



RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** on.
Wednesday 13 September 2017.

The decisions will come into force and may be implemented from **25 September 2017** unless the Corporate Overview and Scrutiny Management Committee or its Committees object to any such decision and call it in.

Sugar Smart Programme

Summary

The Cabinet considered a report of the Corporate Director of Adult and Health Services which provided an update on the Sugar Smart programme in preparation for a countywide launch.

County Durham is part of Public Health England's (PHE) three year programme into obesity systems, delivered by Leeds Beckett University and it is developing a whole range of approaches to systematically tackle obesity.

Nationally, sugar intakes of all population groups are above recommended levels. Consumption of sugar and sugar sweetened drinks is particularly high in school age children and sugar consumption tends to be highest among the most disadvantaged. Sugar Smart UK is a campaign from Sustain and the Jamie Oliver Food Foundation to help local areas across the UK to tackle excessive sugar consumption.

Durham Community Action (DCA) supported by Durham County Council's (DCC) public health team are leading a consortium of statutory and voluntary services to deliver this national campaign across County Durham with partners including; County Durham and Darlington NHS Foundation Trust (CDDFT), Taylor Shaw, Wellbeing for Life and DCC departments such as Culture and Sport, Facilities/Catering, Procurement and Environmental Health. The project will report into the County Durham Healthy Weight Alliance and Food Durham.

The Sugar Smart campaign recommends specific actions to reduce sugar intake and the programme was launched on 10 July. Proposed partner activities include:

- County Durham and Darlington NHS Foundation Trust will implement a health procurement policy, removing sugary food from the point of sales;
- Wellbeing for Life will reduce the sugar content at cookery classes;
- Taylor Shaw will aim to reduce the sugar content of their menus.

Sugar Smarts will be underpinned by a communications campaign which was detailed at Appendix 2 of the report and the programme will be reviewed quarterly to assess its uptake, the impact upon communities, and, its contribution toward the associated Durham County Council programmes.

Decision

The Cabinet:

- (a) noted the contents of this report;
- (b) agreed to receive updates on the progress to retain oversight of developments as appropriate.

Forecast of Revenue and Capital Outturn 2017/18 - Period to 30 June 2017

Summary

The Cabinet considered a report of the Corporate Director, Resources which provided Cabinet with:

- the forecast revenue and capital outturn for 2017/18,
- the forecast for the Council's Council Tax and Business Rates Collection Fund position at 31 March 2018,
- the use of earmarked, cash limit and general reserves.

The report sought approval of the budget adjustments and proposed sums outside of the cash limit.

In accordance with the Council's Constitution, Council agreed the Council's Medium Term Financial Plan, which incorporates the revenue and capital budgets for 2017/18, on 22 February 2017. The Constitution also states that the Chief Finance Officer must report to Cabinet on the overall Council budget monitoring position on a quarterly basis.

This is the first quarter's report which provides the initial indication of the revenue and capital outturn for 2017/18 based upon expenditure and income up to 30 June 2017.

The following adjustments have been made to the original budget agreed by Council on 22 February 2017:

- (a) agreed budget transfers between Service Groupings;
- (b) additions to budget for items outside the cash limit;
- (c) planned use of or contribution to Earmarked Reserves.

The reasons for the major variances against the revised budgets were detailed in the report, by each service grouping.

Capital

On 12 July 2017 Cabinet received a report which provided details of the final outturn position of the 2016/17 Capital Programme. This included details of budgets of £15.375 million that were reprofiled from 2016/17 to 2017/18.

Adding these to the new 2017/18 capital allocations approved by Council on 22 February 2017 and the existing 2017/18 budget gives the original budget for 2017/18 that is shown in the table at paragraph 56 on the report.

The Council's Member Officer Working Group (MOWG) that closely monitors the capital programme has since considered further revisions to the capital programme, taking into account additional resources received by the authority and further requests for reprofiling as Service Management Teams continue to monitor and review their capital schemes.

The table at paragraph 56 of the report summarised the latest capital budget alongside the original budget. The table also showed the forecast outturn for each service and the actual capital spend as at 30 June 2017.

Since the original budget 2017/18 budget was agreed by the MOWG has considered a number of variations to the capital programme which are a result of the additions and reductions in resources received by the Council. The variations of note were detailed in the report.

Council Tax and Business Rates Collection Funds

The collection rate at 30 June 2017 was above the profiled target of 29.01%, and is an improvement of 0.03 percentage points over the same position in 2016/17. This sustained and improved performance has been achieved through automation of the recovery schedule, targeting of non-payers, e-enablement of processes and availability of a wide range of payment methods.

