



Cabinet

Date **Wednesday 13 September 2017**
Time **10.00 am**
Venue **Committee Room 2, County Hall, Durham**

Business

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. Public Questions
2. Minutes of the meeting held on 12 July 2017 (Pages 3 - 6)
3. Declarations of interest

Ordinary Decisions:

4. Sugar Smart Programme - Report of Corporate Director of Adult and Health Services (Pages 7 - 18)
5. Forecast of Revenue and Capital Outturn 2017/18 - Period to 30 June 2017 - Report of Corporate Director of Resources (Pages 19 - 44)
6. Children's Services Update - Quality Improvement Board (QIB) One Year On - Report of Corporate Director of Children and Young People's Services (Pages 45 - 72)
7. Drug and Alcohol Recovery Service Model - Report of Corporate Director of Adult and Health Services (Pages 73 - 92)
8. Locomotion - Report of Corporate Director of Regeneration and Local Services (Pages 93 - 102)
9. Update on the delivery of the Medium Term Financial Plan 7 - Report of Director of Transformation and Partnerships (Pages 103 - 106)
10. Quarter One 2017/18 Performance Management Report - Report of Director of Transformation and Partnerships (Pages 107 - 162)
11. Welfare reform and poverty issues - Joint Report of Director of Transformation and Partnerships and Corporate Director of Children and Young People's Services (Pages 163 - 188)
12. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration

13. 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)

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

Helen Lynch

Head of Legal and Democratic Services

County Hall
Durham
5 September 2017

To: **The Members of the Cabinet**

Councillors S Henig and A Napier (Leader and Deputy Leader of the Council) together with Councillors J Allen, J Brown, O Gunn, L Hovvels, O Johnson, C Marshall, K Shaw and B Stephens

Contact: Ros Layfield

Tel: 03000 269708

DURHAM COUNTY COUNCIL

At a Meeting of **Cabinet** held in **The Council Chamber, Crook Council Offices, Crook, Co Durham, DL15 9ES** on **Wednesday 12 July 2017** at **10.00 am**

Present:

Councillor S Henig (Leader of Council) in the Chair

Cabinet Members:

Councillors J Allen, J Brown, O Gunn, L Hovvells, O Johnson, C Marshall, A Napier, K Shaw and B Stephens

Also present:

Councillors J Clare, S Dunn, M McKeon, A Patterson and A Surtees

1 Public Questions

A written response would be made to a question received from a member of the public who could not be present at the meeting, about the building that formerly housed the DLI museum.

2 Minutes

The minutes of the meeting held on 20 June 2017 were confirmed as a correct record and signed by the Chair.

3 Declarations of interest

There were no declarations of interest.

4 Medium Term Financial Plan (8), Council Plan, Service Plans 2018/19-2021/22 and Reviews of the Local Council Tax Reduction Scheme, Council Tax Discounts and Business Discretionary Rate Reliefs
Key Decision: CORP/R/17/02

The Cabinet considered a joint report of the Corporate Director of Resources and the Director of Transformation and Partnerships which provided an update on the development of the 2018/19 budget, the Medium Term Financial Plan (MTFP)(8)) and Council Plan / Service Plans 2018/19 to 2021/22. The report also considered reviews of the Local Council Tax Reduction Scheme, Council Tax discounts and Business Rates Discretionary Rate Relief (for copy see file of minutes).

Cabinet members spoke about the financial outlook of the authority continuing to be challenging, and of the various uncertainties affecting the finances including deterioration of the public finances, brexit, policies to be introduced following the general election, and public sector pay. The achievement of £41m in savings over the next four years which is on top of the savings of over £200m which have already been made will need to be made. Despite the huge cut to finances the authority have still balanced its budget which is commendable to all. It was pointed out that all services would be looked at again to find savings going forward. The Cabinet were delighted however to continue to provide the local council tax reduction scheme, and also the introduction of support for care leavers.

Resolved:

That the recommendations in the report be approved.

5 Treasury Management Outturn 2016/17

The Cabinet considered a report of the Corporate Director of Resources which provided information on the Treasury Management outturn position for the year ended 31 March 2017 (for copy see file of minutes).

Resolved:

That the recommendation in the report be approved.

6 2016/17 Final Outturn for the General Fund and Collection Fund

The Cabinet considered a report of the Corporate Director, Resources which provided Cabinet with details of the revenue and capital outturn for the General Fund for 2016/17, and the 2016/17 outturn for the Collection Fund in respect of Council Tax collection and Business Rates collection (for copy see file of minutes).

Cabinet members commented on the speed that finance officers had been able to produce the detailed financial position included in the report, and asked that their thanks be relayed to the team.

Resolved:

That the recommendations contained in the report be approved.

7 Update on the delivery of the Medium Term Financial Plan 6

The Cabinet considered a report of the Director of Transformation and Partnerships which confirmed that the 2016/17 Medium Term Financial Plan (MTFP 6) had been successfully delivered (for copy see file of minutes).

Resolved:

That the report be noted.

8 Safeguarding Adults Board Annual Report 2016-17

The Cabinet considered a report of the Corporate Director of Adult and Health Services which presented the Safeguarding Adults Board (SAB) Annual Report 2016-17, provided information on the current position of the County Durham Safeguarding Adults Board and outlined achievements during 2016/17 and plans for 2017/18 (for copy see file of minutes).

Resolved:

That the recommendations in the report be approved.

9 Health and Wellbeing Board Annual Report 2016/17

The Cabinet considered a joint report of the Corporate Director of Adult and Health Services, the Corporate Director of Children and Young Peoples Services and the Director of Public Health which presented the Health and Wellbeing Annual Report 2016/17 (for copy see file of minutes).

The work undertaken by the Board and its partners was commended.

Resolved:

That the recommendation in the report be approved.

10 Self Evaluation of Local Area Special Education Needs and Disability Reforms

The Cabinet considered a report of the Corporate Director of Children and Young People's Services which provided Cabinet with an overview of the Self-Evaluation of the implementation of the Special Education Needs and Disabilities (SEND) Reforms (for copy see file of minutes).

Resolved:

That the report be noted.

11 Children and Young People's Services Annual Reports and Plans

The Cabinet considered a report of the Corporate Director of Children and Young People's Services which provided an executive summary of the Youth Justice Plan 2017/19, the Annual Report of Fostering Panels and the Fostering Service 2016/17 and the Durham Local Safeguarding Children Board Annual Report 2016/17 (for copy see file of minutes).

Members praised the work that had been undertaken on the training of taxi drivers in raising their awareness on both child exploitation, and dementia. Taxi drivers were also thanked for their attendance at these events which had been in their own time.

Resolved:

That the recommendations contained in the report be approved.

12 Durham County Council's Response to Housing White Paper Consultation

The Cabinet considered a report of the Corporate Director of Regeneration and Local Services which presented Durham County Council's response to the Housing White Paper (for copy see file of minutes).

Resolved:

That the recommendation in the report be approved.

13 Regeneration of Peterlee - Re-provision of Peterlee Library

The Cabinet considered a report of the Corporate Director of Regeneration and Local Services which detailed the process for vacating the existing library site to allow for the disposal of land and re-providing the service within Peterlee Leisure Centre (for copy see file of minutes).

The Corporate Director of Regeneration and Local Services in presenting the report advised that Cabinet members had been provided with a copy of the Equality Impact Assessment which had been undertaken, and that a copy had been published on the council's website.

Cabinet members welcomed the move, and in doing so thanked the two local members for all their hard work in progressing this.

Resolved:

That the recommendations contained in the report be approved.

Cabinet

13 September 2017

Sugar Smart Programme



Report of Corporate Management Team
Jane Robinson, Corporate Director of Adult and Health Services
Councillor Lucy Hovvels, Portfolio Lead for Adult and Health Services

Purpose of the report

- 1 To provide Cabinet with an update from the Sugar Smart programme following a countywide launch.

Background

- 2 In County Durham 24% of 4-5 year olds, 37% of 10-11 year olds have excess weight and an estimated 68% of adults. If an individual is overweight or obese they are more prone to a range of serious health problems such as cardiovascular disease and type 2 diabetes; as well as psychological and social problems such as stress and depression.
- 3 There are significant costs to the wider economy arising from chronic ill health. The costs of decreased household incomes, earlier retirement and higher dependence on state benefits such as ill health or unemployment benefits that arise from obesity-related conditions also need to be considered.
- 4 County Durham is part of Public Health England's (PHE) three year programme into obesity systems, delivered by Leeds Beckett University and is developing a whole range of approaches to systematically tackle obesity.

Sugar reduction

- 5 The Scientific Advisory Committee on Nutrition has concluded that the recommended average population maximum intake of sugar should be halved: it should not exceed 5% of total dietary energy. Nationally sugar intakes of all population groups are above the recommendations, contributing between 12 to 15% of energy.
- 6 Consumption of sugar and sugar sweetened drinks is particularly high in school age children. Sugar consumption tends to be highest among the most disadvantaged who also experience a higher prevalence of tooth decay and obesity and its health consequences.

- 7 Public Health England (2016) state in very stark terms that “this is too serious a problem to be solved by relying only on individuals to change their behaviour. Implementing a broad programme of measures to affect the areas that influence our sugar consumption...as well supporting people to make healthier choices would have significant impact across population health”.
- 8 HM Government Childhood Obesity Plan (2016) states that we should provide practical steps to help people lower their own and their families sugar intake. It states that we need to harness the true potential of the public sector to reduce childhood obesity. “Every public sector setting, from leisure centres to hospitals, should have a food environment designed so the easy choices are also the healthy ones”. National consumer polling shows that people want lower sugar products and smaller portion sizes.

Sugar smart

- 9 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. The campaign encourages local organisations to take varied actions to help their communities reduce their sugar consumption.
- 10 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. Partners include; 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. DCA will seek to strengthen and grow this partnership as the initiative evolves.
- 11 This project will report into the County Durham Healthy Weight Alliance and Food Durham.
- 12 Sugar Smart aims to encourage organisations to consider sugar reduction and the health of their communities as part of their daily business. Sugar Smart does not require a financial resource to deliver it.
- 13 The Sugar Smart campaign recommends specific action plans, which offer a broad range of approaches to reduce our sugar intake. The programme was shared at a launch on the 10 July (part of the whole systems approach to obesity event). Some initial DCC activities include:
 - procurement have developed a sustainable and healthier procurement policy;
 - catering continue to make the healthy choice easier and are considering a ‘sugar levy’; sugary drinks increase by 20p and sugar free alternatives reduced by 20p. This would be based on the programme developed by Teesside University;
 - culture and sport are proposing to trial reduced sugar vending options and are considering including the Government Buying Standard for Food in future catering contracts;

- environmental health are considering promoting healthier catering/trading through their licensing visits.
- 14 Proposed partner activities include:
- CDDFT will implement a healthy procurement policy, removing sugary foods from point of sales.
 - Wellbeing for life will reduce the sugar content of cookery classes.
 - Taylor Shaw will aim to reduce the sugar content of their menus.
- 15 Improvements to the food environment will impact upon the health and productivity of the workforce and this supports DCC's commitment to the Better Health at Work programme.
- 16 Sugar smarts aligns to DCC's efforts to 'lead by example' in relation to a healthier workforce and supports the recommendations made in the Director of Public Health annual report 'Work and You'.
- 17 Sugar Smart will be underpinned by a communication campaign (see Appendix 2) that will raise the public profile of the important work undertaken by DCC and its partners.

Proposed outcomes

- 18 Making healthy options available in the public sector is a key strategy by HM Government Childhood Obesity plan and sugar reduction is seen by PHE as an integral part to improving population health. An impact could be seen across a range of public health outcomes measures:
- 2.06 - child excess weight in 4-5 and 10-11 year olds
 - 4.02 - proportion of five year old children free from dental decay
 - 2.12 - excess weight in adults
 - 1.09 - the percent of working days lost due to sickness absence
- 19 Sugar smarts will be reviewed quarterly to assess its uptake, impact upon our communities and its contributions towards the associated DCC programmes.

Recommendations

- 20 Cabinet is recommended to:
- (a) note the launch of the Sugar Smart initiative;
 - (b) agree to receive updates on progress to retain oversight of developments as appropriate.

Contact: Karen McCabe, Public Health Portfolio Lead
Tel: 03000 267 672

Appendix 1

Finance - Promoting healthier choices will positively impact the sales of healthier food and drinks.

Staffing - None.

Risk – None.

Equality and Diversity / Public Sector Equality Duty - Public health aims to reduce inequalities and improve health outcomes by reviewing PH outcomes data and developing relevant policies, strategies and intentions as appropriate.

Accommodation - N/A

Crime and Disorder - N/A

Human Rights - N/A

Consultation - N/A

Procurement - Sustainable and healthier procurement policy adopted across DCC.

Disability Issues - None

Legal Implications - None



Marketing Plan 2017

Updated: 05/05/2017

Version: 1.0

Background and key drivers

1. In the UK, the NHS spends between £5 and 9 billion a year treating obesity and related complications such as Type 2 Diabetes. 26,000 children are admitted to hospital for multiple tooth extraction under general anaesthetic caused by excessive sugar consumption. One in every five children starts primary schools overweight or obese and by the time they reach secondary school it's one in three.
2. In County Durham 24% of 4-5 year olds, 37% of 10-11 year olds have excess weight and an estimated 68% of adults. If an individual is overweight or obese they are more prone to a range of serious health problems such as cardiovascular disease and type 2 diabetes; as well as psychological and social problems such as stress and depression.
3. There are significant costs to the wider economy arising from chronic ill health. The costs of decreased household incomes, earlier retirement and higher dependence on state benefits such as ill health or unemployment benefits that arise from obesity-related conditions also need to be considered.
4. County Durham is part of Public Health England's (PHE) three year programme into obesity systems, delivered by Leeds Beckett University and is developing a whole range of approaches to systematically tackle obesity.

Sugar reduction

5. The Scientific Advisory Committee on Nutrition has concluded that the recommended average population maximum intake of sugar should be halved: it should not exceed 5% of total dietary energy. Nationally sugar intakes of all population groups are above the recommendations, contributing between 12 to 15% of energy.
6. Consumption of sugar and sugar sweetened drinks is particularly high in school age children. Sugar consumption tends to be highest among the most disadvantaged who also experience a higher prevalence of tooth decay and obesity and its health consequences.
7. Public Health England (2016) state "this is too serious a problem to be solved by relying only on individuals to change their behaviour. Implementing a broad programme of measures to affect the areas that influence our sugar consumption...as well supporting people to make healthier choices would have significant impact across population health".
8. HM Government Childhood Obesity Plan (2016) states that we should provide practical steps to help people lower their own and their families sugar intake. It states that we need to harness the true potential of the public sector to reduce childhood obesity. "Every public sector setting, from leisure centres to hospitals, should have a food environment designed so the easy choices are also the healthy ones". National consumer polling shows that people want lower sugar products and smaller portion sizes.

Sugar smart

9. To support the reduction of excessive sugar consumption, a campaign from Sustain and the Jamie Oliver Food Foundation -Sugar Smart UK has been established to help local areas across the UK. The campaign encourages local organisations to take varied actions to help their communities reduce their sugar consumption.

- 10 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. Partners include; 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. DCA will seek to strengthen and grow this partnership as the initiative evolves.

Stakeholders and partners

- COUNTY DURHAM AND DARLINGTON NHS FOUNDATION TRUST
- CVS
- Durham County Council – various departments including Sport and Leisure
- Durham University
- Leeds Beckett University
- NHS (in County Durham not listed)
- NHS DURHAM DALES, EASINGTON AND SEDGFIELD CCG
- North Durham CCG
- Schools

This stakeholder list is not exhaustive and will be expanded to include all individuals and groups DCC needs to communicate and work with before and during the project. It will be updated on a regular basis.

Target audience

- AAPs
- Colleges / students
- CVS
- DCC / commissioned services / staff
- Durham University / student unions / students

- Employers
- Families – parents and carers
- Members
- NHS / patients
- Primary schools / pupils
- Public sector catering – schools (Taylor Shaw), council, NHS, Police and Fire
- Restaurants and food outlets
- Secondary schools / pupils
- Customers of sport and leisure facilities
- Tourism and venues – council (e.g. Gala Theatre) and non-council attractions, events and festivals

Objectives

- To raise awareness of the effects medium to long-term excessive sugar consumption can have on children, young people and adults
- To highlight the impact on individuals, employers and on the NHS services
- To promote the app which indicates the levels of sugar contained in food and drink
- To encourage individuals to make ‘better’ choices when buying food and drink to move away from those containing high levels of sugar
- To encourage alternative behaviours of employers and businesses in changing their food, snacks and refreshment offers (as appropriate) that contain lower or reduced sugar and to consider healthier alternatives

Key Messages

- There are surprising amounts of sugar in everyday food and drink
- Too much sugar can increase the risk of serious diseases like heart disease, type 2 diabetes, some cancers and is harmful to dental health
- Downloading the free Sugar Smart app can help reveal the levels of sugar contained in food and drink
- Explain what being Sugar Smart means
- Encourage businesses, particularly food businesses and other partners to sign up to being Sugar Smart
- Offer healthy options
- Link to other comms that seek to encourage a healthy lifestyle
- Introduce an ‘accreditation’ or ‘standard’ which food businesses could use to promote themselves as Sugar Smart

Encourage involvement

- Encourage schools to get involved and engage with their students/pupils to think differently
- Encourage food businesses to adopt a 'Sugar Smart' approach by selling healthier option food and drink
- Encourage schools, colleges, the university, hospitals and employers to reduce unhealthy options through their vending options

Change behaviour

- Focus on providing support and encouraging individuals and businesses to the viable options available to them and to ensure they know where to get that support from

Performance measurement

- Numbers of businesses that engage with the service
- Number of webpage hits
- Time spent on the web pages
- Numbers accessing the schools extranet
- Number of views on the videos embedded on the pages (if applicable)

Key dates and Milestones

Launch 10th July

Budget

Budget is to be confirmed

Key contacts

Chris Woodcock

ACTION PLAN

Date	Action/ method of communication	Notes: include target audience where appropriate and rationale for the action	Action by	Estimate costs	Job ref from TTD
External communications.					
	Develop landing page with ancillary pages (if required) about Sugar Smart on DCC site	Provides a focal point for the content		Nil	
	DCC social media feeds	Using key dates (where appropriate), post reminders to businesses on various compliance requirements		Nil	
	DCC website carousel	Lead people to the landing pages at launch and then at planned intervals		Nil	
	DC News article	Explain the benefits of Sugar Smart and where to find out more		Nil	
	AAP social media	Blanket all APPs		Nil	
	AAP newsletters article	As above		Nil	
	Press release	Periodic reminders in line with key dates		Nil	
	Awareness raising display at events	Opportunities to provide printed materials and encourage people to visit the site		See printed materials	
	Printed materials	Consider printing downloaded materials from PHE to support event attendance		Tbc	

Date	Action/ method of communication	Notes: include target audience where appropriate and rationale for the action	Action by	Estimate costs	Job ref from TTD
	Schools extranet	Push information through the intranet using key messages and tools identified by Taylor Shaw		Nil	
	Free listings in partner and target audience publications And partner intranet sites	Widen the audience and reach		Nil	
	Identify and align message with other campaigns	Ensure campaigns with a link carry the message of Sugar Smart		Nil	
	Launch event 10 July – gear appropriate activity listed above to support the launch	Consider key stakeholders to invite for a photo opportunity		Possible cost for photographer	
	Consider paid for promotions – to push key social media messages, consider outdoor media.	Broaden the audience reinforcing the messages being delivered through other means		tbc	

Date	Action/ method of communication	Notes: include target audience where appropriate and rationale for the action	Action by	Estimate costs	Job ref from TTD
Internal communications					
	Buzz	Make those working with the target audiences aware of Sugar Smart		Nil	
	Members Update	Ensure Members are aware of the work done to support reductions in sugar consumption		Nil	
	Staff intranet	Make those working with target audiences aware of Sugar Smart and the key messages		Nil	
	Notice boards and reception areas	Provide printed materials for locations		See printed materials above	

Cabinet

13 September 2017

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



**Report of Corporate Management Team
John Hewitt, Corporate Director of Resources
Councillor Alan Napier, Portfolio Holder for Finance**

Purpose of the Report

- 1 To provide Cabinet with information on the:
 - (a) forecast revenue and capital outturn for 2017/18;
 - (b) forecast for the Council's Council Tax and Business Rates Collection Fund position at 31 March 2018;
 - (c) use of earmarked, cash limit and general reserves.
- 2 To seek approval of the budget adjustments and proposed sums outside of the cash limit.

Background

- 3 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.
- 4 The Constitution also states that the Chief Finance Officer must report to Cabinet on the overall Council budget monitoring position on a quarterly basis.
- 5 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.

Revenue Outturn Forecast – Based on Position to 30 June 2017

- 6 The table overleaf compares the forecast with the revised budget with further detail to be found in Appendices 2 and 3.
- 7 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 (for Cabinet consideration and recommended approval);
- (c) planned use of or contribution to Earmarked Reserves (please refer to Appendix 4).

Forecast of Revenue Outturn 2017/18

	Original Budget 2017/18	Budget - incorporating adjustments	Service Groupings Forecast of Outturn	Forecasted Variance
	£'000	£'000	£'000	£'000
Adult and Health Services	151,581	144,834	142,235	-2,599
Children and Young People's Services	98,963	115,599	119,535	3,936
Regeneration and Local Services	126,024	129,383	128,454	-929
Resources	16,628	19,200	18,368	-832
Transformation and Partnerships	8,716	11,715	12,155	440
Cash Limit Position	401,912	420,731	420,747	16
Contingencies	5,422	4,694	4,694	0
Corporate Costs	3,990	4,095	3,885	-210
NET COST OF SERVICES	411,324	429,520	429,326	-194
Capital charges	-57,113	-57,113	-57,113	0
Interest and Investment income	-1,700	-1,700	-2,311	-611
Interest payable and similar charges	38,108	38,587	38,337	-250
Levies	15,979	15,979	15,979	0
Net Expenditure	406,598	425,273	424,218	-1,055
Funded By:				
Council tax	-195,706	-195,706	-195,706	0
Use of earmarked reserves	-18,185	-38,184	-38,184	0
Estimated net surplus on Collection Fund	-3,000	-3,000	-3,000	0
Start up Funding Assessment	-172,364	-172,364	-172,364	0
New Homes Bonus	-8,882	-8,882	-8,883	-1
New Homes Bonus - Re-imburement	-267	-267	-283	-16
Section 31 Grant	-5,875	-5,875	-5,934	-59
Education Services Grant	-1,500	-1,500	-1,516	-16
Forecast contribution to/from(-) Cash Limit Reserve	-819	505	489	-16
Forecast contribution to General Reserves	0	0	1,163	1,163
TOTAL	0	0	0	0

Note: Negative figures in the variance column represent an underspend or overachievement of income

- 8 The table on the previous page identifies that there is forecast to be a £16,000 overspend within service grouping cash limits with a forecast underspend on all other budgets of £1.163 million. This position is reflected in the movement in cash limit and general reserves. This net £1.147 million underspend is a 0.3% underspend against the revised net expenditure budget of £425.3 million.
- 9 Approval is being sought for the following sums to be funded from general contingencies. These sums are deemed to be outside of service grouping cash limits.

Service Grouping	Proposal	Amount
		£ million
Adult and Health Services (AHS)	Care Inflation pressures	0.045
Children and Young People's Services (CYPS)	Premises related costs for former school buildings	0.022
Regeneration and Local Services (REAL)	Business Durham Institute – University Decant and Return	0.130
Regeneration and Local Services (REAL)	Strategic Employment Sites	0.359
Regeneration and Local Services (REAL)	Concessionary fares	0.046
Transformation and Partnerships (T&P)	Local Insight Digital Tool Survey	0.008
Total		0.610

- 10 After adjusting the budgets as detailed above, the forecast outturn for Cash Limit Reserves and the General Reserve are summarised in the table below:

Type of Reserve	Opening Balance as at 1 April 2017	Budgeted use at 1 April 2017	Movement during 2017/18		2017/18 Forecast of Outturn
			Planned contribution to (-) or use of reserve	Contribution to (-) or use of reserve	
	£ million	£ million	£ million	£ million	£ million
Service Grouping Cash Limit					
Adult and Health Services	-5.512	0.000	0.038	-2.599	-8.073
Children and Young People's Services	-3.309	0.819	-1.819	3.936	-0.373
Regeneration and Local Services Resources	-6.231	0.000	0.632	-0.929	-6.528
Transformation and Partnerships	-1.023	0.000	0.145	-0.832	-1.710
	-0.179	0.000	-0.320	0.440	-0.059
Total Cash Limit Reserve	-16.254	0.819	-1.324	0.016	-16.743
General Reserve	-23.004	0.000	0.000	-1.163	-24.167

- 11 The forecasted Cash Limit and General Reserves position is a prudent one given the forecasted levels of savings the Council needs to make of £40.9 million over the period 2018/19 to 2021/22 with the delivery of further savings becoming ever more challenging to achieve.
- 12 The reasons for the major variances against the revised budgets are detailed by each Service Grouping overleaf.

Adult and Health Services (AHS)

- 13 The 2017/18 projected outturn for AHS at 30 June 2017 is a cash limit under spend of £2.599 million, representing circa 1.8% of the total budget for AHS.
- 14 The projected outturn takes into account adjustments for sums outside the cash limit including redundancy costs which are met from the corporate reserve, capital accounting entries and use of / contributions to earmarked reserves.
- 15 The outturn is a managed position, reflecting the proactive management of activity by Heads of Service across AHS to remain within the cash limit and to prepare for 2018/19 MTFP savings requirements. The outturn position is accounted for as follows:
 - (a) early achievement of a number of future years' MTFP savings from management and support service proposals across the Adult Care and related areas, together with the careful management and control of vacant posts and supplies and services budgets across the service, particularly in County Durham Care and Support Services, has created a net underspend for the year of £2.211 million.
 - (b) net spend on adult care packages is £0.119 million under budget. This area of spend is being closely monitored to assess the impact of demographic and procedural/operational changes, where significant MTFP savings have been taken over recent years. Within the adult care budgets there are overspends of £1.346 million on Learning Disability / Mental Health Services, offset by underspend on Older People Services of £1.465 million. A review of Learning Disabilities commissioning processes is currently underway to help to identify any further opportunities to maximise value for money in this area.
 - (c) net expenditure in respect of Environment, Health and Consumer Protection (EHCP) services, is £0.269 million under budget, resulting mainly from early achievement of future years' MTFP savings.
 - (d) net expenditure on Public Health-related activity is in line with grant allocations.
- 16 In arriving at the forecast outturn position, £0.776 million relating to contributions to and from reserves and cash limits have been excluded from the outturn. The major items being use of the social care reserve (£0.245 million) and use of the Public Health Reserve (£0.385 million).
- 17 Taking the projected outturn position into account, including the transfer to/from Reserves in year, the estimated cash limit reserve to be carried forward for AHS is forecast to be £8.073 million.

Children and Young People's Services (CYPS)

- 18 The 2017/18 projected outturn position for CYPS, based on the position to 30 June 2017, is a cash limit overspend of £3.936 million. This represents a 3.4% overspend against the total budget for CYPS.
- 19 In arriving at the cash limit outturn position, premises related costs of £22,000 being incurred in respect of the former school sites have been treated as outside the cash limit.
- 20 The projected outturn takes into account adjustments for sums outside the cash limit including redundancy costs which are met from the corporate reserve, capital accounting entries and use of / contributions to earmarked reserves. The outturn position is accounted for as follows:
- (a) Children's Services are forecasting a net overspend of £4.049 million. This is primarily related to costs associated with placements, both those who have a legal status of looked after and those young people in permanent placements that are financially supported by the Council, details as follows:
 - (i) young people looked after is a volatile and high cost area of activity within CYPS and current external demographic demands are creating a strain on the service in terms of financial resource allocation. Work is actively being taken to try to address the placement mix, focusing on increasing the proportion of placements in higher quality low cost in house foster care. The current numbers and mix of placements is leading to an overspend when combined with non-Looked After Children (LAC) permanent placements of circa £3.498 million;
 - (ii) Children's Services are also forecasting an overachievement of income of £0.1 million relating to the Secure Centre, offset by an overspend on staffing and other budgets totalling £0.423 million, which includes the non-achievement of MTFP savings linked to a delayed restructure.
 - (b) Education Services are forecasting a net underspend of £0.113 million. This includes a forecast overspend on Home to School Transport, primarily relating to SEN pupils, of £0.465 million, offset by underspends across the rest of the service from early achievement of MTFP savings, staff vacancies and reduced pension liabilities in year.
- 21 On 12 July 2017 Cabinet considered a report providing an update on the development of the 2018/19 budget, the Medium Term Financial Plan (MTFP(8)) and Council Plan / Service Plans 2018/19 to 2021/22. The MTFP forecasts had been updated at that time to reflect the significant pressures being experienced in children's social care due to the additional number of children entering the care system.

- 22 It was anticipated that numbers would have stabilised in the current year and that the budget would meet demand, having built c£2.735 million growth into the 2017/18 base, but in the short term further additional financial support will be required. Additional budget support of £1.8 million in 2018/19 has been included in the MTFP(8) forecasts to allow numbers to stabilise and to enable the policy of adjusting the placement mix to reduce future years' costs. The additional £1.8 million provided in 2018/19 being gradually withdrawn over the 2019/20 to 2021/22 period as the forecast placement mix shift takes place. These forecasts will need to be reviewed regularly to reflect the progress of the placement policy.
- 23 Taking the projected outturn position into account, including the transfer to/from Reserves in year, the estimated cash limit reserve to be carried forward for CYPs is forecast to be £0.373 million at the year end.

Regeneration and Local Services (REAL)

- 24 The forecast revenue outturn for 2017/18 is a cash limit underspend of £0.929 million, after taking account of the forecast use of reserves and items outside the cash limit.
- 25 The forecast underspend is a managed position, reflecting the proactive management of activity by Heads of Service across Regeneration and Local Services to remain within the cash limit. The main reasons accounting for the outturn position are as follows:
- (a) Direct Services is forecast to be £0.505 million underspent, which is mainly due to increased income relating to Trade and Bulky Waste (£0.389 million), and savings in Waste Strategy (£94,000). Both these areas have been earmarked as 2018/19 MTFP savings.
 - (b) Culture & Sport is forecast to underspend by £0.458 million, due to savings on third party leisure contracts (£98,000), savings in Leisure Centres (£58,000), underspending in Libraries (£0.116 million), additional income in the Gala Theatre (£45,000), and managed savings in Service Development (£0.120 million).
 - (c) Technical Services is predicted to be £0.105 million overspent. This is the net position and takes into account a forecast overspend of £1.207 million within Highway Services, due to additional policy led expenditure on highways maintenance, mainly in relation to Category 1 and 2 defects and footway maintenance. This overspend is however offset by additional surpluses generated within Design Services (£0.266 million), additional surpluses within Trading activities (£0.683 million) and managed savings on employees in Strategic Highways (£0.206 million).
 - (d) Business Support is forecast to be £92,000 underspent due to managed savings on vacant posts and reductions in hours.
 - (e) Transport is forecast to be £0.399 million overspent, mainly due to increased costs within Care Connect (£0.274 million), and also additional costs on bus and rail contracts (£0.106 million).

- (f) Planning and Assets is forecast to be £0.111 million underspent, resulting from managed savings from vacant posts in Assets and Environment & Design.
 - (g) Economic Development and Housing is predicted to be underspent by £54,000. Managed employee savings of approximately £0.300 million in Housing Solutions, Physical Development and Visit County Durham are partially offset by forecast overspends in Economic Development associated with the Apprenticeship Programme, and the Employability and Skills team (£0.230 million).
- 26 In arriving at the forecast outturn position, £4.688 million relating to contributions to and from reserves and cash limits have been excluded from the outturn. The major items being:
- (a) £0.418 million drawn down from the MTFP redundancy reserve;
 - (b) a net contribution to earmarked reserves and cash limit reserve to support specific projects in 2017/18, including a £0.758 million use of earmarked reserves in respect of Culture & Sport; and a £0.232 million use of earmarked reserves in respect of Depots, Clean & Green and Neighbourhood Protection;
 - (c) £2.117 million use of reserves relating to Economic Development;
 - (d) £0.213 million use of reserves relating to Planning;
 - (e) £0.157 million use of reserves relating to Transport, and £0.257 million relating to Highways.
 - (f) £0.535 million has been treated as outside the cash limit and this relates to Business Durham Institute (£0.130 million), Strategic Employment Sites (£0.359 million) and Concessionary fares (£46,000).
- 27 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the forecasted cash limit reserve to be carried forward for Regeneration and Local Services is £6.528 million.

Resources

- 28 The 2017/18 forecast revenue outturn for Resources is a cash limit underspend of £0.832 million. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from corporate reserves and use of / contributions to earmarked reserves.
- 29 The Heads of Service across Resources continue to proactively manage activity to remain within the cash limit. The projected underbudget position is the net effect of the following items:
- (a) Corporate Finance and Commercial Services is forecast to be underbudget by £0.185 million, relating mainly to managed underspending against employees in Procurement (£29,000), Health and Safety (£37,000) and Human Resources (£0.104 million).

- (b) Finance and Transactional Services is forecast to be underbudget by £0.473 million, consisting of a managed position on vacancies in relation to the early achievement on 2018/19 MTFP savings (£0.420 million) and additional Financial Management SLA income (£88,000), offset in part by other minor variances.
- (c) Digital and Customer Services is forecasting an overbudget position of £0.118 million, consisting of an underspend on supplies and services (£0.212 million) in ICT Services and employees (£0.101 million) in Customer Services. This has been offset by funding two ICT capital schemes from revenue in 2017/18 (£0.335 million) and a net reduction in income (£98,000) due to withdrawal from Service Level Agreements by a number of schools and also County Durham Housing Group. Additional (one-off) income from NEWCO in respect of telecoms has covered a large part of the shortfall in the current year and plans are being prepared to deal with this shortfall in future years.
- (d) Internal Audit, Risk and Corporate Fraud is forecast to be underbudget by £20,000, comprising a managed underspend of £18,000 on employees in Corporate Fraud, and an overachievement of income of £2,000.
- (e) Legal and Democratic Services is forecast to be underbudget by £0.276 million, which includes a £71,000 managed underspend on employees and £0.126 million on supplies and services. There is an over recovery of income (£35,000) after taking into account a loss in respect of Land Charges (£0.107 million). This has been possible due to the receipt of (one-off) income from County Durham Housing Group (£51,000) and additional Government Grants (£91,000). There are also a number of other minor variances.
- (f) Service Management is forecasting a minor £3,000 overbudget position, which is a minor variance against supplies and services.

30 The forecast cash limit outturn shows the position after some £2.153 million of net contributions from reserves and cash limits have been applied to finance the following items:

- (a) £1.181 million from the Corporate MTFP reserve to fund the cost of early retirements/voluntary redundancies;
- (b) £76,000 from the Equal Pay Reserve to fund costs associated with equal pay claims;
- (c) £0.172 million from the Oracle Development Reserve to fund the development of the Oracle Financial System;
- (d) £0.523 million from the Elections reserve to fund County Council and Parliamentary elections;
- (e) £0.145 million from the Cash Limit Reserve to finance various ICT related issues;
- (f) £0.256 million from the ICT Trading Reserve to fund additional posts to support trading activity and additional costs of Microsoft licences;
- (g) £0.200 million contribution to the Revenues and Benefits Reserve to fund new software.

- (h) Taking the outturn position into account, including items outside the cash limit and transfers to and from earmarked reserves, the cash limit reserve to be carried forward for Resources is forecast to be £1.710 million.

Transformation and Partnerships (T&P)

- 31 The forecast revenue outturn for 2017/18 is a cash limit overspend of £0.440 million for the year after taking account of the forecast use of reserves and items outside the cash limit.
- 32 The main reasons for the projected net overspend are as follows:
 - (a) The previously planned restructure of the former Assistant Chief Executives service grouping has been delayed following the unitisation of services into T&P. A larger restructure, incorporating both the 2017/18 and 2018/19 savings targets is now planned across the new T&P service grouping. This has resulted in a delay in achieving £0.565 million of the 2017/18 MTFP savings. The net overspend as a result of the savings delay is fully covered by the use of managed underspends and the T&P cash limit reserve.
 - (b) Partnerships and Community Engagement are forecast to be £57,000 underbudget, primarily due to a managed underspend on employee costs;
 - (c) Strategy is forecast to be £49,000 underbudget, primarily due to a managed underspend on employee costs;
 - (d) Communications and Information Management are forecast to be £15,000 overbudget, due to a managed overspend on employee related costs;
 - (e) Transformation is forecast to be £34,000 underbudget as a result of a managed underspend on employee related costs.
- 33 In arriving at the forecast cash limit outturn position £0.977 million relating to contributions to and from reserves and cash limits have been excluded from the outturn. The major elements include:
 - (a) a £0.538 million contribution from reserves relating to delivering projects in the community;
 - (b) a £0.365 million contribution from reserves relating to the delivery of the corporate transformation programme;
 - (c) a £66,000 contribution from reserves in respect of website development;
 - (d) a £8,000 contribution from the Corporate Contingencies in respect of the Local Insight Digital Tool Survey.
- 34 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the total cash limit reserve forecasted to be carried forward for T&P at 31 March 2018 is £59,000.

Corporate Costs / Contingencies

- 35 The forecast revenue outturn for 2017/18 for Resources – Centrally Administered Costs is a cash limit underspend of £0.210 million. This takes into account adjustments for sums outside the cash limit such as the use of / contribution to earmarked reserves.
- 36 The forecast outturn position is accounted for by a net underbudget position on corporate subscriptions (£0.140 million), expenses associated with raising loans (£26,000), and an overachievement of legal fees income (£50,000).
- 37 In arriving at the forecast outturn position some £0.105 million relating to net contributions from earmarked reserves have been excluded from the outturn, and include the following items:
- (a) £0.110 million from the Welfare Assistance Funding Reserve relating to the welfare reform agenda;
 - (b) £0.230 million from the Equal Pay Reserve to fund the cost of equal pay claims;
 - (c) £0.235 million contribution to the Welfare Reforms New Burdens Grant Reserve in respect of the welfare reform agenda.

Central Budgets

Interest Payable and Similar Charges - Capital Financing

- 38 Following a review of capital financing costs, linked to re-profiling within the capital programme earlier in the year, there is a forecast underspend of £0.250 million. This saving is mainly due to lower than forecast interest rates on loans.

Interest and Investment Income

- 39 The forecast at this stage is an overachievement of income of £0.611 million which is mainly due to higher than forecast level of returns on short term investments and council commercial activities.

Council Earmarked Reserves Forecast

- 40 The table at Appendix 4 sets out the Council's earmarked reserves and school earmarked reserves, where funding has been set aside in anticipation of future expenditure and shows the forecasted balance on these reserves by 31 March 2018.
- 41 A summary of the latest forecast of Council reserves excluding school earmarked reserves is shown below. The summary highlights that Earmarked Reserves are forecast to reduce by £27.317 million in 2017/18 from £202.549 million to £175.232 million. Examples of the utilisation of £27.806 million of earmarked reserves are detailed in the service grouping commentaries. This level of utilisation is to be expected as these sums are expended upon the area they were earmarked for.

	Earmarked £ million	Cash Limit £ million	TOTAL £ million
Opening Earmarked Balances as at 1 April 2017	-186.295	-16.254	-202.549
Adjusted for forecasted increase (-) / use of Earmarked Reserves	27.806	-0.489	27.317
Forecasted Earmarked Reserve Balances as at 31 March 2018	-158.489	-16.743	-175.232

Schools

42 Original budgets for maintained schools are summarised below:

	Surplus / Deficit at 31 March 2017 £ million	Budget share £ million	Pupil Premium £ million	Other Income £ million	Total Resources Available £ million	Total Budgeted Gross Expenditure £ million	Surplus / Deficit at 31 March 2018 £ million
Nursery	-0.411	-1.056	-0.007	-3.736	-5.210	4.958	-0.252
AP ¹	-	-3.695	-0.062	-0.017	-3.774	3.774	-
Primary	-16.216	-149.617	-14.783	-25.463	-206.079	196.018	-10.061
Secondary	-0.305	-57.513	-3.852	-11.666	-73.336	76.079	2.743
Special	-2.500	-21.823	-0.707	-2.503	-27.533	25.332	-2.201
TOTAL	-19.432	-233.704	-19.411	-43.385	-315.932	306.161	-9.771

¹ Alternative Provision, provided through The Woodlands pupil referral unit, for pupils who have been permanently excluded from their school.

