fishburn Children's Centre.

**Proposed retained centre: Dean Bank Children's Centre.**

127. The Dean Bank centre serves the largest proportion of those living in the top 30% SOAs.
128. The Dean Bank centre offers the largest space for service delivery and is equipped to accommodate staff.
129. None of the centres are at risk from the clawback of ERDF funding.
130. Only the Chilton area requires additional space for nursery provision and none of the centres are linked to schools requiring additional places.
131. The Dean Bank area fares worst in six of the seven indicators linked to social and learning needs including having the highest proportion of 2 year olds eligible for free nursery provision, children in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance and children per 1000 'in need', 'in need of protection' and 'looked after'. It also has the largest proportion of children not judged to have reached a good level of development (EYFS '13).

### **12. SPENNYMOOR CLUSTER:**

Middlestone Moor Children's Centre, Tudhoe Moor Children's Centre, West Cornforth Children's Centre.

**Proposed retained centre: Tudhoe Moor Children's Centre**

132. Tudhoe Moor Children's Centre serves the largest proportion of those in the top 30% SOAs in this cluster.
133. None of the centres in this cluster offer accommodation for staff who are based elsewhere. Tudhoe Moor Children's Centre offers the best space for service delivery of the three.
134. Tudhoe Moor is the busiest of the three centres with most visits by families in the cluster being to this centre.

135. None of the centres are at risk from the clawback of ERDF funding. Middlestone Moor is projected to need additional school places and all three centres in this cluster have a projected need for additional nursery places for 2 year olds.
136. A larger proportion of children in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance, children per 1000 'in need' and children not having reached a good level of development (EYFS '13), live in the Tudhoe Moor area. An equivalent number per 1000 children subject to a child protection plan live in the Tudhoe Moor and Middlestone Moor areas.

**13. NEWTON AYCLIFFE CLUSTER:**

Newton Aycliffe Children's Centre, Shildon Children's Centre.

**Proposed retained centre: Newton Aycliffe Children's Centre**

137. The Newton Aycliffe centre serves the largest proportion of children overall and the largest proportion of those in the top 30% SOAs.
138. Both centres are small and neither offers space for staff accommodation. Staff are based in the nearby One Point Hub.
139. Newton Aycliffe is the busier centre by a significant margin with three quarters of all visits by families in the cluster being to this centre. It is located on the site of a primary school and within reach of social housing and the town centre.
140. Neither centre presents a risk from clawback in respect of ERDF funding. Both are predicted to need additional nursery places for 2 year olds and the Shildon centre is on the site of a school projected to need additional school places.
141. The Newton Aycliffe area has the larger proportion of 2 year olds eligible for free nursery provision and children in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance and the larger proportion of children per 1000 subject to a child protection plan. The larger proportion of those not having reached a good level of development (EYFS '13), live in the Newton Aycliffe area.
142. Over the past 12 months across the Ferryhill & Newton Aycliffe Locality a total of 24 community venues have been used for Children's Centre service delivery on an outreach basis. This is in addition to Schools in the area. **See Appendix 6.**

## **BISHOP AUCKLAND & BARNARD CASTLE LOCALITY:**

### **14. BISHOP AUCKLAND CLUSTER:**

Coundon Children's Centre, St Helen Auckland Children's Centre, Woodhouse Close Children's Centre.

#### **Proposed retained centre: St Helen Auckland Children's Centre**

143. In this cluster, the St Helen Auckland centre serves the largest proportion of children overall while the highest proportion of those in the top 30% SOAs, live in the Woodhouse Close Children's Centre area.
144. These two centres are similar in size and both offer good space for service delivery. The One Point Hub for the area is located very close to the Woodhouse Close Children's Centre. St Helen's offers the best accommodation option for staff. The Coundon Children's Centre is the smallest in this cluster and while it is not proposed to be retained as a Children's Centre, being within a multi-purpose building could offer suitable space for use as an outreach venue.
145. All three of the centres here were developed with significant amounts of ERDF funding. All three areas are projected to require additional nursery places for 2 year olds while none need additional school places.
146. The largest proportion of those children in the cluster who do not achieve a good level of development (EYFS '13) live in the St Helen Auckland area.
147. All three of these centres make good use of venues in their areas for the delivery of Children's Centre services, both to extend their immediate reach and to take services to communities in Henknowle, Leeholme and Dene Valley.

### **15. DURHAM DALES CLUSTER:**

Evenwood Children's Centre, Middleton in Teesdale Children's Centre, Weardale (Stanhope) Children's Centre, Willington Children's Centre.

#### **Proposed retained centre: Willington Children's Centre**

148. Of these four centres, Willington serves the largest number of children overall and the largest number in the top 30%ID SOAs by a significant margin.
149. The building at Willington offers the biggest space for service delivery and is equipped to accommodate staff. It is located in the most densely populated area in the cluster, close to the main street, primary school and health centre.
150. Almost two thirds of all visits by families in the top 30% SOAs in this cluster are to the Willington centre.

151. None of the centres in this cluster area have had ERDF funding. Only the Wellington area requires additional nursery places for 2 year olds and none require additional school places.
152. The Wellington area has the highest proportion of 2 year olds eligible for free nursery provision, children in households in receipt of Child Tax Credit, Income Support or Job Seekers Allowance and the highest number per 1000 of children 'in need', subject to a child protection plan and those looked after'. Almost two thirds of children in the cluster were not judged as achieving a 'good level of development' (EYFS Profile 2013).
153. Each of the centres in this cluster already uses a very extensive network of outreach venues to take services to families living in very rural and often very isolated communities. The Teesdale Play Bus further extends the capacity of the service to reach the most isolated communities offering play and early learning activities for children and families, services for children with additional needs and some 1 : 1 support.
154. Over the past 12 months across the Bishop Auckland & Barnard Castle Locality a total of 23 community venues and a mobile playbus facility have been used for Children's Centre service delivery on an outreach basis. This is in addition to Schools in the area. **See Appendix 6.**

## **Travel Time and Distance**

155. Travel time using public transport is an effective measure to determine the accessibility of services and identify gaps in provision.
156. Analysis has been carried out for each of the proposed 15 cluster areas identifying the percentage of households that are within 1 mile of their nearest potential outreach venue or within a 20 minute journey on public transport. The outcome of this analysis is positive with between 96-100% of all households being able to access a potential community venue.