At 30 June 2017, the estimated outturn for the Council Tax Collection Fund is a surplus of £5.323 million which takes into account the undeclared surplus as at 31 March 2017. Durham County Council's share of this forecasted surplus is £4.492 million, which could be available to support the 2018/19 budget. The forecasts will be updated in October / November to inform the declaration of a Collection Fund surplus for final budget planning 2018/19.

At 15 January 2018 an estimated year end position on the Council Tax Collection Fund for 2017/18 will be declared and taken into account in the budget setting process for 2018/19. Any difference between this and the actual surplus at 31 March 2018 will be carried forward to 15 January 2019 and will be taken into account in estimating the surplus/deficit for 2018/19, which will need to be taken into account for 2019/20 budget setting.

Business Rates

2013/14 was the first year of the new Business Rates Retention Scheme whereby the Council has a 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%). 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 important and new monitoring procedures have been devised for this purpose.

In 2017/18, following consultation, the Government implemented the first revaluation of Business Rates since April 2010. The revaluation of the rateable values of all Business Properties was undertaken by the Valuation Office Agency, part of HM Revenues and Customs, and, along with national changes to Multipliers, Relief Thresholds and Transitional Arrangements came into effect from April 2017. The overall effect of the revaluation on the Collection Fund saw a decrease of an estimated £9.3 million in rates yield / liability when compared to 2016/17. The revaluation should be cost neutral to Durham County Council and County Durham and Darlington Fire and Rescue Authority, therefore compensation arrangements are to be made through adjustments to Section 31 grants and Top Ups for their shares of losses of income.

At 30 June 2017, the estimated outturn for the Collection Fund Business Rates is a surplus of £4.639 million, arrived at as shown in table at paragraph 75 of the report.

The in-year estimated surplus of £2.629 million and the total undeclared surplus brought forward from 2016/17, leaves an estimated surplus of £4.639 million at 31 March 2018. Any surpluses or deficits at 31 March in any year are shared proportionately between Durham County Council, Central Government and County Durham and Darlington Fire and Rescue, Durham County Council's share being 49%. Durham County Council's share of the estimated year end surplus will therefore be £2.273 million.

Section 31 Grant - Small Business Rate Relief

Small Business Ratepayers with properties with rateable values under £15,000 will now benefit from relief on their rates payable. The Government has awarded local authorities a special 'Section 31' grant to cover their share of the shortfall in business rates that these small business ratepayers would have paid had the relief scheme not been in place.

Small Business Ratepayers with properties with rateable values up to £12,000 are now being granted full relief, and properties with rateable values between £12,000 and £15,000 have a tapered relief applied to them ranging from 100% down to 0%. The Government have indicated Durham County Council will be refunded for any retained rates foregone due to change of the threshold arrangements following the 2017/18 NNDR Revaluation, and this has been built into the forecast.

Decision

The Cabinet:

- (a) noted the Council's overall financial position for 2017/18;
- (b) agreed the proposed 'sums outside the cash limit' for approval;
- (c) agreed the revenue and capital budget adjustments;
- (d) noted the forecast use of Earmarked Reserves;
- (e) noted the forecast end of year position for the Cash Limit and General Reserves;
- (f) noted the position on the Capital Programme and the Collection Funds in respect of Council Tax and Business Rates.

Drug and Alcohol Recovery Service Model

Summary

The Cabinet considered a report of the Director of Public Health which presented Cabinet with an overview of the proposed new model for the Drug and Alcohol Recovery Service, including the rationale for change, the proposed new model and details of the consultation process.

Local Authorities have the duty to reduce health inequalities and improve health of their local population by the provision of public health services aimed at reducing drug and alcohol misuse.

In 2014/2015 a review of drug and alcohol services was undertaken to transition a model of twenty three providers to an integrated service. In April 2015 Lifeline, with a subcontract arrangement with Tees, Esk and Wear Valley NHS Foundation Trust were awarded the contract. In June 2017, Lifeline went into administration and the drug and alcohol contract was novated to a national charity called Change, Grow, Live (CGL). CGL are now the interim provider of services until the new contract is formally procured.

The current Integrated Drug and Alcohol Service in County Durham delivers a range of psycho-social interventions, clinical prescribing and recovery support. There are also 80 pharmacies undertaking supervised consumption of methadone and six providing needle exchange managed by CGL. Services are delivered through six Recovery Centres,

This model brought many positives to the treatment journey. However, there remained challenges in relation to treatment outcomes for service users. It was also identified that there was fragmentation in some of the treatment pathways and that services could be more family focussed in particular.