43 A negative balance in the surplus / deficit columns represents a surplus.

44 The budget share consists of formula funding for mainstream nursery, primary and secondary schools, plus pupil-led funding for special schools and funding for places in Enhanced Mainstream Provision in mainstream primary and secondary schools.

45 Pupil Premium is an original estimate; actuals are determined by the DfE and will not be confirmed until later in the year.

46 Other income includes:

	Other income £ million
Grant income	-33.648
Contributions	-0.157
Sales	-6.086
Lettings	-1.084
Income from local authority	-1.305
Other income	-1.106
TOTAL	-43.386

47 Grant income includes funding for Universal Infant Free School Meals and PE & Sport. Sales income is mainly from school meals and out-of-hours care (e.g. breakfast clubs). Income from the local authority is mainly funding for early years and special educational needs.

- 48 All schools have delegated budgets and carry forward under or over spends to the following financial year as either a surplus or deficit. At 31 March 2017 16 schools had a deficit balance, where their spending had exceeded their accumulated balances, totalling £4.161 million:

	Schools with deficits at 31 March 2017	
		£ million
Nursery	1	0.024
AP	-	-
Primary	11	0.233
Secondary	4	3.904
Special	-	-
TOTAL	16	4.161

- 49 In most cases, the schools concerned will be able to clear their deficit in 2017/18 and carry forward a surplus at 31 March 2018.
- 50 As noted above, schools' original budget plans were to carry forward net surplus balances totalling £9.771 million at 31 March 2018. Based on the latest forecasts, schools will carry forward net surplus balances of £10.558 million. A breakdown of these forecasts is shown below. The significance of balances above or below 2.5% of funding is that the Council views a balance of at least 2.5% as being appropriate in terms of the ability of schools to cope with unforeseen expenditure during the year.

	Nursery	AP	Primary	Secondary	Special	Total
Schools forecasting a surplus balance above 2.5% of annual funding						
Number	9	-	136	6	8	159
Forecast Balances	-£0.376m	-	-£9.966m	-£1.633m	-£2.382m	-£14.357m
Schools forecasting a surplus balance of less than 2.5% of annual funding						
Number	1	1	63	5	1	71
Forecast Balances	-£0.002m	-	-£0.531m	-£0.822m	-	-£1.355m
Schools forecasting a deficit balance						
Number	1	-	2	4	-	7
Forecast Balances	£0.011m	-	£0.084m	£5.059m	-	£5.154m
Total						
Number	11	1	201	15	9	237
Forecast Net Balances	-£0.367m	-	-£10.413m	£2.604m	-£2.382m	-£10.558m

- 51 Of the schools where the forecast is a deficit balance at 31 March 2018, six have been given permission to set deficit budgets from the Corporate Director Resources:

- (a) one is due to convert to an academy in September;
- (b) one will be undertaking a re-structuring in the autumn to allow it to balance its budget;

- (c) one is expected to join a Multi-Academy Trust;
 - (d) the Council is taking steps to address longer-term issues with the remaining three schools.
- 52 The other school will be able to balance its budget once it has completed some staffing changes.
- 53 The School Funding Team continues to work with schools to support and provide advice about budget issues, and will be reviewing budgets in the autumn in preparation for budget-setting in spring 2018. Where there are concerns about a school's financial viability this is shared with the Education Service so that we can take a joined-up approach to resolving these issues.

Capital

Background

- 54 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 below.
- 55 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.

Current Position

- 56 The following table summarises the latest capital budget alongside the original budget. The table also shows the forecast outturn for each service and the actual capital spend as at 30 June 2017.

Service Grouping	Original Budget 2017/18 as at May MOWG £ million	Amendments recommended by MOWG £ million	Revised Budget 2017/18 Quarter 1 £ million	Projected Outturn 2017/18 £ million	Actual Spend to 30 June 2017 £ million
Transformation and Partnerships	4.149	0.445	4.594	4.594	0.733
Adult and Health Services	0.318	0.000	0.318	0.318	0.094
Children and Young People's Services	28.765	0.018	28.783	28.783	3.162
Regeneration and Local Services	84.257	2.521	86.778	86.778	14.714
Resources	16.228	0.600	16.828	16.828	1.444
TOTAL	133.717	3.584	137.301	137.301	20.147

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

Additions

- (a) **T&P** – the Member’s Neighbourhood budget is increased by £0.322 million from the Members Neighbourhoods Revenue Reserve and the AAP budget is to be increased by transferring £0.157 million from the AAP Revenue Reserve.
- (b) **CYPS** - the service has plans to reshape the residential estate for looked after children to enable the achievement of 2018/19 MTFP savings, as part of which the unit at West Rainton will be extended and one of the units at Coxhoe will be closed. The estimated £0.160 million costs of the extension will be part funded from a £0.125 million capital receipt from Coxhoe, with the balance from an existing unallocated budget.
- (c) **REAL**
 - (i) **Technical Services** - the service has secured additional funding of £0.790 million. This includes Section 106 funding of £18,671 to replace railings in Bowburn, a contribution of £0.600 million from the County Durham Housing Group for unadopted footpath schemes and £0.171 million from the Environment Agency for flood prevention work in Lanchester.
 - (ii) **Economic Development and Housing** - at the Cabinet meeting in July 2015, approval was granted to invest up to £10 million in Chapter Homes. This is deemed a self-financing investment funded by £7 million loan with a market interest rate of 7.5% and £3 million equity to be financed from future capital receipts. The current approved budget for Chapter Homes is £5.305 million. Further funding of £0.710 million was approved under delegated arrangements in May 2017 to aid the cashflow of the company. MOWG advised that the overall budget should be increased by a further £1 million to assist with the short-term cash flow position. There have been some delays in getting utilities connected which has had a knock on impact on being able to sell properties in line with the original profile. In addition, the early phases of the site have a property mix of smaller units and the completions are being delivered later than originally profiled as they are aimed at first time buyers who must have the required deposit to proceed. Furthermore, 18 additional units are being built on the site following agreement to purchase adjacent land from Great Aycliffe Town Council, and this will increase the overall construction cost. The investment is still forecast to be self financing. The total budget for Chapter Homes will then be £7.015 million, which is within the £10 million Cabinet approval.

- (d) **Resources** – the contract for the current Open Revenue and Benefits, Fraud and Payments (ICON) system is now due for renewal at an estimated cost of £0.600 million. The additional cost is to be funded from the Revenue and Benefits Reserve (£0.500 million) and the Corporate Procurement Reserve (£0.100 million).

Reductions

- (a) **REAL – Economic Development and Housing** – the budget for Netpark Infrastructure Phase 3 has been reduced by £1.739 million due to the revised offer letter of grant available from the North East Combined Authority (NECA) following the revision of the estimated cost of the project.

58 Budget managers continue to challenge and review the programming and phasing of works, which has resulted in the re-profiling of the following budgets in line with anticipated activity in 2017/18:

- (a) **CYPS – School Related** – some £0.120 million of the unprogrammed budget is to be reprofiled from 2017/18 into 2018/19 to meet the cost of carrying out asbestos removal, legionella work and fire safety schemes throughout the school estate.
- (b) **REAL – Economic Development and Housing** – the budget of £1.739 million relating to the Netpark Phase 3 scheme has been reprofiled from 2019/20 into 2017/18 to process the reduction referred to above.

Capital Financing

59 The following table summarises the recommended financing of the revised Capital Programme:

Financed By:	Original Budget 2017/18	Amendments recommended by MOWG	Revised Budget 2017/18
	£ million	£ million	£ million
Grants and Contributions	53.134	-0.620	52.514
Revenue and Reserves	3.000	1.079	4.079
Capital Receipts	17.700	0.125	17.825
Borrowing	59.883	3.000	62.883
TOTAL	133.717	3.584	137.301

Council Tax and Business Rates Collection Funds

Council Tax

- 60 Council Tax is charged for all residential dwellings in bandings agreed by the Valuation Office Agency, which is part of Her Majesty's Revenues and Customs (HMRC). Exemptions, reliefs and discounts are awarded dependent upon the state of the property, its use and occupiers' personal circumstances.
- 61 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, enablement of processes and availability of a wide range of payment methods.
- 62 The in-year collection rates in quarter one for the last three years, including the current year, are shown below:

Billing Year	Position at 30 June Each Year %
2017/18	29.03
2016/17	29.00
2015/16	28.66

- 63 The current overall collection rate for 2016/17 council tax liabilities is now 97.40% (compared to 96.69% at 31 March 2017), and for 2015/16 the rate is now 98.30% (compared to 96.32% at 31 March 2016). The Council continues to recover Council Tax from earlier years, and currently the collection rate for all years excluding the current year is 99.51% which is line with our medium term financial plan forecasts.
- 64 The income shown in the Council Tax Collection Fund is the amount collectable from Council Tax payers over the long term, 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 tax base for all domestic properties in the county (schedule of all properties, discounts and reliefs) with an allowance for non-collection.
- 65 In light of the sustained improvements made in the collection rate over recent years, the Council has reviewed its planning assumptions in terms of the provision for non-payment in calculating the tax base from 2018/19 onwards. In July Cabinet approved a reduction in the provision for non-payment, from 1.5% to a prudent 1.0%. This will increase the council tax base from 2018/19, generating c£1 million of additional Council tax income within MTFP(8) and reducing the likelihood of Collection Fund surpluses being generated in future years.
- 66 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 result in the actual amounts collected always being different to the estimate.

- 67 Such differences at the end of each accounting year, after taking into account the calculated change required in the 'bad debt' provision, determine whether a surplus or deficit has arisen, which is then shared proportionately between the Council and its major preceptors, being Durham Police and Crime Commissioner and County Durham and Darlington Fire and Rescue Authority.
- 68 At 30 June 2017, the estimated outturn for the Council Tax Collection Fund is a surplus of £5.323 million as shown in the table below, 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 need updating in October / November to inform the declaration of a Collection Fund surplus for final budget planning 2018/19.

	£ million
Net Bills issued during Accounting Year 2017/18	303.352
LCTRS and previous years CTB adjustments	-53.763
Calculated change in provision for bad debts required and write offs	-2.964
Net income receivable (a)	246.625
Precepts and Demands	
Durham County Council	195.707
Parish and Town Councils	11.851
Durham Police and Crime Commissioner	22.952
County Durham and Darlington Fire and Rescue Authority	13.243
Total Precepts and Demands (b)	243.753
Net Surplus / (-) Deficit for year (a) – (b)	2.872
Undeclared Surplus Brought Forward from 2016/17	2.451
Estimated Year end surplus	5.323

- 69 At 15 January in each year, the estimated surplus/deficit on the Collection Fund Council Tax Account is notified to the two major preceptors for inclusion in the budget setting process for the following year as an additional income or expenditure item.
- 70 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.
- 71 Over the past four years, the Council Tax provision for bad debts has been increasing steadily. This managed approach has been necessary to minimise the risk of the Council Tax Collection Fund moving into deficit whilst securing the robustness of the levels of provision held. The position has now been reached where maintaining the provision at a prudent level does not prevent the declaration of a surplus.

Business Rates

- 72 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.
- 73 In 2017/18, following consultation, the Government implemented the first revaluation of Business Rates since April 2010.
- 74 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.
- 75 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 2017 estimate of 2017/18 Business Rates income that was used for budget setting purposes. 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 the following table, which takes into account the undeclared surplus as at 31 March 2017.

	£ million
Net rate yield for 2017/18 including previous year adjustments	107.911
Estimate of changes due to appeals lodged and future appeals	-4.160
Estimated losses in Collection – Provision for Bad Debts and Write-offs	-1.139
Net income receivable (a)	102.612
Agreed allocated shares	
Central Government (50%)	49.646
Durham County Council (49%)	48.653
County Durham and Darlington Fire and Rescue Authority (1%)	0.993
Cost of Collection Allowance and Renewable Energy (paid to Durham County Council)	0.691
Total fixed payments (b)	99.983
Net surplus for year (a) – (b)	2.629
Undeclared Surplus brought forward from 2016/17	2.010
Estimated year end Surplus	4.639

- 76 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.
- 77 The payment profile on collection performance is changing due to more businesses opting to spread their payments over 12 months rather than ten. The major Business Rate Payers have all opted to take up this opportunity to re-profile their cash flow. However, robust collection procedures have enabled the setting of a challenging collection rate target of 33.55% at 30 June 2017, which has been exceeded.
- 78 The in-year collection rates in quarter one for the last three years, including the current year, are shown below:

Billing year	Position at 30 June Each Year %
2017/18	33.67
2016/17	33.55
2015/16	34.40

- 79 In year performance to 30 June shows a collection rate of 33.67%, which is marginally above the target by 0.12 percentage points. The current overall collection rate for 2016/17 business rate liabilities is now 98.82% (compared to 97.40% at 31 March 2017) and for 2015/16 business rate liabilities is now 99.26% (compared to 97.20% at 31 March 2016). The Council continues to recover Business Rates from earlier years and currently, the collection rate for all years excluding the current year is 99.28% which is line with our medium term financial plan forecasts.

Section 31 Grant - Small Business Rate Relief

- 80 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.
- 81 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.
- 82 The Government has agreed to pay Section 31 grant for any additional Small Business Rate Relief in respect of business rates bills and adjustments thereof relating to the period commencing 1 April 2013. Any adjustments that relate to bills for years prior to this will be dealt with as part of the normal Rate Retention shares. At 30 June 2017, the gross Small Business Relief awarded against 2017/18 Business Rates bills and adjustments to 2016/17, 2015/16, 2014/15 and 2013/14 bills is £13.286 million, and the Council will receive £4.103 million in Section 31 Grant, including the capping adjustment and threshold change adjustments, in this regard.

Other Section 31 Grants

- 83 In the Autumn Statements since 2013, 2014 and 2015, additional Business Rate Reliefs have been announced for each following financial year for which Section 31 Grants would be payable. These included reliefs for properties empty from new, reoccupation of long-term empty properties and an additional relief for small shops. Durham County Council will be recompensed for any retained rates foregone because of reliefs given.
- 84 In the Autumn Statement 2016 and the Spring Budget 2017, following consultation on the 2017/18 NNDR revaluation, further additional Business Rate Relief Schemes have been announced which Section 31 Grants would be payable from April 2017. These further relief schemes include Rural Rate Relief and Local Newspaper Reliefs in the Autumn Statement, followed by Supporting Small Business, Local Discretionary Relief Scheme and Pub Relief in the Spring Budget. Funding for these schemes will be provided through Section 31 grants.
- 85 When assessing estimated outturn income from Business Rates, due regard must also be given on the effect that changes in estimated reliefs will have on the Section 31 grants. At 30 June 2017, the increase in Durham County

Council's Section 31 Grants (including Small Business Rate Relief) was £58,974.

- 86 Whilst the increase in Section 31 grants is accounted for in 2016/17, the surplus on Business Rates retention is accounted for in 2017/18.

Recommendations and Reasons

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

Background Papers

- (a) County Council – 22 February 2017 – Medium Term Financial Plan 2017/18 to 2019/20 and Revenue and Capital Budget 2017/18;
- (b) Cabinet – 12 July 2017 - 2016/17 Final Outturn for General Fund and Collection Fund.

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Appendix 1: Implications

Finance -

The report details the 2017/18 forecast of outturn position for Revenue and Capital and details the forecast movement on Reserves.

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 the Service Management Teams and budget holders. The projected outturn has been produced taking into consideration spend to date, trend data and market intelligence, and includes an element of prudence. This, together with the information supplied by Service Management Teams and budget holders, helps to mitigate the risks associated with achievement of the forecast outturn position.

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 -

The outturn proposals contained within this report have been prepared in accordance with standard accounting policies and procedures.

Appendix 2: Revenue Summary 2017/18

	Original Budget 2017/18	Revised Budget	Proposed Budget Revisions	Cash Limit Reserve	Contribution to / Use of Earmarked Reserves	Budget - incorporating adjustments	Service Groupings Forecast of Outturn	Forecasted Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult and Health Services	151,581	151,581	-7,478	0	731	144,834	142,235	-2,599
Children and Young People's Services	98,963	98,963	6,550	-1,819	11,905	115,599	119,535	3,936
Regeneration and Local Services	126,024	126,024	-793	553	3,599	129,383	128,454	-929
Resources	16,628	16,628	419	145	2,008	19,200	18,368	-832
Transformation and Partnerships	8,716	8,716	2,030	-203	1,172	11,715	12,155	440
Cash Limit Position	401,912	401,912	728	-1,324	19,415	420,731	420,747	16
Contingencies	5,422	5,422	-728		0	4,694	4,694	0
Corporate Costs	3,990	3,990	0	0	105	4,095	3,885	-210
NET COST OF SERVICES	411,324	411,324	0	-1,324	19,520	429,520	429,326	-194
Capital charges	-57,113	-57,113				-57,113	-57,113	0
Interest and Investment income	-1,700	-1,700				-1,700	-2,311	-611
Interest payable and similar charges	38,108	38,108			479	38,587	38,337	-250
Levies	15,979	15,979				15,979	15,979	0
Net Expenditure	406,598	406,598	0	-1,324	19,999	425,273	424,218	-1,055
Funded By:								
Council tax	-195,706	-195,706				-195,706	-195,706	0
Use of earmarked reserves	-18,185	-18,185			-19,999	-38,184	-38,184	0
Estimated net surplus on Collection Fund	-3,000	-3,000				-3,000	-3,000	0
Start up Funding Assessment	-172,364	-172,364				-172,364	-172,364	0
New Homes Bonus	-8,882	-8,882				-8,882	-8,883	-1
New Homes Bonus - Re-imburement	-267	-267				-267	-283	-16
Section 31 Grant	-5,875	-5,875				-5,875	-5,934	-59
Education Services Grant	-1,500	-1,500				-1,500	-1,516	-16
Forecast contribution to/from(-) Cash Limit Reserve	-819	-819		1,324		505	489	-16
Forecast contribution to General Reserves	0	0				0	1,163	1,163
TOTAL	0	0	0	0	0	0	0	0

Appendix 3: Revenue Summary by Expenditure / Income for the period ended 31 March 2018

	Original Budget 2017/18	Revised Budget	Proposed Budget Revisions	Agreed Budget	Service Groupings Forecast of Outturn	Corporate Costs	Sums Outside the Cash Limit	Cash Limit Reserve	Contribution to / Use of Earmarked Reserves	Revised Service Outturn	Forecasted Variance (including Corporate Costs)	Forecasted Variance - Corporate Costs
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Employees	501,630	504,244	17,149	521,393	521,166	718	0	-32	-3,741	518,111	-3,282	0
Premises	51,282	51,415	420	51,835	52,905	0	-7	0	-669	52,229	394	0
Transport	41,578	41,617	-675	40,942	40,962	0	0	-26	-3	40,933	-9	0
Supplies & Services	117,755	118,315	63	118,378	120,540	1,225	-512	-157	-2,649	118,447	69	-161
Agency & Contracted	321,720	321,726	-1,016	320,710	325,113	2,280	-91	-134	-675	326,493	5,783	0
Transfer Payments	208,855	197,680	-7,311	190,369	190,392	0	0	0	-390	190,002	-367	0
Central Costs	89,345	101,054	-5,623	95,431	105,240	110	0	0	-9,652	95,698	267	0
DRF	710	430	503	933	1,268	0	0	0	0	1,268	335	0
Other	0	0	0	0	35	0	0	1,773	-1,773	35	35	0
Capital Charges	57,113	57,113	0	57,113	57,113	0	0	0	0	57,113	0	0
GROSS EXPENDITURE	1,389,988	1,393,594	3,510	1,397,104	1,414,734	4,333	-610	1,424	-19,552	1,400,329	3,225	-161
Income												
Government Grants	568,850	572,492	5,614	578,106	577,807	249	0	0	-317	577,739	367	0
Other Grants and Contributions	75,964	76,382	-1,545	74,837	76,021	0	0	0	254	76,275	-1,438	0
Sales	9,308	8,935	-485	8,450	8,170	200	0	0	0	8,370	80	-50
Fees and Charges	107,513	109,086	1,305	110,391	107,367	-1	0	100	271	107,737	2,654	1
Rents	7,774	7,746	150	7,896	8,241	0	0	0	0	8,241	-345	0
Recharges To Other Services	205,043	205,879	-965	204,914	209,586	0	0	0	-28	209,558	-4,644	0
Other	9,634	7,172	-682	6,490	6,795	0	0	0	-212	6,583	-93	0
Total Income	984,086	987,692	3,392	991,084	993,987	448	0	100	-32	994,503	-3,419	-49
NET EXPENDITURE	405,902	405,902	118	406,020	420,747	3,885	-610	1,324	-19,520	405,826	-194	-210

Appendix 4: Earmarked Reserves Position as at 30 June 2017

	EARMARKED RESERVES AND CASH LIMIT RESERVES	SERVICE GROUPING	2016/17 CLOSING BALANCE	USE OF RESERVES	CONTRIBUTION TO RESERVES	TRANSFERS BETWEEN RESERVES	TOTAL MOVEMENT ON RESERVES	2017/18 CLOSING BALANCE AS AT 31 MAR 2018
			£'000	£'000	£'000	£'000	£'000	£'000
1	T&P AAP/Members Reserve	T&P	-2,482	870	0	0	870	-1,612
2	T&P Grant Reserve	T&P	-1,172	86	0	-60	26	-1,146
3	T&P Operational Reserve	T&P	-890	156	-9	-147	0	-890
4	Social Care Reserve	AHS	-6,337	392	0	60	452	-5,885
5	Public Health Reserve	AHS	-3,436	2,872	-1,161	0	1,711	-1,725
6	Env. Health and Consumer Protection Reserve	AHS	-708	61	0	0	61	-647
7	Children's Services Reserve	CYPS	-4,985	2,386	-223	1,819	3,982	-1,003
8	Continuing Professional Development Reserve	CYPS	-1,186	0	0	0	0	-1,186
9	Education Reserve	CYPS	-9,044	942	0	0	942	-8,102
10	Neighbourhoods AAP Reserve	REAL	-45	0	0	0	0	-45
11	Customer Services Reserve	REAL	-210	0	0	0	0	-210
12	Direct Services Reserve	REAL	-2,605	233	0	0	233	-2,372
13	Culture and Sport Reserve	REAL	-2,531	358	0	0	358	-2,173
14	Strategic Waste Reserve	REAL	-136	0	0	0	0	-136
15	Technical Services Reserve	REAL	-4,631	257	0	-102	155	-4,476
16	Business Growth Fund Reserve	REAL	-764	538	-71	0	467	-297
17	Economic Development Reserve	REAL	-2,164	507	0	0	507	-1,657
18	Planning Reserve	REAL	-1,516	213	0	0	213	-1,303
19	North Pennines AONB Partnership Reserve	REAL	-328	0	0	0	0	-328
20	Employability and Training Reserve	REAL	-125	114	0	0	114	-11
21	REAL Match Fund Programme Reserve	REAL	-1,735	0	0	0	0	-1,735
22	Housing Regeneration Reserve	REAL	-1,091	28	0	0	28	-1,063
23	Housing Solutions Reserve	REAL	-1,327	141	-169	0	-28	-1,355
24	Restructure Reserve	REAL	-114	0	0	0	0	-114
25	Transport Reserve	REAL	-207	0	0	0	0	-207
26	Funding and Programmes Management Reserve	REAL	-390	0	0	0	0	-390
27	Resources Corporate Reserve	Resources	-978	0	0	0	0	-978
28	Resources DWP Grant Reserve	Resources	-1,681	110	-235	0	-125	-1,806
29	Resources System Development Reserve	Resources	-725	172	0	0	172	-553
30	Resources Housing Benefit Subsidy Reserve	Resources	-433	0	0	0	0	-433
31	Resources Revenue and Benefits Reserve	Resources	-300	0	-200	0	-200	-500
32	Resources Legal Expenses Reserve	Resources	-200	0	0	0	0	-200
33	Resources Legal Services Reserve	Resources	-154	0	0	0	0	-154
34	Resources Elections Reserve	Resources	-1,010	523	0	0	523	-487
35	Resources ICT Reserves	Resources	-959	256	0	0	256	-703
36	Human Resources Reserve	Resources	-97	0	0	0	0	-97
37	Equal Pay Reserve	Corporate Fin	-20,140	306	0	203	509	-19,631
38	Insurance Reserve	Corporate Fin	-9,991	0	0	0	0	-9,991
39	Performance Reward Grant Reserve	Corporate Fin	-638	400	0	0	400	-238
40	MTFP Redundancy and Early Retirement Reserve	Corporate Fin	-12,822	2,333	0	0	2,333	-10,489
41	Office Accommodation Project Support Reserve	Corporate Fin	-77	0	0	0	0	-77
42	Budget Support Reserve	Corporate Fin	-42,622	12,622	0	0	12,622	-30,000
44	Office Accommodation Capital Reserve	Corporate Fin	-40,645	0	0	0	0	-40,645
45	Inspire Programme Reserve	Corporate Fin	-2,664	1,225	0	0	1,225	-1,439
	Total Earmarked Reserves		-186,295	28,101	-2,068	1,773	27,806	-158,489
	Cash Limit Reserves							
46	Adult and Health Services		-5,512	0	-2,599	38	-2,561	-8,073
47	Children and Young People's Services		-3,309	819	3,936	-1,819	2,936	-373
48	Regeneration and Local Services		-6,231	304	-929	328	-297	-6,528
49	Resources		-1,023	145	-832	0	-687	-1,710
50	Transformation and Partnerships		-179	0	440	-320	120	-59
	Total Cash Limit Reserves		-16,254	1,268	16	-1,773	-489	-16,743
	Total Council Reserves		-202,549	29,369	-2,052	0	27,317	-175,232
	Schools' Balances							
Sch 1	Schools' Revenue Balance	CYPS	-19,836	9,314	0	0	9,314	-10,522
Sch 2	DSG Reserve	CYPS	-11,159	1,066	0	0	1,066	-10,093
	Total Schools and DSG Reserve		-30,995	10,380	0	0	10,380	-20,615

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Cabinet

13 September 2017

Children's Services Update – Quality Improvement Board (QIB) One Year On


Report of Corporate Management Team
Margaret Whellans, Corporate Director of Children and Young People's Services
Councillor Olwyn Gunn, Cabinet Portfolio Holder for Children and Young People

Purpose of the Report

- 1 The purpose of this report is to provide Cabinet with an analysis of progress to date against the improvement activity across Children and Young People's Services (CYPS) following the Ofsted inspection which took place between February and March 2016.
- 2 This report is supported by regular performance reporting to Cabinet on Children's Services, which has been strengthened and restructured around the key themes of our new performance framework: Universal Services, Early Help, Assessment and Safeguarding, and Looked After Children and Care Leavers.

Summary

- 3 The Ofsted Single Inspection Framework (SIF) and the "Requires Improvement" judgement for Children and Young People's Services led to Ofsted making 14 recommendations for improvement action by the service post inspection. These recommendations are set out in full in **Appendix 2**.
- 4 The recommendations were grouped into four themes and incorporated into an Ofsted Improvement Plan. Senior Management leads were identified to progress each of the four themes and a Quality Improvement Board (QIB), led by the Corporate Director, Children and Young People's Services, was established to lead, oversee and monitor progress. The Membership of the QIB is made up of Heads of Service and Strategic Managers from across CYPS and also includes the Corporate Director and Head of Strategy from Transformation and Partnerships. The Lead Member will receive regular reports on the progress of the QIB via briefing from the Corporate Director and at the Transformation Board, and will attend the QIB when areas being targeted for improvement are to be discussed.
- 5 Monthly meetings of the QIB have taken place since May 2016. The Board provides challenge, advice and guidance to the theme leads. Progress

against each of the themes is provided to each meeting with one theme providing the main focus of each meeting on a rotation basis. This allows a more in-depth update against each theme every fourth meeting. A problem-solving and solution-focussed approach is taken by the QIB whereby barriers to full implementation of the Ofsted Recommendations are identified and clear remedial actions are agreed where required.

- 6 This one-year-on review demonstrates that, overall, good progress is being made against each of the 14 Ofsted Recommendations. However, as can be seen from **Appendix 2**, the majority of recommendations are judged by the QIB to be at “Amber” and further actions are required to more firmly embed developments to date, before full assurance can be provided. The full plan is also attached at this Appendix to give the underpinning detail.

Background to the “One-Year-On” Review

- 7 During the period 22 February to 16 March 2016, Ofsted carried out an inspection of Durham County Council’s Children’s Services (now Children and Young People’s Services) and the Local Safeguarding Children Board (LSCB) under the Single Inspection Framework (SIF).
- 8 Separate ratings for ‘overall effectiveness’ were given for CYPS and the LSCB. The inspection judgement for CYPS was ‘requires improvement’ and for the LSCB was ‘good’.
- 9 The Ofsted improvement plan was developed which addressed the 14 Ofsted Recommendations and set out actions which would be taken in line with the recommendations, and outcomes to be achieved.
- 10 The plan was submitted to Ofsted on 28 September 2016. The Senior Inspector and Lead Inspector were assured by the content of the plan and fed back that it was a comprehensive and focused document with clear actions and timescales.
- 11 The improvement plan was grouped into 4 themes which covered the 14 recommendations:
 - (a) Strengthening management and staffing capacity.
 - (b) Strengthening political and management oversight.
 - (c) Improving the quality of practice.
 - (d) Compliance with regulations.
- 12 For each theme, a lead was identified from the Senior Management Team of CYPS and Transformation and Partnerships, to ensure that the relevant actions were progressed.
- 13 A Quality Improvement Board (QIB) chaired by the Corporate Director of CYPS has met monthly since May 2016 to oversee the implementation of the

Ofsted improvement plan, providing strategic oversight and leading improvements in quality.

- 14 A “One Year On” review of progress to date against the anticipated outcomes of the Ofsted improvement plan has been carried out in partnership with the four theme leads. Recommendations for future actions and amendments to targets have been identified and are outlined in more detail in the paragraphs below.

Progress towards Outcomes

Theme 1: Strengthening Management and Staffing Capacity

- 15 This theme is working to Ofsted Recommendation 1: Capacity and stability in social work teams. Progress overall is Amber.

Areas of Good Progress:

- 16 Investment by the Council has significantly strengthened senior management and resource capacity across the service.
- 17 Two additional senior management posts - Corporate Director of Children and Young People’s Services and Head of Looked After Children and Care Leavers have been created, significantly strengthening senior leadership of the service. In addition, the Council has invested a further £1.38m increase to the base budget which has led to the following:-
- The establishment of an 11th Families First Social Work Team in the Easington area.
 - Four additional social work posts in the Child Protection Service and six additional social work posts in the Looked After Service.
 - Six team coordinator posts have been created to support the additional Families First team, Child Protection teams and Looked After teams.
 - Increased capacity in legal services to manage the increased volume of care proceedings.
 - An additional Independent Reviewing Officer.
- 18 In line with national trends, the demand for statutory social work services has been rising in County Durham. The number of open cases in the service has risen by 383 since June 2016 and numbers of children who need to be Looked After has also risen during the same period – from 715 in June 2016 to 800 as at 31 July 2017. This additional senior management and staffing capacity will enable the service to respond more effectively to the increased demand being experienced and to reduce the size of social work caseloads.
- 19 Processes are in place which provide robust oversight of cases where there is risk of drift and delay. Information is provided in the form of monthly team profiles. The team profiles provide managers with key performance

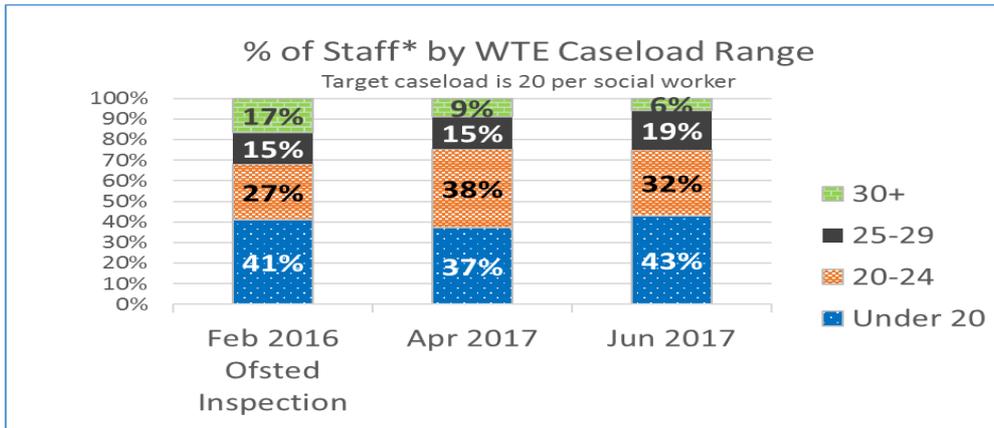
information such as caseload sizes, assessments completed within statutory timescales, visits to children at required statutory levels, child protection conferences held within timescales and HR information, such as sickness absence and staff supervision. These profiles are used by managers to inform case clinics which review all cases open for longer than 6 months and to ensure work with children and families meets statutory requirements and is making progress towards required outcomes.

- 20 Capacity is also being addressed through a series of LEAN reviews which seek to eliminate wasteful activity and achieve greater efficiency in day to day processes and practice within the service, enabling frontline practitioners to spend more time providing direct support to children and families. This will inform the detailed design of the new IT system.
- 21 An academy for newly qualified social workers was established last year and has supported 12 social workers in their first year in practice. All 12 have been appointed to posts within teams. A further 10 newly qualified social workers have been appointed to the academy for this year.
- 22 A revised development plan for social workers has recently been agreed so that they are upskilled and supported to continue their professional development. The plan includes a comprehensive range of training and development opportunities such as short courses like solution focussed practice and adult attachment in matching placements, accredited courses such as the practice educator award and consolidation module, and access to a professional development fund to allow experienced social workers to develop specialist knowledge and skills. The plan will be reviewed and updated by April 2018.
- 23 A “Strengthening Managers” programme has been commissioned for all managers. The programme aims to enhance management practice and support managers to adopt and implement reflective practice into their day to day supervision of staff. There is a clear focus on quality and practice improvement, demonstrating the achievement of improved outcomes for children as a result of interventions through effective management of and challenge to staff to improve their practice where required. To date 34 managers have completed the training and a second cohort of 16 managers is underway. It is anticipated that a further 5 cohorts will be required to ensure all managers complete the programme.

Areas requiring further action:

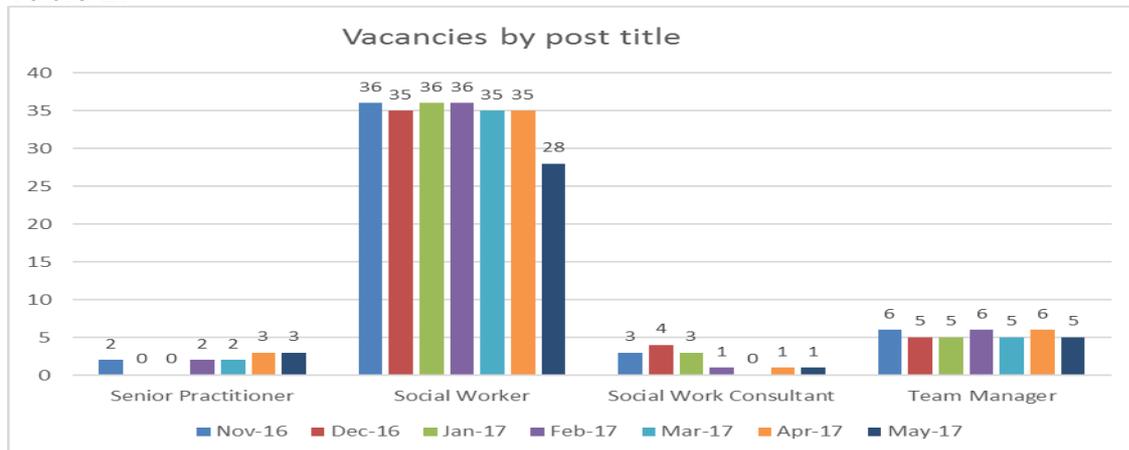
- 24 Caseloads are not yet consistently within set standards of 20 per social worker as a result of increased demand. Table 1 below shows the caseload position at the time of the Ofsted SIF compared with April 2017 and June 2017. There has been a 7% reduction in practitioners holding 25 or more cases and a 2% increase in those holding the required 20 or below. The service monitors caseload sizes monthly as there continues to be a large percentage of staff holding more than the desired number of cases.

Table 1:



- 25 The QIB has required a review of these standards so that team and individual caseload sizes are commensurate with safe and high quality practice. An analysis of the causes of increased demand is also to be carried out.
- 26 Whilst the use of agency staff to cover the vacancies has decreased, particularly in relation to management posts, this requires ongoing monitoring and oversight, linked to improved staff recruitment and retention. **Table 2** below shows a steady number of vacancies in team manager posts over the past six months despite the drive on recruitment. However social worker vacancies have decreased during this period and were at their lowest in May 2017.

Table 2:



- 27 The intention is to fill vacant posts by expanding the Social Work Academy and recruiting newly qualified staff to the vacancies, with a supporting programme of in-house training and development. Whilst this is not a risk-free approach, it is considered more manageable and less impactful than continued recruitment of a transient agency workforce which impacts on outcomes for children and families as a result of drift and delay experienced every time an agency worker leaves. This will be further enhanced by the

continuation of a return to social work programme and participation in a range of national programmes:

- (a) **Apprenticeships** – the introduction by the DfE of an apprentice social worker route to qualification, expected to be introduced by the end of 2017. Durham will seek to recruit by Easter 2018.
- (b) **Front Line** - an employment based pathway to social work qualification for current employees. 4 Participants will be supported on the programme from September 2017, with a view to supporting 8-12 participants from September 2018.
- (c) **First Line** - a leadership development programme for managers of statutory social work teams. Durham will be supporting 4 participants on the programme between Autumn 2017 and Summer 2018.
- (d) **Step Up to Social Work** - an employment based pathway for high quality graduates. It leads to a Postgraduate Diploma in Social Work after 14 months. In the North East the programme is designed and run by the local authorities working in partnership, supported by Manchester Metropolitan University. Durham will be supporting 5 participants on the next cohort of the programme between January 2018 and May 2019.

28 These actions are designed to improve the recruitment, professional development and retention of a skilled workforce and to reduce reliance on agency staff.

29 Work to further embed reflective practice across the service is taking place. Actions which support this have included setting up Learning Communities¹ in social work teams, reflective practice training for managers, and the establishment of a Quality Improvement Champions Network - a group made up of Senior Practitioners and Social Work Consultants whose role it is to ensure opportunities for reflective practice are provided on a day to day basis for practitioners. From recent audits carried out there is evidence that these approaches are beginning to impact on the quality of frontline practice, but there remains room for improvement. The impact of reflective practice on improved outcomes for children and families needs to come through more strongly.

Theme 2: Strengthening Political and Management Oversight

30 This theme is working towards Ofsted Recommendation 2: Improved performance information for political and senior leaders so that they can develop strategies to improve practice and 3: Review of recording systems. Progress overall is considered to be Green for Recommendation 2 and Amber for Recommendation 3.

¹ The Learning Communities provide opportunities for practitioners to share and reflect on practice with their peers to gain deeper insight and explore options for practice with families.