## **Rurality:**

157. It is recognised that rural areas, in particular Weardale and Teesdale, present their own challenges; however there is already a well-established network of outreach venues being used for Children's Centre service delivery in these areas. For example, for families who live in St John's Chapel, there is potential for a Children's Centre programme to be delivered through St John's Chapel Primary School, Upper Weardale Town Hall, Westgate Youth club, Stanhope Community Association, Stanhope Barrington CofE Primary School. In addition, the Teesdale Play Bus enables families, even in the most rural areas, to access activities and free transport to Children's Centre activities is also provided for those families who need it. **Appendix 6** sets out a range of other potential service delivery venues for all other localities.

158. Public consultation on the proposals will seek to further inform our analysis both in terms of the feasibility of some of the community venues identified and also in relation to accessibility.

### **Mitigating the reduction in capacity for service delivery**

159. Despite a proposed reduction in the number of Children's Centres, the capacity to deliver services will increase rather than decrease, as services are delivered within existing community resources using an outreach model of service delivery. Further work is ongoing to assess the additional community venues for their suitability. In this way the service will be playing a part in helping to sustain community resources and contributing to the local economy.

### **Financial Implications - Potential for Funding Clawback**

160. Children's Centres were developed using a variety of available funding streams, namely:-
- Sure Start Capital Grant
  - Children's Centre Capital Grant
  - Schools Devolved Capital Grant
  - European Regional Development Fund
  - New Opportunities Funding
  - Neighbourhood Renewal Fund
  - Single Regeneration Budget
  - Primary Care Trust
  - Sedgefield Borough Council
161. There are 23 different funding combinations of the above funding streams across the 43 centres. The total development costs for the 43 centres were £31,585,165.
162. Many of these funding streams have potential clawback restrictions and this has been given consideration when identifying those centres it is proposed to transfer. This ensures that, the new service model is financially viable.
163. Clawback may be invoked if the Children's Centre building is used for a different purpose to that agreed when the funding was awarded.

### **Mitigating Clawback Risk**

164. A detailed analysis has been completed in relation to the risk of clawback. This can be mitigated by identifying appropriate alternative uses for the Children's Centres proposed for transfer to ensure services for children and families can continue to be delivered.
165. The first preference will be to identify whether the proposed transfer of a Children's Centre would present schools with an opportunity to address a

shortage of school places to meet future pupil rolls. Additional potential for schools could be through utilising the space to enhance EYFS outcomes through the delivery of the 2 year offer or to expand services such as breakfast clubs and wrap around support. Of the 28 buildings proposed for transfer, 23 are on school sites.

166. Other options include:-

- Explore with Daycare providers currently delivering from Children's Centres, the feasibility of them taking over (through potential lease arrangement) the Children's Centre to provide daycare including 2 year old places;
- Explore the potential for future shared use of buildings and shared cost of utilising Libraries, Youth Centres, Leisure Centres and community buildings within DCC;
- Identify DCC office accommodation requirements and whether such an arrangement would facilitate some ongoing Children's Centre delivery and;
- Explore with community groups the potential for the transfer of the building to community ownership whilst at the same time providing some level of continued Children's Centre service delivery.

167. All options for alternative use of the Children's Centre buildings will be explored as part of the consultation process.

## **Buildings and Staffing Implications**

168. The proposals set out in this report seek to reduce the number of Children's Centre buildings from 43 to 15 and instead utilise other community buildings and facilities in local areas, which will enable the provision of services through a community delivery model

169. Based on the buildings identified in this proposal, the reduction in proposed Children's Centres will result in an overall saving of approximately £1 million based on those centres identified. This will be achieved through the associated reduction in building and maintenance costs and changes to staffing.

170. The ongoing service delivery requirements necessitates a reconfiguration of the current staffing resource in order to provide a more flexible service to meet the needs of children and families in accordance with the more targeted approach and also to contribute to the current MTFP requirements for 2014/15 and 2015/16.

171. The current staffing structure will be reconfigured to ensure the staffing resource is proportionate and fit for purpose, in particular that there are sufficient numbers of Family Workers to deliver the new model. The reconfiguration of staffing resource will seek to ensure minimal impact on staff numbers.

## Consultation:

172. A full 12 week public consultation process is proposed and the consultation plan is attached at **Appendix 8**. The consultation will focus on the following :-
- The community delivery model
  - The 43 Children's Centres and the 15 it is proposed to retain
173. The proposed consultation exercise will run for 12 weeks, following which a full analysis will be undertaken and a further report will be provided to Cabinet in Spring 2015 incorporating all of the information gathered and presenting final recommendations.
174. The consultation process will involve a range of stakeholders who have an interest in this review and a range of consultation methods will be used to maximise involvement and participation levels from all interested parties. A full list of key stakeholders it is proposed to consult with is included in **Appendix 8**.

## Equality Impact Assessment

175. The Equality Act 2010 includes a Public Sector Equality Duty which requires public authorities to pay due regard to the need to:
- Eliminate discrimination, harassment, victimisation and other conduct prohibited by the Act;
  - Advance equality of opportunity;
  - Foster good relations.
176. The proposed Children's Centre Review supports our commitment to equality.
177. An initial screening of the Equality Impact Assessment has been undertaken (**Appendix 9**). A full assessment will be progressed following consultation which will address issues raised by stakeholders during the consultation period in relation to impact.

## Conclusion:

178. The Council's Medium Term Financial Plan requires savings of £224 million over the period 2011 to 2017. The Council is now having to review all services to ensure they are cost effective and fit for purpose.
179. The report proposes a reduction in the number of Children's Centre buildings from 43 to 15. The centres proposed for retention and transfer have been identified following detailed analysis of a range of data.
180. A new service model is proposed that will reduce the cost base of the service and at the same time increase access to services and protect service delivery.



This will be done by shifting the emphasis from the provision of buildings to the provision of services and by making better use of existing buildings in the heart of communities to deliver services close to where children and families live.

