



Cabinet

Date Wednesday 18 October 2017
Time 10.00 am
Venue The Music Hall, The Witham, 3 Horsemarket, Barnard Castle,
Co. Durham, DL12 8LY

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 meetings held on 13 September 2017 (Pages 3 - 8)
3. Declarations of interest

Key Decision:

4. Medium Term Financial Plan (8), Council Plan, Service Plans 2018/19-2021/22 - Joint Report of Corporate Director of Resources and Director of Transformation and Partnerships
[Key Decision: CORP/R/17/02] (Pages 9 - 28)

Ordinary Decisions:

5. Transformation Programme - Report of Director of Transformation and Partnerships (Pages 29 - 36)
6. County Durham Partnership Update - Report of Director of Transformation and Partnerships (Pages 37 - 54)
7. Improved Better Care Fund (iBCF) - Update and MTFP Considerations - Joint Report of Corporate Director of Adult and Health Services and Corporate Director of Resources (Pages 55 - 60)
8. Proposal for Changes to the Charging Policy for Non-Residential Social Care Services - Joint Report of Corporate Director of Adult and Health Services and Corporate Director of Resources (Pages 61 - 84)
9. Transport for the North - Incorporation as a Sub-National Transport Body - Report of Corporate Director of Regeneration and Local Services (Pages 85 - 92)
10. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration.

11. 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)

12. 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
10 October 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

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DURHAM COUNTY COUNCIL

At a Meeting of **Cabinet** held in **Committee Room 2, County Hall, Durham** on **Wednesday 13 September 2017** at **10.00 am**

Present:

Councillor S Henig (Leader of Council) in the Chair

Cabinet Members:

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

An apology for absence was received from Councillor J Brown.

Also present:

Councillors H Bennett, J Clare, R Crute, S Dunn, I Jewell, L Maddison, M McKeon, A Patterson, and J Shuttleworth

1 Public Questions

There were no public questions.

2 Minutes

The minutes of the meeting held on 12 July 2017 were confirmed as a correct record and signed by the Chairman.

3 Declarations of interest

In relation to item 4 Councillor C Marshall declared an interest as an employee of Durham Community Action.

4 Sugar Smart Programme

The Cabinet considered a report of the Corporate Director of Adult and Health Services which provided an update on the Sugar Smart programme following a countywide launch (for copy see file of minutes).

Cabinet members welcomed the launch of this initiative.

Resolved:

That the recommendations in the report be approved.

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

The Cabinet considered a report of the Corporate Director of Resources which provided information on the forecast revenue and capital outturn for 2017/18, the forecast for the Council's Council Tax and Business Rates Collection Fund position at 31 March 2018, and the use of earmarked, cash limit and general reserves (for copy of report see file of minutes).

Resolved:

That the recommendations in the report be approved.

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

The Cabinet considered a report of the Corporate Director of Children and Young People's Services which examined progress to date against the improvement activity across the Children and Young People's Services following the Ofsted Inspection which took place between February and March 2016 (for copy of report see file of minutes).

Cabinet members spoke of the excellent work that had been taken in this area, and congratulated all those involved for their hard work.

Resolved:

That the report be noted.

7 Drug and Alcohol Recovery Service Model

The Cabinet considered a report of the Corporate Director of Adult and Health Services which provided an overview of the new model for the Drug and Alcohol Recovery Service and sought Cabinet approval for the tender process for drug and alcohol services (for copy of report see file of minutes).

Those involved were commended for their work in this area, particularly the staff working in this field who have already encountered changes to their working practices.

Resolved:

That the recommendations in the report be approved.

8 Locomotion

The Cabinet considered a report of the Corporate Director of Regeneration and Local Services which sought approval to enter into new management arrangements at Locomotion (for copy of report see file of minutes).

Cabinet members spoke of the success of Locomotion and its national status.

Resolved:

That the recommendations in the report be approved.

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

The Cabinet considered a report of the Director of Transformation and Partnerships which provided an update on the progress made at the end of June 2017 on the delivery of the 2017/18 Medium Term Financial Plan 7 (for copy of report see file of minutes).

Staff were congratulated for the continuation of high level of service provided despite the cuts made during austerity which continues.

Resolved:

That the report be noted.

10 Quarter One 2017/18 Performance Management Report

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

Resolved:

That the recommendations in the report be approved.

11 Welfare reform and poverty issues

The Cabinet considered a joint report of the Director of Transformation and Partnerships and the Corporate Director of Children and Young People's Services which provided 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 (for copy of report see file of minutes).