Areas of Good Progress:

- 31 New governance and performance reporting arrangements are now well established. Politicians have shaped new arrangements to strengthen their understanding and oversight of the work of CYPS. The Cabinet Member has worked with the Corporate Director of Children and Young People's Services and Lead Members of Overview and Scrutiny and Corporate Parenting Panel to set up regular ongoing liaison arrangements to consider performance and improvement issues. The Cabinet Member has strengthened the role of Support Member to assist in attending key Overview and Scrutiny and Corporate Parenting Panel activity. The reshaping of the Corporate Parenting Panel function with a widened remit, provides oversight of the full range of LAC arrangements, placements and settings. Overview and Scrutiny has a renewed focus with review work examining the role of the social worker in children's care.
- 32 Arrangements are supported by an improved Performance Management Framework (PMF) which was developed through a process of dialogue with social workers and managers. The new framework is split into four key themes which reflect the different levels of engagement of Council services with children:
- (a) Universal services
 - (b) Early help
 - (c) Assessment and safeguarding
 - (d) Looked after children and care leavers.
- 33 The framework also includes a series of key performance questions designed to promote scrutiny and challenge and to ensure that performance reporting reflects the experience of children living in County Durham and their progress towards achieving good outcomes. Reports are provided quarterly to Political Leaders, Chief Officers and Senior Managers within the Council enabling clear oversight and scrutiny of areas of good progress and those requiring further improvement.
- 34 Key outcomes to date from the strengthened arrangements are:
- (a) Initial consideration of the pressures on the social worker role at the Cabinet/Corporate Parenting/Scrutiny liaison meeting led to the referral of this issue to Scrutiny for more detailed work. Questioning to date from scrutiny members included requests for more information on caseload levels and further reporting on this area is now included in the scrutiny work programme.
 - (b) Benchmarking commissioned by the Cabinet/Corporate Parenting/Scrutiny liaison meeting informed the new strategy for the Corporate Parenting Panel, with a smaller membership, widened terms of reference and new work programme. Support for the Panel was more formally established as a key part of the Council's committee

structure, and reports are now in the public domain where possible, with a dedicated website section.

- 35 Good progress has also been made in relation to the review of recording systems. Following a £3m investment by the Council, the procurement of a new case management system “Liquid Logic” is well underway and on track for implementation in September 2018. The procurement and development processes have been well supported by fieldworkers and managers. A patch has been developed to fix the issues identified by Ofsted whereby important casework documentation could not be located in a single place through the existing SSID system. An interim work-around has been implemented which uses a Sharepoint facility to store all children’s case file records electronically within a consistent file structure, which is directly linked to their file on SSID.
- 36 In addition to the procurement of the new system, a comprehensive programme of Lean Reviews have taken place across all service areas to identify duplication in practice and processes with a view to securing more efficient and effective workflows. This work will also be used to improve practice and to inform the development and design of the Liquid Logic system.

Areas requiring further action:

- 37 The focus of the forward plan within this theme is to ensure the good progress made to date continues and becomes firmly embedded in the Council’s reporting framework.
- 38 The following actions are proposed to be included in a revised plan for the ongoing oversight and monitoring of QIB:
- (a) Ensure the strengthened political oversight and challenge brought by Members through improved political reporting arrangements with Cabinet, Overview and Scrutiny and Corporate Parenting Panel is evidenced in service actions and improvement activity.
 - (b) Embed the Performance Management Framework and ensure it provides qualitative as well as quantitative information to enable effective scrutiny and oversight with a particular focus on ensuring accuracy and timeliness of information and on driving action.
 - (c) Build on and strengthen the service-wide approach to improvement and the achievement of good quality outcomes for children and families.
 - (d) Carry out a self-assessment of Leadership and Management against the new Ofsted Framework to ensure that the Council is consistently meeting the new standards.
 - (e) Drive forward the implementation of Liquid Logic in line with the project plan ensuring practitioners continue to be engaged and part of the new system design to ensure it provides the best possible support to frontline practice and includes a comprehensive training programme to ensure smooth implementation.

Theme 3: Improve the Quality of Practice

39 This theme is working towards Ofsted Recommendation 4: Improve the quality of assessments; 5: Improve the quality of care planning; 8: Improve case file auditing and 9: Improve oversight of casework for children in voluntary care and under the Public Law Outline (PLO) process. Progress against Recommendation 8 is Green and against Recommendations 4, 5 and 9 is Amber.

Areas of Good Progress:

40 Actions to address these recommendations and achieve improvements in the quality of frontline practice are well underway. A Quality Improvement Framework has been developed and implemented, together with a rigorous and objective programme of audit activity.

41 Two full quarters of auditing have now taken place using a more robust and objective audit methodology. The standards relating to evidencing the quality of frontline practice have been substantially increased in line with Ofsted findings. When audited against the new standards, the direction of travel is one of improvement each quarter, with a 21% improvement in social work casework graded good or above having been achieved since the Ofsted Inspection, as set out in **Table 3** below.

Table 3:

	Feb-16	Oct-16	Mar-17	Jun-17
Grades	Ofsted	Ingsons	Q4: Case File Audits	Q1: Case File Audits
Good or Above	40%	0%	50%	61%

42 From the most recent quarter's analysis of key themes and areas for improvement, the following areas have been identified as making good progress:

- A Case File audit methodology has been developed which ensures cases are selected randomly incorporating a sample of work from each team and allocated to managers who do not have direct managerial oversight of the case, thus improving the objectivity of the audit process.
- The importance of and commitment to identifying good practice and making challenges where improvement is needed and to ensuring audits are completed in time has increased. This is evidenced in the improved level of feedback to practitioners and managers following

audits which provide an opportunity to share findings of good practice and areas for development in detail. There are indications that the culture within the service is starting to shift to one which is more proactive, challenging and reflective in relation to quality improvement. Following a survey with practitioners and managers on audit feedback, all reported that they welcome the challenge and the opportunity to receive feedback on their practice.

- The overall improvement of between 10-11% during a single quarter, if it is maintained and increased in the following quarters, is significant. Independent auditors have been commissioned to audit a cross section of cases in November 2017. This will provide an additional check and balance to the validity of audit, its findings, the accuracy of auditing and the quality of practice.

Areas requiring further action:

43 From the analysis of the most recent audit, the following areas have been identified as those requiring continued and determined focus for improvement:-

- Case files audited as being inadequate are actively tracked and remedial actions are taken immediately to address gaps in practice and manage impact on outcomes for children. Case files graded as inadequate mean that the service a child is receiving is considerably lower than what it should be and is likely to lead to poor outcomes for them.
- Further actions to improve practice in relation to the consistent use and recording of chronologies, further improvement in the quality of assessments and family plans, and management oversight have been identified and are to be prioritised by the Service which will help to accelerate quality to a more acceptable level.
- A wider approach to understand how the quality and timeliness of the journey of the looked after child is viewed, worked with and evaluated at each stage is to be developed. An additional focus on permanence within the case file audit tool will ensure auditors consider the quality, timeliness and progress made specifically towards permanency for our Looked After Children.
- The practice in working with children suffering or at risk of suffering neglect needs a strong improvement focus. A high number of children, worked with by both early help and statutory professionals, live in neglectful households. These can be complex cases where sustained change is hard to effect and often involve large sibling groups. Cases are often escalated and de-escalated on numerous occasions and can remain open for a long time. This is a priority of the LSCB and is being addressed by them on a multi-agency basis. A multi-agency strategy for neglect has recently been developed with supporting detailed practitioner guidance.

- The rate of improvement in statutory services is not currently replicated within early help audits. Further analysis of the possible issues that are causing improvement within early help to stall is being undertaken
- Appropriate enquires need to be made in First Contact to support good decision making about what happens next with the referral. This is specifically in relation to issues of consent and families awareness of the referral being made, where the child's usual residence is, ensuring that the referrer follows procedures and takes responsibility for the quality of the information provided at the point of referral.
- Whilst the number of families from different cultures is small, audits have identified that further improvement is needed in working effectively with children and families whose first language is not English. Issues and the difficulties and additional challenges this may cause parents and the practitioner need to be addressed more clearly. Ensuring a good understanding of culture and faith in assessments and planning would strengthen culturally sensitive practice.

44 It is important to consider these audit findings within the context of the environment that managers and practitioners are working in, as this can have an impact on the quality and improvement of practice and its recording. The intention is for social workers to hold no more than 20 cases, however, this continues to prove challenging as reported in paragraphs 24-25. Caseload sizes are still too high for many staff members and the efforts of Theme 1 to strengthen capacity alongside a continued focus on early help and progressing cases continues to be prioritised so that the service can adequately manage demand.

45 From analysis of the rate of progress being achieved to date in improving the quality of frontline practice, the overall ambitious target of achieving 90%-100% good or above across all casework should remain. Our expectation is that the quality of social work casework should reach 80% - 100% good or above by March 2018 and 90% - 100% good or above by March 2019.

Theme 4: Compliance with Regulations:

46 This theme is working towards the following Ofsted Recommendations:

- 6: Consent from parents for referrals to the service for children in need;
- 7: Improve private fostering arrangements;
- 10: Improve the quality of court reports for children moving to live with parents under Care Orders;
- 11: Improve the use of Independent Visitor Scheme for looked after children;

- 12: Improve the offer of “staying put” for care leavers in foster care;
- 13: Ensure a targeted approach based on analysis of need drives adoption recruitment;
- 14: Improve the analysis and use of information from Return Home Interviews for children who go missing or who are at risk of Child Sexual Exploitation;

Progress towards Recommendations 11 and 12 is Green and for the others is Amber.

Areas of Good Progress:

- 47 Procedures have been revised in First Contact to ensure all referrers gain consent from parents to referrals wherever possible.
- 48 Presentations have been made to various partnerships and a marketing and publicity plan has been implemented to improve knowledge and reporting in relation to private fostering, so that appropriate assessments are made and arrangements are in place to ensure children in such arrangements are being cared for safely.
- 49 An improved offer of Independent Visitors for Looked After Children has been developed in partnership with County Durham Youth Offending Service whose volunteers have been approached and provided with additional training to offer this support. To date, 7 volunteers have offered and are providing an independent visiting service.
- 50 For all young people in foster care at the age of 15.5 years, consideration is given to staying put arrangements up to the age of 18 years should they wish to do so and there are a number of young people who are currently in staying put arrangements. The views and wishes of young people and their carers is sought at this stage and informs their future plans. The Staying Put procedure has been amended and training and recruitment includes information and guidance for foster carers who are encouraged to support children in this way.
- 51 An assessment of need to inform an adoption recruitment strategy has been carried out linked to regional work. An expression of interest to DfE Practice and Improvement Fund has been successful. This will support recruitment and marketing of potential adopters; promoting early permanence and sharing best practice and the assessment and training of prospective adopters.
- 52 Procedures relating to the completion of Return Home Interviews following children going missing from home have led to an improvement in interviews being delivered. Completed forms are sent to the Erase Team and are used to inform the identification of locations and suspects involved in potential Child Sexual Exploitation and necessary disruption activity is identified and carried out. Plans are in place to develop an annual report for missing children that provides a position statement for partners.

Areas requiring further action:

- 53 Timescales and actions for achieving compliance are to be extended to March 2018 in relation to the following:-
- (a) 100% Early Help referrals record consent;
 - (b) 90-100% of Placement with Parents assessments are good;
 - (c) 100% Placement with Parents Assessments show senior management sign-off.
 - (d) An improved Adoption Recruitment Strategy leads to the recruitment of sufficient adopters to meet the needs of children.

Conclusion

- 54 The majority of actions identified in the Ofsted improvement plan have been or are being implemented and good progress has been made as a result of actions taken in most areas.
- 55 Actions taken by the service in support of the implementation of the Quality Improvement Framework have led to practitioners and managers having a greater focus on quality in their day to day practice as evidenced by the improving quality being demonstrated through the audit programme. This means that the desired culture of quality - high expectations, high challenge, high support - is improving and becoming more firmly embedded across the service.
- 56 However, it is recognised that the quality of case recording is not yet at the level required, and a period of further embedding is necessary in order to provide a stronger level of assurance that the changing culture is having a positive impact on improved outcomes for children and families.
- 57 The robust oversight and challenge of the QIB towards progress has ensured additional actions, where required, have been identified and implemented supporting a process of continual improvement in the quality of frontline practice, recording and management oversight. This includes the identification of barriers to progress and solutions to address these where they have arisen. There has been support on recruitment and staff development challenges and in strengthening political and management oversight from across the Council including wide ranging input from HR, the Council's Corporate Management, the Chief Executive and leading Members.
- 58 The QIB has required a revision of the current Ofsted Improvement Plan which reflects this one-year-on review and additional actions referenced within this report will be incorporated. The revised plan will inform the work of the QIB in the next period and ensure progress to date is sustained and further improved upon. This will also take into account the revised Ofsted Framework to ensure we continue to meet regulatory standards.

Recommendation

59 Cabinet is recommended to:

- (a) note the progress made against the Ofsted recommendations and the further work required.

Contact: Carole Payne, Head of Early Help, Assessment and Safeguarding
Tel: 03000 261630

Appendix 1: Implications

Finance – A number of tasks associated with the plan have resource implications and Children and Young People’s Service Management Team will ensure that these tasks are managed within existing resources or seek new resources where required. Investment has already been made into the Service to support the development of a new team.

Staffing – Workforce development will benefit staff and will help to challenge thinking and introduce new ways of working into practice. Roles and responsibilities are being amended in line with revised requirements. Embedding culture change is dependent on staff working effectively and understanding service aims, supported by managers. A series of programmes of activity and work associated with the resourcing, recruitment and retention of the workforce are being undertaken.

Risk – Changes need to be carefully managed to ensure that the protection of children remains robust and the system is not de-stabilised during transition.

Equality and Diversity / Public Sector Equality Duty – The needs of vulnerable children and families will be better met through implementation of the improvement plan

Accommodation – relocation and co-location of staff teams across the county, which will be managed within existing resources or new resources where required.

Crime and Disorder – None.

Human Rights – None.

Consultation – Any changes to workforce will be subject to consultation with affected staff. Members and senior members of Corporate Management Team were consulted and engaged in the development of the improvement plan.

Procurement– to be managed within existing working arrangements.

Disability Issues– None at this stage.

Legal Implications– All changes will be compliant with legal requirements.

Appendix 2: Ofsted Recommendations 2016

No.	Ofsted Recommendation:	RAG Rating
1	Continue with existing plans to ensure that there is sufficient capacity and stability in social work teams so that caseloads are manageable and workers are able to fully support children and young people.	A
2	Review existing arrangements to ensure that political and senior leaders have access to improved quantitative and qualitative performance information that enables them to have an accurate picture of the current practice delivered to children, so that they can develop strategies to maintain and improve the quality of frontline practice.	G
3	Continue with the plan to review existing recording systems to ensure that children's case records are organised in such a way that they present a coherent, accurate and easily accessible picture of the child's journey.	A
4	Improve the quality of social work assessments for all children, young people and care leavers by ensuring that they consistently contain comprehensive and rigorous analysis of all relevant information.	A
5	Improve the quality of planning for all children, young people and care leavers so that plans are clear about intended outcomes and timescales, and about who is responsible for actions. Ensure that families receive a copy of their plan. Ensure that key agencies participate in strategy discussions and meetings, or provide information to them, to comply with statutory guidance.	A
6	Ensure that consent is sought from parents when enquiries are undertaken for all cases of children and young people in need.	A
7	Improve private fostering arrangements to comply with statutory guidance through effective awareness raising, visits to children and completion of assessments.	A
8	Improve case file auditing to ensure robust and independent evaluation of the quality of practice to promote learning and improvement.	G
9	Improve the oversight of casework where children are in voluntary care arrangements, including those under the PLO process, so that plans for these children progress without delay and within timescales	A
10	For children moving to live with parents under care orders, review practice in respect of reports prepared under 'The Care Planning, Placement and Case Review (England) Regulations 2010' to make sure that these cover all relevant information and are signed off at a suitably senior level.	A
11	Review of use of, and eligibility criteria for, the independent visitor scheme so that the full range of children who would benefit from the scheme are able to do so.	G
12	Ensure that all care leavers in foster care are aware of the opportunity to 'stay put' in their placements after the age of 18 years, should they wish to do so.	G
13	Ensure that adoption recruitment strategy is based on the analysis of data, so that there is a targeted approach to ensure that sufficient carers are recruited to meet the needs of children in Durham.	A
14	Improve how information from return home interviews is used to support risk assessments for children who go missing and/or are at risk of child sexual exploitation.	A

**Detailed Ofsted Improvement Action Plan
Final as at 28 March 2017**

Theme 1: Strengthening management and staffing capacity PID Milestones: M1 - Resources required identified and financial management processes applied to meet demand M2 - Recruitment process reviewed and monitored through key performance data M3 - Evaluation of social work development programmes completed M4 - Social worker health check completed M5 - Structure designed and implemented	Lead: Carole Payne Membership: Mark Gurney
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Ofsted Recommendation 1: Continue with existing plans to ensure that there is sufficient capacity and stability in social work teams so that caseloads are manageable and workers are able to fully support children and young people.

Action(s) linked to the tasks of the PID	Lead Officer	Start date	End date	Expected Outcome
Resourcing <ul style="list-style-type: none"> Assess requirement for additional resources and produce a report to secure agreement if required. Obtain interim resources to secure additional social work staffing pending the full assessment. Additional team in place. Analysis of good practice outside of Durham in recruitment, retention and development of social work staff. 	Head of Children's Services	May 16	June 16	Structure developed to reflect demand across County with sufficient management capacity to assure quality. Cases progress in a timely manner without drift or delay.
		May 16	Sept 16	
		May 16	Sept 16	
Recruitment <ul style="list-style-type: none"> Improve recruitment and retention arrangements to support effective caseload management 	Strategic Manager, Children's Services Reform	May 16	Oct 17	Caseloads are within set standards for social workers and team managers
Retention <ul style="list-style-type: none"> Introduction of a Social Work Academy to develop 12 supernumerary newly qualified social workers. Practice Lead in post 12 new participants in academy posts 12 experienced social workers placed into vacancies Development programme in place (including training, coaching and supported workplace experience) and management practice improved: <ul style="list-style-type: none"> Introduce a development programme for aspiring Team Managers to support experienced social workers to move into management roles. Enhance the development programme for existing team managers 	Strategic Manager, Child Protection and Disability	Feb 16 - -	July 16 Oct 16 Oct 17	Agency staff usage reduced. Staff turnover levels are maintained at under 10%. Additional social workers are prepared for practice.
	Strategic Manager, Children's Services Reform/Strategic Manager, Service Quality and Development	June 16	Sept 17	Successful recruitment of Team Managers when required. Upskilling of social workers
	Strategic Manager, Children's Services Reform	June 16	Sept 17	Management practice is enhanced ensuring the same system of practices for all social work staff.

Theme 1: Strengthening management and staffing capacity PID Milestones: M1 - Resources required identified and financial management processes applied to meet demand M2 - Recruitment process reviewed and monitored through key performance data M3 - Evaluation of social work development programmes completed M4 - Social worker health check completed M5 - Structure designed and implemented	Lead: Carole Payne Membership: Mark Gurney
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Ofsted Recommendation 1: Continue with existing plans to ensure that there is sufficient capacity and stability in social work teams so that caseloads are manageable and workers are able to fully support children and young people.

Action(s) linked to the tasks of the PID	Lead Officer	Start date	End date	Expected Outcome
<ul style="list-style-type: none"> ○ Enhance the development programme for existing social workers ○ Investment in development opportunities for senior managers ○ Offer all social workers access to reflective practice sessions for all areas: <ul style="list-style-type: none"> Families First phase 1 Families First phase 2 All teams ○ Repeat Social Worker Health Check to gauge staff morale and issues affecting retention. 	<p>Strategic Manager, Child Protection and Disability</p> <p>Head of Children's Services</p> <p>Strategic Manager, First Contact and Intervention Service</p> <p>Strategic Manager, Child Protection and Disability</p>	<p>June 16</p> <p>June 16</p> <p>Started - -</p> <p>Started</p>	<p>Sept 17</p> <p>Sept 17</p> <p>Mar 16 Oct 16 Mar 17</p> <p>Nov 16</p>	<p>Demonstrate that reflective practice improves outcomes for young people.</p> <p>Efficient system of social work.</p> <p>High quality social work practice for children and families including targeted early help</p>
Structure <ul style="list-style-type: none"> • Engage external consultant to complete review of workflow to inform a restructure of social work teams 	Head of Children's Services	Apr 16	Oct 17	

Theme 2: Strengthening political and management oversight PID Milestones: M1 - Political and senior management reporting programmes set M2 - Opportunities to discuss success and issues are generated across the Council M3 - Updated electronic record management system procured and implemented M4 - Review existing working practices and undertake audits to determine effectiveness in key areas of service delivery	Lead: Jenny Haworth Membership: Helen Fergusson
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Ofsted Recommendation 2: Review existing arrangements to ensure that political and senior leaders have access to improved quantitative and qualitative performance information that enables them to have an accurate picture of the current practice delivered to children, so that they can develop strategies to maintain and improve the quality of frontline practice.

Action(s) linked to the tasks of the PID	Lead Officer	Start date	End date	Expected Outcome
<p>Review of good practice in political/ management oversight outside of Durham, including quantitative and qualitative information reported, and approach to analysis and challenge.</p> <p>Review all existing reports to political and senior leaders to ensure they facilitate line of sight on performance and quality and risk. Develop reports for:</p> <ul style="list-style-type: none"> • Children's Services Management Team (CSMT) • CMT • Cabinet • Overview and Scrutiny committees • Corporate Parenting Panel 	Strategic Manager, Service Quality and Development	<p>Sept 16</p> <p>May 16</p>	<p>Oct 16</p> <p>Oct 16</p>	A clear picture of the quality of practice in children's services is presented to political and senior leader.
<p>Put in place a new performance system based on improved analysis and engagement to ensure that:</p> <ul style="list-style-type: none"> • The children and young people's services position is understood by the Children's Services Management Team, corporate Management Team, Cabinet and the Council. • That senior managers and politicians have an accurate picture of current performance 	Head of Children's Services	Aug 16	April 17	Greater knowledge and ownership of children's services within the senior leadership, the service and the council

Theme 2: Strengthening political and management oversight PID Milestones: M1 - Political and senior management reporting programmes set M2 - Opportunities to discuss success and issues are generated across the Council M3 - Updated electronic record management system procured and implemented M4 - Review existing working practices and undertake audits to determine effectiveness in key areas of service delivery	Lead: Jenny Haworth Membership: Helen Fergusson
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Ofsted Recommendation 3: Continue with the plan to review existing recording systems to ensure that children’s case records are organised in such a way that they present a coherent, accurate and easily accessible picture of child’s journey.

Action(s) linked to the tasks of the PID	Lead Officer	Start date	End date	Expected Outcome
Develop a ‘work around’ on the current electronic case file system (SSID) across Children’s Services to provide an interim process that ensures case file recording can evidence the child’s journey is clear and safe and risk is clearly managed	Head of Planning and Service Strategy	Sept 16	Nov 16	Data is easily filed Staff time is used efficiently
Implement ‘work around’ electronic case file system	Head of Planning and Service Strategy	Nov 16	Mar 17	Management data is easily achieved Accessible information on all case files
Development and approval of business case to replace Social Services Information Database (SSID) and commission a system that supports practitioners	Head of Planning and Service Strategy Head of ICT	Sept 16	Jan 17	Case file system is fit for purpose showing the child’s journey
Procure electronic case file system across Children and Young People’s Services	Head of Planning and Service Strategy/Head of Children’s Services	Mar 17	July 17	Practitioners and managers are complementary about the case file system enhancing practice
Implement new electronic case file system	Head of Planning and Service Strategy	Quarter 2, 2017	TBC	More social work time is spent on working with families

Ofsted Recommendation 9: Improve the oversight of casework where children are in voluntary care arrangements, including those under the PLO process, so that plans for these children progress without delay and within timescales.

Include in quarterly reports for senior leaders and politicians that provides an accurate picture of children accommodated under s20 and/or in PLO to provide assurance that cases are progressing in a timely manner.	Strategic Manager, Child Protection and Disability	Started	Sept 16	Capture quality improvement and outcomes for children
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Theme 3: Improving the quality of practice PID Milestones: M1 - Review existing working practices in relation to assessment and undertake internal and external audits to determine effectiveness M2 - Practice standards for care planning are agreed and implemented M3 - Introduce family friendly care plan documentation M4 - LSCB strategy meetings attendance monitored and comprehensive IRO report on quality of planning to CYPsMT M5 - Family outcomes framework developed and evaluated to determine service improvement M6 - Culture of quality instilled with the workforce M7 - Comprehensive programme of internal and external audits undertaken and areas of concern acted upon	Lead: Caroline O'Neill Membership: Julie Scurfield
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Ofsted Recommendation 3: Continue with the plan to review existing recording systems to ensure that children's case records are organised in such a way that they present a coherent, accurate and easily accessible picture of child's journey.

Action(s) linked to the tasks of the PID	Lead Officer	Start date	End date	Expected Outcome
Improve management oversight of case recording practice and ensure documentation relating to case records are accessible within the electronic case file system through the introduction of 'Live Document Image Processing' A lean programme is introduced across the services A standard case file system is agreed by senior management for the service	Head of Children's Services	Started	Nov 17	The case file audit demonstrates 100% compliance with the case file recording requirements following the implementation of 'Live Document Image Processing' More social work time is spent on working with families

Ofsted Recommendation 4: Improve the quality of social work assessments for all children, young people and care leavers by ensuring that they consistently contain comprehensive and rigorous analysis of all relevant information.

Assessments <ul style="list-style-type: none"> Review standards in relation to quality of assessment Implement practice standards to ensure only 'good' parenting assessments and Court reports are signed off. 	Head of Children's Services Strategic Manager, Think Family Services	May 16 June 16	July 17 Jan 17	Checkpoints: Baseline 40% 65-70% of assessments are good or better within 6 months ie by April 2017. 90%-100% of assessments are good within 1 year ie by March 2018.
Training and support for Assessment <ul style="list-style-type: none"> Deliver ongoing training, coaching and support for social workers so that they are competent and confident to complete high quality assessments. Provide support for social workers through social work consultants Deliver programme of refresher training 	Strategic Manager, Think Family Services	From Jan 16	Jan 17	Staff are competent in assessment and are supported to produce high quality work.
Competency Review staffs' performance and competency against the agreed standards. Undertake internal and external audits to determine effectiveness <ul style="list-style-type: none"> Case file audit programme developed Two external audit outcomes Report progress to senior leaders 	Head of Children's Services	June 16 Jan 17 July 16	Ongoing July 17 Ongoing	Staff performance improves

Theme 3: Improving the quality of practice PID Milestones: M1 - Review existing working practices in relation to assessment and undertake internal and external audits to determine effectiveness M2 - Practice standards for care planning are agreed and implemented M3 - Introduce family friendly care plan documentation M4 - LSCB strategy meetings attendance monitored and comprehensive IRO report on quality of planning to CYPsMT M5 - Family outcomes framework developed and evaluated to determine service improvement M6 - Culture of quality instilled with the workforce M7 - Comprehensive programme of internal and external audits undertaken and areas of concern acted upon	Lead: Caroline O'Neill Membership: Julie Scurfield
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Ofsted Recommendation 5: Improve the quality of planning for all children, young people and care leavers so that plans are clear about intended outcomes and timescales, and about who is responsible for actions. Ensure that families receive a copy of their plan. Ensure that key agencies participate in strategy discussions and meetings, or provide information to them, to comply with statutory guidance.

Action(s) linked to the tasks of the PID	Lead Officer	Start date	End date	Expected Outcome
Carry out an audit of S47 enquiries and strategy discussions to ensure there is appropriate participation of key agencies in discussions and decision making	Strategic Manager, Children's Services Reform	Oct 17	Dec 17	Compliance with Statutory Guidance Checkpoints: Baseline 40% September 2016 – 55% of plans are good. December 2016 -65% of plans are good. March 2017 – 90%- 100% of plans are good. Improve the quality of plans to a consistent level of 'good'. All statutory partners and care groups attend strategy meetings as required.
<ul style="list-style-type: none"> Analysis of good practice in quality improvement elsewhere to inform the Durham approach Develop a social work engagement programme with a focus on quality Review the impact of the quality improvement programme in practice and set new milestones 	Strategic Manager, Children's Services Reform	July 16	Apr 17	
Develop practice standards for care planning.	Strategic Manager, Children's Services Reform	Nov 16	Jan 17	
Encourage challenge from the Local Safeguarding Children's Board (LSCB) to drive service improvement and embed a performance culture	Head of Children's Services/ Strategic Manager, Child Protection and Disability	Started	Dec 17	
Encourage challenge from the Independent Reviewing Officers (IRO) to drive service improvement and embed a performance culture	Head of Children's Services/Strategic Manager, Service Quality and Development	Started	Dec 17	
Introduce the family outcomes framework to demonstrate improved outcomes from implementation of plans. <ul style="list-style-type: none"> Family outcomes framework developed and evaluated to determine service improvement First quarterly report Second quarterly report 	Strategic Manager, Think Family Services	Nov 16	July 17 - Mar 17 - July 17	

Theme 3: Improving the quality of practice PID Milestones: M1 - Review existing working practices in relation to assessment and undertake internal and external audits to determine effectiveness M2 - Practice standards for care planning are agreed and implemented M3 - Introduce family friendly care plan documentation M4 - LSCB strategy meetings attendance monitored and comprehensive IRO report on quality of planning to CYPSMT M5 - Family outcomes framework developed and evaluated to determine service improvement M6 - Culture of quality instilled with the workforce M7 - Comprehensive programme of internal and external audits undertaken and areas of concern acted upon	Lead: Caroline O'Neill Membership: Julie Scurfield
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Ofsted Recommendation 8: Improve case file auditing to ensure robust and independent evaluation of the quality of practice to promote learning and improvement.

Action(s) linked to the tasks of the PID	Lead Officer	Start date	End date	Expected Outcome
Review quality improvement framework and implement a revised framework.	Strategic Manager, Children's Services Reform	Jun 16	Apr 17	Staff are supported to produce high quality work.
Introduce peer audit of social work case files and audit moderation and produce analysis and an evaluation of practice to be presented annually to Cabinet. (Audits are to be undertaken every quarter)	Strategic Manager, Children's Services Reform	Started	Sept 18	Audit drives improvement in practice so that quality improvement is continuous.
Introduce a programme of thematic audits to assess the quality of work in relation to: <ul style="list-style-type: none"> • Assessment • Domestic abuse • Family/Care plan • Placement with parent regulations compliance • Private fostering • Neglect • Casework Recording • Children placed with friends and family under Section 20 • Assessment • Private fostering • Family/Care plan • Child sexual exploitation (CSE) • Use of research in practice • Casework Recording • Pre-birth assessment <ul style="list-style-type: none"> • Thematic audits to be determined by CSMT are to be held every quarter 	Strategic Manager, Children's Services Reform	June 16 Sept 16 Jan 17 Jan 17 Jan 17 Jan 17 April 17 Jul 17 Jul 17 Oct 17 Oct 17 Jan 18 Jan 18 Apr 18 Jul 18 Jul 18 Apr 17	Sept 18 Nov 16 Mar 17 Mar 17 Mar 17 Mar 17 Jun 17 Sept 17 Sept 17 Dec 17 Dec 17 Mar 18 Mar 18 Jun 18 Sept 18 Sept 18 Sept 18	Quality in key areas of practice is understood and action plans to improve are in place

Theme 3: Improving the quality of practice		Lead: Caroline O'Neill		
PID Milestones: M1 - Review existing working practices in relation to assessment and undertake internal and external audits to determine effectiveness M2 - Practice standards for care planning are agreed and implemented M3 - Introduce family friendly care plan documentation M4 - LSCB strategy meetings attendance monitored and comprehensive IRO report on quality of planning to CYPsMT M5 - Family outcomes framework developed and evaluated to determine service improvement M6 - Culture of quality instilled with the workforce M7 - Comprehensive programme of internal and external audits undertaken and areas of concern acted upon		Membership: Julie Scurfield		
Ofsted Recommendation 9: Improve the oversight of casework where children are in voluntary care arrangements, including those under the PLO process, so that plans for these children progress without delay and within timescales.				
Action(s) linked to the tasks of the PID	Lead Officer	Start date	End date	Expected Outcome
Introduce bi-annual external independent case file validation audit and complete audit in: <ul style="list-style-type: none"> Audit 1 - Ingsons - Nov 16 Audit 2 - Ingsons - July 17 	Strategic Manager, Children's Services Reform	Sept 16	July 17 Nov 16 July 17	External validation matches Children's Services audits
Review the case tracking system for all cases, so that progress can be demonstrated and delay avoided for Public Law Outline (PLO).	Strategic Manager, Child Protection and Disability	Started	Sept 16	Managers can respond quickly when an issue is raised
Continue to ensure that all children are appropriately treated as looked after through the use of Out of Parental Care Reviews. Audit progress of cases subject to Out of Parental Care Reviews to ensure the clinic is being effective in assuring progress	Strategic Manager, First Contact and Intervention Service	Started	Sept 16	All cases progress to appropriate timescales Cases in PLO progress within agreed timescales
Review the Dispute Resolution Process to ensure that IROs are able to drive improvements and progress of cases.	Strategic Manager, Service Quality and Development	May 16	June 16	No children are looked after without the appropriate legal status

Theme 4: Compliance with regulations		Lead: Karen Robb / Gill Horrobin		
PID Milestones: M1 - Improve practice in key areas of regulatory requirements, develop new lean ways of working where required, monitor compliance through audit, ensure stakeholders are communicated with and understand any changed processes		Membership: Gill Eshelby		
Ofsted Recommendation 6: Ensure that consent is sought from parents when enquiries are undertaken for all cases of children and young people in need.				
Action(s) linked to the tasks of the PID	Lead Officer	Start date	End date	Expected Outcome
Systematically record consent in First Contact for early help cases.	Strategic Manager, First Contact and Intervention Service	June 16	Mar 17	100% early help referral records record consent from parents to share information.
Ofsted Recommendation 7: Improve private fostering arrangements to comply with statutory guidance through effective awareness raising, visits to children and completion of assessments.				
Increase innovative ways to ensure private fostering placements are notified to the local authority by: <ul style="list-style-type: none"> delivering an ongoing awareness raising campaign to gain a rise in numbers Awareness to schools and target pastoral staff so schools and health visitors confirm that all private fostering arrangements have been notified reissue guidance to staff and managers report to the CSMT/LSCB activity Complete audit of private fostering casework on a six monthly basis to ensure statutory functions have been delivered and quality is 'good'. 	Strategic Manager, Looked After and Permanence	Started	Mar 17	Notification of private fostering arrangements increase.
		Started	Mar 17	100% of privately fostered children are seen in timescales.
		Started	Mar 17	All assessments for privately fostered children are 'good'.
		Started	Mar 17	
		Oct 16	Mar 17	
Ofsted Recommendation 10: For children moving to live with parents under care orders, review practice in respect of reports prepared under 'The Care Planning, Placement and Case Review (England) Regulations 2010' to make sure that these cover all relevant information and are signed off at a suitably senior level.				
Revise use of placement with parents regulations and ensure that assessments are signed off by senior managers <ul style="list-style-type: none"> Training for all managers and social workers in revised expectations Procedural audit to be commissioned including a check on the management sign-off arrangements All placement with parents reports are signed off by Strategic management 	Strategic Manager, Looked After Children and Permanence	Sept 16	Mar 17	Placement with parents assessments drive the planning process.
		Jun 16	Mar 17	Audits show 90% -100%of placement with parent's assessments are 'good'.
		Jun 16	Mar 17	100% placement with parent's assessments shows senior management sign-off.

Theme 4: Compliance with regulations		Lead: Karen Robb / Gill Horrobin		
PID Milestones: M1 - Improve practice in key areas of regulatory requirements, develop new lean ways of working where required, monitor compliance through audit, ensure stakeholders are communicated with and understand any changed processes		Membership: Gill Eshelby		
Ofsted Recommendation 11: Review of use of, and eligibility criteria for, the independent visitor scheme so that the full range of children who would benefit from the scheme are able to do so.				
Action(s) linked to the tasks of the PID	Lead Officer	Start date	End date	Expected Outcome
Offer all relevant young people an Independent Visitor (IV) and support increased uptake to the scheme. <ul style="list-style-type: none"> Criteria revised Number of children meeting criteria for IV reviewed Increased take up of the scheme 	Strategic Manager, Looked After Children and Permanence	Jun 16 Jun 16 Jun 16	Mar 17 Mar 17 Mar 17	Offers of independent visitors are evidenced on all children's files. Baseline take up is 6 young people. Improve to 100% of eligible young people with explanation and understanding why not taken up.
Ofsted Recommendation 12: Ensure that all care leavers in foster care are aware of the opportunity to 'stay put' in their placements after the age of 18 years, should they wish to do so.				
Promote staying put to all care leavers, so that rates of staying put increase. <ul style="list-style-type: none"> Demonstrate that all eligible young people have been informed of their right to stay put, as evidenced in audit of their files Take up of staying put and supported lodgings conversions monitored Measure developed of children over 18 supported in their placement by the local authority, to include staying put and Special Guardianship Order placements 	Strategic Manager, Looked After Children and Permanence	Jun 16 Jun 16 Jun 16	Mar 17 Mar 17 Mar 17	Checkpoint: baseline 11 young people stay put (11.1%). Dec 2017 – 90% - 100% stay put as percentage of the young people who are eligible to apply are offered this choice.

Theme 4: Compliance with regulations		Lead: Karen Robb / Gill Horrobin		
PID Milestones: M1 - Improve practice in key areas of regulatory requirements, develop new lean ways of working where required, monitor compliance through audit, ensure stakeholders are communicated with and understand any changed processes		Membership: Gill Eshelby		
Ofsted Recommendation 13: Ensure that adoption recruitment strategy is based on the analysis of data, so that there is a targeted approach to ensure that sufficient carers are recruited to meet the needs of children in Durham.				
Action(s) linked to the tasks of the PID	Lead Officer	Start date	End date	Expected Outcome
Produce an analysis of adoption recruitment patterns and target recruitment actions accordingly, with a view to increase recruitment of adopters in 'high need' areas. <ul style="list-style-type: none"> Analysis of patterns complete - Annual adoption report Recruitment actions targeted Recruitment of adopters increased 	Strategic Manager, Looked After Children and Permanence	July 16 Oct 16	Mar 17 Mar 17	Adoption recruitment is matched to detailed needs analysis.
Ofsted Recommendation 14: Improve how information from return home interviews is used to support risk assessments for children who go missing and/or are at risk of child sexual exploitation.				
Develop return to home interview (RTHI) to include analysis of cause, consequence, risk and actions for children at risk of CSE <ul style="list-style-type: none"> RTHI developed Management sign off in place Audit complete 	Strategic Manager, Looked After Children and Permanence	Jun 16 Started Sept 16	Sept 16 July 16 Oct 16	RTHIs inform plans to reduce risk for young people who go missing.

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Cabinet Report

13 September 2017



Drug and Alcohol Recovery Service Model

Report of Corporate Management Team

Jane Robinson, Corporate Director of Adult and Health Services

Councillor Lucy Hovvels, Portfolio Lead for Adult and Health Services

Purpose of Report

- 1 To present Cabinet with an overview of the proposed new model for the Drug and Alcohol Recovery Service. The report will cover the rationale for change, the proposed new model and detail on the consultation process.
- 2 To make recommendations to Cabinet for the tender process for drug and alcohol services.

Background

- 3 Local authorities have the duty to reduce health inequalities and improve the health of their local population by the provision of public health services aimed at reducing drug and alcohol misuse.
- 4 There were an estimated 2,155 opiate and/or crack users (OCUs) in County Durham in 2011/12 (PHE Fingertips). The number of these OCUs injecting was estimated to be 1,076. At the end of Quarter 4 2016/17, there were 1504 OCU actively engaged in treatment services. This gives a treatment penetration rate of 70% for opiate users (penetration is the percentage of people who are accessing treatment as a proportion of those who are estimated to use drugs). There is potential for other users in the community not to be accessing any recovery support.
- 5 Drug and alcohol services make a significant contribution to tackling health inequalities, increasing life expectancy, improving the health and well-being of families and reducing crime and disorder in our local communities.
- 6 In a recent Public Health England Review (January 2017) it was estimated that for every £1 spent on substance misuse treatment there is a £2.50 saving recuperated on the social costs of drug misuse, making sound sense for local authorities to continue to invest in supporting people into recovery.