181. In undertaking this review, account has been taken of:-

- The evolution of Children's Centres;
- An analysis of need relating to deprivation;
- The impact of Children's Centres in relation to social, economic and learning outcomes;
- OfSTED inspection outcomes;
- Views of service users;
- Required efficiency savings.

182. Cabinet are being asked to agree to a full 12 week public consultation exercise, during which it is proposed that we will consult on the following:-

- The community delivery model
- The 43 Children's Centres and the 15 it is proposed to retain

183. Following the consultation period, a further report will be provided to Cabinet, in Spring 2015, which will make final recommendations with regards to retention and transfer of Children's Centre buildings and which will include a full Equality Impact Assessment.

### **Recommendations:**

184. Cabinet is recommended to agree to:-

1. A public consultation commencing 31 July 2014 for 12 weeks until 23 October 2014 which will present the proposals to all key stakeholders, paying particular attention to current and potential service users.
2. That the consultation will seek the views and opinions of all key stakeholders on:-
  - The community delivery model
  - The 43 Children's Centres and the 15 it is proposed to retain
3. The presentation of a final report to Cabinet in Spring 2015, making recommendations following consultation and including a full Equality Impact Assessment.

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**Contact: Carole Payne, Head of Children's Services, Tel. 03000 268 983**

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## **LIST OF APPENDICES:-**

Appendix 1	Implications
Appendix 2	Children's Centre 'Reach' by Locality
Appendix 3	IPF 'Reach' Comparison Table
Appendix 4	OFSTED Inspection Outcomes
Appendix 5	Summary of Research
Appendix 6	Community Delivery Venues
Appendix 7	Children's Centres Proposed for Transfer
Appendix 8	Consultation Plan
Appendix 9	Equality Impact Assessment

## **BACKGROUND PAPERS**

The following background papers are available and can be provided upon request:-

1. Chester-le-Street Children's Centre Cluster Timetable
2. Children's Centre Service User Survey
3. Case Studies which provide examples of a targeted approach leading to improved outcomes
4. Maps of outreach provision available in each of the 15 Clusters that show potential accessibility of Children's Centre service within a 1 mile walk or 20 minute bus journey

## **Appendix 1 - Implications**

### **Finance**

The proposals would enable efficiency savings in line with the County Council's Medium term Financial Plan (MTFP). The specific proposals in this report would deliver approximately £1 million from a rationalisation of buildings and a restructure of the staff resource designed to maximise savings whilst minimising reduction in the number of posts.

### **Staffing**

A re-configuration of the staffing resource through a full HR exercise will be undertaken in 2014/15 in line with the County Council's Policies and Procedures. This will not pre-determine the outcome of the proposed consultation or any decisions about Children's Centre buildings.

### **Risk**

There is a potential financial risk associated with the clawback of funding. The Project Team has maintained a 'risk log' to highlight any concerns regarding the progress of the review and this is considered on a weekly basis.

### **Equality and Diversity / Public Sector Equality Duty**

An Initial Screening of the Equality Impact Assessment has been completed. A full Equality Impact Assessment will be complete following the proposed consultation and will be updated as the Project progresses.

### **Accommodation**

The proposals to reduce the number of Children's Centre buildings could result in changes to accommodation arrangements.

### **Crime and Disorder - N/A**

### **Human Rights - N/A**

### **Consultation**

It is proposed that a 12 week consultation programme be undertaken which would involve all internal and external stakeholders.

### **Procurement - N/A**

### **Disability Issues**

An Initial Screening of the Equality Impact Assessment has been completed. A full Equality Impact Assessment will be complete following the proposed consultation and will be updated as the Project progresses. It takes consideration of the proposals on all stakeholders, regardless of their ethnicity, disability, etc.

### **Legal Implications**

A full consultation programme is proposed that aims to ensure that we meet our statutory obligations.

## Appendix 2: CHILDREN’S CENTRE REACH BY LOCALITY

Locality	Reach <sup>8</sup>			Cluster	Children’s Centres
	Number of 0-4 year olds	No. of 0-4 yr olds in top 30% most deprived areas (ID10)	% in top 30%		
<b>Consett and Stanley</b>	4961	2478	50%	Consett	Leadgate, Benfieldside, Moorside
				Stanley	Stanley, Burnhope, Catchgate, Craghead
<b>Durham and Chester-le-Street</b>	7178	2547	35%	Chester-le-Street	Bullion Lane, Pelton
				Deerness Valley	Brandon, Ushaw Moor, Sacriston
				Durham	Laurel Avenue, Kelloe, Sherburn Hill
<b>Peterlee and Seaham</b>	5657	4477	79%	Seaham	Seaham,
				Easington	Easington, Murton,
				Peterlee East	Horden, Blackhall
				Peterlee Central	Seascape (Peterlee), Dene House, Howletch
				Peterlee West	Wheatley Hill, Shotton, Thornley, Wingate, Haswell
<b>Ferryhill and Newton Aycliffe</b>	4966	2856	58%	Ferryhill	Dean Bank, Chilton, Fishburn
				Newton Aycliffe	Newton Aycliffe, Shildon
				Spennymoor	Tudhoe Moor, Middlestone Moor, West Cornforth, Spennymoor
<b>Bishop Auckland and Barnard Castle</b>	4699	2449	53%	Bishop Auckland	Woodhouse Close, St Helen Auckland, Coundon
				Durham Dales	Willington, Evenwood, Middleton in Teesdale, Weardale(Stanhope)
<b>TOTAL</b>	<b>27,461</b>	<b>14,807</b>			

<sup>8</sup> The “reach” refers to the total number of children under the age of 4 who live within the geographical area covered by the centre.

### Appendix 3 - IPF 'Reach' Comparison Table

At 639, County Durham's average 'reach'<sup>9</sup> per Children's Centre, is currently significantly lower than those of other Local Authorities in our IPF Benchmark Group. On average, these Local Authorities have an average reach of 1,112, which is almost twice that of our current figure. The largest reach figure (3,169 in Sunderland), has been brought about by their recent review of Children's Centres which has resulted in merging their 17 Centres into 5 large Centres working through a range of 'outreach' venues. See Table 1 below.