Members spoke at length about the impact that welfare reform was having on residents in County Durham, and of the measures that the Authority was taking to assist residents in conjunction with its partners.

Resolved:

That the report be noted.

DURHAM COUNTY COUNCIL

At a **Special Meeting** of the **Cabinet** held in **Committee Room 2, County Hall, Durham** on **Wednesday 13 September 2017** at **11.20 a.m.**

Present

Councillor S Henig (Leader of the Council) in the Chair

Cabinet Members:

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

Also Present:

Councillors H Bennett, S Dunn, L Maddison, and M McKeon

An apology for absence was received from Councillor J Brown.

1. Declarations of Interest

There were no declarations made.

2. Exclusion of the public

Resolved:

That under Section 100(a)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely discussion of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

3. King James School Foundation

The Cabinet considered a report of the Corporate Director of Regeneration and Local Services which updated the Board of Trustees on the proposed next steps for the King James Foundation Trust (for copy of report see file of minutes).

Resolved:

That the recommendations in the report be approved.

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Cabinet

18 October 2017

**Medium Term Financial Plan (8),
Council Plan, Service Plans
2018/19-2021/22**



CORP/R/17/02

Report of Corporate Management Team

John Hewitt, Corporate Director of Resources

Lorraine O'Donnell, Director of Transformation and Partnerships

Councillor Alan Napier, Cabinet Portfolio Holder for Finance

Councillor Simon Henig, Leader of the Council

Purpose of the Report

- 1 To provide 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.

Executive Summary

- 2 The financial outlook for the Council continues to be extremely challenging with government funding reductions confirmed as continuing until at least 2020. At this stage there is no certainty as to what will happen to local government funding beyond this point. It is however important that the Council plans over the medium term to ensure continuing financial sustainability.
- 3 The Chancellor of the Exchequer's 8 March 2017 Budget reported a deterioration in the public finances. It is forecast that the national deficit in 2017/18 could be higher than in 2016/17. The government has announced that the Autumn Statement will be published on 22 November 2017 and it is expected that it will confirm that the national finances will not achieve a surplus until at least the mid-2020s. There is also significant uncertainty over the impact of Brexit and the impact on local government.
- 4 The former coalition government was working towards the introduction of 100% Business Rates Retention for local government with a forecast implementation date of 2019/20. The required legislation for this policy was not included in the 2017 Queen's Speech. It is not clear at this stage if this policy will be implemented. The government has confirmed that the Fair Funding Review which was an element of the 100% Business Rates Review process will continue. The output from the Fair Funding Review could result

in a significant impact upon the resources available to individual councils depending on government's approach to allocating funding by formula.

- 5 The government has also announced a review into Social Care funding. It is expected that this review could influence the Better Care Fund, the Adult Social Care precept and the Public Health Grant. Any reduction in these income streams would have a significant impact on the Council's resources.
- 6 All of these uncertainties, considered alongside the possible impact of new policies from the government, generate significant complications and areas of uncertainty in developing plans for MTFP(8). Through prudent financial planning, the Council has a reserves position that can be used to assist in supporting the budget during this significant period of uncertainty.
- 7 The MTFP(8) model has been updated assuming no further government funding reductions beyond 2019/20. There is a risk that these assumptions do not prove to be correct. However, based on this position, savings required over the four year period are forecast to be £37 million.
- 8 Achieving this level of savings over the next four years will be extremely challenging. The emphasis since 2011/12 has been to minimise savings from front line services whilst maximising savings in management and support functions. This is becoming much more difficult as by the end of this financial year, the council will have made savings of £209 million and achieving further savings in managerial and back office efficiencies is extremely difficult.
- 9 At this stage, the total savings required to balance the 2018/19 budget amount to £15.3 million. Savings plans of £14.8 million are detailed in this report. It is currently forecast that £0.5 million of the Budget Support Reserve (BSR) will be utilised to balance the 2018/19 budget.
- 10 The savings detailed within this report will be considered as part of the MTFP(8) budget consultation process outlined below, which as in previous years will focus on the Area Action Partnerships (AAPs).

Background

- 11 To ensure that the MTFP(8) Council Plan and Service Plans can be developed effectively and savings targets delivered in time to produce a balanced budget, it is important that a robust plan and timetable is agreed and followed.
- 12 The current MTFP(7) that the Council agreed in February 2017 covers the three year period 2017/18 to 2019/20. It is recommended at this stage that MTFP(8) covers a four year period 2018/19 to 2021/22 which takes plans up to the end of current four year confirmed settlement in 2019/20, plus a further two years where significant government reductions in core funding are forecast to have ended. The Council will however continue to face significant increases in the demand for services and inflationary pressures over this period.