Current Provision

- 7 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. This action was undertaken to provide a standardised and systematic approach for the client through their treatment journey.
- 8 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.
- 9 The current Integrated Drug and Alcohol Service in County Durham delivers a range of psycho-social interventions, clinical prescribing and recovery support based on evidence from Public Health England and NICE Guidance. Tees Esk and Wear Valley NHS Foundation Trust manage any requirement for clinical support. There are also 80 pharmacies undertaking supervised consumption of methadone and six providing needle exchange managed by CGL.
- 10 Services are delivered through six Recovery Centres, based in Consett, Durham City, Seaham, Peterlee, Newton Aycliffe and Bishop Auckland. Durham County Council hold the leases for all Recovery Centres and the IT database system, which provides a level of on-going stability in the system against any back drop of change.
- 11 This model brought many positives to the treatment journey. However, there remained challenges in relation to treatment outcomes for service users, which has remained equal to the North East average but lower than the national average.
- 12 It was also identified that there was fragmentation in some of the treatment pathways and that services could be more family focussed.
- 13 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.
- 14 This was also timely given changes to the Public Health Grant, which resulted in a prioritisation exercise due to grant reductions set out in paragraph 15. This comprehensive review was undertaken across all of the public health's areas of investment alongside detailed benchmarking analysis to plan future services within the contracting financial constraints.

Finance

- 15 Central Government announced in year reductions to the Public Health Grant in 2015/16 of £3.136 million. This was a recurrent reduction and additional grant reductions were announced that will lead to a total reduction from the public health grant of £8.148 million by 2019/20.
- 16 The full drug and alcohol service review aimed to address the changing needs of the service within the financial constraints and included a £1.3 million saving associated with the Drug and Alcohol Recovery provision, which has an existing budget of £7.37 million.
- 17 The overall contract size for the drug and alcohol recovery service is £5.35 million. Full year savings from the contract will be £733k with the remainder of savings coming predominantly from the reduction in the cost of premises, as the focus in the revised model will be on outreach. However, front line staff will be retained as far as possible.

Risks

- 18 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.
- 19 These services are critical in not only supporting people into recovery, but also combatting against blood borne infections such as Hepatitis and HIV. It is essential that the model is fit for this purpose and operates in a recovery-focused way to mitigate the risks.
- 20 There is a risk if we do not procure a permanent provider for this service that treatment outcomes and associated issues will be affected.

Review Process and New Service Configuration for 2017/18

Review

- 21 A service review was undertaken in July 2016 to inform a future service model within the new financial envelope. The review was overseen by the Drug and Alcohol Procurement Board and included:
 - Review against NICE guidance and national policy.
 - Review of evidence and best practice.
 - Review of current performance, data and outcomes.
- 22 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.

- 23 The model also proposed a move from six recovery centres to three with an increase in outreach provision based on needs across the county.

Consultation

- 24 A comprehensive consultation was then carried out between July 2016 and February 2017 on the proposed service model and draft specification. This was undertaken with the support and guidance of the Consultation Officers Group (COG).
- 25 The consultation included 27 discussion groups with a range of partners included dedicated sessions with:
- Durham Constabulary
 - DCC children's services and adults
 - Clinical Commissioning Groups
 - Prison
 - OSC
 - NHS Harrogate Foundation Trust, County Durham and Darlington Foundation Trust and Tees Esk and Wear Valley Foundation Trust.
- 26 Briefings were also circulated to GPs, Pharmacies and Area Action Partnerships and elected members. Stakeholder and market engagement meetings were also held.
- 27 Direct consultation was also carried out with existing staff and service users drawn together in a report by Teesside University. A summary of responses and key themes and action taken to address these in the revised service model and specification is outlined in Appendix 2.
- 28 Key issues included the need to retain front line staff, to strengthen pathways to children's services and to ensure good access is retained through a centre and outreach model. There was a positive overall response to the mixture of centre based and outreach provision.
- 29 Those key elements have been included in the revised model including:
- More family focused including support for children and young people of parents who use substances
 - Outreach support to reach clients
 - Improved integration with a range of other services
 - Improved pathways to children's services.
 - Dedicated staff working into youth offending service.
 - Extension of Recovery Academy to include a broader range of interventions.
 - Flexibility for provider to use a range of community based venues dependant on client's needs.
 - Retaining front line staff
 - Improved pathways with criminal justice, primary and secondary care.

- 30 An equality impact assessment has been carried out on the proposed model and is attached to this report at Appendix 3.

New model

- 31 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 (see Appendix 4).
- 32 To achieve this the model will move from a six centre based model to three centres utilised as staff bases, with an increase in outreach provision.

Recovery Centres to be retained	Recovery Centres for decommissioning	Areas targeted for outreach provision
Durham City	Consett	Consett
Peterlee	Seaham	Seaham
Bishop Auckland	Newton Aycliffe	Newton Aycliffe
		Stanley
		Chester-le-Street

- 33 Within the new model, local community assets will be utilised such as pharmacies, primary care and community buildings. The community outreach programme will be conducted sensitively with the needs of the service users, their families and the wider community interests all considered. It is anticipated that the drug and alcohol service staff will operate out of partner buildings in a co-location model as well as being based within the substantive three Recovery Centre buildings (Durham City, Peterlee and Bishop Auckland).
- 34 This will bring benefits to those service users and their families enabling increased access to community services across the County and reducing travel time and costs to recovery centres.
- 35 This model will seek to retain front line staff who will focus on an outreach approach.
- 36 The new model will enable improvement of a number of key pathways in the current specification. This includes an increase in referrals from criminal justice, primary care, hospital and the social care provision for children, young people and families. There will also be an increase in outreach support for alcohol clients and wider campaigns raising the awareness of the dangers on New Psychoactive Substances (formally known as “legal-highs”). The pathway for substance misusing parents, children and young people will also become more integrated with dedicated staff working in partnership with the One Point social care teams.
- 37 Savings will be accrued from a reduction in rent, rates, utilities and other associated running costs of buildings.

- 38 In July 2017, the HM Government published the new Drug Strategy and Drug Misuse: UK Guidelines on Clinical Management. This strategy builds on the ethos of reducing demand, restricting supply, and continues to advocate for an emphasis on promoting recovery to help support people to live a drug free life.
- 39 The strategy sets drug and alcohol services the challenge to provide more holistic approaches to addressing other issues in addition to clinical treatment to support people suffering with dependency on drugs and/or alcohol. There is a recognition that the Strategy applies to both drugs and alcohol and a stipulation that local authorities should integrate their approach to reducing associated harms.
- 40 The drug strategy advocates utilising the life course methodology for all interventions and stipulates that a more cross-cutting, coordinated approach be required to engage partners in education, health, safeguarding, criminal justice, housing and employment to effect change. These key elements are all integral to the service model and partners were consulted in the re-drafting of the model.
- 41 The strategy has a particular focus on building recovery and supporting individuals recovering from their dependency on drugs and alcohol. The revised model is recovery focused and seeks very clearly to reduce the harm caused by drugs and alcohol.
- 42 The service will continue to be commissioned in line with NICE Guidance and seek to increase the understanding of the client group as well as those who use drugs and alcohol who are not in contact with existing services.
- 43 A focused health needs assessment will be carried out to increase our joint understanding of long term service users. This will be carried out in conjunction with partners including the Office of the Police, Crime and Victim Commissioner, NHS and Public Health England to inform future commissioning intentions.

Proposals for Service Commissioning for 2017/18

- 44 The original time line for the procurement of the new drug and alcohol service suggested as 1st October 2016 tender publication, with a 1st April 2017 start date. This process was paused in June 2016 to enable a detailed consultation to take place. The revised timeline is 14th September 2017 tender publication with a service commencement date of 1st February 2018.
- 45 A detailed mobilisation plan will be developed and worked through with the successful provider. This will include a range of areas:
- Estates/building/leases. This will include leasing arrangements and cost of buildings
 - IT
 - Staffing

- Communication
- Referral pathways

The Drug and Alcohol Procurement Board will oversee this.

- 46 A full list of venues available to provide community one-to-one, group and clinical sessions in each outreach area identified will also be developed in preparation for the provider of the new contract. All proposed community outreach venues will be sensitive to both the needs of the service user and the wider community.

Recommendations

- 47 Cabinet is recommended to:
- (a) note the consultation which has taken place to inform the final design of the service model;
 - (b) approve the proposals for the revised Drug and Alcohol Recovery Service model as outlined in paragraphs 31 - 37;
 - (c) approve the procurement of the new service for a 1st February 2018 start date;
 - (d) Note the approach taken to service mobilisation.

Contact: Amanda Healy, Director of Public Health

Tel: 03000 266 897

Appendix 1: Implications

Finance – the value of the contract for the new Drug and Alcohol Service will be dependent on the outcome of the tender exercise. Failure to reach the recurrent annual savings from the reshaped £1.3 million will increase pressure to find mitigating savings elsewhere in the service. However, an improved model based on outreach and increased focus on families may have a positive impact on other council services including children social care

Staffing – staff within the current drug and alcohol service will be considered under TUPE arrangements within the tender process of the service. The review has focused on the retention of front line staff to deliver the revised model.

Risk – there are risks if the tender process does not go ahead as we are currently operating in an extension to an existing contract. This does not provide stability for the service, which could impact on quality and outcomes. There is a risk that there are no providers who tender for the service. However, initial market testing suggests this will not be the case and there are providers in the market.

Equality and Diversity / Public Sector Equality Duty – an equality impact assessment has been completed and is attached to this report. More men access the service as do people from the 25-44 years age groups. Transition to a revised delivery and recovery model will be positive for all services users with particular benefits for working aged people, younger people, women and people with disabilities.

Accommodation – this forms a key part of the mobilisation plan including consideration of leases, dilapidation costs and the provision of community facilities for outreach recovery services.

Crime and Disorder – agreed pathways with the criminal justice system within the new specification should improve referrals and performance outcomes for the service.

Human Rights – the proposed improvements to the service will assist the Council in protecting the human rights of individuals who need to use it.

Consultation – an extensive consultation exercise was undertaken between July 2016 and March 2017. This included consultation with the market, stakeholders, staff and service users as per DCC COG procedures. The key themes and changes to the model and specification are summarised in Appendix 2.

Procurement – the Drug and Alcohol Procurement Board is managing the procurement process and has a timetable in place to ensure the new service is in place for 1st February 2018.

Disability Issues – reasonable adjustments will be made where required to ensure access to services and compliance with the Equality Act 2010.

Legal Implications – the proposed changes require an agreed termination of the existing contract and its replacement by a newly procured arrangement. Under the amendments made to Section 2B of the National Health Service Act 2006 by the Health and Social Care Act 2012, the Council has a duty to take such steps, as it considers appropriate for improving the health of the people in its area. That may include the provision of information and advice; the provision of services or facilities designed to promote healthy living and the provision of financial incentives to encourage individuals to adopt healthier lifestyles. Procurement of a new contract will support the Council's actions to discharge its duty.

Appendix 2

A comprehensive consultation process with elected members, staff, service users, the Recovery Forum, delivery partners and wider community contacts was initiated in June 2016 as part of the Drug and Alcohol procurement Communications Plan. The Corporate Officers Group (COG) oversaw this activity. A summary is outlined below.

Table 2: Timeline for information and consultation on the newly proposed contract model

Date		Action
July 2016	Initial service review	Specification developed
July 2016 to February 2017	Consultation sessions on proposed model	
July 2016	Durham Constabulary	Reference to alcohol seizures pathway. Maintained of MASH
September 2016	Adult Social Care Checkpoint Children's commissioning Lead members	Links to remain Checkpoint pathway Links with schools Further consultation suggested
October 2016	Safeguarding CDDFT Durham Constabulary Local Medical Committee	FASD included Increased liaison with criminal justice Single point of contact for GPs included
November 2016	Office of Police Crime and Victim Commissioner Tees Esk and Wear Valley Foundation Trust	Explore HAT (underway via needs assessment) All clinical requirements are included.
December 2016	Prison Community Rehabilitation Company Youth Offending Service	Increased reference to prison pathways Pathways for probation strengthened Dedicated YOS worker
January 2017	AAPs Market consultation event	No feedback Positive response to model
	CDDFT Stakeholder Consultation Event	Hospital in reach included in specification. Link to Wellbeing for Life included.

	Harrogate NHSFT Attendance and Behaviour partnership Community wardens	MASH and One point remain Maintenance of pathways to young people and families team IBA training Proactive data sharing
February 2017	Briefing Pharmacies Briefing GPs Durham Constabulary Service user consultation DDES CCCG Members briefing North Durham CCG MASH Board	No feedback Offer of locations accepted and included Concerns re buildings noted Concerns noted and mitigating actions re access part of specification MASH and One Point to remain

In addition to the consultation with partners and stakeholders, direct consultation with staff and services users has been carried out.

This was done via face-to-face discussions and a questionnaire.

Teesside University compiled the results of the consultation, which is summarised below:

Client survey	Key issues	Action
298 completed	Impact of local service provision <ul style="list-style-type: none"> • clients happy with existing service • cost of existing travel • differing settings positive to meet new people • concerns re stigma • anxiety of different support workers 	<ul style="list-style-type: none"> • Retaining staff and potential for local venues • Mini bus provision • Outreach to reduce travel costs • Range of venues to be used • Training for partner staff to be carried out re drug and alcohol • Retaining front line staff
Staff survey	Valued service Integrated service	

<p>45 staff questionnaires</p>	<p>Changes suggested:</p> <ul style="list-style-type: none"> • Advertising • Proactive with GPs • Move to outreach • Neutral venues • Less paperwork • Better referral pathways and knowledge of the service • Caseloads to be fair • Needs more psycho-social interventions • Increased community involvement • RAD – need more than 12 step models • Improved links with MH clinical services • Keep social workers • Needs for young people services to be in appropriate venues • Children of substance abusing parents • Improved referral to criminal justice • Positive feedback on community outreach 	<ul style="list-style-type: none"> • Key part of spec • Pathways in spec • Use of community venues in spec • Mobile working included • Improved pathways • Caseload allocation in spec • Psycho-social interventions key part of model • Community engagement part of spec • Included in spec • Referral pathways in spec • Extended 2018/19 • Comm venues and young people friendly venues included in spec • Key part of service – whole families supported • Pathways included • Outreach part of new model
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Appendix 3

Durham County Council Equality Impact Assessment

NB: The Public Sector Equality Duty (Equality Act 2010) requires Durham County Council to have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between people from different groups. Assessing impact on equality and recording this is one of the key ways in which we can show due regard.

Section One: Description and Screening

Service/Team or Section	Public Health
Lead Officer	Public Health Portfolio Lead (Drug and Alcohol)
Title	Integrated Drug and Alcohol Service
MFTP Reference (if relevant)	N/A
Cabinet Date (if relevant)	23 rd August 2017
Start Date	November 2016
Review Date	August 2017

Subject of the Impact Assessment

<p>Please give a brief description of the policy, proposal or practice as appropriate (a copy of the subject can be attached or insert a web-link):</p> <p>This assessment considers the equality impact of the proposed new model for the Integrated Drug and Alcohol Recovery Service (IDAS). The aim of this service is to enable individuals to become 'free from their dependence' and, in doing so, reduce the harm which alcohol or drugs cause for individuals, families and their communities. Services are currently delivered through six recovery centres based in Consett, Durham city, Seaham, Peterlee, Newton Aycliffe and Bishop Auckland.</p> <p>This model brought many positives to the treatment journey; however, there remained challenges in relation to treatment outcomes for service users, which has remained equal to the North East average but lower than the national average. It was also identified that there was fragmentation in some of the treatment pathways and that services could be more family focussed.</p> <p>A comprehensive review and consultation exercise was undertaken between July 2016 to February 2017 to help shape a future model. As part of this exercise, a value for money review was undertaken on the drug and alcohol treatment estates, which considered the costs associated with the buildings, staffing costs, and the number of clients utilising the premises. Consideration was also given to service user evidence, national policy, best practice, local needs and existing performance.</p>

The new proposal is a move to extensive outreach provision to extend accessibility into more local communities alongside services based in three Recovery Centres in order to reduce premises costs retaining and maximising front line service provision. To achieve this the model will move from the current six-centre model to three centres utilised as staff bases, with an increase in outreach provision. Proposed centres to be retained are: Durham city; Peterlee; and Bishop Auckland. Centres for decommissioning are: Consett; Newton Aycliffe; and Seaham.

Who are the main stakeholders? (e.g. general public, staff, members, specific clients/service users):

- Users of the service – IDAS clients who receive treatment at the Consett, Newton Aycliffe and Seaham recovery centres, plus their families/partners/carers;
- Change Grow Live – the incumbent provider;
- Staff – employees of the IDAS who are based at the Consett, Newton Aycliffe and Seaham recovery centres;
- Durham County Council;
- Elected Members;
- Landlord/owners of the buildings where the recovery centres are located in Consett, Newton Aycliffe and Seaham;
- Local residents/businesses that are located close to the recovery centres;
- Durham Constabulary;
- County Durham and Darlington Fire and Rescue Authority;
- National Probation Service;
- The Durham Tees Valley Community Rehabilitation Company Ltd;
- North Durham and Durham Dales, Easington and Sedgefield Clinical Commissioning Groups;
- Tees Esk and Wear Valley NHS Foundation Trust Mental Health Services;
- GP's;
- Community Pharmacies;
- County Durham and Darlington NHS Foundation trust; and
- Job Centre Plus

Screening

Is there any actual or potential negative or positive impact on the following protected characteristics?

Protected Characteristic	Negative Impact Indicate: Y = Yes, N = No, ? = unsure	Positive Impact Indicate: Y = Yes, N = No, ? = unsure
Age	?	Y
Disability	?	Y
Marriage and civil partnership (workplace only)	N	N
Pregnancy and maternity	N	N

Race (ethnicity)	N	N
Religion or Belief	N	N
Sex (gender)	?	Y
Sexual orientation	N	N
Transgender	N	N

Please provide **brief** details of any potential to cause adverse impact. Record full details and analysis in the following section of this assessment.

Although there is a disproportionate impact in terms of gender – around 70% of current service users are male, and age – there is a higher concentration of service users in the 25-44 years age group adverse impact is not anticipated with a move to the revised recovery model. There is no disproportionate impact across the other protected groups although a low number of service users state they have a disability and reasonable adjustments will continue to be made where necessary in order to fully access the service.

This is a fully commissioned service and staff are non-DCC.

How will this policy/proposal/practice promote our commitment to our legal responsibilities under the public sector equality duty to:

- eliminate discrimination, harassment and victimisation,
- advance equality of opportunity, and
- foster good relations between people from different groups?

Within the new model, local community assets will be utilised such as pharmacies, primary care and community buildings. The community outreach programme will be conducted sensitively with the needs of the service users, their families and the wider community interests all considered. This will bring benefits to those service users and their families enabling increased access to community services across the County and reducing travel time and costs to recovery centres. This may be particularly beneficial to working age people, disabled people and people with care responsibilities, which is of greater benefit to women who are more likely to have care responsibilities.

The new model will enable improvement of a number of key pathways in the current specification. This includes an increase in referrals from criminal justice, primary care, hospital and the social care provision for children, young people and families. There will also be an increase in outreach support for alcohol clients and wider campaigns raising the awareness of the dangers on New Psychoactive Substances (formally known as “legal-highs”). The pathway for substance misusing parents, children and young people will also become more integrated with dedicated staff working in partnership with the One Point social care teams. This new family focus will be of particular benefit in terms of age especially younger people, helping to break the cycle of intergenerational substance misuse.

Implementation

A detailed mobilisation plan will be developed and worked through with the successful provider. This will include:

- Assessment of future needs and the development of individual treatment plans for all service users who may be impacted by the changes as part of the transition programme to the new model. Treatment plans will ensure a tailored service and take account of any individual issues, which may arise as a result of moving to a centre and outreach model, for example allowing time to adapt especially where anxiety levels are high. Reasonable adjustments will continue to be made for disabled service users.
- A full communications plan will be developed in order to communicate key messages on service changes and referral pathways to key stakeholders, including key partners and current/future service users.
- The model will still include three recovery centres alongside extensive outreach provision and the flexibility for the provider to have dedicated bases if they feel this reflects the needs of clients. Minibus provision is part of the specification, which will also mitigate against access issues.

Evidence

What evidence do you have to support your findings?

Please **outline** your data sets and/or proposed evidence sources, highlight any gaps and say whether or not you propose to carry out consultation. Record greater detail and analysis in the following section of this assessment.

The following table provides a demographic profile by recovery centre for all clients with an open treatment episode as at 3 November 2016:

	Category	Bishop Auckland	Consett	Durham	Newton Aycliffe	Peterlee	Seaham
Age	Under 18	0%	0%	1%	2%	0%	0%
	18-24	4%	5%	9%	3%	6%	3%
	25-34	25%	30%	29%	30%	35%	28%
	35-44	48%	33%	35%	38%	39%	44%
	45-54	18%	21%	19%	21%	15%	20%
	55-64	4%	10%	6%	5%	5%	5%
	65 and over	1%	1%	1%	1%	1%	1%
Ethnicity	White - British	98%	98%	98%	96%	99%	98%
	White - Irish	1%	0%	0%	1%	0%	0%
	White - Other background	0%	1%	0%	0%	0%	2%
	Mixed - White and Black Caribbean	0%	0%	0%	0%	0%	0%
	Mixed - Other background	0%	0%	0%	0%	0%	0%
	Asian or Asian British - Indian	0%	0%	0%	0%	0%	0%

	Asian or Asian British - Other background	1%	0%	0%	0%	0%	0%
	Chinese or other ethnic group	0%	0%	0%	0%	0%	0%
	Not stated	0%	1%	1%	1%	0%	1%
	(blank)	0%	0%	0%	2%	0%	0%
	Category	Bishop Auckland	Consett	Durham	Newton Aycliffe	Peterlee	Seaham
Religion	Christian	16%	43%	10%	10%	27%	17%
	Muslim	0%	0%	0%	0%	0%	0%
	Jewish	0%	0%	0%	0%	0%	0%
	Atheist/agnostic	0%	0%	1%	0%	0%	0%
	Pagan	0%	0%	0%	0%	0%	0%
	Any other religion	8%	1%	1%	1%	2%	2%
	No Religion	27%	45%	23%	19%	46%	14%
	Declines to disclose	40%	10%	65%	67%	16%	62%
	Religion Unknown	10%	0%	1%	1%	8%	6%
	(blank)	0%	0%	0%	2%	0%	0%
Gender	Female	33%	38%	27%	25%	34%	28%
	Male	67%	62%	73%	74%	66%	72%
	(blank)	0%	0%	0%	2%	0%	0%
Pregnant	No	85%	98%	92%	76%	96%	95%
	Yes	1%	0%	2%	1%	1%	1%
	(blank)	15%	2%	6%	23%	3%	5%
Sexual orientation	Bi-Sexual	2%	1%	1%	1%	1%	1%
	Gay/Lesbian	2%	3%	2%	1%	1%	3%
	Heterosexual	80%	90%	84%	72%	96%	80%
	Not Stated	17%	6%	12%	22%	2%	16%
	(blank)	0%	0%	0%	4%	0%	0%
Disability	Yes	4%	1%	1%	7%	2%	5%
	No	14%	7%	3%	13%	13%	7%
	Other	0%	0%	0%	0%	0%	0%
	Not stated	3%	4%	4%	4%	3%	8%
	(blank)	79%	88%	91%	76%	81%	79%

SOURCE: Theseus (Drug and Alcohol Service Management Information System)

Link to the Durham Locate website containing details of the six current recovery centres in County Durham:

<https://www.durhamlocate.org.uk/Services/ListAllLocations/1491>

Link to Public consultation: <http://www.durham.gov.uk/article/11276/Drug-and-Alcohol-Recovery-Services-consultation>

Consultation Feedback

Consultation was carried out on the draft model with a range of partners over 27 consultation sessions, elected members, staff in the existing drug and alcohol service and service users. This feedback predominantly supported the outreach

model of working while retaining key drug and alcohol centres and the Recovery Academy. Consultation also supported the strengthened pathways for criminal justice, children’s services, primary care and Accident and Emergency. Increased emphasis on vulnerable young people including young offenders has also been addressed by dedicated front line staff. Retaining front line staff was also supported. Concerns in relation to the reduced number of premises and access have been mitigated in the revised specification by the flexibility of the provider to base the service in key areas of need over and above the three stipulated centres and use of dedicated transport where required.

Screening Summary

On the basis of this screening is there:	Confirm which refers (Y/N)
Evidence of actual or potential impact on some/all of the protected characteristics, which will proceed to full assessment?	N
No evidence of actual or potential impact on some/all of the protected characteristics?	Y

Sign Off

Lead officer sign off: Public Health Portfolio Lead	Date: 22/11/16 Reviewed August 2017
Service equality representative sign off: Equality and Diversity Officer, Transformation and Partnerships	Date: August 2017

If carrying out a full assessment please proceed to section two.
 If not proceeding to full assessment please return completed screenings to your service equality representative and forward a copy to equalities@durham.gov.uk
 If you are unsure of potential impact, please contact the corporate research and equalities team for further advice at equalities@durham.gov.uk

Appendix 4

Table 1: Proposed changes to the current model addressed within the proposed Drug and Alcohol Recovery Service Specification (2017/20)

Current provision	Proposed changes	Comments
Recovery Centres in Durham City, Peterlee and Bishop Auckland retained	None	All staff will be housed in the 3 retained Recovery Centres
Services from Consett Recovery Centre	Decommissioning of Consett Recovery Centre and replaced by outreach facilities and mobile workforce	Pressure from the current property owner means the service needs to vacate which is separate to recommissioning process.
Services from Seaham Recovery Centre	Decommissioning of Seaham Recovery Centre and replaced by outreach facilities and a mobile workforce	Seaham has the lowest footfall of service users when compared to other Recovery Centres
Services from Newton Aycliffe Recovery Centre	Decommissioning of Newton Aycliffe Recovery Centre and replaced by outreach facilities and mobile workforce	Outreach will be of benefit to local clients and may increase reach for those who do not currently access the centre based service
No current provision of in provision in Chester-le-Street, Spennymoor and Stanley	Outreach facilities to be initiated in Chester-le-Street, Spennymoor and Stanley	Increased service accessibility for service users, reducing the need to travel.
Limited pathway for criminal justice	Comprehensive pathway for offender management co-locating with Youth Offending Service (YOS), police, Integrated Offender Management team, National Probation Service and Community Rehabilitation Company.	Potential for Checkpoint to be integrated into process after October 2017.
Reduced pathway from CDDFT	Comprehensive pathway from hospital into community setting with fast track referrals	Improved referrals.
Lack of engagement with GP's and primary care	Initiation of dedicated workers for GP liaison and referral from Identification of Brief Advice for Alcohol (IBA). This will also be complemented by ability to engage staff team on home visits.	Improved pathways.
Children, Young People and families pathway only developed since contract initiation in April 2015	Increase integrated Think Family approach to managing families, children and young people. Presence of staff in Multi Agency Safeguarding Hubs, YOS and 10 One Point hubs will be transitioned into the new model.	Improved pathways.
Workforce remain static with expectation clients will access each of the 6 Recovery Centres	Workforce are based in the 3 remaining Recovery Centres but become mobile to enable community outreach	Reduced requirements for clients to travel long distances to access treatment. There will be an increase in alcohol clients accessed via home visits.

Appendix 5: Timeline for the procurement process

Stage	Date/time
Publication of OJEU Contract Notice	13/09/2017
Publication via NEPO Portal and Contracts Finder	15/09/2017
Deadline for submission of questions or requests for clarification	11/10/2017 13:00 pm
Deadline for submission of completed Tender	27/10/2017 13:00 pm
Evaluation of Tender submissions	23/10/2017 to 31/10/2017
Approval under Council scheme of delegation	03/11/2017
Notification of Tender evaluation results	06/11/2017
ALCATEL standstill period	06/11/2017 to 16/11/2017
Expected contract award date	17/11/2017
Mobilisation period	20/11/2017 to 31/01/2018
Expected contract start date	01/02/2017

Cabinet**13 September 2017****Locomotion**

Report of Corporate Management Team
Ian Thompson, Corporate Director of Regeneration and Local Services
Councillor Ossie Johnson, Portfolio Holder for Culture & Sport

Purpose of the Report

- 1 The purpose of this report is to seek approval to enter into new management arrangements at Locomotion. The report seeks 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).

Background

- 2 Locomotion the National Railway Museum at Shildon opened in 2004 and has operated under a joint management arrangement between DCC, formerly Sedgfield Borough Council, and SMG for the thirteen years it has been operating.
- 3 Both DCC and SMG are committed to the long-term development of the museum which has exceeded all of its initial expectations. In order to ensure the museum can fulfil its future potential a review of operational management has been undertaken with a view to achieving its potential as a National Museum, attracting more visitors and enhancing customer experience by:
 - (a) placing the entire operational management of Locomotion under one organisation;
 - (b) creating a robust partnership arrangement with an effective governance arrangement;
 - (c) agreeing a longer term funding agreement;
 - (d) resolving the capital maintenance backlog;
 - (e) improving the commercial activity of the museum;
 - (f) streamlining systems and procedures;
 - (g) improving access to SMG collection management databases.
- 4 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.

- 5 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 and it is now necessary to seek formal approval of these arrangements.

Proposed Agreement

- 6 The following section covers the in-principle agreement that has been reached between the Council and SMG and for which approval is now sought. Both parties require approval through their respective governance procedures prior to a final agreement being put in place. There are four main areas of consideration:

- (a) Management of Staff
- (b) Management of Assets
- (c) Financial issues
- (d) Governance arrangements.

- 7 **Management of staff:** The current operational management structure is split between Council employees and SMG employees which has resulted in a number of operational difficulties. The proposal is to move all Council employees under the management of SMG. In total 25 Council employees (13 permanent, 12 casual) will be affected by the transfer.

- 8 Informal consultations have taken place with employees regarding a potential transfer. Both parties agree that it is a key milestone within this project to move to a single staffing structure and it is intended that the formal process begins on 12 October 2017 with a target transfer date of the 1 December 2017. The process will be dealt with under the Council Change Management Toolkit.

- 9 As part of the process, former Council employees will remain members of the Durham County Pension fund. This will be achieved by allowing SMG to become an admitted body in line with previous Council practice in this type of circumstance, e.g. the admittance of County Durham Housing Group to the Durham County Pension Fund during the housing stock transfer process. No new members of staff from SMG will be able to join the local government pension scheme.

- 10 **Management of Assets, Land and Structure:** The estate at Locomotion is held under a mixed set of lease, ownership and management responsibilities. This creates confusion as to which organisation is responsible for the various elements of maintenance, etc. The intention is to transfer all land and buildings/structures by way of a lease to SMG.

- 11 SMG currently lease some of the land direct from Network Rail. Whilst these leases were granted at the same time as those from the former Borough of Sedgefield, the Network Rail lease had a term of 125 years (112 years remaining) as opposed to the Council lease of 25 years (12 years remaining). It is proposed to renew and extend the lease for the Council owned assets

and bring it in line with the Network Rail lease, i.e. extend the agreement by 100 years. Effectively SMG will hold two leases for the entire site, one from the Council and the other Network Rail, the leases will run concurrently. The intention is that leases will be on a peppercorn basis reflecting the nature and spirit of the partnership, subject to the appropriate approval following consultation with the Assets Service and MOWG.

- 12 The mixed responsibility for maintenance has been problematic and whilst the above will resolve this it is proposed by SMG to further address this through the appointment of an SMG Estate Manager. This will place full maintenance responsibility (although part funded by the Council) for the whole site with SMG and the appointed Manager.
- 13 The coal drops, a grade 1 listed structure forming part of the site, is currently the sole responsibility of the Council and is in a state of disrepair. As part of the agreement the Council will undertake a programme of capitalised maintenance work to the structure prior to it being transferred to SMG.
- 14 All items such as fixtures and fittings are to be reviewed, with those that are not required for the future delivery of the museum to be returned to the Council. All remaining physical assets will be transferred to SMG by way of a 'Confirmatory transfer'; these items are not significant such as tables, chairs, etc. Any collection items will need to be dealt with on a more individual basis and this will be overseen by the Council's Museums and Collections Manager.
- 15 The maintenance and presentation of these assets as a National Railway Museum are subsidised by both the Council and SMG and this is likely to be the case for the considerable future. Whilst there is a need to follow due process with regards to the transfer of Council assets, it is anticipated that these assets will be transferred at a peppercorn.
- 16 **Financial Management:** The current funding for the museum is set out in a deed of covenant, which in broad terms means that each partner provides a 50% contribution to the operating budget (DCC contribution £259,161 in 16/17). There is also a modest reserve fund which is held by SMG but ring-fenced to Locomotion.
- 17 Finance has been reviewed under three key areas:
 - (a) Revenue or grant funding
 - (b) Capital, both capitalised maintenance and long term development bids
 - (c) Reserves.
- 18 **Revenue:** The nature of the current agreement means that there can be fluctuations in the Council contribution although reserves are generally used to try and retain consistent levels of expenditure.
- 19 Whilst the review report identified an immediate need to resource estate management, reactive and compliance maintenance issues, the proposed new management changes should also result in improved commercial activity

through the provision of a Commercial Manager and greater synergy with SMG commercial activity elsewhere in their portfolio. The net position being a proposed increase of £50,000 to be split 50:50 between SMG and DCC.

- 20 The funding agreement will also provide SMG with greater flexibility over operational expenditure and would be in essence a grant towards the operation of the museum. The proposal is to enter into a 25 year funding agreement, which will be reviewed every 5 years, in order to ensure the museum has sufficient finance to operate and that DCC are achieving value from its continued investment.
- 21 The 16/17 contribution from DCC to the running of the museum was £234,161. The below table is the proposed grant payment schedule for the first 5 years. It provides the initial uplift requested for maintenance, etc. and then reduces by 2% year on year, which is intended to reflect the improved commercial performance of the museum as well as ensuring SMG continue to offer long-term efficiencies.

Year	17/18	18/19	19/20	20/21	21/22
Council grant	£259,161	£253,978	£248,898	£243,920	£239,041

- 22 Since the museum opened there has been complete transparency between both partners regarding their financial resources; this will continue as part of the new funding agreement and governance arrangements.
- 23 **Capital:** Both the Council and SMG are preparing information regarding a future capitalised maintenance programme. Once completed this will provide both organisations with an accurate programme for capital works over the term of the first revenue funding period. Whilst, at the time of writing, this information has not been finalised, the proposed agreement set-out below demonstrates the intended approach to capital spend.
- 24 The proposed agreement will place a shared responsibility (50:50) for the backlog of capitalised maintenance works. For the Council this will mean following the existing internal process for capitalised maintenance works approval. Therefore, once a programme of capital maintenance work is developed it will be reported to the Council's Structural Capitalised Maintenance Programme Board for approval of funding. SMG will undertake their own independent process to secure their own funding arrangements. The exception to this is the aforementioned coal drops which the Council have agreed to repair prior to transfer; these will, however, form part of the above agreement post transfer.
- 25 Capital improvement bids will also follow the established internal process for any Council elements of funding. However, unlike capitalised maintenance, there will not be a commitment to fund 50:50. The extent of Council funding will need to be agreed in relation to each independent project and consideration will need to be given to the wider benefits of any investment project in relation to the community and long term sustainability of the

museum. Bids for individual projects will therefore be submitted, along with a business case, for consideration to the main capital programme.

- 26 **Reserves:** The current agreement has provision for any surplus generated to be placed into a Locomotion reserve fund. This fund can be drawn down for investment in the museum or to support any below target outturns should they arise. Locomotion is the only venue within the SMG portfolio to hold a separate reserve.
- 27 It is proposed that the current reserve (£420,000) be invested in the museum, subject to both DCC and SMG agreement and consultation with Locomotion Board. The new funding agreement will place greater risk with SMG as they will be responsible for any under or over performance within the funding period. By pooling Locomotion reserve, if and when they occur, with those generated by other museums in the SMG portfolio, Locomotion could then benefit from access to a larger SMG reserve fund rather than rely on its own reserve and the Council.
- 28 The governance arrangements and transparency within the financial management systems will allow the Council to review the financial performance of the museum and manage reserves via the funding agreement, i.e. the grant will be increased or reduced in accordance with performance and future capital investment from the Council will also take into consideration the reserves created by the museum.

Management Board

- 29 It is important that the Council retains a high involvement in the governance of the museum. Whilst the current Management Board has served a purpose in the joint management of the museum to date, there is a need for the board to evolve along with the new arrangements. The current board does not have a robust reporting line with either SMG or NRM and therefore has a more local emphasis.
- 30 It is proposed that the board has a shift in emphasis towards providing greater strategic direction, community involvement and place-making with a new scrutiny role for operational management. It would also be beneficial to strengthen the board's position within SMG and NRM.
- 31 The Council will retain three Board seats, from a maximum twelve, the same representation as SMG. It is proposed that Council seats will be held by the Leader of the Council, Portfolio Holder for Culture & Sport and the Corporate Director of Regeneration and Local Services.
- 32 In order to raise the profile of the museum nationally and within SMG, it is proposed that the chair and vice-chair of the board will no longer be independent, and that the role of chair will be taken up by an SMG Trustee who will also be a member of the NRM advisory board. The role of vice-chair will be taken by one of the three DCC representatives.

- 33 The remainder of seats will comprise external advisers drawn from the local community and historic railway sector – including, but not limited to:
- Local community organisations
 - Local education sector
 - Local business community
 - The railway industry in the North East, including training organisations
 - Friends and volunteer representatives
 - Historic railway experts and academics.

Other considerations

- 34 Locomotion is an important asset within the Council's cultural portfolio and, whilst the above changes will ensure ongoing involvement in the museum's strategic management and governance, it is essential that the Council's involvement in Locomotion continues to be fully recognised.
- 35 SMG are currently reviewing the brand identity of the venues across its portfolio and are aware of the need to retain links to Council brands. The Council remains firmly committed to its investment in Locomotion and it is anticipated that the Council's involvement in the museum will become more apparent as the brand develops.
- 36 The museum also benefits from its relationship with the Council through its links to education and the place marketing function of Visit County Durham. Both benefits will need to be retained in order for the museum to flourish as both a local and national asset.

Recommendations and Reasons

- 37 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.
- 38 Whilst the museum currently attracts circa. 200,000 visitors per annum, it is hoped by approving these proposed changes that this can grow significantly over the next phase of the museum's development.
- 39 The report seeks approval of the proposed changes in the management relationship between the two key partners at Locomotion whilst retaining levels of investment that can be sustained for a period which enables the museum to grow its offer.
- 40 It is recommended that:
- (a) The Corporate Director of ReaL and the Corporate Director of Resources be granted delegated authority 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

and to authorise entry into the suite of agreements necessary to conclude the transfer.

- (b) SMG 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 Council's Disposal at an Undervalue process.

Background Papers

Future of Locomotion Report
CMT report 19 December 2016

Contact: Nigel Dodds tel: 03000 264 599

Appendix 1: Implications

Finance -

Whilst the report sets out some financial proposals as a guide for negotiations with the Science Museum Group there will need to be scope for negotiation which will require any budgets to be within the current ReaL budget envelope. The management of capital finance will follow the principle set out within the report.

The business case for agreeing the pension arrangement is predicated on the need to ensure that SMG do not take on excessive additional pension costs and that future risk can be managed with regards to the scheme being closed to non-transferring employees. SMG will be required to pick up any additional pension cost in relation to 'excessive' pay awards and/or early retirement exercises.

Staffing -

13 Permanent and 12 casual staff are affected and will be subject to TUPE transfer. Consultation with staff will follow the change management toolkit.

Risk -

By entering into the new arrangement risk for DCC should be reduced.

Equality and diversity -

Following an initial assessment, the main area in terms of potential equality impact is in relation to staff. A full assessment will be undertaken as part of the TUPE process.

Accommodation -

None.

Crime and disorder -

None.

Human rights -

None.

Consultation -

Consultation has taken place with the relevant portfolio holder and the locomotion project board. Further consultation will be required with staff affected using the change management toolkit.

Procurement -

The main contracts for catering and retail are already under SMG control, it will be necessary to novate any DCC contracts at the time of transfer.

Disability Issues -

None.

Legal Implications -

The proposals will require the council to enter into a new set of agreements with the Science Museum. Draft Heads of terms are currently under negotiation. The Agreements will include new Capital and Revenue Funding agreements, an Asset Transfer Deed to cover items apart from land and buildings, a new Lease, an Admission Agreement into the Council's Pension Fund for transferring staff and new governance Arrangements for the Museum.