Position	IPF Benchmark Group - current	No Under 5's	No centres Sept '11	Average reach	No centres current	Average reach
1	Durham	27461	43	639	43	639
2	Barnsley	13623	19	717	20	681
3	St Helens	10092	12	841	12	841
4	Wakefield	19918	23	866	23	866
5	Doncaster	17787	21	847	20	889
6	Wigan	18160	20	908	20	908
7	Gateshead	11175	15	745	12	931
8	North Tyneside	11556	12	963	12	963
9	Stockton on Tees	12450	11	1132	12	1038
10	Darlington	6587	6	1098	5	1317
11	Sunderland	15844	17	932	5	3169

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<sup>9</sup> The "reach" refers to the total number of children under the age of 4 who live within the geographical area covered by the centre.

## Appendix 4 – Children’s Centres OfSTED Inspection Outcomes

Locality	Children’s centre	Date of inspection	Overall Effectiveness
Peterlee & Seaham	Blackhall	Oct. '10	Good
Peterlee & Seaham	Seaham	Nov. '10	Satisfactory
Bishop Auckland & Barnard Castle	Coundon	Jan. '11	Good
Peterlee & Seaham	Seascape	Feb. '11	Good
Peterlee & Seaham	Haswell	Feb. '11	Good
Durham & Chester-le-Street	Kelloe	Mar. '11	Satisfactory
Peterlee & Seaham	Wheatley Hill	Mar. '11	Good
Bishop Auckland & Barnard Castle	Evenwood	Mar. '11	Good
Bishop Auckland & Barnard Castle	Middleton	Mar. '11	Good
Ferryhill & Newton Aycliffe	Dean Bank	Mar. '11	Good
Bishop Auckland & Barnard Castle	Stanhope	Mar. '11	Good
Peterlee & Seaham	Howletch	April '11	Good
Peterlee & Seaham	Wingate	April '11	Satisfactory
Ferryhill & Newton Aycliffe	Chilton	April '11	Good
Consett & Stanley	Moorside	Jan. '12	Satisfactory
Consett & Stanley	Stanley	Feb '12	Satisfactory
Peterlee & Seaham	Shotton	Feb '12	Good
Durham & Chester-le-Street	Ushaw Moor	April '12	Satisfactory
Bishop Auckland & Barnard Castle	Willington	May '12	Good
Consett & Stanley	Burnhope	June '12	Inadequate
Peterlee & Seaham	Horden	June '12	Satisfactory
Ferryhill & Newton Aycliffe	Shildon	Sept. '12	Satisfactory
Bishop Auckland & Barnard Castle	St Helen's	Oct '12	Satisfactory
Peterlee & Seaham	Thornley	Oct '12	Satisfactory
Consett & Stanley	Benfieldside	Oct '12	Satisfactory
Ferryhill & Newton Aycliffe	Tudhoe Moor	Oct '12	Satisfactory
Consett & Stanley	Leadgate	Jan '13	Satisfactory
Durham & Chester-le-Street	Sacrison	Jan '13	Satisfactory

<b>Locality</b>	<b>Children's centre</b>	<b>Date of inspection</b>	<b>Overall Effectiveness</b>
Durham & Chester-le-Street	Laurel Avenue	Jan '13	Satisfactory
Peterlee & Seaham	Dene House	Feb '13	Satisfactory
Ferryhill & Newton Aycliffe	Fishburn	Feb '13	Satisfactory
Peterlee & Seaham	Murton	Feb '13	Satisfactory
Ferryhill & Newton Aycliffe	Middlestone Moor	Mar '13	Satisfactory
<b>New Inspection Framework – April 2013</b>			
Durham & Chester-le-Street	CLS Cluster (Bullion Lane/Pelton) Group	November '13	Requires improvement
Durham & Chester-le-Street	Deerness Valley Cluster (Brandon, Sacriston & Ushaw Moor CC)	January '14	Good

## Appendix 5 – Research into Targeted Funding/Interventions

### Summary of Research

- 1.0 Marmot (2010) 'Review, Fair Societies, Healthy Lives' describes how health inequalities result from social inequalities. With the establishment of One Point and commitment from our partners within the Children's and Families Trust, particularly the rich resource within the Voluntary and Community Sector, assurances can be made that universal and targeted services can be delivered using popular community buildings and in the home as appropriate.
- 2.0 Graham Allen, 'Review of Early Intervention' (July 2011) comments that "for all emphasis on Early Intervention Programmes, the role of mainstream local health services will always provide the earliest and strongest filters of dysfunction". This supports the universal element of the proposed model safeguarding the identification of our most vulnerable families using our health colleagues to then target Children Centre resource more effectively.
- 3.0 An independent report on the 'Early Years Foundation Stage' carried out by Dame Clare Tickell (March 2011) shows that early identification of need followed by appropriate support is the most effective approach to tackling disadvantage and helping children overcome specific obstacles to learning.
- 4.0 In 2010 Frank Field, MP carried out a 'Review on Poverty and Life Chances' and found overwhelming evidence suggesting that children's life chances are greatly predicted on their first five years of life. The evidence indicates that children are more likely to realise their potential in adult life by the following factors rather than money: family background; parental education; good parenting; opportunities for learning. Within County Durham and the existing resources available to us assurances can be provided that the 'core purpose' tackling the above factors will continue to be addressed however this can be achieved using an outreach model and partnership approach.
- 5.0 In Professor Munro's 'Progress Report: Moving Towards a Child Centred System' (May 2012) she builds on 'Working Together to Safeguard Children' (2010) and describes the importance of working together as individually professionals have only a partial picture of the child's life and the full extent of the danger and needs can be hidden until they share their knowledge. This emphasises the importance for partners to ensure that systems and processes for timely information sharing are in place rather than the importance of buildings and where services are delivered.



## Appendix 6 – Potential Community Delivery Venues

### Community Delivery Venues

The use of community venues to increase the capacity of Children’s Centres to reach out to their communities is well established. The table below lists those venues that have been used over the past 12 months for Children’s Centre service delivery.

It is anticipated however that through the Consultation the network of outreach venues will be further defined informed by local intelligence.