- 13 This planning position is considered prudent because of the Council's track record on delivering savings, its accurate MTFP planning processes and the availability of reserves to assist in managing MTFP delivery.

Review of MTFP Model

- 14 The financial outlook for the Council continues to be extremely challenging with government funding reductions confirmed as continuing until at least 2020. There is a possibility that government funding reductions could extend beyond this date. The Chancellor of the Exchequer's March 2017 Budget reported a further deterioration in the public finances. At this stage however, the government has stated that this deterioration in the public finances will not result in a change to the four year settlement provided to local authorities in February 2016 which ends in 2019/20.
- 15 The national finances continue to face significant uncertainty. The performance of the economy is not meeting expectations, which is likely to result in the deficit reduction targets being missed. There is also the significant uncertainty in relation to the impact of Brexit, the possible move to 100% Business Rates Retention and any policy initiatives from the new government.
- 16 The Council will need to continue to review the MTFP(8) projections and savings requirements over the coming months in light of future announcements.
- 17 The assumptions in the MTFP(8) model reported to Cabinet on 12 July 2017 have continued to be reviewed and updated. The main adjustments to the MTFP(8) model are detailed below:

(a) **Business Rates and Top Up Grant Retail Price Increase (RPI)**

At this stage RPI is utilised by government to uplift business rates and the Top Up Grant with the 2018/19 uplift based upon the September 2017 RPI rate. The RPI forecast in the July Cabinet report was 3% for 2018/19 and 2% for 2019/20. The August 2017 RPI rate however is 3.9% and is expected to remain volatile in the coming months. At this stage it is deemed prudent to increase the forecast RPI rates to 3.9% and 2.5% for 2018/19 and 2019/20 respectively. The September 2017 rate will be reported in mid October and utilised for 2018/19 in future MTFP(8) reports to Cabinet.

(b) **Improved Better Care Fund**

The Council will receive additional Improved Better Care Fund monies in both 2018/19 and 2019/20 of £8 million and £4 million respectively. These sums are in addition to the £13 million received in 2017/18. Discussions are ongoing with Clinical Commissioning Groups on investment plans for 2017/18. In terms of the 2018/19 and 2019/20 sums, agreement has been reached that the Council can utilise these sums to delay savings for Adult and Health Services which would

impact upon front line services. This approach can only be utilised on a short term basis as at this stage this funding will end in 2020/21. In terms of the MTFP(8) model, additional Better Care Fund income of £8 million is introduced in 2018/19 with reductions of £4 million in both 2019/20 and 2020/21, as the funding reduces.

(c) **Council Tax / Business Rate Taxbase Increases**

The July Cabinet report included an assumption across the MTFP(8) period of a £1.5 million annual increase in the tax base for council tax and business rates. Overall, at this stage this would require an increase in tax base of around 0.5% every year. It is presently forecast that the 2018/19 taxbase increase for council tax will be around £3 million and for business rates £0.5 million. This £3.5 million increase in taxbase will be available to support the 2018/19 budget. It is recommended at this stage that the increase for later years is retained at £1.5 million and reviewed as part of future years' budget setting processes.

(d) **Looked After Children (LAC) Pressures**

Significant pressure continues to be experienced in children's social care due to the additional number of children entering the care system. It was anticipated that numbers would have stabilised however short term financial support is required in this area. Additional budget support of £1.8 million for 2018/19 was included in the July Cabinet report. This investment would allow numbers to stabilise and to ensure the most efficient and effective placement mix which will reduce future years costs. The additional £1.8 million provided in 2018/19 would be gradually withdrawn over the 2019/20 to 2021/22 period as the placement mix is remodelled. Further reviews in this area have indicated that £1.8 million is not sufficient to meet the additional demand. The 2018/19 investment has been increased to £2.9 million to reflect the latest position, which will need to be kept under review.

2018/19 Savings Forecast

- 18 Based upon the revised assumptions detailed in this report, the savings requirement for 2018/19 is forecast to be £15.3 million.
- 19 A range of savings has been identified to balance the 2018/19 budget. In total, £14.8 million of savings have been identified, as detailed in Appendix 2. Achieving savings of £14.8 million would still leave a budget shortfall of £0.5 million. It is therefore recommended at this stage that £0.5 million of the BSR is earmarked to balance the budget.
- 20 The savings figures for later years that arise from agreeing the 2018/19 savings are as follows:

Year	£million
2019/20	2.445
2020/21	1.383

- 21 The MTFP(8) assumptions will continue to be refined as progress is made towards the finalisation of the budget in February 2018.