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Cabinet

13 September 2017



**Update on the delivery of the
Medium Term Financial Plan 7**

Report of Corporate Management Team

**Lorraine O'Donnell, Director of Transformation and Partnerships
Councillor Simon Henig, Leader of the Council and all Cabinet
collectively**

Purpose of the Report

- 1 This report provides an update on the progress made at the end of June 2017 on the delivery of the 2017/18 Medium Term Financial Plan (MTFP7).

Background

- 2 Cabinet has received regular updates on the progress made by the Council in delivering the financial targets within the MTFP since 2011/12.
- 3 Council agreed MTFP7 in February 2017 and for 2017/18 the savings target was just over £23 million. This forms part of the overall savings target for the period from 2011/12 to 2019/20 of around £250 million.

Progress to date

- 4 Previous reports have described our robust approach to delivery of the savings so that savings are delivered early where this is practical.
- 5 As a result, by the end of June 2017 over 74% of the savings target for MTFP7 had already been met with almost £17.2 million of savings having been achieved. This is a significant achievement considering our total savings delivered since April 2011 is over £203 million including public health savings and the identification of proposals for future savings is becoming increasingly challenging.
- 6 By the end of March 2017, we had already achieved over £9.7 million of the savings required for MTFP7.
- 7 The savings fully achieved by April 2017 towards MTFP7 include proposals relating to a full service review has been undertaken to look at a range of options for the future delivery of those adult care services currently provided by County Durham Care and Support; a service restructure following the disaggregation of children's and adults services; through the reduction of funding to a some providers of non statutory services; a restructure in EHCP; a renegotiation of the Co Durham Housing Group grounds maintenance SLA;

price negotiations with bus companies; and a review of insurance claims excess required.

- 8 Further savings achieved within the first quarter included a review of youth support; increase in garden waste charging; a reduction in non-staffing budgets within Libraries; as well as a number of service restructures; and the street lighting energy reduction programme.
- 9 That said we do recognise that on occasions plans need to change which could delay when savings are made, but through the regular monitoring of our MTFP we are able to smooth out delivery of saving using cash limits, ensuring we do not miss our overall savings targets.

Consultation

- 10 As members are aware consultation with the public and other stakeholders remains an important element in the MTFP programme. However due to purdah the planning for delivery of the MTFP meant no public consultations were due to take place during this quarter.

HR implications

- 11 We accepted 28 ER/VR applications, made five employees redundant and 49 vacant posts were removed from the establishment as a result of the MTFP proposals during this period. Whilst the figures appear low for the 74% achievement in savings, the majority of the HR activity required for MTFP7 savings proposals occurred in the previous financial year.
- 12 Since 2011 a total of 1,363 ER/VR applications have been accepted, 648 vacant posts deleted and 567 compulsory redundancies made.
- 13 We are also reviewing all vacant posts to ensure these are being declared surplus as soon as possible or being filled where a business need exists.
- 14 Data relating to staff leaving through voluntary redundancy, early retirement and ER/VR during this quarter showed that 65.5% were female and 34.5% were male, 18% of leavers had not disclosed their ethnicity, 80% were white British and 2% were BAME. Regarding disability status 5.5% said they had a disability, 18% had no disability and 76.5% did not disclose their disability status.
- 15 The profile of those leaving through compulsory redundancies showed that 59% were female and 41% were male, 41% had not disclosed their ethnicity and the remaining 59% were white British. There was no disclosed disability.
- 16 The Council continues to support employees affected by the MTFP savings plans and the total number of staff who have been redeployed is 442 since the process started.
- 17 At the end of June 2017 we had over 157 open expressions of interest for ER/VR. This has reduced by 20 since the last quarter through active monitoring in order to reduce the need for future compulsory redundancies.

Equality Impact Assessments

- 18 Equality impact assessments (EIA) form a key part of the ongoing MTFP process. A number of initial screenings for new savings and updated EIAs for ongoing savings were provided to Cabinet ahead of the budget setting decision in February 2017. They are updated during the year to take account of consultation responses and additional evidence; the updates also include information on any mitigating actions.
- 19 The impact assessments and action plans are considered during decision making processes, for example, updated EIAs are provided where Cabinet receive a report ahead of consultation and where a further report is received with any final recommendations.

Recommendations and reasons

- 20 With the Government's austerity programme due to continue for several more years, the Council continues to be in a strong position to meet the ongoing financial challenges although recognising these are becoming even more challenging. Through the robust management, process supporting the MTFP ensures we remain ahead of the savings target requirements.
- 21 For MTFP7 the Council has already delivered almost £17.2 million of the savings required (74%), and in total has now delivered over £203 million in savings since 2011.
- 22 Cabinet is recommended to:
- (a) note the contents of this report and progress made in delivering MTFP7.

Contact: Roger Goodes Tel: 03000 268050

Appendix 1: Implications

Finance – The delivery of the MTFP involves cumulative saving of approximately £250million over the period from 2011 to 2020 of which over £203 million has been delivered to date. This figure now also includes savings delivered in Public Health.

Staffing – Where the proposals affect staff, full consultation is undertaken and the trade unions consulted. Wherever possible, staff reductions are done through voluntary means. In addition, there has been a proactive management of vacancies to lessen the impact on staff and the Council has a redeployment process which continues to find alternative employment for a number of staff.

Risk – The delivery of the MTFP is highlighted as one of the Council's strategic risks and is monitored through the corporate risk management process. In addition, risks for individual proposals are being monitored through the work undertaken to deliver the proposal.

Equality and Diversity / Public Sector Equality Duty – An Equality Impact Assessment (EIA) was undertaken for the original 4 year MTFP plan and additional screening was undertaken for proposals which have been identified for subsequent MTFPs, together with any other changes made to the original plan. In addition, for each proposal an EIA is undertaken as part of the decision-making before the proposal is implemented.

Accommodation – As proposals are planned the impact on accommodation is ascertained, with staff being consulted on any moves as part of the process. The loss of over 2,578 posts from the Authority will mean a requirement for less accommodation and the Office Accommodation Team has built this into the Office Accommodation Strategy.

Crime and Disorder – N/A.

Human Rights – N/A.

Consultation – A full consultation with a range of stakeholders was undertaken on the MTFP prior to its agreement and again in 2013. In addition, where appropriate for individual proposals, internal and external consultation plans are developed so that consultation informs the decision making process.

Procurement – A number of the proposals involve the changing of existing contracts and this work is being taken forward through the Council's agreed procurement processes.

Disability Issues – Any disability impacts are being picked up through the Equality Impact Assessments undertaken.

Legal Implications – The legal implications of any decisions required are being considered as part of the delivery of the proposals.

Cabinet**13 September 2017****Quarter One 2017/18
Performance Management Report**

Report of Corporate Management Team
Lorraine O'Donnell, Director of Transformation and Partnerships
Councillor Simon Henig, Leader of the Council

Purpose of the Report

- 1 To present progress against the council's corporate performance framework by Altogether priority theme for the first quarter of the 2017/18 financial year.

Summary

- 2 Despite the ongoing effects of austerity on the council, we continue to improve or maintain performance in many key areas. The employment rate has improved and is now at its highest level since 2007/08, 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, our 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 and we continue to divert more than 95% of our waste from landfill.
- 3 In other areas we see increasing needs or demand, 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.

Background

- 4 On 12 July 2017, Cabinet were advised that the council's partnership led Sustainable Community Strategy, setting out the vision for the county, and supporting council plan and service plans are due for review this year. There is a strong commitment to progressing the council's transformation programme, driven by a focus on delivering the best possible outcomes within available resources, and Cabinet agreed that an outcome based approach to planning is adopted. 2017/18 is a transition year as we review our vision, planning framework and associated performance management arrangements to ensure that they operate efficiently and are fit for purpose in the current climate.

Performance Reporting Arrangements for 2017/18

Key Performance Questions

- 5 A review of our performance reporting arrangements has led to the development of a series of key performance questions (K PQs). These questions are aligned to the 'Altogether' framework of six priority themes, and are designed to facilitate greater scrutiny of performance.

Key Performance Questions
<i>Altogether Wealthier</i>
1. Do residents have good job prospects?
2. Do residents have access to decent and affordable housing?
3. Is County Durham a good place to do business?
4. Is it easy to travel around the county?
5. How well does tourism and cultural events contribute to our local economy?
<i>Altogether Better for Children and Young People</i>
6. Are children, young people and families in receipt of universal services appropriately supported?
7. Are children, young people and families in receipt of early help appropriately supported?
8. Are children and young people in receipt of social services appropriately supported and safeguarded?
9. Are we being a good corporate parent for looked after children?
<i>Altogether Healthier</i>
10. Are our services improving the health of our residents and reducing health inequalities?
11. Are people in need of adult social care supported to live safe, healthy and independent lives?
<i>Altogether Safer</i>
12. How effective are we at tackling crime and offending?
13. How effective are we at tackling antisocial behaviour?
14. How well do we reduce the misuse of drugs and alcohol?
15. How well do we tackle abuse of vulnerable people including domestic abuse, child sexual exploitation and radicalisation?
16. How do we keep our environment safe including roads and waterways?

Key Performance Questions	
<i>Altogether Greener</i>	
17.	How clean and tidy is my local environment?
18.	Are we reducing carbon emissions and adapting to climate change?
19.	How effective and sustainable is our collection and disposal of waste?
<i>Altogether Better Council</i>	
20.	How well do we look after our people?
21.	Are our resources being managed for the best possible outcomes for residents and customers?
22.	How good are our services to customers and the public?
23.	How effectively do we work with our partners and communities?

- 6 A more focused set of performance indicators has been developed to provide evidence to help answer these questions for those with corporate governance responsibilities. Development of performance reporting will continue throughout the year in particular to enhance reporting of qualitative aspects of performance as highlighted in the 2016 Ofsted inspection.
- 7 There are other areas of performance that are measured in more detailed monitoring across service groupings and if performance issues arise, these will be escalated for consideration by Cabinet by including them in the corporate report on an exception basis.
- 8 The performance indicators are still reported against two indicator types which comprise of:
- (a) Key target indicators – targets are set for indicators where improvements can be measured regularly and where improvement can be actively influenced by the council and its partners; and
 - (b) Key tracker indicators – performance is tracked but no targets are set for indicators which are long-term and/or which the council and its partners only partially influence.
- 9 This report sets out our key performance messages from data released this quarter and a visual summary per Altogether priority theme that presents key data messages from the new performance framework showing the latest position in trends and how we compare with others.
- 10 A comprehensive table of all performance data is presented in Appendix 4.
- 11 An explanation of symbols used and the groups we use to compare ourselves is in Appendix 2.
- 12 To support the complete indicator set, a guide is available which provides full details of indicator definitions and data sources for the 2017/18 corporate indicator set. This is available to view either internally from the intranet (at Councillors useful links) or can be requested from the Corporate Planning and Performance Team at performance@durham.gov.uk.

Key Performance Messages from Data Released this Quarter

Altogether Wealthier

- 13 The employment rate has improved and is now at its highest level since 2007/08 and better than the regional rate, though remains below the national rate. 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 through council funded schemes as well as apprenticeships sustained for 15 months or more from Durham County Council schemes, have increased since last year. The proportion of 16 to 17 year olds in an apprenticeship in County Durham in March 2017 was higher than last year and the averages for both England and the North East.
- 14 Successful council intervention on housing development continues with a higher number of both empty properties brought back into use and new homes completed than last year. The number of affordable homes delivered and statutory homelessness preventions have fallen since last year. Work is currently ongoing to consider the impact of the forthcoming Homeless Reduction Act, which will focus more strongly on the prevention of homelessness.
- 15 The council, like most highways authorities, has a significant maintenance backlog. It has steadily increased its contribution to programmed capital maintenance from £0.7 million in 2010/11 to £9.1 million in 2017/18, in addition to £13 million provided by the Department for Transport. The council has also maintained maximum funding, under the Department for Transport's Incentive Fund, only one of two authorities to do so. In recent years, the council has prioritised budgets to maintain principal roads with the highest usage. This is reflected in the improved condition of A, B and C roads. Although the condition of unclassified roads is below the national average, there has been an improvement over the past year, and there is an on-going programme of resurfacing works in place. The National Highways Survey 2016 shows satisfaction with the maintenance and the condition of our highways has improved and is better than national averages.

Altogether Better for Children and Young People

- 16 Work continues to improve children's services in Durham in line with [Ofsted findings](#) across four key areas: political and management oversight; management and staffing capacity; improving the quality of social work practice; and compliance with regulations.
- 17 Performance is considered across three levels:
- (a) How our **early help and universal children's services** help support children in the wider community.
 - (b) How our **assessment and safeguarding services** are supporting children at risk and children in need.

- (c) Corporate **parenting support** for the 789 children for whom the council is their parent, and 230 care leavers.¹

Universal Services and Early Help

- 18 We are performing well in some key areas of universal services and early help. Durham primary schools are doing well in relation to Ofsted inspections, however, there is continued focus on secondary schools as fewer are judged outstanding or good compared to last year (see appendix 6 for table of secondary schools and grading). More children aged 0 to 2 years in deprived areas (88%) are registered with a Children's Centre and having sustained contact compared to last year (86%). Children's Centres play a vital role in early intervention, reaching those whose needs might otherwise escalate into more serious problems, and delivering crucial preventative support. In relation to child health, under 18 conceptions continue to reduce, the lowest since recording began in 1998 but remain significantly higher than in England.
- 19 A key performance issue identified this quarter relates to completing Education Health and Care plans within 20 weeks for children with special educational needs and disabilities. The target to complete 90% of plans within the statutory 20 week time limit was not met, with 65% completed within this timescale. A new data management system is being introduced which has impacted upon service delivery due to data cleansing but additional data resource has been provided to assist with this and an alert system for the 20 week process to aid casework is currently being fast-tracked.

Assessment and Safeguarding Services

- 20 Significant progress has been made on one of the performance issues reported last quarter. Our processing rate for responding to statutory referrals within one working day has improved from 58.6% at quarter one 2016/17 to 85.5% this quarter (April to June 2017) (see appendix 5, chart 4). Despite an increase in the number of children in need (see appendix 5, chart 1), improvement has continued in the re-referral rate, reducing from 24.8% to 17%.
- 21 Four key performance issues are identified this quarter that we need to address, better understand or keep under greater scrutiny:
- (a) Quality of assessment and casefiles
 - (b) Social worker caseloads
 - (c) Number of children and young people on a child protection plan
 - (d) Initial child protection conferences processed within timescales
- 22 Two key issues highlighted in the last report where good progress has been made are quality of casework and social worker caseloads. However further improvement is required in both areas.

¹ Figures as at Q1 2017/18

- (a) Casefile quality has significantly improved this quarter with 61% of social work team statutory case files assessed as good or above compared with 40% at the time of the Ofsted inspection (March 2016). Further progress is required to achieve our target for at least 80% of audited cases by March 2018. Grading of quality is in line with Ofsted grading and work to improve quality is ongoing, with an independent audit check on progress due in the autumn.
- (b) Caseload levels per social worker have reduced from the baseline of February 2016 when the Ofsted inspection took place, but further work is needed. Recruiting additional social work staff should assist in further reducing caseload levels to ensure that they are more manageable and reach the agreed target of no more than 20. The council continues to scrutinise staffing including vacancy levels and ratios of cases to social workers to address the issues highlighted in the Ofsted report. The recruitment environment continues to be challenging.

A workforce strategy is under development, designed to eradicate the chronic under-recruitment to permanent social work posts and to reduce turnover from these same posts. This includes expansion of the social work academy to bring in and develop newly qualified social workers, introduction of a social work apprenticeship scheme, increasing the number of frontline units in the service and to run a recruitment and marketing campaign aimed at attracting experienced social workers, and a range of measures to improve the working experience of social workers.

- 23 An ongoing performance challenge is the number of children with a child protection plan (CPP). The increasing number of children with a CPP is continuing (see appendix 5, chart 3). The number of children with a CPP in Durham has increased from a low point in the same period last year (358) to 486 in June 2017. The figure had previously been at a high level in June 2014 (446) before decreasing to its lowest in September 2015 (340). Durham's rate of children with a CPP is higher than the England average. The increase has implications in terms of increased work pressures and caseloads for social workers. Further analytical work to understand the reasons for the increase in children on a CPP is still ongoing.
- 24 A new performance issue emerging this quarter is the timeliness of initial child protection conferences (ICPC). The rate of processing ICPCs² within 15 working days of a safeguarding strategy meeting (Section 47 enquiry) or where a child with a Child Protection Plan (CPP) moves into the area, has decreased from 75.2% last year to 42.6% this quarter (April to June 2017). The reduction in performance is directly linked to independent reviewing officer (IRO) vacancies experienced between March and May 2017. A range

² An initial child protection conference (ICPC) must be convened following a Section 47 enquiry to safeguard and promote the welfare of a child who is suspected of, or likely to be, suffering significant harm.

of measures has been introduced including employment of agency and casual staff. The recruitment process has almost concluded with the situation resolved in June 2017 with no ICPCs delayed since that date because of IRO resource. Performance is expected to improve significantly during quarter two.

Corporate Parenting Support

- 25 As corporate parent, the council is responsible for 230 young people (aged 17 to 21) leaving care (June 2017) who are a particularly vulnerable cohort of young people. The wide range of support the council offers is good with provisional figures showing more care leavers in Durham are in suitable accommodation and in employment or training (EET) compared to both North East and national counterparts. More children were adopted with 53 children adopted (17.3% of those leaving care) during 2016/17 compared with 28 children (11.1%) in 2015/16.
- 26 Two key performance issues highlighted in the last report are ongoing and require continued scrutiny:
- (a) The number of looked after children
 - (b) Changes in social worker
- 27 There were 789 looked after children (LAC) at the end of June 2017 in County Durham. Although there are fewer than last quarter (810) there are significantly more than last year (712). Numbers have generally been increasing since a low base of 410 in 2008 (see appendix 5, chart 2) and are significantly higher than the national level. Further work is still ongoing to gain a better understanding of the reasons for an increase in the number of children looked after which has implications in terms of the council's corporate parenting responsibilities, workload pressures and increased costs. There is also a considerable increase in the use of independent providers for LAC residential placements which cost more, rising from 14 last year to 25 this quarter (at 28 June 2017); the lack of placement capacity within the county adds further financial pressure. The increased numbers of children to be placed is also affecting quality of care, with capacity issues meaning that some children are not matched with a permanent care placement quickly enough: at the end of July there were 33 children who were in temporary placements.
- 28 Changes in social worker were reported last quarter as the results of the Children's Commissioner's Stability Index project. This showed that 42% of children had no change of primary social worker, 30% had one change, but 16% of children had two changes and 12% had three or more changes of social worker. Although not out of line with comparators, this provides a baseline against which efforts to improve workforce stability and to restructure the service can be measured. Investigation shows that part of the reason for changes in social worker relates to the structure of the service which builds up to four moves into the child's journey, and plans to streamline this down to two moves are under development.
- 29 A new performance issue identified this quarter concerns the health of looked after children. Fewer looked after children in Durham had dental checks

(82.5%) and health assessments (86.4%) compared to both regional and national averages. Durham's Emotional and Behavioural Health Difficulties Score³ amongst looked after children (16 points) is worse than regional (14.5 points) and national (14 point) averages. Recognition of these issues is included in the 0-19 Healthy Child Programme and further investment in emotional wellbeing in schools is being planned.

Altogether Healthier

- 30 Positive progress has been made across health measures including 2,841 smoking quitters over 2016/17 exceeding the contracted target, although fewer quitters than last year. There is an increase in the use of e-cigarettes, which have become widely available and may be reducing numbers embarking on the stop smoking programme. The fall in smoking prevalence generally may also be contributing to the decline in use of smoking cessation services.
- 31 Mothers smoking at time of delivery has also reduced from last year and achieved the annual target but it is still higher than national rates. Durham Dales, Easington and Sedgefield (DDES) Clinical Commissioning Group (CCG) has the third highest rate in the North East and fifteenth highest of all CCGs in England. A steering group has been established to deliver an incentive scheme on behalf of DDES CCG. Women are registered through health professional referral, based on a specified criteria and can receive shopping vouchers if they successfully quit smoking. The government has set out an ambitious plan to make England, in effect, smoke-free in the next few decades. The new Tobacco Control Plan aims to significantly reduce smoking rates for the population by 2022, paving the way to a smoke-free generation. The plan also specifically aims to lower the smoking in pregnancy rate.
- 32 In relation to our adult social care support, our reablement and rehabilitation service is improving with a higher percentage of older people still at home three months after discharge from hospital. People who have achieved their desired outcomes from the adult safeguarding process remains high. Carers' satisfaction with the support and services they have received has fallen from 84.9% (2014/15) to 75.5%, in line with regional and national trends. Durham remains better than the national average but lower than the North East.
- 33 Four issues to highlight this quarter are:
- (a) Inequality in life expectancy and healthy life expectancy
 - (b) Mortality rate for deaths related to drug misuse
 - (c) Breastfeeding prevalence
 - (d) People receiving an assessment or review every 12 months

³ This is measured by the average score for looked after children for whom a Strengths and Difficulties Questionnaire (SDQ) was completed. A higher score indicates difficulties that are more emotional. A score of 0-13 is considered normal, a score of 14-16 is considered borderline cause for concern and a score of 17 and over is a cause for concern. A SDQ score is required for those children aged 5 to 16 (inclusive) who had been looked after continuously for at least twelve months at the 31 March. More detail is available from Public Health England [website](#).

- 34 Life expectancy and mortality can be used as important measures of the overall health of County Durham's population and as an indicator of inequality both between and within areas.⁴ The data for the period 2013 to 2015 show that although people in County Durham are living longer they are spending more time in poor health. Healthy life expectancy has not been rising over time and locally, between 2009 to 2011 and 2013 to 2015, it fell for both men and women. In terms of HLE the absolute gap between County Durham and England for men and women both increased (3.5 years to 5.4 years for men; 4.0 years to 7.1 years for women). There is significant inequality in LE and HLE within County Durham. The gap in LE between the most deprived and least deprived areas is 7.9 years for men and 7.7 years for women and these have not changed significantly over time. The gap in HLE between the most deprived and least deprived areas is greater for men (13.8 years) and women (14.5 years). Healthy life expectancy and premature mortality are closely linked with long-term conditions such as congenital heart disease, stroke and cancer being among the leading causes of premature mortality in County Durham. These make a major contribution to the life expectancy gap between County Durham and England as a whole.
- 35 Recent published information shows that the mortality rate for deaths related to drug misuse for the period 2014 to 2016 is significantly higher in the North East and in County Durham than England. National data show the highest number of deaths since comparable records began in 1993. Of the deaths, more than two-thirds were due to misuse of drugs⁵, and two-thirds of the deaths were men, in line with previous years. Those in their 40s have overtaken people in their 30s as being the age group with the highest mortality rate from drug misuse. This breakdown of gender and age is not yet available for County Durham.
- 36 Breastfeeding prevalence still requires improvement, being significantly lower than nationally and slightly below the North East rates. A multi-agency action plan to increase breastfeeding rates has been developed involving public health, health visitors, midwifery and children's centre colleagues. Models of best practice are being looked at from other areas who have improved their rates. The implementation will require a wider system approach to tackle the social norms relating to breastfeeding in County Durham. The Best Beginnings Baby Buddy app has been created to help provide reliable and accurate information that is available 24 hours a day.
- 37 Adults in receipt of social care services should receive an assessment or review every 12 months. Between April and June 2017 performance was 87% and this needs further improvement, in particular within learning disability

⁴ Life expectancy (LE) tells us how long a child born today would be expected to live if they experienced the current mortality rates of the area they were born in throughout their lifetime. Healthy life expectancy (HLE) at birth is the average number of years a person would expect to live in very good or good health.

⁵ Drug misuse is a subset of drug poisoning and is either: a death where the underlying cause is drug abuse or drug dependence, or a death where the underlying cause is drug poisoning and where any of the substances controlled under the Misuse of Drugs Act 1971 are involved.

services. A deep dive analysis is currently being undertaken to look into this in more detail.

- 38 The CQC are to undertake a programme of local system reviews of health and social care in 20 local authority areas. Reviews are initially happening in twelve challenged areas and the identification of these areas is principally based on a dashboard of six key metrics from across the sector where health and social care work most closely together, and assesses local areas against their statistical nearest neighbours (CIPFA) and nationally. The dashboard will be reviewed in the autumn. A further eight sites for review are to be identified in the coming months. These reviews will include a review of commissioning across the interface of health and social care and an assessment of the governance in place for the management of resources and will look specifically at how people move between health and social care, including delayed transfers of care, with a particular focus on people over 65 years old.
- 39 Durham is performing well on the majority of the six metrics (see Table 1 below) and the combined national ranking (based on the same 6 key indicators), where we rank 31 out of 152.

Table 1 Performance dashboard: Six key metrics

Metric	National Rank (out of 152)	Nearest Neighbour rank (out of 16)
Emergency Admissions (65+) per 100,000 65+ population	75	5
90th percentile of length of stay for emergency admissions (65+)	32	7
TOTAL Delayed Days per day per 100,000 18+ population	5	2
Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services *	64	8
Proportion of older people (65 and over) who are discharged from hospital who receive reablement/rehabilitation services	76	6
Proportion of discharges (following emergency admissions) which occur at the weekend	133	15

*based on 2016/17 data

- 40 The current measure for delayed transfers of care (DTC) from hospital shows Durham perform well with consistently low levels. The new Better Care Fund guidance has introduced a number of new proposals, including expectations about to what extent these would have to be reduced in the interface between health and social care, linking this target to the possibility of review of improved Better Care Fund funding in 2018/19 for areas that are

performing poorly against the DTOC target. The Local Government Association does not support these proposals, in particular the targets, as this does not take into consideration the overall volume of discharges (which are rising), the extreme financial pressures on councils, and the need for local flexibility. There will also be a change in the way this data is reported for 2017/2018 to make it more representative of the entire month instead of a snapshot of days. NHS Digital are undertaking work to investigate the impact of this change on the measure and will keep us informed of progress. As a result there is no data currently available for quarter one.

Altogether Safer

- 41 Positive progress is evident across some key safer measures. Anti-social behaviour continues to decrease, with fewer incidents being reported to the police and the council. The number of first time entrants to the Youth Justice System (aged 10 -17 years) has fallen and remains well within target. There have been fewer child sexual exploitation referrals than last year and fewer people killed or seriously injured in road traffic accidents. Durham's campaign for cold water shock received a national award as part of the Municipal Journal Achievement Awards 2017.
- 42 A key issue identified this quarter relates to the crime rate. Crime figures this quarter show a significant increase in the number of crimes compared with the same period last year. April to June 2017 has seen a 44% increase from the same period last year in the number of crimes, rising from 8,566 to 12,368. Durham's crime rate this quarter is 23.8 (per 1,000 population), higher than the rate of 16.5 for the same period last year. 41 of 43 police forces have shown an increase and Durham has the third highest rate of increase.
- 43 The majority of the increase in police recorded crime is violence against the person, the majority without injury. The increase is mainly due to changes in recording practice in order that the police are compliant with the national crime-recording standard (NCRS). This is also true for criminal damage type offences. Changes in recording practice include the recording of identified crimes (reducing from 72 hours from initial report to 24 hours); and improved local recording of victim-based offence categories, specifically that of violence without injury and an audit of retrospective harassment cases.
- 44 The increase in arson incidents has seen a joint initiative launched between Durham Constabulary, County Durham and Darlington Fire Service and Durham County Council. Operation Valdis, aims to reduce the number of deliberate fires across the county by seizing abandoned vehicles as and when they are identified.
- 45 Reported harassment incidents and crimes that have a cyber-element have increased since 2014 and cyber-enabled fraud via online auction and shopping sites remain the largest financial threats to individuals. Reports relating to Snapchat and Instagram tend to concern sextortion and potentially indecent image incidents. Ransomware and other malware attacks/scams are becoming more frequent and there has been a dramatic decrease in the number of cyber-related intelligence reports since 2014.

- 46 A thematic inspection of Out Of Court Disposals within our Youth Offending Service took place in July and feedback was positive. We will not receive an individual inspection report, or written feedback on the inspection. The final report will include findings from all seven fieldwork sites being visited this summer, highlighting good practice and making recommendations for the sector and partners. This is due to be published early next year.

Altogether Greener

- 47 We continue to maintain a clean and tidy environment with good levels of street and environmental cleanliness across the county. Fly-tipping incidents have seen a 3% reduction this quarter compared to last quarter (see appendix 5, chart 5). Our Big Spring Clean campaign has engaged more volunteers in community litter picks compared to last year with more rubbish collected. More parks and cemeteries have been awarded Green Flag status by Keep Britain Tidy. Enforcement action has seen more fixed penalty notices issued for enviro-crime this quarter targeting hotspot areas through the multi-agency partnership.
- 48 Our collection and disposal of waste shows we continue to divert more than 95% of our waste from landfill and although our reuse, recycling and composting rate has improved we remain below the national average. There has been a slight decrease (-0.3%) in the number of properties joining the garden waste collection scheme compared to the same period last year although more kilograms of garden waste have been collected per household. A government funded Waste Collection Methodology Project is about to commence, the outcome of which will be known in December.

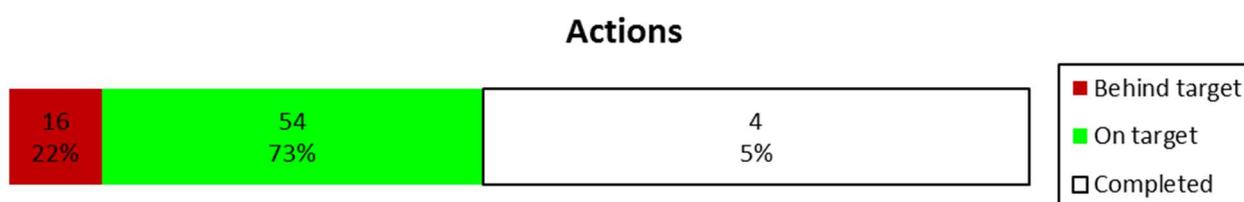
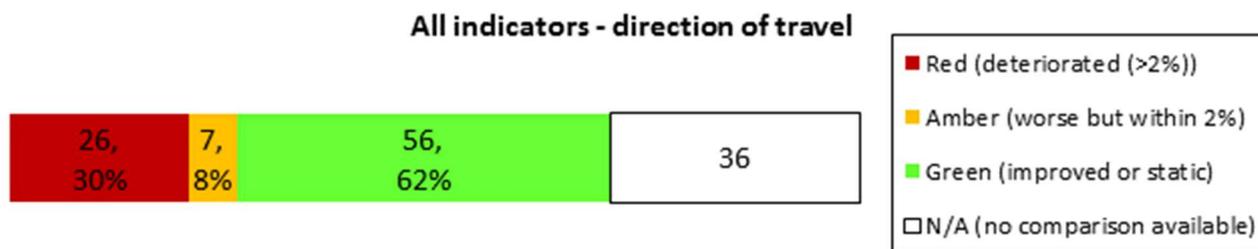
Altogether Better Council

- 49 In relation to customer contact, we continue to see a reduction overall in customers contacting us via telephony and an increase in customers accessing web forms to transact (see appendix 5, charts 6 to 10). Further analysis shows there continues to be a reduction in terms of telephony for general enquiries, switchboard and street scene. More than 90 services are available on the council's website for customers to do business with us 24 hours a day.
- 50 Overall sickness absence continues to improve, falling from 10.48 days lost per full time equivalent (excluding schools) in the previous quarter to 10.32 days in quarter one 2017/18. The council is committed to managing the attendance levels of its workforce and ensuring support is available to enable individuals to manage their health and wellbeing wherever possible.
- 51 The key performance issue identified this quarter relates to staff appraisals. The percentage of staff who had an appraisal has improved to 89%; however, performance remains below target and it is acknowledged that performance must improve. Chief Officers are following this through with managers where appraisals have not been undertaken. The council is committed to delivering performance appraisals with our employees as good practice and to ensure that the council's vision and priorities are communicated effectively throughout

the organisation so that staff know what is expected of them and are supported to deliver.

Overall Performance of the Council

Key Performance



- 52 In quarter one, 62% (56) of our key performance indicators improved or maintained performance and 30% (26) deteriorated compared to 12 months earlier. 78% (58) of Council Plan actions have been achieved or are on target to be achieved by the deadline. 22% (16 of 74) of actions slipped. In the majority of cases work has been rescheduled and timescales reset as reflected in the recommendations at paragraph 57.
- 53 Information and data to support the complete indicator set is provided at Appendix 4. A full copy of the exceptions, deletions, amendments and additions to council and service planning actions is available on request from performance@durham.gov.uk.

Risk Management

- 54 Effective risk management is a vital component of the council's agenda. The council's risk management process sits alongside our change programme and is incorporated into all significant change and improvement projects.
- 55 Appendix 3 summarises key risks in delivering the ambitions for each priority theme and how we are managing them.

Key Data Messages by Altogether Theme

- 56 The next section provides a summary per Altogether theme of key data messages. The format of the Altogether themes provides a snap shot overview aimed to ensure that key performance messages are easy to

identify.⁶ The Altogether themes are supplemented by information and data relating to the complete indicator set, provided at Appendix 4.

⁶ Images designed by Freepik from Flaticon, Homelessness Outreach Service by Hawaii Open Data US, Office Rental by Makhmudkhon, Pound Bills by John Burraco, Pounds by Oliviu Stoian from the thenounproject.com, Bury Council

Altogether Wealthier

Job prospects

Employment in 2016/17

71.5% working age population defined as in employment in County Durham (231,600 people). More than last quarter but below England and Wales (74.4%)

75.3% male working age population aged 16-64 (120,200)

67.8% female working age population aged 16-64 (111,400)

79% private sector (188,600), in line with England & Wales (78.6%)

To achieve national levels, **9,000** people (aged 16 - 64) out of **18,100** people economically inactive and wanting a job need to enter employment

Young people	Durham	England	North East
18-24 year olds who are out of work and claiming either Universal Credit or Jobseeker's Allowance (at Jun 2017)	3.9% (2,010 people)	2.6%	4.6%
16-17 year olds in an apprenticeship (at Mar 2017)	9.1%	6.4%	8.8%

Helping people back into work

268 jobs created/safeguarded as a result of Business Durham activity (Apr—Jun 2017)

222 apprenticeships started through County Council schemes (2016/17) above the target of 200

735 apprenticeships through Durham County Council schemes sustained for 15 months or more (at Jun 2017), which equates to 68.4% of all apprenticeship starts through these schemes

Apprenticeship programme - on hold while assessing the impact of the newly introduced levy to determine whether a successor programme will follow.

£15,496 average disposable household income that individuals have available for spending or saving after deduction of expenditure (2015). More than £15,246 in 2014 but less than England average of £19,447 and North East average of £16,197 (2015)

Housing and regeneration

↑ 45 empty properties brought back into use as a result of local authority intervention (Apr- Jun 2017). More than target (30) and last year (29)

↑ 422 net new homes completed (Apr- Jun 2017). More than last year (336)

↓ 198 affordable homes delivered (2016/17). In line with target (200) but fewer than 2015/16 (262)

↓ 320 clients for whom homelessness was prevented (Apr- Jun 2017). Less than last year (363)



Local authority road network



Structures are in 'good to fair' condition. Backlog has grown over the past year due to updated and more accurate condition surveys.

Condition of A, B & C roads is in line with national average (3% require maintenance to be considered).
On-going programme of resurfacing works in place for all roads.



£192m needed to bring DCC highway asset up to a good condition, and having no backlog with no defects (at Mar 2016).

£628m needed regionally, £12b needed across England and Wales

Overall Satisfaction with.... (National Highways & Transport survey)	2014	2016	National Average 2016
... condition of the highways	38%	45%	38%
... highway maintenance	49%	55%	53%

Altogether Better for Children and Young People

Early Help and Universal Services

Achieving Aspiration



92% Primary **65%* Secondary**

*11 out of 31 schools judged as Requires Improvement or Inadequate (2 more than last year and 1 more than last quarter). 6 LA maintained schools and 5 academies.

Not in Education, Employment or Training

4.9% of 16-17 year olds in Durham are not in education, employment or training, higher than national (2.7%) and North East (4.0) averages

Health

Under 18 Conception rate (Apr 2015 — Mar 2016)

25.9 per 1,000 female population (**213** conceptions), fewer than last year (27.5 and 233 conceptions) and lowest since 1998, but still significantly more than England (20.4).



Early Help support

727 families

benefitted from successful interventions* at March 2017 (16.7% of phase 2 overall total of 4,360 families by March 2020), above both the regional (15.7%) and national average (13.2%)

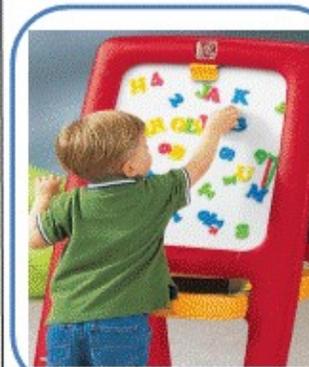
Stronger Families Programme

*this aims to assist individuals in a family to achieve reductions in crime/anti-social behaviour, improve school attendance or move back into employment through the Stronger Families Programme.