A re-tender exercise was due to commence in June 2016 to procure a revised treatment service with a start date of 1st April 2017. However due to the above it was recognised that a more comprehensive review and consultation was required to shape a future model. This was also timely given changes to the Public Health Grant, which resulted in a prioritisation exercise due to grant reductions, details of which were set out in the report.

There are several risks in relation to the Drug and Alcohol Service. Lifeline have recently transferred its rights and obligations under the current contract to CGL. In addition, due to the change in tender timeline the existing service is operating under a contract extension. There is some instability within the existing arrangement.

A service review was undertaken in July 2016 to inform a future service model. This was overseen by the Drug and Alcohol Procurement Board. The review resulted in a proposed service model and draft specification. The model remains a recovery-based model with a range of prevention, harm minimisation, psychosocial, clinical and recovery support. A comprehensive consultation was carried out between July 2017 and February 2016. Appendix 2 of the report provided details of the consultation carried out.

Feedback from the consultation helped to inform the revised model and a new specification for the service. Key elements have been included in the revised model. The proposed new model will be transitioned into a community outreach model in order to retain and maximise front line service provision. Services will be based in three Recovery Centres with extensive outreach provision to extend accessibility into more local communities. The new model will enable improvement of a number of key pathways in the current specification. Savings will be accrued from a reduction in rent, rates, utilities and other associated running costs of buildings.

The timeline for the procurement of the new drug and alcohol service is 14 September 2017 for the tender publication with a service commencement date of 1 February 2018. A detailed mobilisation plan will be developed and worked through with the successful provider which will be overseen by the Drug and Alcohol Procurement Board.

Decision

The Cabinet:

- a) noted the consultation which has taken place to inform the final design of the service model;
- b) approved the proposals for the revised Drug and Alcohol Recovery Service model as outlined in the report;
- c) approved the procurement of the new service for a 1st February 2018 start date;
- d) noted the approach taken to service mobilisation.

Locomotion

Summary

The Cabinet considered a report of the Corporate Director of Regeneration and Local Services which sought approval to enter into new management arrangements at Locomotion. The report sought approval to transfer operational responsibility for the site into a single management structure under The Science Museum Group's (SMG) control; whilst retaining the strategic partnership between SMG and Durham County Council (DCC).

Locomotion, the National Railway Museum at Shildon, opened in 2004 and has operated under a joint management arrangement between DCC, formerly Sedgefield Borough Council, and SMG for the thirteen years it has been operating. Both DCC and SMG are committed to the long-term development of the museum which has exceeded all of its initial expectations.

In November 2016 a review report was presented to the Locomotion Management Board. The report provided an overview of the current management structures and governance processes that are in place as well as setting out the recommended next steps to achieve an improved offer for both the management and future expansion of the museum.

Negotiations with the Council have been ongoing since that time in relation to the future management arrangement for Locomotion.

Those negotiations have now reached the stage of an 'in principle' agreement. Both parties require approval through their respective governance procedures prior to the final agreement being put in place.

Both parties require approval through their respective governance procedures prior to the final agreement being put in place. The report provide a detailed analysis of the 'in principle' including the management of staff and assets, financial issues and governance arrangements.

The Council remains committed to the future development of Locomotion as a key venue in its cultural offer and recognises its role in the local community, county and region as well as its national significance as a railway museum. Whilst the museum currently attracts circa. 200,000 visitors per annum, it is hoped by approving these changes that this can grow significantly over the next phase of the museum's development.

Decision

The Cabinet approved that:

- (a) The Corporate Director of Regeneration and Local Services and the Corporate Director of Resources be delegated to progress the transfer in consultation with the Portfolio Holder for Tourism, Culture, Leisure and Rural Issues and the Portfolio Holder for Strategic Housing and Assets.
- (b) The Science Museum's Group be offered a lease of the site for a period of 112 years at a peppercorn rent which is to be formally progressed through the due process.

Quarter 1 2017/18 Performance Management Report

Summary

The Cabinet considered a report of the Director of Transformation and Partnerships which presented progress against the council's corporate performance framework by Altogether priority theme for the first quarter of the 2017/18 financial year.

Despite the ongoing effects of austerity, the Council continues to improve or maintain performance in many key areas. The employment rate has improved and is now at its highest level since 2007/08, which is better than the regional rate for the first time since 2014/15, but remains below the national figure. For the past two years, the number of 18 to 24 year olds claiming out of work benefits has fluctuated around its lowest level since 2014/15. Apprenticeship starts for 16 to 17 year olds and those sustained for 15 months or more from Durham County Council schemes, have increased since last year. In relation to Adult social care support, the reablement and rehabilitation service is improving with a higher percentage of older people still at home three months after discharge from hospital. First time entrants to the youth justice system remain low with fewer reported incidents of anti-social behaviour. Street and environmental cleanliness is good.