MTFP(8) – 2018/19 to 2021/22 Update

- 22 The adjustments to MTFP(8) planning detailed in this report have impacted upon the forecast savings requirements for the 2018/19 to 2021/22 period.
- 23 The current savings forecast for the period 2018/19 to 2021/22 is detailed below.

Year	Savings Forecast Requirement £million
2018/19	14.803
2019/20	11.582
2020/21	9.582
2021/22	1.480
Total	37.447

- 24 If approved, the savings identified in Appendix 2 would realise total savings across the 2018/19 to 2020/21 period of £18.6 million. This would leave further savings to be identified across the MTFP(8) period of £18.8 million to achieve the £37.4 million total MTFP(8) savings requirement detailed above. Realising additional savings of £37.4 million means that the Council will have had to save £246.4 million from 2011/12 to 2021/22. The revised MTFP(8) Model is attached at Appendix 3.

Proposed Consultation Programme

- 25 Consultation on the budget will be held between 18 October and 1 December 2017 and the feedback will be presented to Cabinet on 7 February 2018.
- 26 Based on the effective approach taken in previous years, the 2018/19 budget consultation will seek to utilise the extensive connections with local communities developed through the 14 Area Action Partnerships (AAPs). A presentation on the budget proposals will be provided at public AAP Board meetings where there will be an opportunity for attendees to consider and discuss the options for change set out in this report. In addition, people will also be encouraged to complete a paper questionnaire or go on-line to respond and provide views on the budget proposals.

- 27 AAP Coordinators will also share proposals with local people attending a range of community events within their area and encourage completion of the questionnaire. This will include both events being held by partners and AAP organised events, such as Participatory Budget events, AAP Forums and village roadshows.
- 28 The budget will also be discussed at key events and meetings with partners, such as the Better Together Conference, Voluntary and Community Sector (VCS) Working Group, Local Councils Working Group and County Durham Partnership Forum. In addition, the consultation will be promoted on the Council's website, on Twitter and Facebook, in Durham County News and through the Council's partnership frameworks.

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

- 29 As agreed by Cabinet in July, a review of the Sustainable Community Strategy (SCS), partnership vision and the council plan are scheduled to take place this year.
- 30 It was agreed that an outcome based approach to planning would be adopted, and that the reviews would be conducted according to six key design principles:
- (a) outcome-based vision and council plan;
 - (b) partnership based approach with engagement of key partners;
 - (c) incorporate the transformation vision for communities of resilient self-reliant communities, with a focus on prevention and tackling poverty;
 - (d) efficient planning – with as few key strategies and plans as possible, and concise focussed documents;
 - (e) plans and strategies drive change;
 - (f) cross council and cross partnership not silo based.
- 31 Work is about to begin with Cabinet and County Durham Partnership to consider the high level vision. An outcome-based council plan will also be developed, taking into account MTFP plans. The aim is to approve the refreshed vision and council plan in Spring 2018 following on from the budget setting process.

Equality Impact Assessment of the Medium Term Financial Plan

- 32 Consideration of equality analysis and impacts is an essential element that Members must consider when deciding the savings to be consulted upon. This section provides an update on the outcomes of the equality impact assessment of the MTFP(8) to date, and summarises the potential cumulative impact of the 2018/19 proposals.

- 33 The aim of this equality analysis is to:
- (a) identify any disproportionate impact on service users or staff based on the protected characteristics of age, gender (including pregnancy/maternity and transgender), disability, race, religion or belief and sexual orientation;
 - (b) identify any mitigating actions, which can be taken to reduce negative impact where possible;
 - (c) ensure that we avoid unlawful discrimination as a result of MTFP decisions.
- 34 As in previous years, equality impact assessments are being considered throughout the decision-making process, alongside the development of MTFP(8). This is required to ensure MTFP process decisions are both fair and lawful. The process is in line with the Equality Act 2010 which, amongst other things, makes discrimination unlawful in relation to the protected characteristics listed above and requires reasonable adjustments for disabled people. In addition, the public sector equality duty requires us to pay 'due regard' to the need to:
- (a) eliminate discrimination, harassment and victimisation and any other conduct that is prohibited under the Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 35 All of the savings options presented at Appendix 2 have been subject to initial equality impact assessments where applicable. Existing assessments from previous years are in place where there is a residual saving or a continuation of a savings proposal. A number of proposals do not require an assessment, for example those involving savings in supplies and services.
- 36 A number of judicial reviews, which have found against other local authorities, reinforces the need for robust consideration of the public sector equality duties and the impact on protected characteristics in the decision-making process. Members must take full account of the duties and accompanying evidence when considering the MTFP proposals.
- 37 Throughout the period of MTFP planning through to setting the MTFP(8) budget in February 2018, the equality impact assessments will be developed alongside emerging savings proposals. Any relevant results of consultation activity will be fed into the assessments, and all assessments will be updated as further information becomes available. Final assessments will be considered as part the decision-making process for each individual proposal.