Education Health and Care Plans Processed in 20 weeks

Children or young people with special educational need or disability

Performance has been going down and target of 90% not met



Sustained contact with Children's Centre



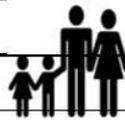
88% of Durham 0-2 year olds in the top 30% IMD* having sustained contact, more than last year (86%) (Jul 2016/Jun 2017)

* Indices of Multiple Deprivation 2010

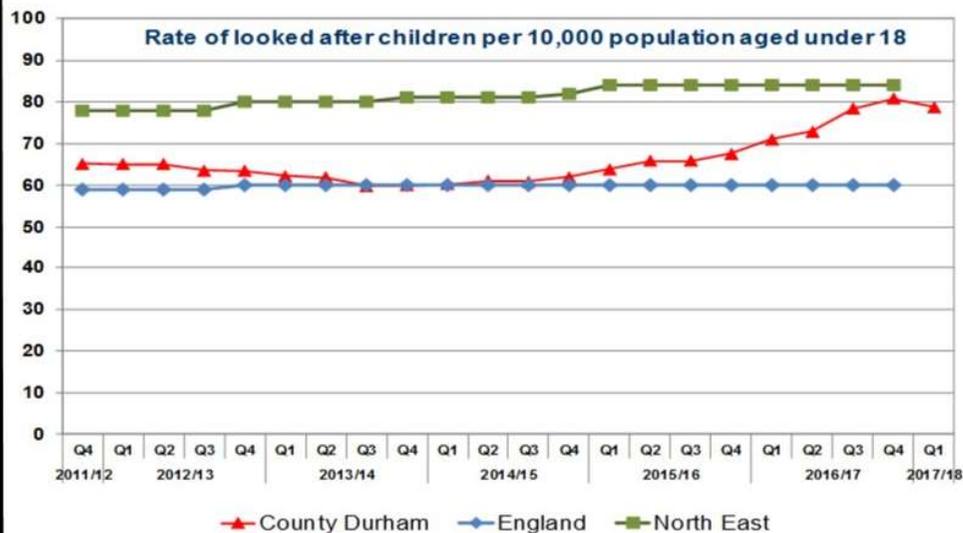
Altogether Better for Children and Young People

Corporate Parenting Support

Safeguarding (30 June 2017)



- **789** children currently looked after (LAC), more than last year (712)
- **11%** Increase in LAC rate from 71 per 10,000 children (June 2016) to 78.7.
- **230** care leavers are also receiving support



Social Work Practice

- ♦ **640** LAC (81.4%) who are in a foster placement, compared to 599 (84.4%) last year—As at June 2017
- ♦ **25** LAC (3.2%) have independent residential placements, compared to 14 (2%) last year—As at June 2017
- ♦ **53** children (17.3%) adopted of those leaving care (2016/17), compared to 28 (11.1%) in 2015/16

Achieving Aspiration

Care leavers aged 17-21 (provisional data):

	Durham	North East	England
In suitable accommodation ✓	94.3% (Apr-Jun 2017)	86% (2015/16 ac yr)	84% (2015/16 ac yr)
Employment or training (EET) ✓	69.1% (Apr-Jun 2017)	50% (2015/16 ac yr)	52% (2015/16 ac yr)

Health of looked after children

	Durham	North East	England
A dental health check ✗	82.5% (Apr-Jun 2017)	86.3% (2013/14)	84.4% (2013/14)
Health assessment ✗	86.4% (Apr-Jun 2017)	94.7% (2013/14)	88.4% (2013/14)
Average Emotional and Behavioural Health Difficulties Score ✗	16 points (2016/17)	14.5 points (2015/16)	14 points (2015/16)

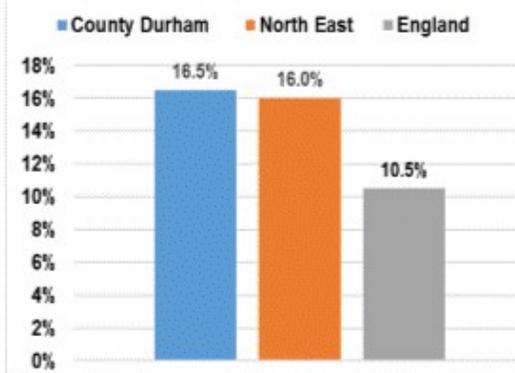
Altogether Healthier

Health of our residents

Smoking in County Durham

Mothers smoking at time of delivery 2016/17 - 16.5%

- ✓ Improvement from 2015/16 figure (18.2%)
- ✓ Achieved annual target (17.2%)
- ✗ but still worse than North East (16%) and England (10.5%)
- ✗ DDES CCG rate is poor (19.1%)
- ◆ Incentive scheme for DDES area introduced



Smoking quitters - 2016/17



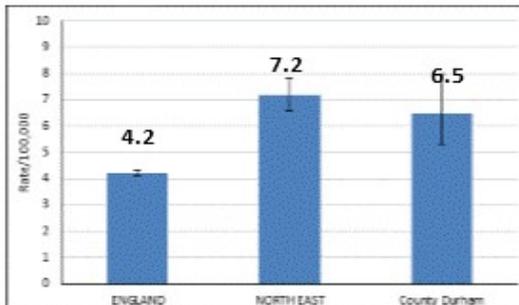
✓ **2,841** people quit smoking following support during 2016/17, exceeding the target of 2,311



Breastfeeding at 6 - 8 weeks from birth (Apr - Jun 2017)

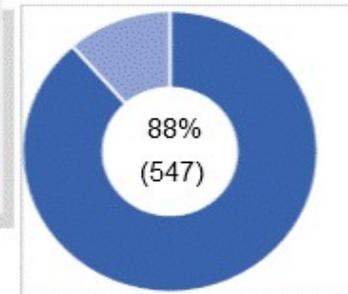
- ✗ 28.2% (down from 28.8% in Q1 2016/17)
- ✗ Lower than England (44.3%)
- ✗ Lower than North East (30.6%)

Mortality rate (per 100,000) deaths for drugs misuse 2014 - 2016



Adult social care support

Reablement Service - people still at home 91 days after discharge from hospital Jan - Mar 2017



- ✓ Better than same period last year (85.2%)
- ↑ % of total people receiving reablement where no further service was required: 82.6% (from 81.7%)
- ↓ % of total people completing reablement who require no ongoing care/reduced care: 86.3% (from 88.5%)

87.2% (7,259) of people received an assessment (within 12 months) in the year ended June 2017, slightly higher than the same period last year of 87%

% of people who achieved their desired outcomes from the adult safeguarding process

96.1% (307/321 people) (Apr - Jun 2016)

95.6% (422/439 people) (Apr - Jun 2017)



Adults 65+ admitted to care on a permanent basis

181 admissions (172.0 per 100,000 population) (Apr - Jun 2017)
 177 admissions (168.1 per 100,000 population) (Apr - Jun 2016)

Number of bed days commissioned

234,350 (Apr - June 2016)
 218,918 (Apr - June 2017)



Survey of Adult Carers in England 2016/17

75.5% of carers satisfied with support and services (down from 84.9% in 2014 - 15)

- ✓ Higher than England (71%)
- ✗ Lower than North East (77.5%)

Altogether Safer

Crime and anti-social behaviour (ASB)

Apr - Jun 2017:

	12,368 crimes (23.8 per 1,000 pop)
	4,134 police reported ASB incidents
	3,556 theft offences (6.9 per 1,000 pop)
	2,092 council reported ASB incidents

 12.8% reduction in police reported anti-social behaviour (ASB) incidents since Q1 2016/17

 6.7% reduction in council reported anti-social behaviour incidents since Q1 2016/17

 38 First Time Entrants to the Youth Justice System.

 Less than the Q1 profiled target of 62.5 or less FTEs and a decrease from Q1 2016/17

 Crime has increased by 44% compared to Q1 2016/17. This is partially due to changes in recording

 Nationally, 41 of 43 police forces have shown an increase in crime during 2016/17

 Theft offences have increased by 25.6% since Q1 2016/17.

 Nationally, 37 of 43 police forces showed an increase in theft offences during 2016/17



People's perceptions of Police dealing with concerns of ASB and crime: **61.3%**  Slightly less than Q1 2016/17 (61.7%)

 Higher than most similar group average (58.5%)

Reducing misuse of drugs and alcohol

Alcohol related crime and ASB incidents

	Apr - Jun 2017	Apr - Jun 2016
% of alcohol related police ASB incidents	 17.7% (734)	18.2% (847)
% of alcohol related violent crime	 24.9% (1053*)	25.1% (704)

* The number has increased by 49.6%, in line with the increase in all crimes



Alcohol seizures - the Police recorded 398 seizures of alcohol between Apr and Jun 2017, of these 302 (75.8% were under 18).

Tackling abuse of vulnerable people



163 child sexual exploitation referrals between Jul 2016 - Jun 2017. Lower than the 207 reported in the same period last year.

Safe environment

Road Safety

Period	Total KSI	Children	Fatalities
Comparison	-17%	-40%	-33%
Jan - Mar 2017	39	3	4
Jan - Mar 2016	47	5	6



We won a national award for our cold water shock campaign, as part of the MJ Achievement Awards 2017.

Altogether Greener

Clean and attractive environment

Environmental cleanliness

County Durham are maintaining good levels of environmental cleanliness (2016-17 annual figures)

-  **5.8%** litter
-  **9.8%** detritus
-  **1%** dog fouling

Big Spring Clean: Between Feb-Apr 2017 there were 191 litter picks involving 2,589 volunteers giving more than 3,381 hours of their time to collect almost 2,865 bags of rubbish, more than last year: +49 litter picks, +847 volunteers, +881 hours, +1,165 bags of rubbish collected.



Green Flag Awards: 12 (2 more than 2016) parks and cemeteries have been given accreditation by Keep Britain Tidy, in recognition of excellent standards of maintenance, management and good practice.

Green Heritage Site Award: Blackhill and Consett Park achieved an award to green spaces and for managing and promoting the elements of their heritage that make them unique.

Fly-tipping

Jul 2016 - Jun 2017

- 3%** reduction in fly-tipping incidents recorded compared to last quarter
- 7,524** incidents recorded compared with 7,768 last quarter
- 64%** was household waste
- 15%** increase in white goods compared to same period last year

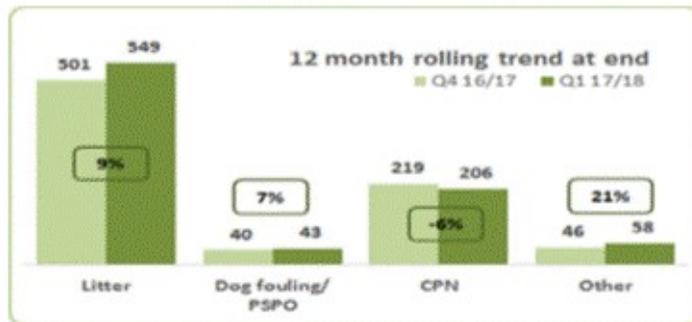
Actions to date: 2017/18

Cameras deployed to 19 locations	12 incidents caught on CCTV
16 stop and search operations	5 duty of care warning letters 3 fixed penalty notices issued
455 further investigations	3 prosecutions £4,046 awarded in fines, compensation, costs and surcharges

Enforcement action

Fixed Penalty Notices issued for enviro-crime

12 months rolling total at			
	Mar-17	Jun-17	Change
	806	856	50 6.2%



Collection and disposal of waste

Refuse and recycling

May 2016 - Apr 2017

-  **95.9%** municipal waste diverted from landfill, in line with target (95%)
-  **39.9%** household waste re-used, recycled or composted, better than last quarter but below national average (43%)
-  **68,716** properties have joined the 2017 recycle garden waste scheme at Jun 2017, 236 less than at Jun 2016
-  **102 kgs** garden waste collected per household at Jun 2017, compared to 97kgs collected at Jun 2016

Altogether Better Council

Our services to customers and the public

Customer Services - Jul 2016 - Jun 2017



37 seconds to answer a call on average and 6% calls abandoned

CUSTOMER CONTACT:

We continue to see a reduction overall in customers contacting us via telephony and an increase in customers accessing web forms to transact.



TELEPHONE

959,812

DOT from previous quarter % change



-1.9%



E-MAIL

66,415



-5.7%



WEB FORMS

83,739



+15.8%



FACE-TO-FACE

149,267



-11.7%

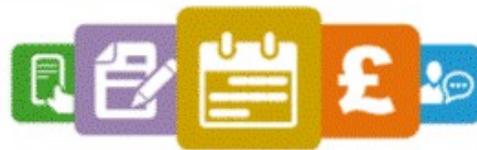


SOCIAL MEDIA

1,866



-11.6%



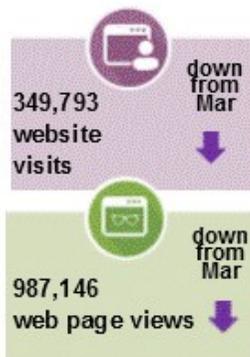
Save time do it online

Report Apply Book Pay Comment

Do it online facts and figures:



Website Stats - Jun 2017:



Top 5 pages (the most visited pages)



most popular news item: 4,244 page views - improvements to Neville's Cross

Preferred method of technology used to contact the Council



Altogether Better Council

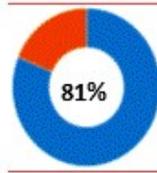
Looking after our people

Employee Wellbeing: (Jul 2016 – Jun 2017 excluding schools)

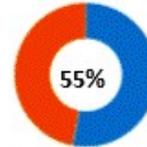
Overall sickness absence per full time equivalent continues to improve and achieved target (11.20 days) and is better than last year (11.48 days)



Employees having 5 working days or less sickness



More posts with no sickness absence, than last year (51%)

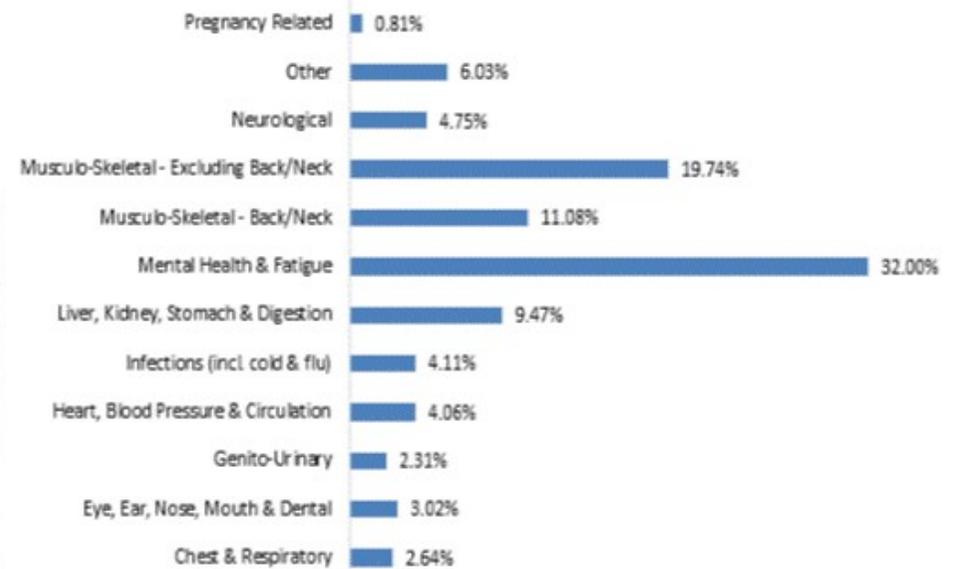


% of sickness absence (Apr– June 2017 excluding schools)	
short/medium/long term sickness	% rate
Short Term = 0 - 7.5 days	14.66%
Medium Term = 7.5 - 20 days	15.04%
Long Term = 20 days +	70.03%

% of staff performance appraisals completed (Jul 2016 – Jun 2017 excluding schools)

x 89% appraisals completed - slight improvement from previous quarter (88%) but below target (92%)

% Type Sickness Occurring



Managing our resources for residents and customers Finance: (Apr – Jun 2017)



Council Tax Collected

- 29.03% council tax collected (target 29.01%)
- 4,505 additional customers chose option to extend payment plan over 11/12 months rather than statutory 10 months (18,646 overall)



Business Rates Collected

- 33.67% business rates collected (target 33.55%)
- 281 additional ratepayers chose option to extend payment plan over 11/12 months rather than statutory 10 months (2,159 overall)

Recommendations and reasons

57 Cabinet is recommended to:

- (a) consider and comment on the council's performance at quarter one;
- (b) agree 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.

Contact: Jenny Haworth Tel: 03000 268071

Appendix 1: Implications
Appendix 2: Report Key
Appendix 3: Risk Management

Appendix 4: Summary of key performance indicators

Appendix 5: Volume measures

Appendix 6: Secondary Schools Require Improvement and Inadequate

Appendix 1: Implications

Finance - Latest performance information is being used to inform corporate, service and financial planning.

Staffing - Performance against a number of relevant corporate health Performance Indicators (PIs) has been included to monitor staffing issues.

Risk - Reporting of significant risks and their interaction with performance is integrated into the quarterly monitoring report.

Equality and Diversity / Public Sector Equality Duty - Corporate health PIs are monitored as part of the performance monitoring process.

Accommodation - Not applicable

Crime and Disorder - A number of PIs and key actions relating to crime and disorder are continually monitored in partnership with Durham Constabulary.

Human Rights - Not applicable

Consultation - Not applicable

Procurement - Not applicable

Disability Issues - Employees with a disability are monitored as part of the performance monitoring process.

Legal Implications - Not applicable

Appendix 2: Report key

Performance Indicators:

Direction of travel/benchmarking

Same or better than comparable period/comparator group

GREEN

Worse than comparable period / comparator group (within 2% tolerance)

AMBER

Worse than comparable period / comparator group (greater than 2%)

RED

Performance against target

Meeting/Exceeding target

Getting there - performance approaching target (within 2%)

Performance >2% behind target

- ✓ Performance is good or better than comparable period/benchmark
- ✗ Performance is poor or worse than comparable period/benchmark
- ↔ Performance has remained static or is in line with comparable period/benchmark

National Benchmarking

We compare our performance to all English authorities. The number of authorities varies according to the performance indicator and functions of councils, for example educational attainment is compared to county and unitary councils however waste disposal is compared to district and unitary councils.

North East Benchmarking

The North East figure is the average performance from the authorities within the North East region, i.e. County Durham, Darlington, Gateshead, Hartlepool, Middlesbrough, Newcastle upon Tyne, North Tyneside, Northumberland, Redcar and Cleveland, Stockton-On-Tees, South Tyneside, Sunderland. The number of authorities also varies according to the performance indicator and functions of councils.

Nearest Neighbour Benchmarking:

The nearest neighbour model was developed by the Chartered Institute of Public Finance and Accountancy (CIPFA), one of the professional accountancy bodies in the UK. CIPFA has produced a list of 15 local authorities which Durham is statistically close to when you look at a number of characteristics. The 15 authorities that are in the nearest statistical neighbours group for Durham using the CIPFA model are: Barnsley, Wakefield, Doncaster, Rotherham, Wigan, Kirklees, St Helens, Calderdale, Dudley, Northumberland, Tameside, Sheffield, Gateshead, Stockton-On-Tees and Stoke-on-Trent.

We also use other neighbour groups to compare our performance. More detail of these can be requested from the Corporate Planning and Performance Team at performance@durham.gov.uk.

Appendix 3: Risk Management

Risk Management

1. The strategic risks identified as potential barriers to successfully achieving our objectives are listed against each Altogether theme. These risks have been identified using the following criteria:
 - a) Net impact is critical, and the net likelihood is highly probable, probable or possible.
 - b) Net impact is major, and the net likelihood is highly probable or probable.
 - c) Net impact is moderate, and the net likelihood is highly probable.
2. As at 30 June 2017, there were 23 risks on the corporate strategic risk register, one more than as at 31 March 2017. During quarter 1, two risks were added and one was removed. The following matrix categorises the strategic risks according to their net risk evaluation as at 30 June 2017. To highlight changes in each category during the last quarter, the number of risks as at 31 March 2017 is shown in brackets.

Corporate Risk Heat Map

Impact					
Critical	1 (1)	1 (0)	4 (4)		1 (1)
Major		3 (2)	3 (3)	0 (1)	
Moderate			9 (10)	1 (0)	
Minor					
Insignificant					
Likelihood	Remote	Unlikely	Possible	Probable	Highly Probable

Key risks 

3. One risk was removed from the corporate strategic risk register as these factors already exist in many parts of the region and are being managed on a location-by-location basis, as applicable.
 - a. Diminishing Capital Resources, continuing depressed land values and cautious growth in the private sector may have an impact on the ability to deliver major projects and town initiatives within proposed timescale. (REAL)
4. Two risks were added:-
 - a. Inability to recruit and retain children's social workers and social work managers may seriously inhibit the delivery of services. (CYPS)
 - b. If the Council suffered a major cyber-attack, then it may be unable to effectively deliver essential services during the period of recovery. (T&P)

5. The likelihood of the following risk has been reduced from possible to unlikely. An ongoing project is in place to ensure compliance and servers that cannot be made compliant or effectively relocated will be switched off. A Public Services Network risk register has also been completed, and is reviewed on an ongoing basis and as part of the annual review.
 - a. If we were to fail to comply with Central Government's Public Services Network Code of Connection and PCI criteria for our computer applications, this would put some of our core business processes at risk, such as Revenues and Benefits, which rely on secure transfer of personal data. (RES)

6. Due to the effectiveness of existing controls, the net likelihood of the following risk is now considered possible, not probable. However, the review has also highlighted a marginal increase in the net financial impact, meaning that the overall net impact is now critical, not major.
 - a. Major Interruption to IT Service Delivery (RES)

7. At a corporate strategic level, key risks to the Council, with their respective net risk evaluations shown in brackets, are:
 - a. **Altogether Wealthier:** There are no key risks in delivering the objectives of this theme.
 - b. **Altogether Better for Children and Young People:** Failure to protect a child from death or serious harm (where service failure is a factor or issue). Management consider it possible that this risk could occur which, in addition to the severe impacts on children, will result in serious damage to the Council's reputation and to relationships with its safeguarding partners. To mitigate the risk, actions are taken forward from Serious Case Reviews and reported to the Local Safeguarding Children Board. Lessons learned are fed into training for front line staff and regular staff supervision takes place. This risk is long term and procedures are reviewed regularly. (Critical / Possible)
 - c. **Altogether Healthier:** There are no key risks in delivering the objectives of this theme.
 - d. **Altogether Safer:** A service failure of Adult Safeguarding leads to death or serious harm to a service user. Management consider it possible that this risk could occur which, in addition to the severe impacts on service users, will result in serious damage to the Council's reputation and to relationships with its safeguarding partners. As the statutory body, the multi-agency Safeguarding Adults Board has a Business Plan in place for taking forward actions to safeguard vulnerable adults including a comprehensive training programme for staff and regular supervision takes place. This risk is long term and procedures are reviewed regularly. (Critical / Possible)
 - e. **Altogether Greener:** There are no key risks in delivering the objectives of this theme.
 - f. **Altogether Better Council:**
 - i. If there was to be slippage in the delivery of the agreed Medium Term Financial Plan savings projects, this will require further savings to be

made from other areas, which may result in further service reductions and job losses. Management consider it possible that this risk could occur, which will result in a funding shortfall, damaged reputation and reduced levels of service delivery. To mitigate the risk, a programme management approach for key projects has been established and embedded across the Council. Monitoring by Corporate Management Team and Cabinet provides assurance over the implementation of the agreed MTFP savings projects. It should be recognised that this will be a significant risk for at least the next four years. (Critical / Possible)

- ii. Ongoing Government funding cuts which now extend to at least 2019/20 will continue to have an increasing major impact on all Council services. Management consider it highly probable that this risk could occur, and to mitigate the risk, sound financial forecasting is in place based on thorough examination of the Government's red book plans. This will also be a significant risk for at least the next four years. (Critical / Highly Probable)
- iii. Major interruption to IT service delivery. Corporate Management Team has approved a project to provide improved ICT resilience for the Council's main Data Centre. It is anticipated that the improvement works, which will significantly reduce the risks from electrical and mechanical failures, will be completed by March 2018. (Critical / Possible).

Appendix 4: Summary of Key Performance Indicators

Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered		
Altogether Wealthier												
1. Do residents have good job prospects?												
1	RED PI40	Proportion of the working age population defined as in employment	71.5	2016/17	Tracker	69.0	GREEN	74.4	RED	69.8*	GREEN	2016/17
2	RED PI88	Per capita household disposable income (£) [1] [2]	15,496	2015	Tracker	15,246	GREEN	19,447	RED	16197*	RED	2015
3	RED PI62	Number of apprenticeships started through Durham County Council schemes	222	2016/17	200	74	GREEN	No Data		No Data		
4	RED PI105	Number of apprenticeships from Durham County Council schemes sustained at least 15 months [2]	735	As at Jun 2017	Tracker	663	GREEN	No Data		No Data		
5	RED PI92	Number of gross potential jobs created or safeguarded as a result of Business Durham activity [3]	268	Apr - Jun 2017	NA	1,409	NA	No Data		No Data		
9	CYP S1	Percentage of 16 to 17 year olds in an apprenticeship	9.1	As at Mar 2017	Tracker	8.0	GREEN	6.4	GREEN	8.8*	GREEN	As at Mar 2017

Page Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure		Performance compared to *North East or **Nearest statistical neighbour figure		Period covered	
140	7	RED PI7a	Number of 18 to 24 year olds who are out of work and claiming either Universal Credit or Jobseekers Allowance (JSA)	2,010	As at Jun 2017	Tracker	1,855	RED	No Data		No Data		
	8	RED PI8b	Proportion of all Jobseeker's Allowance (JSA) claimants that have claimed for one year or more	32.20	As at Jun 2017	Tracker	29.90	NA [4]	No Data		No Data		
2. Do residents have access to decent and affordable housing													
	9	RED PI30	Number of empty properties brought back into use as a result of local authority intervention	45	Apr - Jun 2017		30	29	GREEN	No Data		No Data	
	10	RED PI10b	Number of net homes completed	422	Apr - Jun 2017	Tracker	336	GREEN	No Data		No Data		
	11	RED PI36a	Number of clients who have accessed the Housing Solutions Service and for whom homelessness has been prevented	320	Apr - Jun 2017	Tracker	363	RED	No Data		No Data		
	12	RED PI10a i	Number of affordable homes delivered [3]	198	2016/17		200	262	RED	No Data		No Data	

Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered		
3. Is County Durham a good place to do business?												
13	RED PI87	Gross Value Added (GVA) per capita in County Durham (£) [1] [2]	15,210	2014	Tracker	15,202	GREEN	25,624	RED	18413*	RED	2014
14	RED PI89	Number of registered businesses in County Durham	16,585	2015/16	Tracker	16,400	GREEN	No Data		No Data		
4. Is it easy to travel around the county?												
15	NS06 a	Percentage of A roads where maintenance is recommended (scanner survey)	3	2016/17	Tracker	4	GREEN	3	GREEN	3*	GREEN	2015/16
16	NS06 bc	Percentage of B and C roads where maintenance is recommended (scanner survey)	3	2016/17	Tracker	4	GREEN	6	GREEN	6*	GREEN	2015/16
17	NS06 d	Percentage of unclassified roads where maintenance is recommended (scanner survey)	20	2015/16	Tracker	19	RED	17	RED	14*	RED	2015/16
18	NS07	Highways maintenance backlog (£millions)	191.7	2016	Tracker	181	NA	No Data		No Data		

Page Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered		
5. How well does tourism and cultural events contribute to our local economy?												
19	RED PI100	Number of visitors to County Durham (million)	18.7	2015	Tracker	18.1	GREEN	No Data	No Data			
20	RED PI101	Number of jobs supported by the visitor economy	10,961	2015	Tracker	10,803	GREEN	No Data	No Data			
21	RED PI102	Amount (£ million) generated by the visitor economy	778	2015	Tracker	752	GREEN	No Data	No Data			
Altogether Better for Children and Young People												
1. Are children, young people and families in receipt of universal services appropriately supported?												
22	CYP S24	Average attainment 8 score/score for LA (all pupils at the end of key stage 4 in state-funded mainstream and special schools and academies - replacing GCSE attainment)	49.2	2015/16 ac yr (final)	Tracker	New PI	NA	48.5	GREEN	48.7*	GREEN	2015/16 ac yr (final)
23	CYP S27	Average point score per A level entry of state-funded school students	31.9	2015/16 ac yr (final)	Tracker	New PI	NA	31.8	GREEN	30.63*	GREEN	2015/16 ac yr (final)
24	CYP S2	Percentage of 16 to 17 year olds who are not in education, employment or training (NEET) [5]	4.9	Apr - Jun 2017	Tracker	4.7	RED	No Data		4*	RED	

Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered		
25	CYP S25	Gap between the average Attainment 8 score of Durham disadvantaged pupils and the average Attainment 8 score of non-disadvantaged pupils nationally (at KS4)	-12.5	2015/16 ac yr (final)	Tracker	New PI	NA	-12.3	AMBER	-13.3*	GREEN	2015/16 ac yr (final)
26	CYP S26	Percentage of children in the Early Years Foundation Stage achieving a Good Level of Development	69	2015/16 ac yr (final)	64.0	63.6	GREEN	69.3	AMBER	68.4*	GREEN	2015/16 ac yr (final)
27	CYP S29	Gap between the percentage of Durham disadvantaged pupils and the percentage of non-disadvantaged pupils nationally who achieve the expected standard in reading, writing and maths (at KS2)	-16	2015/16 ac yr (final)	Tracker	New PI	NA	-22	GREEN	-23*	GREEN	2015/16 ac yr (final)
28	CYP S30	Ofsted percentage of primary pupils in good or better schools	91.7	As at Jun 2017	Tracker	92	AMBER	90	GREEN	91*	GREEN	As at May 2017
29	CYP S31	Ofsted percentage of secondary pupils in good or better schools	64.5	As at Jun 2017	Tracker	70	RED	79	RED	67*	RED	As at May 2017

Page Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure		Performance compared to *North East or **Nearest statistical neighbour figure		Period covered	
144	30	CYP S32	Exclusion from school of All Durham children - percentage of children with at least one fixed exclusion	2	2016/17 ac yr	Tracker	1.9	RED	No Data		No Data		
	31	AHS1	Under 18 conception rate per 1,000 girls aged 15 to 17	25.9	2015/16	Tracker	27.5	GREEN	20.4	RED	27.5*	GREEN	2015/16
	32	AHS2	Proportion of five year old children free from dental decay	64.9	2014/15	Tracker	New PI	NA	75.2	RED	72*	RED	2014/15
	33	AHS3	Alcohol specific hospital admissions for under 18's (rate per 100,000)	67.5	2013/14 - 2015/16	Tracker	72.8	GREEN	37.4	RED	66.9*	AMBER	2013/14 - 2015/16
	34	AHS4	Young people aged 10-24 admitted to hospital as a result of self-harm	489.4	2011/12 - 2013/14	Tracker	504.8	GREEN	367.3	RED	532.2*	GREEN	England - 2011/12 - 2013/14 NE - 2010/11 - 2012/13
	35	AHS5	Percentage of children aged 4 to 5 years classified as overweight or obese	24.3	2015/16 ac yr	Tracker	23.0	RED	22.1	RED	24.6*	GREEN	2015/16 ac yr

Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered		
36	ASH6	Percentage of children aged 10 to 11 years classified as overweight or obese	37	2015/16 ac yr	Tracker	36.6	AMBER	34.2	RED	37*	GREEN	2015/16 ac yr
37	CYP S33	Percentage of Education Health and Care Plans completed in the statutory 20 week time period	66.0	Jan - Jun 2017	90.0	90.0	RED	58.6	GREEN	73.4*	RED	Jan - Dec 2016
2. Are children, young people and families in receipt of Early Help services appropriately supported?												
38	CYP S22	Percentage of successful interventions (families turned around) via the Stronger Families Programme (Phase 2)	16.7	Sep 2014 - Mar 2017	24.4	NA	NA	13.2	GREEN	15.7*	GREEN	Sep 2014 - Mar 2017
39	CYP S23	Percentage of children aged 0-2 years in the top 30% IMD registered with a Children's Centre and having sustained contact	88.1	2016/17	60	86	GREEN	No Data		No Data		
3. Are children and young people in receipt of social work services appropriately supported and safeguarded?												
40	CYP S14	Percentage of First Contact & EDT enquiries processed within 1 working day	85.5	Apr - Jun 2017	Tracker	58.6	GREEN	No Data		No Data		

Page Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure		Performance compared to *North East or **Nearest statistical neighbour figure		Period covered
41	CYP S15	Percentage of statutory children in need referrals received which occurred within 12 months of a previous referral	17.0	Apr - Jun 2017	Tracker	24.8	GREEN	22.3	GREEN	20.6*	GREEN	2015/16
42	CYP S16	Percentage of statutory single assessments completed within 45 working days	83.2	Apr - Jun 2017	Tracker	86.8	RED	83.4	AMBER	82.1*	GREEN	2015/16
43	CYP S17	Rate of children subject to a child protection plan per 10,000 population aged under 18	48.6	As at Jun 2017	Tracker	35.7	RED	43.1	RED	59.6*	GREEN	As at Mar 2016
44	CYP S18a	Rate of children in need (proxy) per 10,000 population aged under 18 (L4 open cases only)	361.4	As at Jun 2017	Tracker	313.9	NA	337.7		441.5*		2015/16
45	CYP S18b	Level 2/3 cases open to One Point Service - Rate per 10,000 population aged under 18	47.8	As at Jun 2017	Tracker	37.9	NA	No Data		No Data		
46	CYP S18c	Level 3 cases open to Families First Teams - Rate per 10,000 population aged under 18	237.5	As at Jun 2017	Tracker	227.1	NA	No Data		No Data		

Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered		
47	CYP S19	Percentage of strategy meetings initiated which led to an initial child protection conference being held within 15 working days	42.6	Apr - Jun 2017	Tracker	75.2	RED	76.7	RED	82.4*	RED	2015/16
48	CYP S20	Percentage of Social Workers with fewer than 20 case	43.0	As at Jun 2017	Tracker	42.0	GREEN	No Data		No Data		
49	CYP S21	Percentage of Case File Audits which are rated as good or better	60.9	Apr - Jun 2017	80.0	New PI	NA	No Data		No Data		

4. Are we being a good corporate parent for Looked After Children?

50	CYP S3	Rate of looked after children per 10,000 population aged under 18	78.7	As at Jun 2017	Tracker	71.0	NA	60		84*		As at Mar 2016
51	CYP S4	Percentage of children adopted from care (as % of total children leaving care) [number of children adopted shown in brackets]	17.3	2016/17	Tracker	11.1	GREEN	15	GREEN	13*	GREEN	2015/16
52	CYP S5	Percentage of LAC who are in a foster placement	81.4	As at June 2017	Tracker	84.4	RED	No Data		No Data		
Page 3 Page 147	CYP S6	Number of independent residential placement	3.2	As at Jun 2017	Tracker	2.0	RED	No Data		No Data		

Page Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered		
54	CYP S7	Percentage of children looked after continuously for 12 months or more who had a dental check	82.5	Apr - Jun 2017	Tracker	90.9	RED	84.4	RED	86.3*	RED	2013/14
55	CYP S8	Percentage of children looked after continuously for 12 months or more who have had the required number of health assessments	86.4	Apr - Jun 2017	Tracker	77.0	GREEN	88.4	RED	94.7*	RED	2013/14
56	CYP S9	Emotional and behavioural health of children looked after continuously for 12 months or more (SDQ)	16.0	2016/17	Tracker	14.9	RED	14	RED	14.5*	RED	2015/16
57	CYP S10	Average Attainment 8 score of Looked After Children	31.3	2016/17 ac yr	Tracker	New PI	NA	22.8	GREEN	25.9*	GREEN	2015/16 ac yr
58	CYP S11	Percentage of LAC achieving the expected standard in Reading, Writing and Maths (at KS2)	44.0	2016/17 ac yr	Tracker	New PI	NA	25	GREEN	27*	GREEN	2015/16 ac yr
59	CYP S12	Percentage of care leavers aged 17-21 in education, employment or training (EET)	69.1	Apr - Jun 2017	Tracker	59.3	GREEN	52	GREEN	50*	GREEN	2015/16 ac yr
60	CYP S13	Percentage of care leavers aged 17-21 in suitable accommodation	94.3	Apr - Jun 2017	Tracker	94.5	AMBER	84	GREEN	86*	GREEN	2015/16 ac yr

Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered		
Altogether Healthier												
1. Are our services improving the health of our residents?												
61	AHS12	Percentage of mothers smoking at time of delivery	16.5	2016/17	17.2	18.1	GREEN	10.5	RED	16*	RED	2016/17
62	AHS13	Four week smoking quitters per 100,000 smoking population	3,010	2016/17	2,449	3,076	RED	No Data		No Data		
63	AHS7	Male life expectancy at birth (years) [2]	78.1	2013-2015	Tracker	78.0	GREEN	79.5	AMBER	77.9*	GREEN	2013-2015
64	AHS8	Female life expectancy at birth (years) [2]	81.2	2013-2015	Tracker	81.3	AMBER	83.1	RED	81.6*	AMBER	2013-2015
65	AHS9	Healthy life expectancy at birth [Female]	57	2013-2015	Tracker	New PI	NA	64.1	RED	60.1*	RED	2013-2015
66	AHS10	Healthy life expectancy at birth [Male]	58	2013 - 2015	Tracker	New PI	NA	63.4	RED	59.6*	RED	2013-2015
67	AHS14	Excess weight in adults (Proportion of adults classified as overweight or obese)	67.6	2013-15	Tracker	69	GREEN	64.8	RED	68.6*	GREEN	2013-15
68	AHS11	Suicide rate (deaths from suicide and injury of undetermined intent) per 100,000 population	15.7	2013 - 2015	Tracker	14.8	RED	10.1	RED	12.4*	RED	2013 - 2015
69	AHS38	Prevalence of breastfeeding at 6-8 weeks from birth	28.2	Apr - Jun 2017	Tracker	28.8	RED	44.3	RED	30.6*	RED	Jan - Mar 2017
70	AHS40	Estimated smoking prevalence of persons aged 18 and over	17.9	2016	Tracker	19.0	GREEN	15.5	RED	17.2*	RED	2016

Page Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered		
71	AHS41	Self-reported wellbeing - people with a low happiness score	11.4	2015/16	Tracker	New PI	NA	8.8	RED	10.2*	RED	2015/16
72	NS20	Participation in Sport and Physical Activity: active	62.2	2015/16	Tracker	New PI	NA	65.4	RED	No Data		2015/16
73	NS21	Participation in Sport and Physical Activity: inactive	25.4	2015/16	Tracker	New PI	NA	22	RED	No Data		2015/16

2. Are people needing adult social care supported to live safe, healthy and independent lives?

74	AHS18	Adults aged 65+ per 100,000 population admitted on a permanent basis in the year to residential or nursing care	172.0	Apr - Jun 2017	TBC	168.1	RED	628.2		843*		2016/17
75	AHS20	Proportion of older people who were still at home 91 days after discharge from hospital into reablement/ rehabilitation services	88.5	Jan - Mar 2017	TBC	85.2	GREEN	82.7	GREEN	85.5*	GREEN	2015/16
76	AHS16	Percentage of individuals who achieved their desired outcomes from the adult safeguarding process	95.6	Apr - Jun 2017	Tracker	96.1	AMBER	No Data		No Data		

Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure		Performance compared to *North East or **Nearest statistical neighbour figure		Period covered
77	AH17	Percentage of service users receiving an Assessment or Review within the last 12 months	87.2	Jul 2016 - Jun 2017	Tracker	87.0	GREEN	No Data		No Data		
78	AHS2 1	Overall satisfaction of people who use services with their care and support	63.6	2016/17	Tracker	New PI	NA	64.4	AMBER	67.2*	RED	2015/16
79	AH22	Overall satisfaction of carers with the support and services they receive	75.5	2016/17	Tracker	New PI	NA	41.2	GREEN	49.3*	GREEN	2014/15
80	AHS2 3	The proportion of adult social care service users who report they have enough choice over the care and support services they receive	73.1	2016/17	Tracker	New PI	NA	No Data		No Data		

Altogether Safer

1. How effective are we at tackling crime and disorder?

81	CYP S35	First time entrants to the youth justice system aged 10 to 17 (per 100,000 population of 10 to 17 year olds) [2]	89	Apr - Jun 2017	146	95	GREEN	357		413**		2015/16
82	AHS2 4	Overall crime rate (per 1,000 population) [2]	23.8	Apr - Jun 2017	Tracker	16.5	RED					
Page 151	AHS2 5	Rate of theft offences (per 1,000 population) [2]	6.8	Apr - Jun 2017	Tracker	5.5	RED					

Page Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered			
152	84	AHS2 6	Proportion of all offenders (adults and young people) who re-offend in a 12 month period	27.4	Oct 2014 - Sep 2015	Tracker	27.5	GREEN	24.8	RED	29.5*	GREEN	Oct 2014 - Sep 2015
	85	CYP S36	Proven re-offending by young people (who offend) in a 12 month period (%)	42.6	Oct 2014 - Sep 2015	Tracker	46.9	GREEN	37.8	RED	43.4*	GREEN	Oct 14 - Sep 15

2. How effective are at tackling Anti-Social Behaviour?

86	AHS2 7	Dealing with concerns of ASB and crime issues by the local council and police [1] [2] [6]	61.3	Jan - Dec 2016	Tracker	61.7	AMBER	No Data		58.5**	GREEN	Jan - Dec 2016
87	AHS2 8a	Number of police reported incidents of anti-social behaviour [2]	4,134	Apr - Jun 2017	Tracker	4,664	GREEN	No Data		No Data		
88	AHS2 8b	Number of council reported incidents of anti-social behaviour	2,092	Apr - Jun 2017	Tracker	2,243	GREEN	No Data		No Data		

3. How well do we reduce misuse of drugs and alcohol?

89	AHS3 1	Percentage of successful completions of those in alcohol treatment	28.6	Oct 2015 - Sep 2016 (representations to Mar 2017)		38.3	30.2	RED	38.3	RED	33.2*	RED	England Oct 2015 - Sep 2016 (rep to Mar 2017)
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Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered		
90	AHS32	Percentage of successful completions of those in drug treatment - opiates	6.2	Oct 2015 - Sep 2015 (representations to Mar 2017)	8.0	6.0	GREEN	6.6	RED	5.4*	GREEN	Oct 2015 - Sep 2016 (rep to Mar 2017)
91	AHS33	Percentage of successful completions of those in drug treatment - non-opiates	26.9	Oct 2015 - Sep 2016 (representations to Mar 2017)	49.1	33.0	RED	37.1	RED	29.2*	RED	Oct 2015 - Sep 2016 (rep to Mar 2017)
92	AHS29	Percentage of anti-social behaviour incidents that are alcohol related	17.7	Apr - Jun 2017	Tracker	18.2	GREEN	No Data		No Data		
93	AHS30	Percentage of violent crime that is alcohol related	24.9	Apr - Jun 2017	Tracker	25.1	GREEN	No Data		No Data		
94	AHS36	Alcohol seizures	398	Apr - Jun 2017	Tracker	536	NA	No Data		No Data		
4. How well do we tackle abuse of vulnerable people, including domestic abuse, child sexual exploitation and radicalisation?												
Page 5 153	CYP S34	Number of child sexual exploitation referrals [2]	163.0	Jul 16 - Jun 17	Tracker	207	NA	No Data		No Data		

Page Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered	
5. How do we keep our environment safe, including roads and waterways?											
96	RED PI44	Number of people killed or seriously injured in road traffic accidents	39	Jan - Mar 2017	Tracker	47	GREEN	No Data	No Data		
		Number of fatalities	8			6			NA		
		Number of seriously injured	31			41			NA		
97	RED PI45	Number of children killed or seriously injured in road traffic accidents	3	Jan - Mar 2017	Tracker	5	GREEN	No Data	No Data		
		Number of fatalities	0			0			NA		
		Number of seriously injured	3			5			NA		
Altogether Greener											
1. How clean and tidy is my local environment?											
98	NS14 a	Percentage of relevant land and highways assessed (LEQSPRO survey) as having deposits of litter that fall below an acceptable level	5.80	2016/17	7.00	5.89	GREEN	10	GREEN	No Data	2014/15
99	NS14 b	Percentage of relevant land and highways assessed (LEQSPRO survey) as having deposits of detritus that fall below an acceptable level	9.79	2016/17	10.00	8.18	RED	27	GREEN	No Data	2014/15

Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered		
100	NS14c	Percentage of relevant land and highways assessed as having deposits of dog fouling that fall below an acceptable level	0.96	2016/17	Tracker	1.26	GREEN	7	GREEN	No Data	2014/15	
2 Are we reducing carbon emissions and adapting to climate change?												
101	RED PI46	Percentage reduction in CO ₂ emissions in County Durham (by 40% by 2020 and 55% by March 2031)	48	As at Dec 2014	Tracker	42.00	GREEN	No Data	No Data	No Data		
102	RED PI48	Percentage change in CO ₂ emissions from local authority operations	-6	2015/16	Tracker	-10.40	RED	No Data	No Data	No Data		
3. How effective and sustainable is our collection and disposal of waste?												
103	NS10	Percentage of municipal waste diverted from landfill	95.9	May 2016 - Apr 2017	95.0	95.7	GREEN	No Data	No Data	No Data		
104	NS19	Percentage of household waste that is re-used, recycled or composted	39.9	May 2016 - Apr 2017	Tracker	38.9	GREEN	43.0	RED	35.3*	GREEN	2015/16
105	NS15	Number of fly-tipping incidents	7,524	Jul 2016 - Jun 2017	Tracker	7,782	GREEN	No Data	No Data	No Data		

Page Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered
Altogether Better Council 1. How well do we look after our people?										
106	RES/011	Percentage of performance appraisals completed in current post in rolling year period (excluding schools)	89.02	Jul 2016 - Jun 2017	92.00	87.11	GREEN	No Data	No Data	
107	RES/LPI/012a	Days / shifts lost to sickness absence – all services excluding school staff	10.32	Jul 2016 - Jun 2017	11.20	11.48	GREEN	No Data	No Data	
108	RES/052	Percentage of posts with no absence in rolling year (excluding schools)	54.77	Jul 2016 - Jun 2017	Tracker	51.35	GREEN	No Data	NA	
109	RES/019a	% of sickness absence which is short term	19.6	Apr - Jun 2017	Tracker	20.2	NA	No Data	NA	
110	RES/019b	% of sickness absence which is medium term	17.0	Apr - Jun 2017	Tracker	18.2	NA	No Data	NA	
111	RES/019c	% of sickness absence which is long term	63.4	Apr - Jun 2017	Tracker	61.6	NA	No Data	No Data	
112	RES/053	Percentage of employees having five days or less sickness per 12 month rolling period	80.59	Jul 2016 - Jun 2017	Tracker	77.33	NA	No Data	No Data	

Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure	Performance compared to *North East or **Nearest statistical neighbour figure	Period covered
2. Are our resources being managed for the best possible outcomes for residents and customers?										
113	RES/002	Percentage of council tax collected in-year	29.03	Apr - Jun 2017	29.01	29.00	GREEN	97.20	95.80*	2016/17
114	RES/003	Percentage of business rates collected in-year	33.67	Apr - Jun 2017	33.55	33.55	GREEN	98.20	98.13*	2016/17
3. How good are our services to customers and the public?										
115	NS26	Average time taken to answer a telephone call (seconds)	37	Jul 2016 - June 2017	Tracker	39	GREEN	No Data	No Data	
116	NS20	Percentage of abandoned calls	6	Jul 2016 - Jun 2017	Tracker	6	AMBER	No Data	No Data	
117	NS43 a	Number of customer contacts - face to face	149,267	Jul 2016 - Jun 2017	Tracker	205,583	NA	No Data	No Data	
118	NS43 b	Number of customer contacts –telephone	959,812	Jul 2016 - Jun 2017	Tracker	1,004,888	NA	No Data	No Data	
119	NS43 c	Number of customer contacts - web forms	83,739	Jul 2016 - Jun 2017	Tracker	82,201	NA	No Data	No Data	
Page 20	NS43 d	Number of customer contacts - emails	66,415	Jul 2016 - Jun 2017	Tracker	68,046	NA	No Data	No Data	

Page Ref	PI ref	Description	Latest data	Period covered	Period target	Data 12 months earlier	Performance compared to 12 months earlier	Performance compared to National figure		Performance compared to *North East or **Nearest statistical neighbour figure		Period covered
121	NS43e	Number of customer contacts - social media	1,866	Jul 2016 - Jun 2017	Tracker	2,733	NA	No Data		No Data		

[1] Previous period data amended /refreshed

[2] Data 12 months earlier amended/refreshed

[3] Target is annual

[4] Since August 2015, out of work claimants who are single with no dependants will be claiming Universal Credit.