The lists do not include schools which provide the potential for a further 260 venues (226 Primary Schools and 34 Secondary Schools).

Locality	Children's Centre Proposed to Retain	Community Delivery Venues	
Consett and Stanley	Stanley Children's Centre	Annfield Plain Library	One Point Hub, Stanley
	Moorside Children's Centre	Craghead Village Hall	Quaking Houses Village Hall
		Delves Lane Community Centre/Village Hall	Queen's Road Surgery
		Lanchester Community Centre	South Stanley Community Centre
		Lanchester Library	St Stephen's Hall
		One Point Hub, Consett	Tesco Community Room

Locality	Children's Centre Proposed to Retain	Community Delivery Venues	
<b>Durham and Chester-le-Street</b>	Bullion Lane Children's Centre	Arden House	Coxhoe Village Hall
	Brandon Children's Centre	Bearpark Community Centre	Grange Villa Enterprise Centre
	Laurel Avenue Children's	Bowburn Community Centre	Great Lumley Community Centre
	Centre	Bowburn Library	Heel and Toe
		Bowburn Methodist Church	Lavender Centre, Pelton
		Brockwell Centre, Pelton Fell	Meadowfield Daycare
		Carrside Youth Centre, Brandon	Nettlesworth Community Centre
		Chester-le-Street Leisure Centre	One Point Hub, Chester-le-Street
		Chester-le-Street Library	Pelton Community Centre
		Cornerstones	Pelton Library
		Coxhoe Community Centre	Sacriston Medical Centre

Locality	Children's Centre Proposed to Retain	Community Delivery Venues	
<b>Peterlee and Seaham</b>	Easington Children's Centre	Arbroath House Surgery	Peterlee Leisure Centre
	Horden Children's Centre	Blackhall Library	Peterlee Library
	Seascope Children's Centre	Blackhall Resource Centre	Plants 'R' Ross
	Seaham Children's Centre	Easington Colliery Library	Robin Todd Community Centre
	Wheatley Hil Children's Centre	Easington Social Welfare Centre	Seaham Contact Centre
		Eastlea Community Centre	Seaham Leisure Centre
		Edenhill Outreach Centre	Seaham Library
		Healthworks	Seaham Youth Centre
		Hill Rigg House	Seaview Outreach Centre
		Holy Trinity Church Hall	Seaview School Pool
		Horden Library	'Spyral'
		Horden St. Mary's Church Hall	Station Town Methodist Church Hall
		Horden Youth and Communtiy Centre	The Ark
		Macrae House, Murton	The Glebe Centre, Murton
		Murton Library	The Pavillion
		Murton Resource Centre	Wingate Community Centre
		One Point Hub, Peterlee	Wingate Family Centre
		Parkside Community Centre	Wingate Training Base

Locality	Children's Centre Proposed to Retain	Community Delivery Venues	
<b>Ferryhill and Newton Aycliffe</b>	Dene Bank Children's Centre	Burnhill Community Centre	One Point Hub, Ferryhill
	Newton Aycliffe Children's Centre	Chilton Community College	One Point Hub, Newton Aycliffe
		Chilton Health Centre	Shildon Methodist Church Hall
	Tudhoe Moor Children's Centre	Ferryhill and Dean Bank Institute	Spennymoor Health Centre
		Ferryhill Clinic	Spennymoor Leisure Centre
		Ferryhill Station Outreach Centre	Spennymoor Library
		Fishburn Church Hall	Sunnydale Leisure Centre, Shildon
		Fishburn Welfare Hall	The Rest House, Shildon
		Jubilee Field's Community Centre, Shildon	Trimdon Grange Community Centre
		Newton Aycliffe Leisure Centre	Trimdon Station Community Centre
		Newton Aycliffe Library	Trimdon Village Hall
		Newton Aycliffe Youth Centre	Tudhoe Community Centre

Locality	Children's Centre Proposed to Retain	Community Delivery Venues	
<b>Bishop Auckland and Barnard Castle</b>	St Helen Auckland Children's Centre	Barnard Castle Outreach Centre	One Point Hub, Bishop Auckland
		Bowes Village Hall	Spectrum Leisure Complex
	Willington Children's Centre	Busy Base Outreach Centre, Eldon Lane	Stainton Grove Community Centre
		Cockfield Outreach Centre	Taylor Road Outreach Centre, Bishop
		Cockton Hill Methodist Church	Tees Walk
		Cotherstone Village Hall	Teesdale Playbus
		Coundon Library	Tow Law Community Centre
		Crook Outreach	Tow Law Outreach
		Dene Valley One Stop Shop	UTASS
		Leeholme Welfare Hall	West Durham Youth and Community Resource
		Middleton-in- Teesdale Village Hall	Woodhouse Close Leisure Centre
		One Point Hub, Barnard Castle	Woodhouse Close Methodist and Church

## Appendix 7 - Children's Centres Proposed for Transfer

Please note that as part of the proposed consultation alternative uses for these buildings will be sought ensuring, where possible, that some level of children's services will continue to be delivered.

Locality	Cluster	Children's Centres (CC) Proposed for Transfer
Consett and Stanley	Consett	Leadgate Benfieldside
	Stanley	Burnhope Catchgate Craghead
Durham and Chester-le-Street	Chester le Street	Pelton
	Deerness Valley	Ushaw Moor Sacriston
	Durham	Kelloe Sherburn Hill
Peterlee and Seaham	Easington	Murton
	Seaham	N/A
	Peterlee East	Blackhall
	Peterlee Central	Dene House Howlatch
	Peterlee West	Haswell Shotton Thornley Wingate
Ferryhill and Newton Aycliffe	Ferryhill	Chilton Fishburn
	Spennymoor	Middlestone Moor West Cornforth
	Newton Aycliffe	Shildon
Bishop Auckland and Barnard Castle	Bishop Auckland	Woodhouse Close Coundon
	Durham Dales	Evenwood Middleton in Teesdale Weardale(Stanhope)

## Appendix 8 – Consultation Plan

### 1. Introduction

This document describes how the Council will consult on a proposed new approach to Children's Centre Service Delivery in County Durham.