In terms of the ongoing programme of budget decisions, the Council has taken steps to ensure that impact assessments:

- (a) are built in at the formative stages so that they form an integral part of developing proposals with sufficient time for completion ahead of decision-making;
- (b) are based on relevant evidence, including consultation where appropriate, to provide a robust assessment;
- (c) objectively consider any negative impacts and alternatives or mitigating actions so that they support fair and lawful decision making;
- (d) are closely linked to the wider MTFP decision-making process;
- (e) build on previous assessments to provide an ongoing picture of cumulative impact.

Impact Assessments for 2018/19 Savings Proposals

- 38 A total of 28 initial assessments are available for Members to inform the decision to consult on the savings listed at Appendix 2. The documentation has been made available for Members via the Member Support Team ahead of this Cabinet meeting.
- 39 Proposals include potential service user impacts across all protected characteristics, but, most commonly around age, gender and disability characteristics. Individual equality screenings will continue to be updated to reflect further information as consultation on proposals progress. They will also be updated to include mitigating actions in relation to any potential impacts at the final decision point. In addition, staffing reviews have potential impacts across all protected characteristics. Fair treatment of staff will be ensured through agreed corporate HR procedures contained within the Council's Change Management Toolkit.
- 40 Specific potential impacts of MTFP(8) saving proposals are summarised by Service Grouping below.

Adult and Health Services (AHS)

- 41 Adults and Health Services have a range of proposed savings some of which reflect ongoing savings agreed in previous years. These include the review of direct provision of in-house services, the consistent and effective use of existing criteria and increased charging income in respect of adult care provision.
- 42 New proposals include a mix of changes to service provision as well as staffing reviews. Specifically, changes affecting new service users include bringing charging policies in line with the latest Department of Health

guidelines. A review of community-based services will reduce the use of short term support funding available to supplement Adult Social Care.

- 43 Other changes involve staffing reviews across a range of services. These reviews have potential impacts across all protected characteristics. Fair treatment of staff will be ensured through agreed corporate HR procedures contained within the Change Management Toolkit.

Children and Young People Services (CYPS)

- 44 Savings proposals for Children and Young People's Services largely reflect service and staffing reviews. These include a review of Children's Services which is likely to restructure how children's social care and early help for families are delivered.
- 45 Reviews of Education Services and business support / administration are also included. These reviews have potential impacts across the protected characteristics. Equality impact assessments will be further developed as savings proposals progress to implementation stages.

Regeneration and Local Services (ReaL)

- 46 The proposals in ReaL Services have been developed with the intention of minimising front line impacts in all areas of the service grouping.
- 47 The review in Culture and Sport will involve changes to development services in sport and the arts, with further operational reductions across the service. The nature of service delivery in this area mainly involves targeted interventions. Whilst this saving may result in fewer new programmes being introduced, it is unlikely to affect existing users.
- 48 There is an increase in charging for garden waste with the prospect of a discounted multi-year deal. There is also a small increase in charges for bulky waste collection.
- 49 There are proposed reductions in the safer communities budget which currently provides low level intervention to tackle anti-social behaviour.
- 50 There are some areas relating to staffing savings with no expected service impact. This includes proposed service reviews for planning, economic development and transport. Equality impact assessments will be developed as savings proposals develop to implementation stage.

Resources

- 51 Resources proposals involve staffing reviews the majority of which do not affect the public-facing services. Staffing reviews have potential impacts across all protected characteristics and relevant equality impact assessments will be developed as savings proposals develop to implementation stage.

Transformation and Partnerships (T&P)

- 52 There is a single proposal for the Transformation and Partnerships service grouping to undertake a service and staffing review. Staffing reviews have potential impacts across all protected characteristics. Fair treatment of staff will be ensured through agreed corporate HR procedures contained within the Council's Change Management Toolkit.

Recommendations and Reasons

- 53 Cabinet is recommended to:
- (a) note the £14.8 million of 2018/19 savings identified at this stage for consultation;
 - (b) note that at this stage it is forecast that £0.5 million of the Budget Support Reserve would be required to balance the 2018/19 budget;
 - (c) note the savings recommended in Appendix 2 also realise savings of £2.445 million and £1.383 million in 2019/20 and 2020/21 respectively;
 - (d) note the requirement to identify total savings of £37.4 million for the period 2018/19 to 2021/22;
 - (e) note the forecast MTFP(8) savings shortfall of £18.8 million;
 - (f) agree the approach to preparing the Council Plan and Service Plan;
 - (g) agree the approach outlined for consultation;
 - (h) note the initial equality analysis in this report and in individual equality impact assessments in the Members' Library and also agree the proposals to build equalities considerations into decision-making.