Information on long term claimants is not available therefore this PI no longer represents all long term out of work claimants

[5] The high number of school leavers whose status is 'not known' impacts significantly on this indicator

[6] A confidence interval applies to the survey results

Appendix 5: Volume Measures

Chart 1. Children in need referrals within 12 months of previous referral

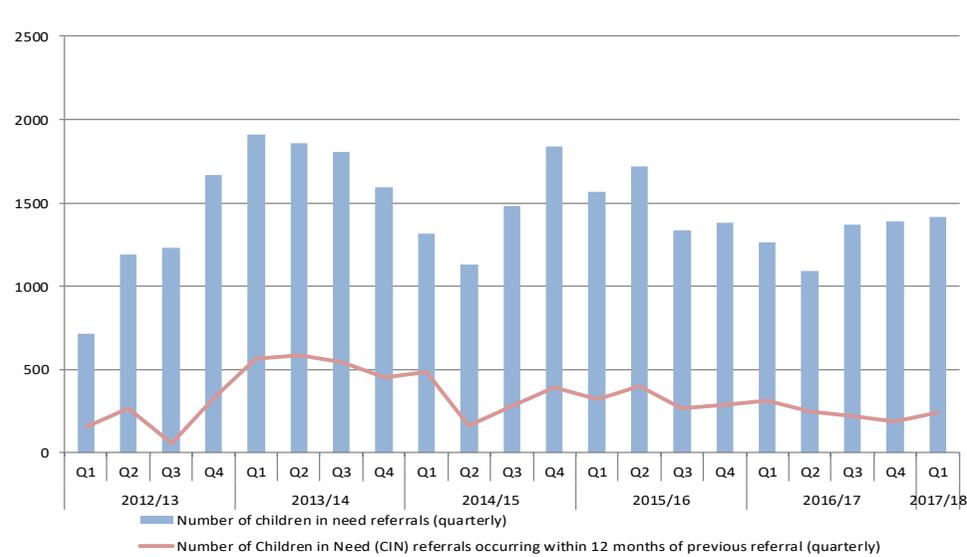


Chart 2. Looked after children cases

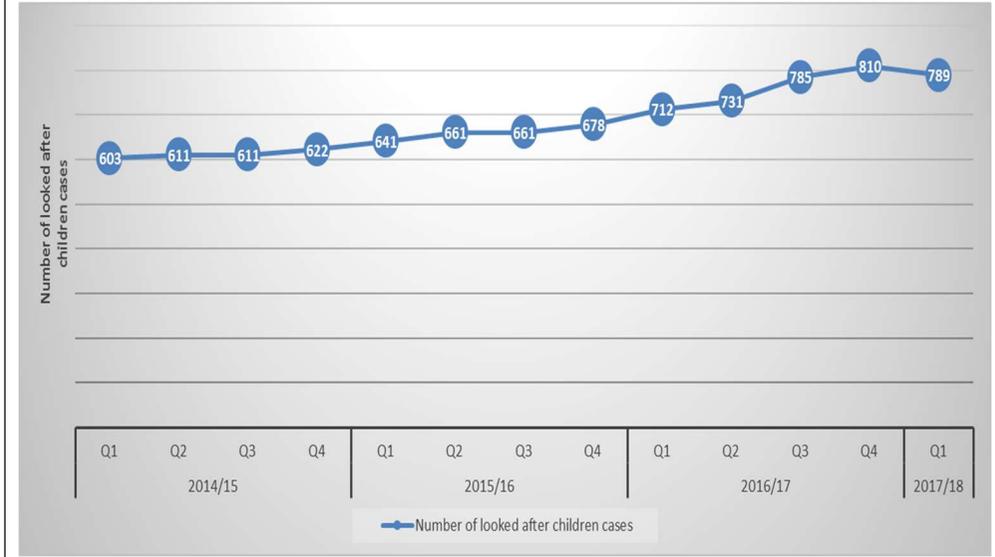


Chart 3. Children with a child protection plan

Rate of CPP per 10,000 population under 18

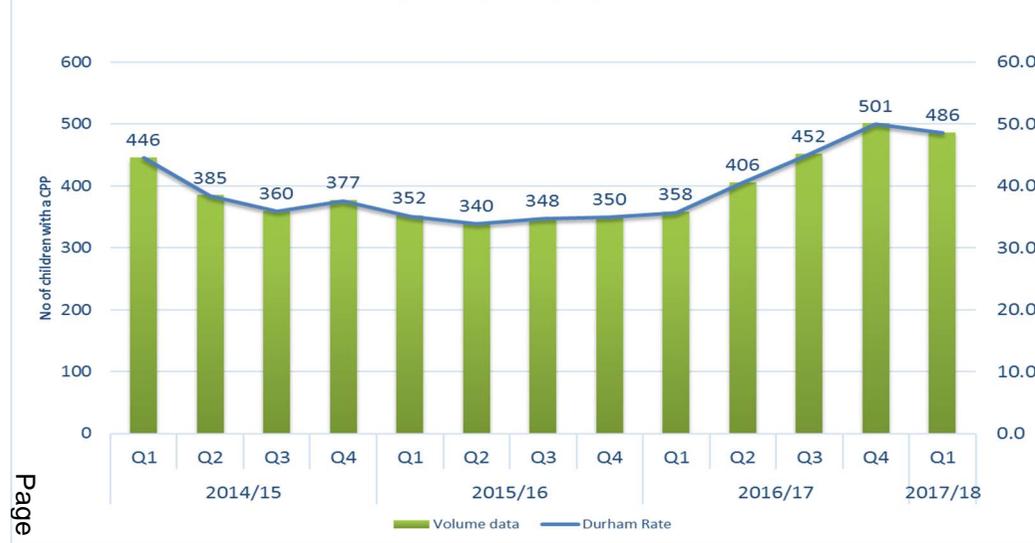


Chart 4. First Contact Volume and Process Rate

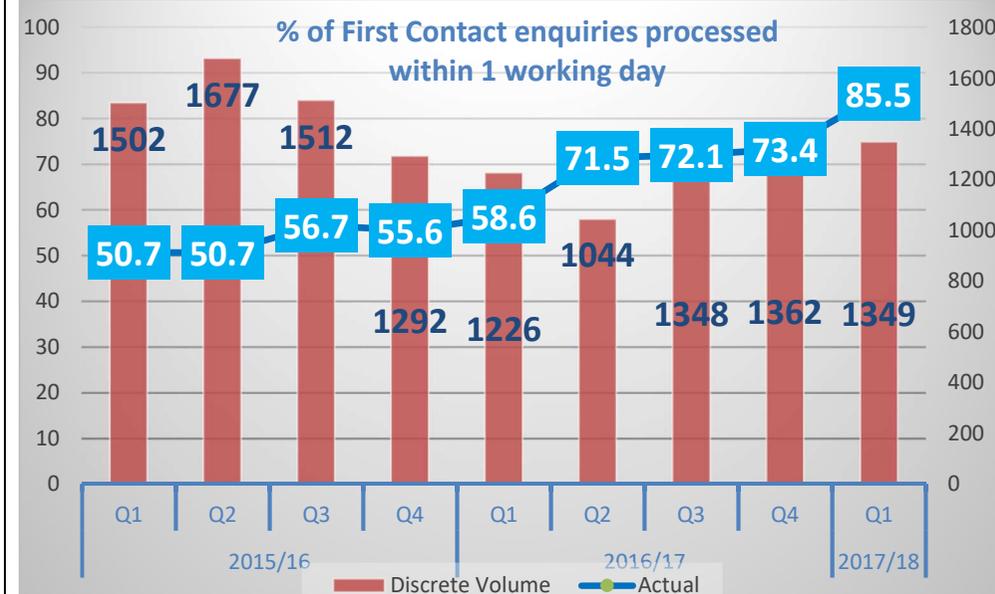


Chart 5. Fly-tipping incidents

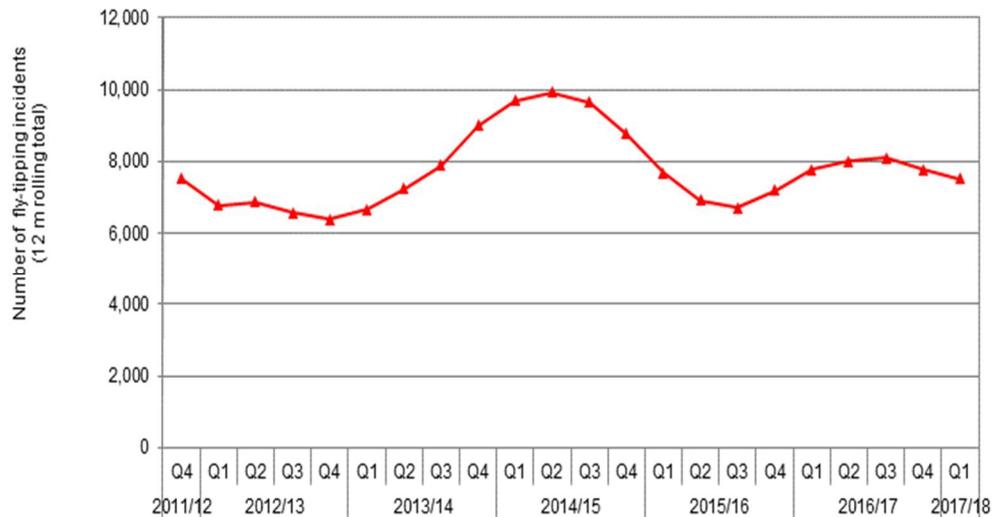


Chart 6. Telephone calls via customer services

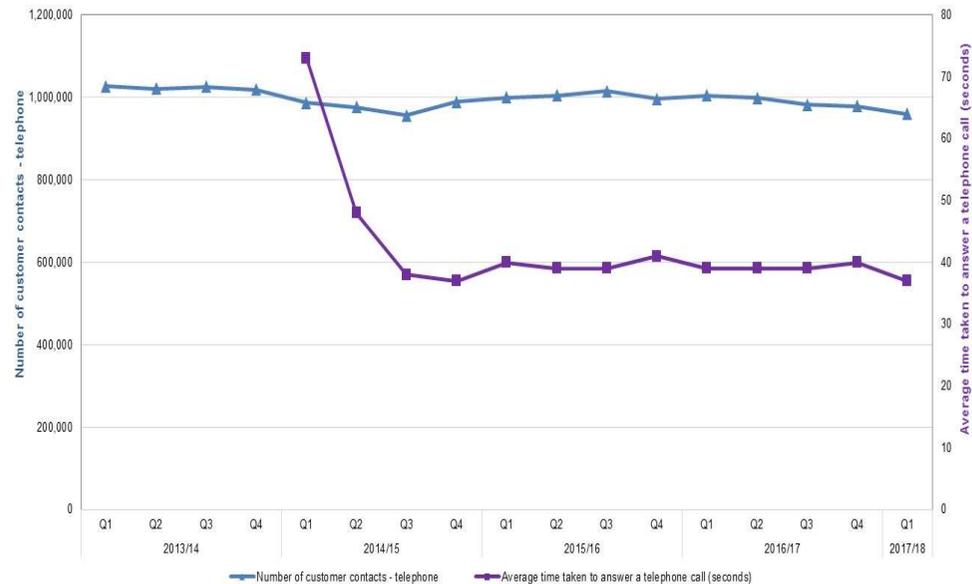


Chart 7. Face to face contacts via customer access points

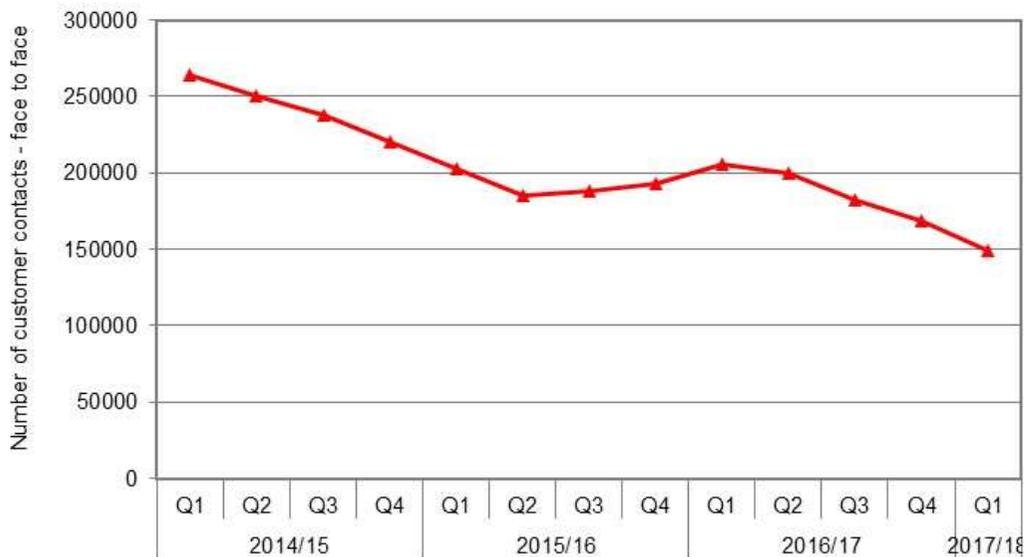


Chart 8. Customer contacts – web forms

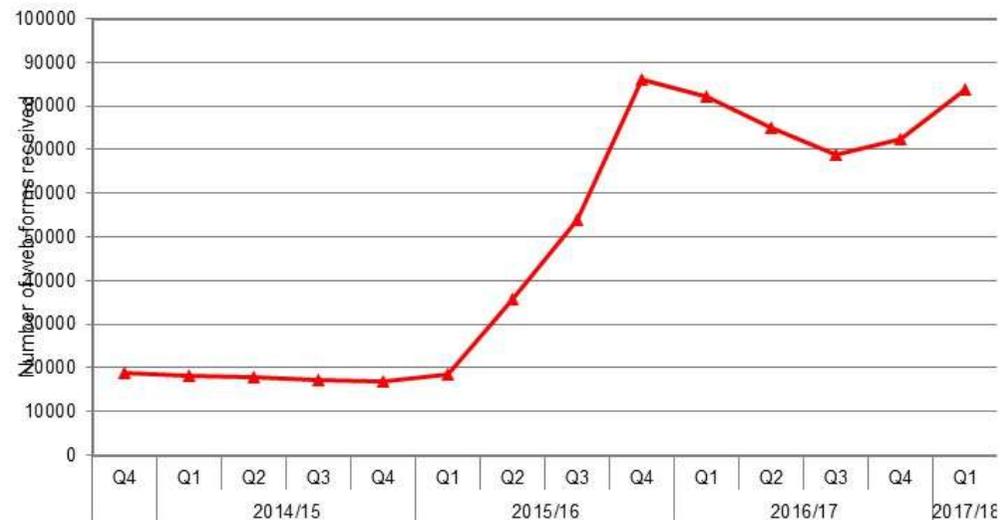


Chart 9. Customer contacts - emails

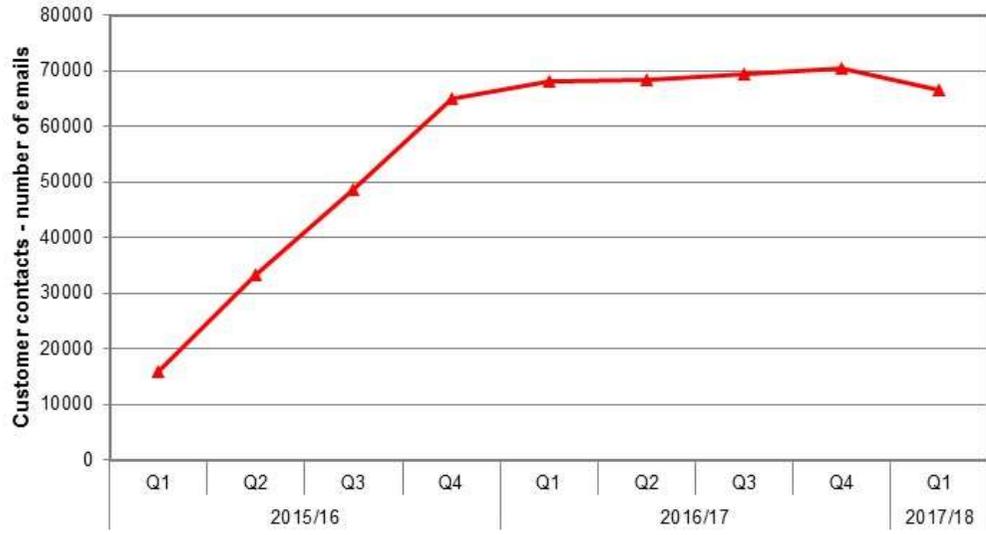
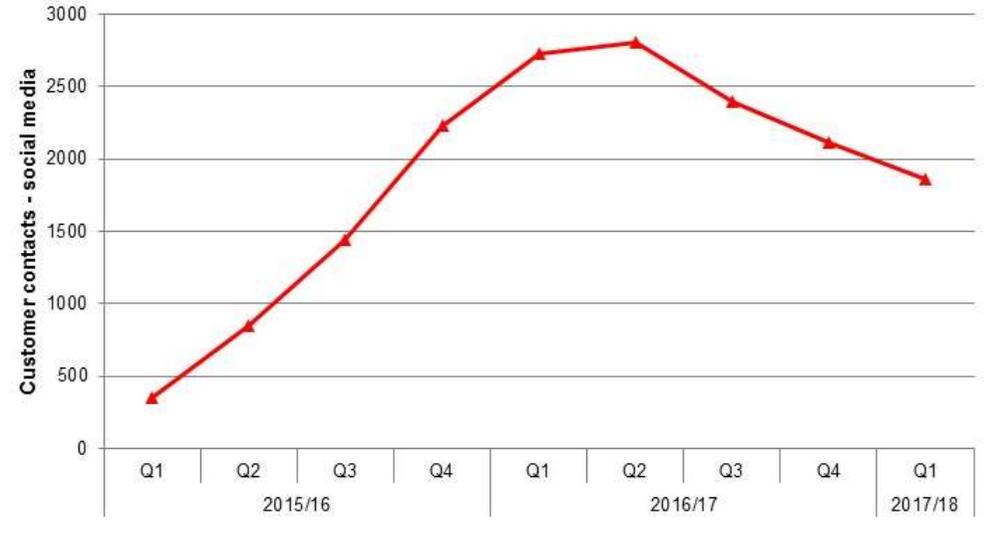


Chart 10. Customer contacts – social media



Appendix 6: Secondary Schools Require Improvement and Inadequate

Total 11 schools Require Improvement and Inadequate	
Require Improvement (8)	
Maintained (4 schools)	Belmont Community School Fyndoune Community College Greenfield Community College Tanfield School
Academies (4 schools)	Framwellgate School Staindrop School Teesdale School Woodham Academy
Inadequate (3)	
Maintained (2 schools)	Durham Community Business College Whitworth Park School
Academies (1 schools)	North Durham Academy

As at 30 June 2017

Cabinet

13 September 2017



Welfare reform and poverty issues

Report of Corporate Management Team
Lorraine O'Donnell, Director of Transformation & Partnerships
Margaret Whellans, Corporate Director of Children and Young People's Services
Councillor Jane Brown, Cabinet Portfolio Holder for Social Inclusion

Purpose of the Report

- 1 On 18 January 2017, Cabinet considered the most recent report on the implications of the government's welfare reform programme. This report provides an update on welfare reform, with a particular focus on the latest developments in relation to Universal Credit and the work the council and its partners are doing in relation to child poverty.

Executive summary

- 2 The government has sought to maintain its programme of welfare reform with new proposals and measures introduced in relation to:
 - (a) increasing the amount of free childcare for working parents with three and four year olds;
 - (b) launching the next phase of the Troubled Families programme with a greater emphasis on helping parents with complex needs into work;
 - (c) support for the most disadvantaged families to reduce parental conflict;
 - (d) enhancing the role of Jobcentre Plus in working with local partners to identify and help people with complex needs;
 - (e) greater support for those with drug and alcohol dependencies;
 - (f) changing the reporting requirements on government in relation to child poverty.
- 3 Whilst the Conservative Party proposed further reforms in relation to pensioner benefits during the General Election campaign, it has since pulled back from these proposals with the maintenance of the triple lock on pensions and winter fuel allowance written into the Conservative administration's Confidence and Supply Agreement with the Democratic Unionist Party.
- 4 The government is moving forward with the next stage of implementation with Universal Credit (UC) which will see the roll out of the 'digital by default' full service UC to all claims made by working age couples and families. The national rollout is scheduled to run from May 2016 to September 2018 and 10 Jobcentres in different parts of the county will go live with the new service on a phased basis between October 2017 and March 2018.

- 5 The council is working with the DWP to plan for the roll out of full service UC and more generally continues to work with local partners including landlords and housing providers, the community and voluntary sector, the Advice in County Durham Partnership and area action partnerships, to respond to the impacts of welfare changes on local people and communities. Measures used to date include the Council Tax Reduction Scheme, Discretionary Housing Payments, the Welfare Assistance Scheme, employment and employability initiatives and local action supported through area action partnerships.
- 6 The council has established a specific portfolio holder for welfare reform on Cabinet and a Child Poverty Working Group has been established under the Poverty Action Steering Group (PASG).
- 7 While the government's welfare changes continue to affect people in the county, it is difficult to distinguish between changes resulting from welfare reforms and the continuing impact of wider economic trends associated with recovery from recession, all of which affect income, wealth and poverty and the nature of child poverty. For example two thirds of children in poverty are in working households.
- 8 Since the welfare reforms commenced in 2011, the council and its partners have experienced increases in demand for welfare-related services, including advice and assistance, applications for Discretionary Housing Payments and Welfare Assistance, foodbank and charity referrals and personal financial action planning.
- 9 It is therefore vital for the council to continue to develop its partnership-based approach to understanding and tackling poverty and welfare related issues, in particular those which impact on children and young people.

Background

- 10 On 18 January 2017, Cabinet considered the most recent report on the implications of the government's welfare reform programme and agreed to an in-depth piece of work further exploring child poverty in County Durham.
- 11 This report provides an update on recent policy announcements and changes, and focuses in particular on the latest developments in relation to Universal Credit and the work the council and its partners are doing to better understand and tackle child poverty in the county.
- 12 Since the welfare reforms commenced in 2011, the council and its partners have experienced increases in demand for welfare-related services, including advice and assistance, applications for Discretionary Housing Payments and Welfare Assistance, foodbank and charity referrals and personal financial action planning.
- 13 It is vital for the council to continue to develop its partnership-based approach to understanding and tackling poverty and welfare related issues in particular those which impact on children and young people.
- 14 To provide clear political stewardship for this work, the council has created a specific Cabinet portfolio for social inclusion which includes responsibility for welfare reform and impact, and following the council's Annual Meeting on 24 May 2017, Councillor Jane Brown has taken on this portfolio.

Policy update

- 15 Since 2010, welfare reform has been a major theme of government policy and a raft of changes to reduce government spending on welfare have been introduced. The changes, which are intended to encourage people to support themselves through work rather than welfare, have seen people affected by reductions in benefit entitlements as well as the amount of benefit people may receive. People of pension age continue to be protected against many of the wider reform changes.
- 16 The government has made further welfare and benefits policy announcements since the last report to Cabinet in January 2017. Key headlines include:
- (a) working parents with three-and-four-year-olds will get their free childcare entitlement doubled to 30 hours a week;
 - (b) government plans to improve support to workless families and their children, published in *'Improving Lives: Helping Workless Families'* policy paper in April 2017. The proposals include:
 - (i) launching the next phase of the Troubled Families Programme, which will place a greater emphasis on helping parents with complex needs into work;
 - (ii) a new programme to reduce parental conflict by providing access to proven support for the most disadvantaged families, whether parents are together or separated;
 - (iii) enhancing the role of Jobcentre Plus in working with local partners in a more joined-up way, to identify people with complex needs at the right time and better address their needs; and
 - (iv) greater support to help those with drug and alcohol dependencies into work, by implementing recommendations from Dame Carol Black's review of employment and drug and alcohol dependency.
 - (c) the wider roll out of Universal Credit, from the 'live service' which was limited to new claims from single claimants without children who are fit to work, to the 'full service' which will affect all new claimants (see paragraph 68 for more details).

The Life Chances Act

- 17 The Welfare Reform and Work Act 2016 renamed the Child Poverty Act 2010, to the Life Chances Act 2010. The targets, measures, reporting duties and requirements for national and local child poverty strategies were scrapped and new reporting requirements on the Secretary of State introduced on full employment, apprenticeships and on life chances (workless households and educational attainment).
- 18 Whilst the government initially wanted to remove a statutory duty to publish levels of UK household income, following an amendment proposed by the Bishop of Durham in the House of Lords, Ministers amended the bill to include annual statutory reporting on the percentage of children who live in households whose equivalised net income:
- (a) for the relevant financial year is less than 60 percent of median equivalised net household income for that financial year;

- (b) for the relevant financial year is less than 70 percent of median equivalised net household income for that financial year, and who experience material deprivation;
- (c) for the relevant financial year is less than 60 percent of median equivalised net household income for the financial year beginning 1 April 2010, adjusted to take account of changes in the value of money since that financial year;
- (d) has been less than 60 percent of median equivalised net household income in at least three of the last four survey periods.

Local Housing Allowance Cap on Supported and Sheltered Housing

- 19 In 2015, the Chancellor outlined plans to cap the amount of rent that Housing Benefit will cover in the social sector to the level of the relevant Local Housing Allowance (LHA). It has since been confirmed that this will be delayed until April 2019 but will apply to all tenants in supported and sheltered housing as part of a new system for funding rents and service charges.
- 20 From April 2017, social landlords are required to reduce rents in supported and sheltered housing by one percent per year for a three year period, in line with the policy for general needs tenants.
- 21 There is an exception to this rule for alms houses, fully mutual housing co-operatives, refuges and community land trusts. Properties outside the Homes and Communities Agency's Rent Standard are also exempt including specialist supported housing.

General Election

- 22 Following the General Election outcome, the government revised some of its initial election policy proposals, as a condition of the Confidence and Supply Agreement it negotiated with the Democratic Unionist Party.
- 23 Whereas during the election campaign, the Conservative Party had proposed to revise pensions protection and to introduce means testing for the winter fuel allowance, the government subsequently confirmed the continuation of the pensions 'triple lock' and the universal nature of the winter fuel allowance.
- 24 No major welfare reform announcements were included in the Queen's Speech, although the government re-confirmed its commitment to increase the National Living Wage faster than the increase in average wages, so that it reaches 60 percent of median earnings by 2020. After 2020, the National Living Wage will continue to be increased so that lower income workers benefit from the same improvements in earnings as the average worker.

Brexit

- 25 On 26 June 2017, the government published a policy paper on safeguarding the position of EU citizens living in the UK and UK nationals living in the EU. The paper outlined the government's proposed approach to residency and entitlements to work, benefits and public services of EU citizens living in the UK.
- 26 In relation to benefits, pensions, healthcare, economic and other rights, the government proposed that EU citizens:

- (a) with settled status will continue to have access to UK benefits on the same basis as a comparable UK nationals;
 - (b) that do not have five years' residence and have temporary status on a pathway to settled status will continue to be able to access the same benefits as now (broadly equal access for workers/the self-employed and limited access for those not working).
- 27 The above is subject to the on-going negotiations with the EU over the terms of the UK's exit from the union.

Taylor Review

- 28 On 11 July 2017, the government published *Good work: the Taylor review of modern working practices*. The independent review undertaken by Matthew Taylor, chief executive of the Royal Society of Arts looked at how employment practices need to change in order to keep pace with modern business models, the implications of new forms of work (driven by digital platforms), for employee rights and responsibilities, employer freedoms and obligations, and employment regulatory frameworks.
- 29 The independent review was commissioned by government and in part responded to concerns about the growth of insecure and potentially low-paid work in the so-called 'gig economy', in which people are hired and paid for particular tasks or engagements, subject to demand.
- 30 Among its recommendations, the review called on government to:
- (a) promote a national strategy for work explicitly directed toward the goal of good work for all;
 - (b) provide additional protection and stronger incentives to firms to treat dependent contractors more fairly as they are the group most likely to suffer from unfair one-sided flexibility;
 - (c) use the National Living Wage as a powerful tool to raise the financial baseline of low paid workers, but also to encourage the development of sectoral strategies to ensure that people – particularly in low paid sectors – are not stuck at the living wage minimum or facing insecurity, but can progress in their current and future work.

Impacts on the county

- 31 The government's welfare changes are affecting people in the county however it is difficult to distinguish between changes resulting from welfare reforms and the continuing impact of wider economic trends associated with recovery from recession, all of which affect the underlying issues of poverty and wealth and the nature of child poverty.

Welfare Impacts

Tax Credits changes and trends¹

- 32 Since 2010 changes to tax credits have resulted in the poorest (for example, non-working) families with children generally receiving a little more support from tax credits than they otherwise would have, but families with higher income are receiving less (especially if they claim support for childcare costs). In this way, the changes mean that support has become more targeted at those with the lowest incomes, but at the expense of a weakening of work incentives. In practice this has meant a sharp reduction in the number of families claiming Child Tax Credit and/or working tax credit and a significant reduction in household income, if it is not replaced by earned income. The data on tax credits has not been updated since the last update to Cabinet, which identified a drop of over 20,000 in the total number of families claiming tax credits.
- 33 The impending wider roll out of Universal Credit will result in additional changes to the payment of tax credits being introduced which had been delayed by government in 2015. As claimants move onto Universal Credit from April 2017, government will reduce the taper rate at which benefits are withdrawn from people when they start work by two percent.
- 34 From April this year, the government has also introduced restrictions to the child element of Child Tax Credit and Universal Credit limiting this to a maximum of two children per family (for those on Universal Credit the changes are being introduced from November 2017). The changes mean that:
- (a) those with a child aged three or four years old will be subject to all-work related requirements;
 - (b) those with a child aged two will be subject to work-focused interview and work preparation requirements; and
 - (c) those with a child aged one should remain subject to work-focused interview requirements only.
- 35 The changes apply to families who become responsible for a child or children born on or after 6 April 2017.

Main out-of-work benefits

- 36 The number of people claiming the main out-of-work benefits in the county has also fallen since it peaked in 2009 as a result of the recession, with in excess of 56,600 claimants resident in the county. Numbers have steadily declined since and are now lower than at any other time in the last 17 years at 40,200² claimants. This reduction is partly the result of improving employment but has also been influenced by policy changes by DWP, such as Employment Support Allowance (ESA). The vast majority of claimants of these benefits will transfer to UC but it should be noted that some Job Seekers Allowance (JSA) and ESA claimants on contributory based benefits will remain outside of UC.

¹ HMRC - Personal tax credits: Finalised award statistics - geographical statistics 2014 to 2015

² Composite indicator comprising Main Out-of-Work Benefits plus on Universal Credit not in employment, from Nomis and Stat-Xplore

Claimant Count (DWP Experimental)

- 37 The claimant count figures measure the number of working age people claiming either Jobseekers Allowance (JSA) or Universal Credit (UC), with figures for the county including UC from September 2015³. These figures show that the number of claimants in the county has fallen from 14,825 in May 2014 to 8,140 in June 2017. Currently 2.5 percent of the working age population claim either JSA or UC in the county compared to 3.2 percent in the region and 1.9 percent nationally.

Employment Support Allowance/Incapacity Benefit (ESA/IB)⁴

- 38 In February 2014 the number of County Durham residents claiming ESA/IB fell to 27,600 claimants, the lowest number claiming sickness related benefits since comparable records began. The number of claimants then increased to 28,930 in November 2014 but fell back to 27,310 claimants in November 2016 (the most recent data). This might indicate people returning to sickness-related benefits in due course after being moved onto ESA following their work capability assessment.

Income Support

- 39 The number of people claiming income support in County Durham has decreased from a peak of 22,900 in 2003 to 7,400 in November 2016. These reductions have been brought about by a number of policy changes which include the introduction of child tax credit in April 2003, but more recently through reductions in the entitlement age of the youngest child for lone parents (decreasing from age 15 to age five years in four phases over four years) and equalisation of the state pension change. The biggest change however was brought about by the introduction of ESA. Many Income Support claimants also claimed Incapacity Benefit – a combination which is not permitted under ESA, which is means tested in a way similar to Income Based JSA.

Housing Benefit (HB)⁵

- 40 The number of working age HB claims in County Durham has not varied greatly since 2011. Numbers peaked in April 2013 at around 50,300 claims (21.5 percent of dwellings). Since then the gap between local and national housing benefit claims has widened slightly. The number of claims in the county in February 2017 was 46,400; 20.8 percent of dwellings, but nationally the rate dropped by 1.1 percentage points to 17.7 percent of dwellings.

Personal Independence Payment (PIP) and Disability Living Allowance (DLA)

- 41 Just before PIP was rolled out in 2013 there were around 23,100 people on DLA aged 16-64. Since then, this number has fallen, but not by as much as PIP has increased. The DLA caseload fell by over 7,200 with the corresponding PIP figure rising to 13,500, (November 2016). However the latest data shows over 17,400 people are now claiming PIP (April 2017).
- 42 Since September 2015 onwards, DLA claimants living in DH (Durham) postcodes have been contacted by DWP to be invited to apply for PIP 20 weeks before the claimant DLA

³ DWP Claimant Count – Universal Credit and JSA claimants, introduced in County Durham in September 2015 for claimants who were single with no dependents, accessed via www.nomisweb.co.uk

⁴ DWP Benefits, Working age client group – ESA/IB/Income Support, accessed via www.nomisweb.co.uk

⁵ Housing Benefit trend stats, DWP stat-xplore, accessed via <https://stat-xplore.dwp.gov.uk/>

entitlement ends. These transitional arrangements are planned to be completed by 2017, but it is not yet clear when DLA claimants in other parts of the county will be invited to claim.

- 43 Overall this means around 16,000 residents in County Durham currently on the DLA caseload are likely to move over to PIP over the next two years. The first independent review of the PIP assessment published in December 2014⁶ noted that the PIP assessment process “gives a disjointed experience for claimants” and that improvements are required in the short-term. As part of their evidence to the Independent Review, the Citizens Advice Bureau⁷ (CAB) reported serious delays in the end to end process with PIP, from making a claim to getting a decision.
- 44 Ministry of Justice statistics for tribunal appeals from October to December 2016⁸, identify that PIP accounted for 85 percent of all Social Security and Child Support (SSCS) appeals during the period. In October to December 2016, 46,230 SSCS appeal cases were disposed, up 24 percent when compared with the same period in 2015. Of these disposals, 39,696 (86 percent) were cleared at hearing and of these 63 percent were found in favour of the customer. The overturn rate varied by benefit type, with PIP having 65 percent in favour of the customer and DLA having 56 percent.