It is proposed that we will consult on :-

- The community delivery model – Putting services closer to families;
- The proposal for the 43 children's centre buildings and the 15 it is proposed to retain.

### 2. Background

There are currently 43 Children's Centres in County Durham which were developed using the Index of Multiple Deprivation 2000 to 2007 to ensure that centres were situated closest to those families experiencing significant disadvantage across a range of indicators such as income, health, education and housing.

The One Point Service currently manages Children's Centres in five geographical areas (localities) and the Service brings together Integrated Health and Local Authority Services.

Children's Centres have played an important part in the lives of children and families across County Durham towns and villages over the last 10 years, and a wide range of services and support has been available. However, despite the availability of these services, County Durham's children are less ready to start school and fewer achieve a good level of development at the end of the reception year than others in the region and nationally.

In addition, the council is facing the challenge of significant cuts to public funding and the Council's current Medium Term Financial Plan (MTFP) requires it to make savings of approximately £222m from 2011- 2017. The total 2014/15 and 2015/16 MTFP savings target attached to this review amount to approximately £1 million, but the proposals outlined in the review will improve service delivery and enable children and families to continue to access the full range of Children's Centre services in more venues. To do this, we are proposing a community based model which will provide us with a service which is more flexible and can better meet the needs of children and families who need additional support.

Reducing the number of Children's Centres whilst increasing our use of community buildings as outreach venues for service delivery, will ensure continued support for children and families to achieve improved outcomes throughout their earlier years. Despite the proposed reduction of Children's Centres, the community based model will mean services will be delivered in more venues, not less. Resource will be spent on people not buildings.

The purpose of the Children's Centre Review Project is to ensure that Durham County

Council's Children and Adults Services robustly and objectively review the current provision of Children's Centres in line with the Early Years Strategy and the requirements of the County Council's Medium Term Financial Plan (MTFP).

### **3. Timescales**

The proposed consultation exercise will run for 12 weeks and will start on 31 July 2014 until 23 October 2014. A full analysis of the consultation results will then be undertaken and a report will be presented to Cabinet in Spring 2015.

As the consultation includes the school summer holiday period, this will provide us with opportunities to successfully engage with parents and children that will be participating in Children's Centre summer activities. However, we intend to re-launch the consultation week beginning 8 September 2014 to maximise engagement from all interested parties.

### **4. Contact Officer**

The Project Manager for the Children's Centre Review is Fiona Smith who has established various Workstreams to manage and deliver aspects of the Project.

Contact Details:

Fiona Smith  
Children's Centre Review Project Manager  
Tel: 03000 26 16 70 (VPN)  
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### **5. Stakeholders (please list)**

The consultation process will involve a range of stakeholders who have an interest in this review and a range of consultation methods will be used to maximise involvement and participation levels from all interested parties. Stakeholder groups include :-

#### **Area Action Partnerships (AAPs)**

#### **Children under 5**

#### **Children and Families Partnership**

#### **Daycare Providers**

#### **DfE**

#### **Health partners**

- Clinical Commissioning Groups
- (North Durham CCG, Durham Dales, Easington and Sedgefield CCG)



- Foundation Trusts:
- (Tees, Esk and Wear Valley NHS Foundation Trust, North Tees and Hartlepool NHS Foundation Trust, City Hospitals Sunderland NHS Foundation Trust)
- NHS Commissioning Board Local Area Team - Durham, Darlington and Tees
- Public Health England

### **Local Advisory Boards**

#### **Members**

- All Members
- Children and Young People's Overview and Scrutiny Committee
- Members of Parliament

### **OFSTED**

#### **Parents**

- Parents of children under 5, including young parents and parents with a disability.
- Parents who use daycare in Children's Centres

#### **Schools**

- Head Teachers
- Governing Bodies

#### **Staff**

- One Point staff (LA and Health)
- Wider staff within CAS
- Other DCC staff

### **Town and Parish Councils**

### **Voluntary and Community sector organisations**

## **6. Consultation Process and Methods**

A variety of methods will be used during the consultation to enable all stakeholders to actively participate and the attached action plan details the specific planned activity (see **Appendix A**). This will include :-

- Focus Groups
- Activity Sessions
- Questionnaires
- Parent's Forums/consultation events
- Presentations

## **7. Geographical Area**

This review affects the whole County as there are currently Children's Centre buildings in all electoral wards/divisions. The consultation aims to gather feedback from all interested parties and will be open to all stakeholders who are directly affected by the proposal.

### **What we need to say**

#### **Our Vision**

Durham County Council is committed to providing high quality services to support families and their young children to be healthy, ready for school and achieve their full potential and Children's Centre services have an important part to play in this. We propose to change the way we work to target support to children and families who need the support the most.

#### **Key Principles**

We will maintain 15 Children's Centres across County Durham enabling us to continue to deliver Children's Centre services by applying the following key principles:-

1. Help those children and families most in need of support as early as possible;
2. Involve children, families and partners in helping to shape our services;
3. Deliver services in places that are as close as possible to where children and families live;
4. Focus our resources on frontline staff rather than on buildings.

#### **The Community Delivery Model – Putting services closer to families**

We want to make our service more accessible to children and families by delivering them closer to where families live. We want to do this by making better use of community buildings and facilities like libraries, schools, leisure and community centres, for the delivery of services to support children and families during their early years. This will move away from the requirement for families to come into Children's Centres to access support and services.

The 43 Children's Centres are currently grouped in to 15 "clusters". The proposal is that we maintain one main Children's Centre in each cluster. This will reduce the number of Children's Centres we have in County Durham from 43 to 15. These centres alongside an extensive and flexible network of community venues will deliver services across the cluster and provide a base for staff. We will seek to find alternative uses for the other 28 centres to ensure services benefiting children and families can continue to be delivered.

The main centre would accommodate staff to be able to coordinate services across each cluster using a number of community venues in addition to home visits. These are the places families tell us they already go to. Services will therefore be available from more venues, not less.

This will improve the flexibility of service delivery whilst reducing the Children's Centre building costs for the Council and protect front line staff and services.