Background Documents

- Medium Term Financial Plan (7), Council Plan, Service Plans 2017/18-2019/20 and Review of the Local Council Tax Reduction Scheme 2017/18 – report to Council 22 February 2017.
- Medium Term Financial Plan (8), Council Plan, Service Plans 2018/19-2021/22 and Review of the Local Council Tax Reduction Scheme 2018/19 – report to Cabinet 12 July 2017.

Contact: Jeff Garfoot (03000 261946)
Jenny Haworth (03000 268071) Gordon Elliott (03000 263603)

Appendix 1: Implications

Finance – The report highlights £14.8 million of savings plans for 2018/19 which also achieve £3.8 million of savings in 2019/20 and 2020/21. In total £37.4 million of savings are required across MTFP(8) leaving a shortfall in savings of £18.8 million.

Staffing – The savings proposals in MTFP(8) will affect employees. HR processes will be followed at all times. It is forecast that the reduction in full time equivalent posts from the 2011/12 to 2017/18 period will be over 2,600 with further reductions expected over the next four years.

Risk – The report details the significant uncertainties in terms of medium term financial planning. The MTFP(8) model will be kept under regular review with reserves being used on a managed basis to enable the Council to plan effectively during this period of uncertainty.

Equality and Diversity / Public Sector Equality Duty – Equality considerations are built into the proposed approach to developing MTFP(8), Council Plan and Services Plans, as a key element of the process. A summary of the implications of the savings proposals is included within the report. Each saving has its own equality impact assessment made available to all Members in the Members' Library.

Accommodation – Accommodation implications will be taken into account as savings proposals are developed.

Crime and Disorder – None specific within this report.

Human Rights – Any human rights issues will be considered for any detailed MTFP(8) and Council Plan proposals as they are developed and decisions made to take these forward.

Consultation – The approach to consultation on MTFP(8) is detailed in the report.

Procurement – None specific within this report.

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

Legal Implications – All legal implications will be considered during the development of MTFP(8) especially in relation to the development of savings plans.

Appendix 2: Service Groupings Saving Proposals

MTFP REF	Savings Proposal	Description	2018/19 MTFP Savings	2019/20 MTFP Savings	2020/21 MTFP Savings	Total
AHS 1.1	Review direct provision of remaining in-house services	Relates to phased savings arising from outsourcing of reablement and supported living and restructuring of Extra Care. Clients / service users who are eligible will continue to receive services (previously agreed by Cabinet September 2016).	2,270,548	1,098,810	477,190	3,846,548
AHS 2.1	Continuation of consistent and effective use of existing criteria	Continuation of effective use of eligibility criteria for adults.	400,000	0	0	400,000
AHS 3.1	Review of Adult Social Care Charging	Phased savings arising from changes to ASC charging policy in respect of Disability Related Expenditure disregards in new cases only (previously agreed by Cabinet March 2017)	333,000	167,000	0	500,000
AHS 3.2	Review of Adult Social Care Charging	Phased savings from changes to ASC charging policy in respect of the Minimum Income Guarantee thresholds in new cases only.	266,667	266,667	266,666	800,000
AHS 4.1	Adult Commissioning Efficiencies	A restructure of the support and other services retained within AHS that have not yet been unitised.	318,231	0	0	318,231
AHS 4.4	Review of Adult Social Work Function	Management Review	50,839	103,863	0	154,702

MTFP REF	Savings Proposal	Description	2018/19 MTFP Savings	2019/20 MTFP Savings	2020/21 MTFP Savings	Total
AHS 4.5	Review of non frontline activity in Public Health	Reduction in transport costs.	15,615	0	0	15,615
AHS 4.6	Environment, Health and Consumer Protection – Service Review	Restructure and re-prioritisation of service delivery within Environment, Health and Consumer Protection.	209,000	0	0	209,000
AHS 5.1	Review of community based services	To be achieved through the non-recurrent budget / capacity within the current BCF budget plan.	1,780,119	0	0	1,780,119
Total - Adults & Health Services			5,644,019	1,636,340	743,857	8,024,215
CYPS 1.2	Opening 5th Unit at Aycliffe Secure Services	Expansion of traded service	878,000	0	0	878,000
CYPS 2	Review home to school / college transport policies	This saving is a continuation of savings arising from Policy Changes previously agreed by Cabinet in relation to safe walking routes, Year 10/11 exam movers, post 16 independent / SEN travel arrangements etc.	24,000	0	0	24,000
CYPS 3.1	Children's Services – Service Review	A staffing restructure and the development of a new partnership arrangement for universal and Early Help Service focused on tackling Child Poverty delivered in localities through 0-19 Family Hubs.	1,500,000	0	0	1,500,000