Removal of the Spare Room Subsidy

- 45 The total number of tenants under occupying as at April 2013 was 8,001. Over the years, this has decreased significantly to 6,476 in April 2017, a reduction over the four years of 1,525 households. As at April 2017, the number of under-occupiers (6,476) has reduced by 257 since April 2016.

Pension Credit

- 46 Local data on the take-up of Pension Credit is not available. However, nationally, in 2014/15 around six in ten of those entitled to claim Pension Credit actually claimed the benefit⁹. New data, compiled from an improved methodology is expected shortly

Benefit cap

- 47 The government announced further reductions to the Benefit Cap and these changes took effect from 7 November 2016, when the total amount a household could claim in benefits (outside London) would be capped at:

⁶ Gray, Paul, An Independent Review of the Personal Independence Payment Assessment, December 2014, https://www.citizensadvice.org.uk/Global/Migrated_Documents/corporate/citizens-advice-pip-first-independent-review-response.pdf

⁷ CAB, Response to Personal Independence Payment (PIP) Assessment – first Independent Review, September 2014, https://www.citizensadvice.org.uk/Global/Migrated_Documents/corporate/citizens-advice-pip-first-independent-review-response.pdf

⁸ Ministry of Justice, 9 March 2017, ‘Tribunals and Gender Recognition Statistics Quarterly, October to December 2016 (provisional)’, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/597905/tribunal-grc-statistics-q3-2016-2017.pdf

⁹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/535362/ir-benefits-take-up-main-report-2014-15.pdf

- (a) £384.62 a week for couples (with or without children living with them). This equates to £20,000 per annum, a £6,000 reduction per annum or £115.38 per week on the previous Cap level;
 - (b) £257.69 a week for single people, which equates to £13,400 per annum, a £4,800 reduction per annum or £92.31 per week on the previous Cap level.
- 48 Initial indications from DWP last year stated approximately 620 families may be affected in the county. The reduced cap came into effect on 9 January 2017 in County Durham and as at 3 July 2017 there were 260 active claims with a cap applied. The average amount benefits were capped by was £37.41 and there were 29 claims with a minimum 50p award.
- 49 To put this in context, the Joseph Rowntree Foundation's annual update on Minimum Income Standards (MIS)¹⁰, which is based on what members of the public think people need to achieve a socially acceptable living standard, suggests that income, particularly for households on out-of-work benefits, have fallen relative to living costs.
- 50 After a period of price stability, the cost of a minimum basket of goods and services rose in 2017, by between just under 3 percent to just over 4 percent depending on household type. The most significant price increases – above the average inflation rate – have been in bus and coach travel, motoring, household insurances and council tax.
- 51 In 2017, single people needed to earn at least £17,900 a year before tax to achieve MIS, and couples with two children at least £20,400 each.
- 52 Incomes on out-of-work benefits were frozen for out-of-work households, and therefore fell relative to living costs. For a single person they are now only just over a third of what is needed to reach the MIS level, and for families with children typically just over a half. In contrast, the minimum income guaranteed by Pension Credit for pensioners is only 3% below MIS.
- DWP Sanctions¹¹***
- 53 Following the introduction of new sanction rules in 2012, the number and rate of JSA sanctions increased sharply both at a national and a local level, peaking in the summer of 2014. The rate of increase in the county was greater than at national level.
- 54 Since then the number of sanctions has declined as the economy has improved and more people have entered employment. However, further detailed trend analysis of sanctions should be treated with caution as policy changes, such as the rollout of UC, can also impact these trends. The total number of sanctions in County Durham, across DWP programmes¹² since initial UC rollout in October 2015, was 9,377.
- 55 Over half of these decisions (56 percent) resulted in an adverse sanction decision. The proportion of adverse sanctions by individual DWP benefit however varies. Income Support had the highest proportion of adverse sanctions at 92 percent, but numbers

¹⁰ Joseph Rowntree Foundation 'A Minimum Income Standard for the UK in 2017'.

<https://www.jrf.org.uk/report/minimum-income-standard-uk-2017>

¹¹ DWP sanctions data available from stat-xplore.dwp.gov.uk

¹² Including sanctions for JSA, ESA, Income Support (since Oct 2016) UC (since Oct 2015)

sanctioned are relatively small compared to other programmes. 62 percent of UC sanction decisions were adverse - higher than JSA (53 percent) and ESA (29 percent).

Economic impacts

Employment trends

- 56 Overall, the employment rate has been improving steadily in County Durham but remains significantly below national levels. Latest data show just over seven in ten of the working age population are in employment in County Durham (71.5 percent) compared to just under three-quarters nationally (74.3 percent).
- 57 The employment rate of younger people (16-24) has continued around the national average after recovering from a post-recession slump. The employment rate of older people (50-64) remains significantly below national levels. Furthermore, the employment rates of people with a disability are well below national levels. Latest data show over a third (38.3 percent) of County Durham residents with a disability are in employment compared with just over half nationally (52.1 percent).

Unemployment trends¹³

- 58 Unemployment levels have improved over the last three years. Latest data¹⁴ show 19,300 people were unemployed in the period between April 2016 and March 2017. This is equivalent to 7.7 percent of the 16-64 population, higher than the regional rate of 7.3 percent and the national rate of 4.9 percent. It should also be noted that unemployment remains higher than pre-recession levels (which averaged around 5.3 percent between 2004 and 2007).

Economic inactivity

- 59 Since 2004, levels of economic inactivity have been greater in County Durham than in England and Wales, with a slight downward trend over this period. Economically inactive people are defined as being outside of the labour market, as they are either not actively seeking work or are not currently available for work. This could be for a variety of reasons, commonly including being a full time student, retired from work (but not yet reached state pension age), looking after a family and being unable to work because of sickness or disability.
- 60 The latest data (Annual Population Survey extracted from NOMIS April 2016 to March 2017) show that the level of economic inactivity in the 16 to 64 population had fallen to 22.6 percent (73,100 people) from a 12 year peak in the mid-recession period of 29.5 percent (96,500 people, April 2009 to March 2010). Corresponding figures for the North East and England and Wales were 24.6 percent/27 percent and 21.9 percent/23.6 percent respectively.
- 61 Another aspect of this dataset is the difference between those people economically inactive who want a job and those who do not. In County Durham, three quarters of the economically inactive, (75.2 percent or 55,000 people) do not want a job. Although this is

¹³ ONS Employment Rate aged 16-64, Annual Population Survey extracted from NOMIS, for the latest period April 2016 to March 2017. The unemployment rate differs in its calculation from Employment rate as the denominator used is the economically active population rather than the 16-64 population.

¹⁴ ONS, Annual Population Survey extracted from NOMIS, for the latest period April 2016 to March 2017

a fall from 84.9 percent in April 2004-March 2005 it is now slightly lower than the share across the region (76.2 percent) and nationally (76.3 percent).

Zero hours contracts

- 62 There is no single agreed definition of what 'zero-hours contracts' are. While some contracts are explicitly called zero-hours contracts, there are other definitions available and used in published statistics. The common element to the definitions is the lack of a guaranteed minimum number of hours. This common element is used by the Office for National Statistics (ONS) in their business survey to estimate the number of 'zero hours' contracts in use with data being available from the national level down to the regional level.
- 63 The latest data from this survey covers the period April to June 2017 with comparison data from the previous year¹⁵. During this period 3.7 percent of people in employment in the North East were on 'zero hour' contracts totalling 45,000 contracts - a rise from 2.8 percent (34,000 contracts) from the previous year.
- 64 This data gives the North East the highest rate out of all English regions in April to June 2017 and is higher than the England rate of 2.8 percent (758,000 contracts) and the UK rate of 2.8 percent (883,000 contracts). However, nationally the percentage and number has fallen from 2.9 percent (768,000 contracts) in England and 2.9 percent (903,000 contracts) in the UK in the period April to June 2016.

Fuel poverty

- 65 The latest data release (for 2015) estimated that 13.3 percent of households (30,200 estimates households) in County Durham were experiencing fuel poverty. This was a slight increase from 13.0 percent in 2011, the same as the 13.3 percent estimated across the region and higher than the 11.0 percent estimated across England.
- 66 The county is ranked as having the 29th highest proportion of households experiencing fuel poverty out of 152 authorities in England in the dataset. Within the North East, County Durham is ranked fifth highest.
- 67 Residents living in the west of the county remain more likely to experience fuel poverty as they are less likely to be connected to the main gas network and have to rely on other forms of energy, (for example solid fuel, oil or bottle gas) to heat their homes and cook with.

Universal Credit

- 68 The Welfare Reform Act 2012 provided for the introduction of a new government benefit, Universal Credit (UC), for people of working age which replaces a number of welfare benefits and credits with one single monthly payment. The benefits to be replaced include: Housing Benefit; Income Support; Income based Job Seekers Allowance; Employment Support Allowance; Child tax Credit; and Working Tax Credit.

15 ONS - People in employment on a zero-hours contract:
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/contractsthatdonotguaranteeaminimumnumberofhours/mar2017>

- 69 To manage the implementation of UC, the DWP has been running pilots for a number of years and has been undertaking an incremental approach to the national roll out of UC.
- 70 In its latest progress report on UC, the Public Accounts Committee (PAC), points out that in July 2016, DWP released a Written Ministerial Statement setting out further delays to the rollout of UC, pushing out its rollout of five jobcentres a month to July of next year, not February 2017, its previous 'latest' milestone. That postponement means the system cannot now be fully operational until a year after the last PAC published date for completion - March 2022, not March 2021.
- 71 Initially UC roll out was limited to new claims from single claimants who are fit to work, without children, and who can claim UC with or without housing costs (not mortgages) and have savings under £6,000. This 'live service' was introduced to the 10 jobcentre offices in County Durham in September 2015.
- 72 Currently in County Durham only new claimants, who are single and have no dependants can claim UC. The total number of UC claimants in County Durham currently stands at approximately 4,500.
- 73 The next stage of implementation is to move from the live service to the 'full service'. Full service is the model by which the DWP deliver UC to all new claimants with full concentration on digital methods. It will eventually apply to all current claimants of the 'legacy' benefits that 'UC' replaces at the point they migrate on to the UC system. Integral to this new system is:
- (a) the claimant commitment – which sets out the responsibilities and requirements placed upon claimants and the sanctions that will apply to them should their commitment not be met. Under UC those already in work will have to meet the 'in work conditionality' where they will be expected to increase their hours, take a second job or look for a different job with better pay such that their level earnings meet the 35 hours at national minimum wage threshold. Such 'in work conditionality' and sanctions are not a feature of the in work benefits that claimants can access such as Tax Credits and Housing Benefit;
 - (b) a single monthly payment to the individual, paid in arrears direct to their bank account, to replicate and prepare them for the world of work. Under UC claimants will need to have a bank account, be able to manage their finances, pay their own rent where this is included and budget accordingly;
 - (c) delivery partnership agreements – new arrangements will be put in place between DWP and local authorities and other stakeholders to support those who need extra help with budget planning and particularly with providing access to digital services.
- 74 As with the UC live service, the UC full service is a "digital by default" service, with claimants required to submit applications and manage their UC account online. The UC full service enables/requires the claimant to:
- (a) make their claim online;
 - (b) submit any change of circumstances;
 - (c) check on the live progress of their claim;

(d) contact their work coach within the DWP and arrange appointments.

75 The national rollout is scheduled to run from May 2016 to September 2018.

76 Unlike the roll out of UC live service, where this was managed on an authority by authority basis, with rollout simultaneously to all jobcentres in that authority area, UC full service is being rolled out jobcentre by jobcentre. This will mean that new claims made by residents will be affected at different times across the county depending on their postcode and the jobcentre they are linked to.

77 The 10 jobcentres in County Durham are scheduled to go live with the UC full service over a six month period between October 2017 and March 2018. However, some of our residents may go live on an earlier or later date if DWP have linked them to jobcentres outside of the County Durham boundary. Details of the phasing are shown in the table below:

Job Centre	Roll Out Date
Peterlee	October 2017
Seaham	October 2017
Bishop Auckland	December 2017
Consett	December 2017
Crook	December 2017
Stanley	December 2017
Chester-le-Street	March 2018
Durham	March 2018
Newton Aycliffe	March 2018
Spennymoor	March 2018

78 There are currently around 46,000 live Housing Benefit (HB) cases within County Durham, of which around 30,000 are working age cases that will be impacted by UC, either when they make a new claim or at migration of existing claims. The remaining cases are non-working age (pensioner claims) and these will remain in receipt of HB.

79 There are over 900 specified supported accommodation and around 3,400 HB cases where there are more than three children, which will be exempt from UC during the transition period. This leaves around 26,000 cases, which from October 2017 could be impacted by a move to UC if there is a relevant change in their circumstances.

80 However, it should be noted that because of the staged geographical approach combined with the transition being triggered by a claimant's change in circumstance, the number of people affected initially is likely to be much lower.

81 Using the experience of full service rollouts elsewhere combined with our caseload data we estimate that around 3,900 claimants (15 percent of the current working age caseload) will move on to UC following a relevant change in circumstance in the first six months of the full service implementation from October 2017.

82 The council has set up a working group which includes representatives from DWP, the voluntary sector, and housing providers to prepare for the introduction of UC full service.

83 The group is focussed on the following areas:

Access

- 84 The group is committed to helping our residents gain access to services by the internet and this will need to continue, with the need to ensure that this service is available, as far as possible through our libraries and Customer Access Points and possibly through other self-serve hubs to enable customers to make their on-line claim for UC.

Training and awareness raising

- 85 Training and awareness sessions will be undertaken to ensure that council staff and other key stakeholders are engaged, aware of and prepared for this change. All frontline services, e.g. Customer Services; Benefits; Libraries; AAPs; Welfare Rights; Employment Advisers; Social Workers will be included.
- 86 The Advice in County Durham Partnership has organised a Universal Credit Conference for 14 September 2017 to share insights, experience and information from full service areas that will allow managers and decision makers in key sectors to learn vital lessons in how to respond to these challenges.

Communications

- 87 A communications plan has been developed to ensure residents and key stakeholders within and outside of the local authority are made aware of these changes and issues that come with it, such as:
- the requirement of the claimant to have a bank account;
 - the fact that the UC payment is made monthly - meaning residents will need to budget;
 - the fact that the UC payment will include their housing benefit and they will be responsible for paying their landlord;
 - payments will be made four weeks in arrears;
 - the preference for online claims and the need for them to manage their claim.
- 88 The plan uses a variety of communication channels available, such as Durham County News, the website, fact sheets, our advice partners and local newspapers, as well as social media. Key partners including County Durham Partnership, housing providers, CAB, community and voluntary sector organisations, local charities and food banks are all involved.

Engagement with landlords and other stakeholders

- 89 Landlords have raised significant concerns at the prospect of losing direct payments of housing benefit for their tenants' rent payments. The government has responded to these concerns by allowing tenants to ask for their rent payments to be paid direct to their landlord, but only once they are identified that they are at risk of losing their home i.e. direct payments to landlords can be made if the tenant has two months' rent arrears or are being threatened with court action for eviction.
- 90 The engagement of this group will ensure they are provided with information and support on the UC programme and the potential impact on their businesses and tenants. Meetings will continue with both Registered Social Landlords and Private Landlords throughout the implementation of UC.

- 91 It is important that tenants get support to make their rent payments from their UC award by:
- helping them with opening up and managing a bank account;
 - setting up Standing Orders and Direct Debits;
 - assisting with requests for payments to be made to the landlord for a short period until the customer can manage their own finances.
- 92 Housing Solutions arranged an event for social landlords on 30 August 2017 at Peterlee Jobcentre Plus Office. Those providers affected by first and second roll out tranches were briefed on latest developments and shared information and best practice on the advice and support available to their tenants. A similar event for private landlords took place on 5 September 2017 in County Hall.
- 93 At the same time as claiming UC, customers will be encouraged to register for and participate in the Universal Jobmatch programme. The council will need to work with DWP to find opportunities to promote the Universal Jobmatch programme and support people back in to work where it can.
- 94 After the transition rollout is completed in September 2018 work will begin on the migration of existing benefit claimants to UC full service. There are no current plans for a replacement for pensioner HB, which accounts for around 34 percent of the HB caseload in Durham.

Response to date in the county

- 95 The council has taken a lead through a strategic and co-ordinated approach to the changes made to the welfare system to date, including how the funding available from government has been used to support people affected by the changes and those experiencing poverty. This has identified the benefit of joining up services across service groupings. In doing so, it has become apparent that alongside the welfare reform changes there are areas of work already being delivered which are complementary and collectively address the underlying issues around the county, such as the Warm up North scheme and the council's work on financial inclusion.
- 96 Area Action Partnerships have also moved to address welfare reform and poverty issues in their areas and local Members have also used the council's Neighbourhood Budgets to help reduce the impacts of the changes and issues of poverty in their local areas.
- 97 In recognition of the wider impact of the changes to welfare, the scope of the welfare reform policy work and the Welfare Reform Steering Group was broadened in 2014 to take a more comprehensive overview of poverty issues in the context of welfare reform.
- 98 The council's Poverty Action Steering Group (PASG) co-ordinates the delivery of a range of new and existing policy work which seeks to achieve a much broader understanding of the issues affecting residents, resulting from continuing changes to welfare and other issues which mean that residents can experience poverty.
- 99 On 21 October 2015, Cabinet considered an update on welfare reform and poverty issues and the progress made in responding to the changes to welfare and issues of poverty, and approved consultation on the council's Poverty Action Plan which focusses on the following themes:

- (a) Attitudes to poverty and raising its profile;
- (b) Focus on child poverty;
- (c) Credit and debt;
- (d) Further welfare reform and benefit changes;
- (e) Work and personal wellbeing and sense of worth.

100 The Poverty Action Steering Group considers regular monitoring reports in relation to the plan.

Attitudes to poverty and raising its profile through partnership with agencies and individuals with direct involvement in poverty

101 The council continues to work closely with the County Durham Partnership and other key partners to respond to the changes to welfare and poverty issues across the county.

Advice in County Durham Partnership

102 The council continues to take an active role in the Advice in County Durham Partnership by providing a permanent staffing resource and working with partners to help co-ordinate and develop capacity to provide welfare and poverty advice in the county.

103 The partnership seeks to bring together statutory and community and voluntary sector organisations under a ‘no wrong’ door approach, to improve the co-ordination of advice services and ensure agencies work together to support the needs of our communities.

104 The partnership held an ‘Advice Week 2017’ on 6–10 February 2017 and residents were invited to attend a range of events which provided the opportunity to deliver ‘business as usual’ advice together with four special multi-agency advice sessions. The multi-agency events involved 29 agencies across two events in East Durham and Stanley, and the partnership also hosted two collaborative days at CAB offices with the council’s Welfare Rights Team, and Durham County Carers.

105 Feedback from the multi-agency sessions indicated that a potential £130,000 in extra income for those residents in attendance could potentially be generated if the residents followed through with their relevant benefit applications.

106 In addition, the partnership has organised the Universal Credit conference referred to in paragraph 86 above.

Area Action Partnerships

107 Since 2014/15 the council has provided an additional £10,000 funding to each AAP annually from the council’s Welfare Assistance Scheme budget. This funding supports projects which focus on poverty/welfare type issues which are particularly relevant to each local community.

108 Relevant statutory and voluntary sector partners continue to support and advise the AAPs’ task and finish groups to avoid duplication and ensure that projects developed locally complement and contribute to the other activities being delivered by the council and its partners.

- 109 This approach has resulted in the delivery of an additional 17 projects in 2016/17 that reflect the diversity of County Durham and have attracted £245,732 of match funding and supported 3,062 beneficiaries.
- 110 These projects were designed to tackle issues at a local level such as employability, food poverty, housing and social isolation. Projects included:
- (a) Chester-le-Street AAP – 10 apprenticeships created, seven of which are based in Chester-le-Street businesses;
 - (b) 3 Towns AAP – 262 children and young people have benefited from the delivery of targeted holiday activity programmes to tackle food poverty;
 - (c) East Durham AAP – 350 residents living in private rented accommodation were supported by volunteers to help improve mental health issues linked to unemployment;
 - (d) East Durham Rural Corridor AAP – 41 residents (older persons and or adults with a disability) have accessed safe and secure transport to help them attend appointments and social activities to reduce levels of social isolation;
 - (e) Teesdale AAP – Teesdale Action Partnership (TAP) has funded an employability mentoring project, providing one-to-one support on accessing employment, training and volunteering opportunities; a sports apprenticeship programme; work skills training delivered in local venues (11 out of the 20 participants were able to find work immediately); a benefits signposting service delivered by the YMCA; outreach sessions delivered by Citizen’s Advice County Durham which have involved 46 home visits so far and help to generate additional benefit take-up of £176,000.
- 111 An additional £10,000 to each AAP has been provided for 2017/18 and all 14 AAPs have now held their 2017 AGMs and have again chosen a priority that is directly linked to one or more of the actions identified in the council’s poverty action plan.

Housing Providers

- 112 The Housing Welfare Reform Group, established in 2012 and consisting of the social landlords and representatives from the council’s Housing Solutions team continue to work together and share best practice to monitor and respond to welfare and poverty issues facing County Durham tenants.
- 113 The ‘triage’ process which was adopted in 2012 is still delivered by the group to help advise and support customers in achieving positive outcomes for their personal circumstances. These outcomes can include maximising income, addressing and resolving debt, and gaining employment.
- 114 There are currently four posts within the council’s Housing Solutions service whose role is to support tenants affected by welfare reform and poverty issues. These posts are funded up until March 2019 and the staff work in partnership with housing providers as well as proactively engaging and working with tenants in the private rented sector.
- 115 1,863 tenants have been supported by housing providers or the council’s Housing Solutions team during 2016/17 via the ‘triage’ process. In addition, the Housing Solutions

team also carried out visits to 893 private rented tenants to help achieve positive outcomes and improve their personal circumstances.

- 116 Across all providers and private landlords, 2,172 DHP claims were made via the 'triage' process in 2016/17, resulting in 1,311 DHPs being awarded.
- 117 Priorities for the group for 2017/18 include: planning for the implementation of Universal Credit and further welfare changes; monitoring and understanding the impact on housing stock and demand; further development of the triage process; and coordination of financial assistance for tenants.

'Roots out of Poverty' Sessions

- 118 In order to develop the awareness and understanding of frontline staff such as housing workers, nurses and health visitors, the council's Housing Solutions, Economic Development, and Public Health teams working alongside Harrogate and District Foundation Trust, delivered eight 'Roots out of Poverty' sessions between February and April 2017 to 409 frontline staff across the county.
- 119 The sessions were very interactive and included a market place to promote and raise awareness of help available. Feedback from those attending the events has been very positive with 100 percent of participants stating that they were more aware of who and how to refer clients in poverty for help and assistance. As a result of the sessions, 70 people signed up to join a credit union.

Focus on child poverty

Child Poverty Working Group

- 120 As reported to Cabinet in January 2017, Children and Young People's Services has established a Child Poverty Working Group to undertake a detailed analysis and understanding of the data relating to child poverty in the county including the identification of gaps in our knowledge.
- 121 The working group is chaired by Margaret Whellans, Corporate Director of Children and Young People's Services with membership from across council services and key partner organisations. Its work is overseen by the PASG and it has now met four times.
- 122 The working group has agreed the Joseph Rowntree Foundation definition of poverty, 'When a person's resources are well below their minimum needs, including the need to take part in society'. The group agreed this definition describes not only monetary and resource poverty but also poverty of opportunity.
- 123 Dr Deborah Harrison, North East Child Poverty Commission has supported the group to formulate an approach to child poverty in County Durham in which three key strands have emerged:
- (a) Language and values associated with child poverty: this will focus on our attitudes and beliefs towards poverty and will involve the development of a shared language and a media strategy;
 - (b) Poverty management in communities linked to early help: this will focus on understanding County Durham's child poverty cohort, developing and implementing targeted, accessible support to families. This strand will also focus on the learning

and development needs of frontline staff across the partnership to ensure they are confident to provide access to support to address poverty;

- (c) Economic-inclusive growth approach: this will focus on the relationship between the Children and Families Partnership and the economic partnership and secondary school sector, to ensure major economic developments in the county are seen as key opportunities to provide local young people and adults with routes into jobs and apprenticeships, to reduce poverty.

- 124 The council's Child Poverty Working Group met in July to finalise proposals responding to the changes in legislation with respect to the changes in child poverty measurement. The group noted that while the national child poverty targets had been abolished, the underlying data used to measure progress, drawn from the Households Below Average Income (HBAI) series¹⁶, will remain available. While this series does not provide local data, it does provide some useful insights about income trends at a regional level as the characteristics of families with low incomes. Where appropriate this information should be used.
- 125 The group also agreed to begin monitoring changes in child poverty using a new proxy indicator: the number of children entitled to free school meals (FSM) in County Durham.
- 126 The previous local child poverty measure was entirely based on administrative benefit counts which gave a precise measure of those on particular benefits and tax credits living under the poverty line. The data, however was not without its limitations, and was provided through the government's now defunct Child Poverty Unit with data sourced from DWP and HMRC.
- 127 Our initial comparison showed there was a strong correlation between the number of children in low income families and numbers of children eligible for FSM. In practice this simply means that where local child poverty levels are high there is a similarly high proportion of school children claiming free school meals.
- 128 It should be noted, however, that FSM data is a measure of a different population. It measures the number and proportion of children attending schools in County Durham in families with a low income as opposed to the previous measure which reflects all children resident in the county.
- 129 The distinction is key because FSM data excludes pre-school age children as well as those that attend a school in a neighbouring local authority. Previous data indicated levels of poverty amongst families with pre-school age children was higher than those with only older children. Also, it was noted that take-up rates of FSM amongst older children are relatively lower. Together these limiting factors mean both the number, and proportion, of FSM children are lower than the previous child poverty measure¹⁷.
- 130 Despite these drawbacks it was felt by the group that this data remains a useful proxy for child poverty data. In order to supplement FSM data the Child Poverty Group

¹⁶ The Households Below Average Income (HBAI) is produced using data from the Family Resources Survey (FRS) commissioned by the Department of Works and Pensions (DWP). The HBAI measure is considered to be a good indicator as it takes into account family's equivalised income over a full financial year. This data series is the only source of comprehensive trends detailing child poverty of all families, including working households. However, HBAI data are survey based, consequently, sample sizes are insufficient for useful analysis at a local level. Therefore, data is only available at a national level with some analysis by region.

¹⁷ 20,875 children (23.9 percent) aged under 16 were found to be living in poverty compared to around 13,000 children (19 percent) claiming FSM.

recommended further analysis of early years data to create an equivalent low-income proxy indicator for the two years plus pre-school age group. Work is underway to address this aim and data will begin to be reported when its quality has been fully assessed.

- 131 Data from the School Census show around 13,500 (19 percent) of school children in County Durham are eligible for free school meals. This is higher than the equivalent proportion for the North East as a whole (18 percent) and higher than the England average (14 percent).
- 132 The Child Poverty Group also agreed to monitor the 'Life Chances' measures set out in the Welfare Reform and Work Act 2016. All relevant child poverty measures are set out below. However, the indicator reflecting proportion of children in workless households is not reliable at a local authority level because of reduced sample size and results should be treated with caution.

Educational attainment gap at the End of Key Stage 4 – Life Chances Act measure

- 133 The average Attainment 8 score of FSM pupils in County Durham was 38.5, 12.7 points below the average score for non-FSM pupils. This gap is slightly larger than the equivalent national gap for England at 12.6 points. Because this is a new indicator, results for earlier years are not available.

Children in Workless Households – Life Chances Act measure

- 134 The second Life Chances Act measure reflects the number of children in workless households. For these purposes a workless household is one where no-one aged 16 or over is in employment and may be unemployed or economically inactive. Economically inactive members may be unavailable to work because of family commitments, retirement or study, or unable to work through sickness or disability. Nationally, latest data (for 2016) shows that 11.4 percent of children live in workless households, the lowest recorded figure for this data series, down from a peak of 16.6 percent in 2010. Regionally, more children live in workless households (15.4 percent in the North East), again the lowest on record, down from a peak of 21.5 percent in 2011.

Households Below Average Income (HBAI) series¹⁸

- 135 Regional data from the Households Below Average Income (HBAI) series is published as a rolling three year average. Latest data for 2013/14-2015/16 show that in the North East, 20 percent of children (around 100,000) live in households with relative low income (BHC)¹⁹. Child poverty rates in the region have remained above national levels since the mid-1990s, however the gap has narrowed over the last 10 years from nine percent in 2003/04 to two percent in 2013/14-2015/16. The narrowing of the gap is mainly due to a relatively larger decline in the regional poverty level.
- 136 However, it should be noted that poverty remains a significant issue for many families. Nationally, in 2015-16, around 2.7 million children live in families with a relatively low

¹⁸ The Households Below Average Income (HBAI) is produced using data from the Family Resources Survey (FRS) commissioned by the Department of Works and Pensions (DWP). The HBAI measure is considered to be a good indicator as it takes into account family's equivalised income over a full financial year. This data series is the only source of comprehensive trends detailing child poverty of all families, including working households. However, HBAI data are survey based, consequently, sample sizes are insufficient for useful analysis at a local level. Therefore, data is only available at a national level with some analysis by region.

¹⁹ Using the 60% of contemporary median equivalised income threshold, HBAI 2015-16

income²⁰, two thirds of whom live in a family where at least one adult is in work. In-work child poverty is not reflected in the new Life Chances measures.

30 Hours Free Child Care

- 137 To help parents into work the government has introduced 30 hours free child care for three and four year olds.
- 138 Eligibility is linked to earnings with a minimum requirement that you earn more than the equivalent of 16 hours per week at the national minimum wage or living wage and less than £100,000 per year. This earnings limit does not apply if you are self-employed and started your business less than 12 months ago from the date of application. The free childcare is not available if the child is your foster child.
- 139 HMRC has reported that 1,983 parents in County Durham have successfully been awarded access to the 30 hours free childcare entitlement. County Durham is classed as a 'high performing' local authority - ranked 18th out of 152 local authorities in the league table.
- 140 1,400 parents have approached schools, settings and childminders to secure a place for their child and work is continuing to develop places across the authority so that there are sufficient flexible places across County Durham and schools and day care providers have been supported with funding for small scale improvements in order to develop additional places.

Credit and debt

Council Tax Reduction Scheme

- 141 Through our Local Council Tax Reduction Scheme, the council continues to protect economically vulnerable working age people from the 10 percent national cut which was made to Council Tax Support. This scheme has been extended for a further year into 2017/18 in order to maintain the same level of benefit support provided before the scheme was changed in 2013, providing valuable support to many in need.
- 142 On 13 July 2017 Cabinet considered a report which proposed continuing the scheme for a further year into 2018/2019 and extending the policy to provide additional support for care leavers.

Fuel poverty

- 143 The Poverty Action Steering Group has recently agreed to fund a dedicated qualified Home Energy Advisor post who will deliver countywide home visits (energy MOT) and provide information around energy efficiency, understanding energy bills, and income assessment and changing energy supplier or tariff to make savings etc.
- 144 The post was originally part of the Managing Money Better (MMB) project which up until 28 February was part funded by Comic Relief and local partner organisations: Prince Bishops Community Bank (PBCB); Derwentside Homes; Durham City Homes; and Mid Durham Area Action Partnership.

²⁰ Using the 60% of contemporary median equivalised income threshold, HBAI 2015-16

- 145 The PASG gave initial agreement to provide funding (maximum of £120,000) from the Welfare Assistance Scheme budget to allow the provision of one qualified Home Energy Advisor to continue for a further three years, and match funding arrangements are being explored.
- 146 This service accepts referrals from local/partner organisations and the council's Housing Solutions team refer all their customers requiring energy advice/support to this service, including those identified through the dedicated welfare reform work. This service is being used by customers from all tenure groups.

Under occupancy charge

- 147 While the total number of tenants under occupying as at April 2013 was 8,001, there have been no evictions where the rent arrears were as a result of the under-occupancy charge only. In part this is due to the proactive support and intervention the council and its partners have provided and protocols including 'triage' remain in place to intervene and assist tenants to prevent eviction.

Discretionary Housing Payments (DHP)

- 148 The council continues to use its DHP policy to help meet the housing costs of those tenants who have a shortfall in housing benefit.
- 149 In 2016/17 the council made 1,109 DHP awards and a further 213 awards have been made this year up to 16 July 2017. In total, over 6,200 DHP awards have helped tenants with their housing costs since 1 April 2013.
- 150 The council's DHP grant from DWP for 2016/17 was £1,186,639 with an additional £30,014 carried forward from the earmarked reserve that was available if required. It was initially expected that the council would overspend this budget by over £330,000 as reported to Council in January 2017. However, the actual overspend was £118,140 which was met from the council's Welfare Assistance Scheme budget.
- 151 The DHP grant from the Department for Work and Pensions (DWP) for 2017/18 is £1,300,793, a year on year increase of £114,154, circa 9.62 percent. A calculation has been carried out to project the likely spend in 2017/18 based on the actual caseload up to 1 June 2017. Early indications for 2017/18 shows a potential small overspend.
- 152 The DHP policy and spend will continue to be monitored during 2017/18 and regular detailed forecasts will be presented to the PASG.

Welfare Assistance Scheme

- 153 The council continues to provide an annual budget of £860,000 for the council's Welfare Assistance Scheme which helps County Durham residents with short term support, or helps them to live on their own. Over 1,300 awards were made in 2016/17 with a total spend of just under £475,000.
- 154 £500,000 of the 2016/17 budget was transferred to the council's employment and employability initiatives scheme and £140,000 to AAPs for welfare/poverty related projects. The DHP over spend of £118,140 was also taken from the Welfare Assistance Scheme budget. The over spend on the Welfare Assistance Scheme budget in 2016/17 came from funds which have been carried forward from under spends from previous years.

- 155 Agreement has been given by the PASG to grant the AAPs a further £10,000 for 2017/18, from the WAS budget for welfare/poverty related projects.
- 156 As at 31 July 2017, the council has awarded 183 Daily Living Expense awards and 88 Settlement Grant awards, totalling over £96,000.
- 157 The scheme is currently being reviewed and should it be decided to make any changes, these will initially be discussed at the Poverty Action Steering Group before proposals are brought forward for Members to consider.

Financial Inclusion

- 158 Various initiatives continue to be delivered with local credit unions to help promote and raise awareness to residents of the dangers of 'door step' lenders or 'pay day loans' and the alternatives available. Recent developments include a successful external funding bid (£5,000) to support NEFirst Credit Union to become new main sponsor for Bishop Auckland Football Club with targeted activity across the season in all areas where the team plays.
- 159 The Durham Savers project funded by AAPs continues to raise the profile of the credit unions, and further funding opportunities are currently being explored to consolidate and expand the project from a further three AAPs. Over 500 staff were trained on credit union information through the 'Roots out of Poverty' sessions and savings and loans with credit unions have passed £1 million.
- 160 The Durham Savers project has also targeted the Aycliffe Business Park with the support of Business Durham and the Better Health at Work Award staff to further engage local businesses. So far 58 businesses are currently engaging with the project.

Foodbanks

- 161 The Trussell Trust Foodbanks in County Durham have reported providing enough food in 2016/17 to give 16,577 people three days' supply (approximate value £195,000) and 3,803 fuel vouchers (value £154,000) which helped 8,115 people. The Trust estimates that approximately 10,000 unique individuals benefited from the foodbank during the year.

Further welfare reform and benefit changes

Local Housing Allowance cap on supported and sheltered housing

- 162 In September 2016 the government announced details of its proposed model for future funding. The new system is planned to be implemented from 2019 and the Local Housing Allowance (LHA) cap will not apply to supported and sheltered housing until then. Following a national government consultation earlier this year, further guidance on the new proposed model to fund supported housing is awaited. The Local Housing Allowance cap on general needs housing in the social rented sector will be introduced in April 2019 and this will apply to those tenancies awarded from April 2016.

Universal Credit

- 163 As outlined above, a dedicated working group has been established to support the implementation of the UC full service which is to be introduced into County Durham from next month.

Work, increasing employability, personal wellbeing and sense of worth

Employment and employability initiatives

- 164 This programme of support was introduced in August 2014 with the overall aim to support individuals affected by welfare reform and either support them into becoming closer to the employment market or to assist those who would like to explore self-employment as a route to improving their life chances and achieving a positive outcome.
- 165 £500,000 was allocated from the Welfare Assistance Scheme budget and a further £500,000 was also allocated in April 2016 to allow the scheme to continue.
- 166 Since April 2016 a total of 475 individuals have accessed employment through the second phase of the employment service. The second phase for the self-employment programme commenced in January 2017 and so far eight individuals have set up businesses.

DurhamWorks

- 167 The DurhamWorks Programme continues to be delivered, with a target to engage 5,830 16-24 year old unemployed young people by July 2018. Over 3,000 young people have been registered with DurhamWorks to date with 12 months of the programme still to run. The council element, delivered through a contract with Regeneration and Local Services has engaged with over 1,300 young people (18-24) to date, with just over 600 having moved into employment or further education.

Apprenticeships

- 168 The County Durham Apprenticeship Programme has been suspended pending a review of the Levy and early results and perceptions. Over 1,000 young people have been supported into apprenticeships since inception in November 2011.

Mentoring and Brokerage Service

- 169 The 'Mentoring and Brokerage Service' provides help with job-hunts, CVs and applications to residents living in the south Durham AAP areas. This has now been extended into Chester-le-Street, Mid-Durham, East Durham, Teesdale and BASH AAP areas with ongoing discussions in terms of AAP involvement and links to potential Community Led Local Development funding. Targets for each area are to engage with 100-120 unemployed residents and to support at 40-45 percent into employment/placements during a 12 month period.

Next Steps

- 170 The Poverty Action Steering Group keeps the Poverty Action Plan under review so that the council and partners are able to respond to changing policy circumstances and needs in the county.
- 171 As outlined above, additional action is being taken in relation to the rollout of UC full service and the Child Poverty Working Group is developing a strategic approach based on evidence-based research and monitoring.
- 172 The council's Welfare Assistance Scheme (WAS) is being reviewed to ensure that it continues to be effective and addresses changing needs in the county. In addition, it is proposed to continue to use an element of WAS funding to continue to support

employment and employability initiatives which have proved effective in supporting individuals to improve their own circumstances.

- 173 The council also intends to maintain its partnership-based approach to this work and through the Poverty Action Steering Group will continue to work with local partners to research, monitor and review the impacts and responses to poverty and welfare reform in the county.

Conclusion

- 174 The government intends to continue with its programme of welfare reform with new proposals and measures being introduced on top of existing reforms which are impacting on people in the county.
- 175 However it is difficult to distinguish between changes resulting from welfare reforms and the continuing impact of wider economic trends associated with recovery from recession all of which affect income, wealth and poverty and the nature of child poverty. For example two thirds of children in poverty are in working households.
- 176 Since the welfare reforms commenced in 2011, the council and its partners have experienced increases in demand for welfare-related services, including advice and assistance, applications for Discretionary Housing Payments and Welfare Assistance, foodbank and charity referrals and personal financial action planning.
- 177 It is therefore vital for the council to continue to develop its partnership-based approach to understanding and tackling poverty and welfare related issues in particular those which impact on children and young people.

Recommendations

- 178 Cabinet is recommended to note the contents of this report and the progress being made by the council and its partners in addressing welfare reform and the wider poverty issues in the county.

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Background papers

Cabinet Report, Welfare reform and poverty issues – 21 October 2015

Cabinet Report, Employment and Employability Initiatives – 18 June 2016

Cabinet Report, Welfare reform and poverty issues – 18 January 2017

Appendix 1: Implications

Finance – It is expected that the £1,300,793 DHP grant allocation for 2017/18 will be fully expended, with the potential for a small overspend which would be funded from the Welfare Assistance Scheme budget, if required.

Staffing – There are no new staffing implications contained within the report.

Risk – N/A

Equality and Diversity / Public Sector Equality Duty – The council's Welfare Assistance Scheme and Discretionary Housing Payments policy have been subject to equality impact assessments where appropriate.

Accommodation – N/A

Crime and Disorder – N/A

Human Rights – N/A

Consultation – The Poverty Action Plan was informed by feedback following consultation events at the Poverty and the Work Place Conference and the Health and Wellbeing Board's 'Big Tent Event'.

Procurement – N/A

Disability Issues – N/A

Legal Implications – N/A