**The proposal for the 43 children's centre buildings and the 15 it is proposed to retain**

The One Point Service manages Children's Centres across five localities covering all of County Durham. Within the five localities Children's Centres are grouped into 15 clusters. The proposal is that we maintain one main Children's Centre in each cluster which would reduce the number of centres from 43 to 15.

We have made recommendations on which Children's Centre buildings should be retained in each cluster. The table below outlines these recommendations :-

Locality	Cluster	Proposed Children's Centre to retain	Current Children's Centres
<b>Consett and Stanley</b>	Consett	Moorside Children's Centre	Benfieldside, Leadgate, Moorside
	Stanley	Stanley Children's Centre	Burnhope, Catchgate, Craghead, Stanley
<b>Durham and Chester-le-Street</b>	Chester-le-Street	Bullion Lane Children's Centre	Bullion Lane, Pelton
	Deerness Valley	Brandon Children's Centre	Brandon, Sacriston, Ushaw Moor
	Durham	Laurel Avenue Children's Centre	Kelloe, Laurel Avenue, Sherburn Hill
<b>Peterlee and Seaham</b>	Easington	Easington Children's Centre	Easington, Murton
	Peterlee East	Horden Children's Centre	Horden, Blackhall
	Seaham	Seaham Children's Centre	Seaham
	Peterlee Central	Seascape Children's Centre	Dene House, Howletch, Seascape
	Peterlee West	Wheatley Hill Children's Centre	Haswell, Shotton, Thornley, Wheatley Hill, Wingate
<b>Ferryhill and Newton Aycliffe</b>	Ferryhill	Dean Bank Children's Centre	Chilton, Dean Bank, Fishburn
	Spennymoor	Tudhoe Moor Children's Centre	Middlestone Moor, Tudhoe Moor, West Cornforth
	Newton Aycliffe	Newton Aycliffe Children's Centre	Newton Aycliffe, Shildon

<b>Bishop Auckland and Barnard Castle</b>	Bishop Auckland	St Helen Auckland Children's Centre	Coundon, St Helen's, Woodhouse Close
	Durham Dales	Willington Children's Centre	Evenwood, Middleton in Teesdale, Weardale (Stanhope), Willington

### **What has been used to inform our proposal?**

Due to the savings the council needs to make, we can only afford to keep 15 out of the 43 Children's Centre buildings if we want to protect frontline staff and service delivery.

There are also other issues that have highlighted the need for change. These include:-

- the needs of children and young people in County Durham;
- the views of parents and carers through a survey carried out in 2013;
- the views of some of our partners such as schools;
- Ofsted inspection outcomes;
- legal requirements;
- what other local authorities provide; and
- The impact of children's centres in relation to outcomes for children and families.

The information above highlighted to us that a review of our Children's Centre services was required and so we had to look in more detail at all our 43 centres so that we could put some proposals together to make improvements. The factors below were used to help us to develop our proposal and recommendations which include the development of a new community delivery model. This will result in a reduction of Children's Centres from 43 to 15 but will give us opportunities to have greater flexibility to deliver services in more venues, closer to where children and families live. The factors include:-

- Where under 5s live in County Durham:
  - where families need more support
  - where under 5s are not reaching their potential
- Centres which can provide space to deliver activities and provide accommodation for staff.

We are confident that the new community delivery model will positively impact on families and give the Council greater flexibility to deliver in more venues, closer to where families live whilst achieving the necessary savings.

### **8. Links to other Significant Consultations**

MTFP consultation.

<b>Stakeholder</b>	<b>Stakeholder Sub Group</b>	<b>Consultation Activity/Method/Considerations</b>	<b>Timescale</b>
<b>Area Action Partnerships (AAPs)</b>		Presentations and information to be provided to 14 AAP Boards.	<b>Consultation period</b>
			<b>31<sup>st</sup> July 2014 – 23rd October 2014</b>
<b>Children under 5</b>	Including disabled children and BME children	Consultation activity delivered through children's centre activities in all localities, including portage groups, other groups supporting disabled children and BME groups	<b>Consultation period</b>
			<b>31<sup>st</sup> July 2014 – 23rd October 2014</b>
<b>Children and Families Partnership</b>		Presentation of key messages and advising how representatives can participate in the consultation.	<b>22<sup>nd</sup> September 2014</b>
<b>Daycare Providers</b>	All	Circulation of Key Messages	<b>Consultation period</b>
		Presentation at termly meeting including information re responding to the consultation	<b>31<sup>st</sup> July 2014 – 23rd October 2014</b>
		Questionnaire - online/paper	
<b>Health partners</b>	Clinical Commissioning Groups	Presentation to the County Durham Health and Wellbeing Board	<b>3<sup>rd</sup> September 2014</b>
	(North Durham CCG, Durham Dales, Easington and Sedgefield CCG)		
	Foundation Trusts:	Presentation to the County Durham	<b>3<sup>rd</sup> September 2014</b>

	(Tees, Esk and Wear Valley NHS Foundation Trust, North Tees and Hartlepool NHS Foundation Trust, City Hospitals Sunderland NHS Foundation Trust)	Health and Wellbeing Board	
	NHS Commissioning Board Local Area Team - Durham, Darlington and Tees	Presentation to the County Durham Health and Wellbeing Board	<b>3<sup>rd</sup> September 2014</b>
	Public Health England	Circulation of Key Messages – Briefing Note	<b>Consultation period</b> <b>31<sup>st</sup> July 2014 – 23rd October 2014</b>
<b>Local Advisory Boards</b>		To be co-ordinated at a locality level including :-	<b>Consultation period</b>
		Focus Group	<b>31<sup>st</sup> July 2014 – 23rd October 2014</b>
		Questionnaire	
<b>Members</b>	Children and Young People's Overview and Scrutiny Committee	Presentation of key messages and advising how representatives can participate in the consultation	<b>25<sup>th</sup> September 2014</b>
<b>OFSTED</b>		Inform of Consultation	<b>30<sup>th</sup> July 2014</b>
<b>Parents</b>	Parents of children under 5, including young parents, BME parents	Focus groups	<b>Consultation period</b>
		Parent Forums	<b>31<sup>st</sup> July 2014 – 23rd October 2014</b>