MTFP REF	Savings Proposal	Description	2018/19 MTFP Savings	2019/20 MTFP Savings	2020/21 MTFP Savings	Total
CYPS 3.2	Education - Service Review	Restructure of Education Services across all teams, together with non staffing budget reductions and increased income generation.	891,357	30,000	0	921,357
CYPS 3.2a	Review of Service Delivery Model – Sensory Services	Relates to 'Modifications to the Service Delivery Model of the Sensory Services (Hearing Impaired / Visual Impaired)	112,589	0	0	112,589
CYPS 3.5	CYPS Operational Support – Service Review	Staffing and non-staffing costs e.g. supplies, stationery, training	154,730	154,731	0	309,461
CYPS 11	Repayment of CYPS Cash Limit in 2017/18	Repayment of CYPS Cash Limit in 2017/18 to delay restructuring savings	-819,000	0	0	-819,000
Total - Children & Young People's Services			2,741,676	184,731	0	2,926,407
REAL 01.20	Review of Culture & Sport	This proposal will see a general scaling down and re-structuring of a range of development services in both sport and the arts together with further operational reductions across the service.	275,000	180,000	0	455,000
REAL 3.91	Review of Fleet Service	A more streamlined service allowing workshops to operate extended hours minimising loss of productivity for service users as vehicles can be maintained outside normal operating hours.	360,000	0	0	360,000
REAL 3.92	Review of Building and Facilities Maintenance	Reductions across a range of service areas in Building and Facilities Maintenance, R&M Budgets and in out of hours services.	259,722	185,278	0	445,000

MTFP REF	Savings Proposal	Description	2018/19 MTFP Savings	2019/20 MTFP Savings	2020/21 MTFP Savings	Total
REAL 4.06	Savings in Clean and Green	Low impact savings including a restructure within management, and savings from the in-housing of weed control. Also reductions in general maintenance and weekend working where impact can be minimised.	452,616	0	0	452,616
REAL 5.20	Increased income within Refuse and Recycling	A range of measures to increase income, including increased trade / bulky waste charges and the introduction of charges on developers.	398,000	0	0	398,000
REAL 6.06	Review of garden waste charges	Savings proposal includes a £5 annual increase on garden waste charging each year in 18/19 and 19/20 (to £30 and then £35 - three year discounted offer to be made available)	310,000	259,000	0	569,000
REAL 6.07	Review of Strategic Waste	A restructure within Strategic Waste plus a range of non-staffing efficiencies.	183,444	0	0	183,444
REAL 11.21	Realignment of Winter Maintenance Budget with support from the Winter Maintenance Reserve	Current coverage of the network can be accommodated with any additional costs from a severe winter funded from the Winter Maintenance Reserve.	586,000		0	586,000
REAL 11.23	Capitalisation of Condition Surveys	Alternative funding arrangements are proposed which will enable savings to be made.	486,000	0	0	486,000

MTFP REF	Savings Proposal	Description	2018/19 MTFP Savings	2019/20 MTFP Savings	2020/21 MTFP Savings	Total
REAL 20.1	Overachievement of 17/18 Savings	Over programming of staffing reductions across former RED activities taken in 2017/18 and removed from budget 2018/19	216,804	0	0	216,804
REAL 20.2	Reductions in Supplies & Services	Reductions in Supplies and Services in former RED areas	144,155	0	0	144,155
REAL 20.3	Review of Planning	Restructures within planning teams.	152,615	0	0	152,615
REAL 20.4	Increased Income Generation	Increased income generation within Chapter Homes, Visit County Durham, Business Durham and International Relations	99,000	0	0	99,000
REAL 20.5	Review of Economic Development	Savings from restructuring, and supplies and services savings in Economic Development and Visit County Durham	148,590	0	0	148,590
REAL 20.6	Review of Transport	Restructure of Strategic Traffic & Sustainable Transport	57,983	0	0	57,983
REAL 20.7	Review of Strategy and Programmes	Restructure of Strategy and Programmes	61,000	0	0	61,000
REAL 24.09	Savings due to Capital Investment within Leisure	Savings associated with One Life Contract following capital investment already negotiated for 18/19.	300,000	0	0	300,000
REAL 24.10	Review of Culture Provision	Non staffing savings with regards to library service	50,000	0	0	50,000