In other areas there are increasing needs or demands and some performance challenges. The number of looked after children has been steadily rising since 2008 and is significantly higher than national levels with the number of looked after children residential placements with independent providers increasing considerably from last year. Increases are also evident in the number of children with a child protection plan and the number of children in need referrals. Challenges are ongoing in relation to the health of the county with life expectancy and healthy life expectancy, the mortality rate for deaths related to drug misuse, and breastfeeding prevalence all worse than national levels. Crime levels show a significant increase, mainly due to changes in recording practice, but there is evidence of real increases in some crime categories. Fly-tipping incidents have seen a 3% reduction this quarter. Ongoing improvement issues continue in relation to the rate of employee appraisals and although sickness levels have improved, they remain a priority.

Decision

The Cabinet

- (a) considered and commented on the council's performance at quarter one;
- (b) agreed the changes to the Council Plan outlined below:

Altogether Wealthier

- (i) Agreeing a proposal for North Road has been further delayed while work for securing an external development partner and establishing the financial viability is carried out. The revised date is to be confirmed.

- (ii) The deadline to deliver the Chapter Homes business plan has been revised from December 2018 to October 2019 as the Council has not yet agreed to the transfer of land so the deadline now reflects the expected site completion date.
- (iii) Work to improve access to Durham Rail station is ongoing on the western path and the deadline has been delayed from June 2017 until August 2017.
- (iv) Developing and finalising a full business case for Horden Rail Station has been delayed from December 2017 to October 2018 while awaiting detailed design work with Network Rail for planning permission.

Altogether Safer

- (v) Expanding enforcement powers around anti-social behaviour by increasing the number of Public Space Protection Orders (PSPOs), designed to reduce anti-social behaviour in public spaces, is delayed from April 2017 to October 2017. A new countywide PSPO was introduced for dog fouling in June and more PSPOs are being considered going forward.
- (vi) Work with partners to evaluate the effectiveness of the Multi-Agency Intervention Service to ensure the current approach is meeting its desired outcomes has been delayed from July 2017 until July 2018. An August start date is anticipated with evaluation built into this project.

Altogether Greener

- (vii) The review to harmonise current operational practices relating to the collection of clinical waste is delayed from September 2017 to March 2018. Stage 1 in the north will roll out in September 2017 but as this is a complex issue further consultation and operational changes are required.
- (viii) The Commissioning of a leachate treatment system at Coxhoe East landfill site has been delayed from August 2017 to November 2017. The service is currently preparing this project for tender.
- (ix) A strategic review of street sweepings and food waste to improve the customer experience, reduce costs and generate revenue (including waste operations and contracts) has been delayed from August 2017 to March 2018. The street sweeping element is almost complete. The food waste element is part of the government funded Waste Collection Methodology Project which is about to commence.

- (x) The fleet restructure to realign operational practices to meet service delivery demands (due June 2017) and a review of the location of fleet vehicles (due September 2017), have both been delayed until March 2018. Consultations have commenced with staff and trade unions. Review of location of fleet vehicles will commence once the fleet restructure is finalised.
- (xi) The review of operational practices around allotments to harmonise standards and embed enforcement has been delayed from January 2018 to July 2018. Enforcement activity has increased regarding basics such as non-cultivation. Wider enforcement is dependent on a review of standard rules to be considered.
- (xii) The review of the Allotment Policy to increase community ownership and involvement in the management of allotments has been delayed from April 2017 to July 2018. It is anticipated that the Policy will be considered by Scrutiny in the autumn, followed by consultation and implementation.
- (xiii) Completion of capping activities at Joint Stocks Landfill site to standards set by the Environment Agency due June 2018 has been delayed until November 2019. The ability to cap is proportionate to the volume of soil able to be secured. Phase 1: Part 1 aims for completion by November 2018 and Part 2 by November 2019.

Altogether Better Council

- (xiv) The review of public conveniences to ascertain the distribution and standard of provision to inform future countywide proposals by May 2017 is behind target with a revised completion date of September 2017. Scoping work has been completed and further work is being considered.
- (xv) The review of the Customer First Strategy is under further consideration in light of the Head of Service restructure which has led to the establishment of the new Digital and Customer Services function. It has been proposed that a combined Digital and Customer Service Strategy is developed; to be confirmed once some initial baselining work has been completed.

Helen Lynch
 Head of Legal & Democratic Services
 15 September 2017