	and parents with a disability.	Questionnaires (paper/online) – one to one support available where needed.	
		All materials to be reviewed – Easy Speak	
		Social Media	
		Young parents groups	
		Groups for BME families	
	*Parents who use daycare in Children’s Centres		<b>Consultation period</b>
		*It is likely that parents who may be directly affected by the proposed reduction in centres may need additional opportunities to contribute to the consultation and these will be made available.	<b>31<sup>st</sup> July 2014 – 23rd October 2014</b>
<b>Schools</b>	Head Teachers	Questionnaire – online/paper	<b>31<sup>st</sup> July 2014 – 23rd October 2014</b>
		Information available on Extranet	
	Governing Bodies	Article in Termly Governor Newsletter including consultation methods	<b>Consultation period</b> <b>31<sup>st</sup> July 2014 – 23rd October 2014</b>
<b>Staff</b>	One Point staff (LA and Health)	Intranet – One Point page Staff briefings	<b>Continuous updates</b>
	Wider staff within CAS	Intranet (and/or a focus group where necessary)	<b>Consultation period</b> <b>31<sup>st</sup> July 2014 – 23rd October 2014</b>
	Other DCC staff		
<b>Town and Parish Councils</b>	Local Council Working Group	Presentation at Local Council Working Group	<b>5<sup>th</sup> September 2014</b>

		Letter to all councils (including how to feedback) – emailed to clerks.	
		Representation on AAPs	
<b>Voluntary and Community sector organisations</b>	Voluntary & Community Sector Working Group	Presentation at VCS Working Group	<b>16<sup>th</sup> September 2014</b>
		Questionnaire distributed through appropriate medium e.g. Durham Voice	
		Representation at LABs and AAPs	



## Appendix 9 - Durham County Council – Altogether Better equality impact assessment form

**MTFP Reference: CAS 5.17 – Review Services for Early Years**

**NB: Equality impact assessment is a legal requirement for all strategies plans, functions, policies, procedures and services. We are also legally required to publish our assessments.**

**You can find help and prompts on completing the assessment in the guidance from page 7 onwards.**

### **Section one: Description and initial screening**

**Section overview: this section provides an audit trail.**

Service/team or section: Children and Adults Services, Children’s Services

Lead Officer: Julie Scurfield, Countywide Strategic Manager

Start date: 24 January 2014

Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)

#### **Purpose**

This assessment reviews the equality impact of carrying out a potential public consultation on the future proposals for the delivery of Early Years Services in County Durham.

#### **Background information**

An Early Years Strategy and action plan will be presented to Cabinet followed by a report outlining the proposals for the future delivery of Early Years Provision. If substantial changes are proposed and Cabinet agree, a public consultation will be undertaken to seek the public view on the proposals.

### Consultation Plan

A consultation plan and timeline will be developed in preparation for a potential public consultation. The communication plan will ensure that all stakeholders including service users, employees, partners and elected members are given full opportunities to provide views on the proposed options for future delivery.

After the end of the consultation period, information from the interviews and responses will be collated and analysed and a report on the options available produced.

Who are the main stakeholders: General public / Employees / Elected Members / Partners/ Specific audiences/Other (please specify) –

Children's Centre service users, parents/carers/guardians, 0-5 early years population, Elected Members, partners and employees.

Is a copy of the subject attached? No

If not, where could it be viewed? Consultation plan will be available on request as appropriate.

### Initial screening

Prompts to help you:

Who is affected by it? Who is intended to benefit and how? Could there be a different impact or outcome for some groups? Is it likely to affect relations between different communities or groups, for example if it is thought to favour one particular group or deny opportunities for others? Is there any specific targeted action to promote equality?

### Is there an actual/potential negative or positive impact on specific groups within these headings?

Indicate :Y = Yes, N = No, ?=Unsure

Gender	Y	Disability	Y	Age	Y	Race/ethnicity	Y	Religion or belief	Y	Sexual orientation	Y
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How will this support our commitment to promote equality and meet our legal responsibilities?

Any consultation will take into account the requirements of individuals and their views, by providing a variety of methods for all to

participate and will respect the individual needs of all people across the range of protected characteristics.

Reminder of our legal duties:

- Eliminating unlawful discrimination & harassment
- Promoting equality of opportunity
- Promoting good relations between people from different groups
- Promoting positive attitudes towards disabled people and taking account of someone's disability, even where that involves treating them more favourably than other people

**Involving people, particularly disabled people, in public life and decision making**

**What evidence do you have to support your findings?**

A consultation is likely to have some impact on service users and their carers, families and friends. At this stage, an initial screening is appropriate. However, a full impact assessment will be carried out in due course to accompany any future report to Cabinet following consultation.

**Decision: No Date: 24 January 2014**

**If you have answered 'No' you need to pass the completed form for approval & sign off.**

**Section two: Identifying impacts and evidence- Equality and Diversity**

**Section overview: this section identifies whether there are any impacts on equality/diversity/cohesion, what evidence is available to support the conclusion and what further action is needed.**



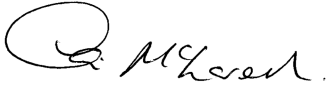
	Identify the impact: does this increase differences or does it aim to reduce gaps for particular groups?	Explain your conclusion, including relevant evidence and consultation you have considered.	What further action is required? (Include in Sect. 3 action plan)
<b>Gender</b>			
<b>Age</b>			
<b>Disability</b>			
<b>Race/Ethnicity</b>			
<b>Religion or belief</b>			
<b>Sexual orientation</b>			

**How will this promote positive relationships between different communities?**

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### Section three: Review and Conclusion

Summary: please provide a brief overview, including impact, changes, improvements and any gaps in evidence.

Action to be taken	Officer responsible	Target Date	In which plan will this action appear
When will this assessment be reviewed?	Date: Complete		
Are there any additional assessments that need to be undertaken in relation to this assessment?			
Lead officer - sign off: 			Date: 24 January 2014
Head of Service - sign off: 			Date: 24 January 2014
Equality and Diversity Lead – sign off: Claire McLaren, Strategic Manager, Service Quality and Development 			Date: 27 January 2014

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