MTFP REF	Savings Proposal	Description	2018/19 MTFP Savings	2019/20 MTFP Savings	2020/21 MTFP Savings	Total
REAL 35.02a	Management and Non-Staffing Efficiencies in Neighbourhood Protection	Savings proposals include a restructure of management & support, plus reductions in horse impounding, and safer communities budgets and increased income from burial charges, pest control, fixed penalty notices, and from Durham Crematorium Service	365,000	0	0	365,000
Total - Regeneration & Local Services			4,905,929	624,278	0	5,530,207
RES07	Restructure in HR Health and Safety and Occupational Health	Restructure in Health and Safety and Occupational Health	54,000	0	128,123	182,123
RES13	Restructure of Legal & Democratic Services	A restructure of Legal & Democratic Services	40,000	0	153,469	193,469
RES15	Corporate Finance / Financial Services - Finance and Procurement	A further restructure of accountancy and procurement functions	102,561	0		102,561
RES16	Review of Digital & Customer Services	Review of Digital & Customer Services structures and service delivery arrangements, including a further review of ICT systems / licensing / non-staffing budgets	47,000		357,094	404,094
RES19	Financial Support Service (Assessment & Awards and Payment, Income and Support)	Further restructure and reductions in non-staffing budgets	276,290	0	0	276,290
RES21	Internal Audit and Risk Staffing rationalisation	Restructure of Internal Audit, Corporate Fraud and Risk / Insurance functions	56,889	0	0	56,889
Total - Resources			576,740	0	638,686	1,215,426

MTFP REF	Savings Proposal	Description	2018/19 MTFP Savings	2019/20 MTFP Savings	2020/21 MTFP Savings	Total
TAP 22	Service Review	Service restructure - savings target linked to the former ACE budgets and targets transferred to TAP following the unitisation of Policy, Performance and Communications	484,325	0	0	484,325
Total - Transformation & Partnerships			484,325	0	0	484,325
COR 26	External Audit Fees	Reprocurement of the External Audit contract.	50,000	0	0	50,000
COR 32	Insurance Premiums	A recent procurement exercise has resulted in reduced insurance premium costs	100,000	0	0	100,000
COR 34	Corporate Subscriptions	Saving from the council no longer paying to subscribe to ANEC	100,000	0	0	100,000
COR 35	Commercial Activity	Additional investment income	200,000	0	0	200,000
Total - Corporate Savings			450,000	0	0	450,000
Total Savings - MTFP(8)			14,802,689	2,445,349	1,382,543	18,630,581

Appendix 3: Medium Term Financial Plan - MTFP (8) 2018/19 - 2021/22 Model

	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000
Government Funding				
Government RSG Funding Reduction	14,140	14,240	0	0
Impact of 100% Business Rate Retention	0	0	0	0
Reduction in Public Health Grant	1,363	1,363	0	0
Reduction in Education Services Grant	1,300	0	0	0
Reduction in Benefit Admin Grant	300	300	300	0
Town and Parish Council RSG Adjustment	-29	-103	0	0
Adult Social Care Support Grant (2017/18 One Off)	2,830	0	0	0
Impact of Business Rate Revaluation	-568	0	0	0
Bus. Rates - RPI increase - CPI from 20/21 (3.9%/2.5%/2%/1.5%)	-2,125	-1,250	-1,030	-790
Top Up - RPI increase - CPI from 20/21 (3.9%/2.5%/2%/1.5%)	-2,625	-1,700	-1,410	-1,080
Improved Better Care Fund	-19,000	-5,700	4,000	0
New Homes Bonus	3,300	800	1,000	0
Other Funding Sources				
Council Tax Increase (1.99% per annum)	-3,920	-4,110	-4,300	-4,500
Council Tax Adult Social Care Precept (2% increase)	-3,940	-4,130	0	0
Council Tax - Increase in Collection Rate to 99%	-1,000	0	0	0
Council Tax/Business Rate Tax Base net increase	-3,500	-1,500	-1,500	-1,500
Estimated Variance in Resource Base	-13,474	-1,790	-2,940	-7,870
Pay inflation (1.5% - 1.5% - 1.5% - 1.5%)	3,100	3,100	3,200	3,300
Price Inflation (1.5% - 1.5% - 1.5% - 1.5%)	2,600	2,600	2,700	2,800
Reduction of Corporate Risk Contingency Budget	-250	0	0	0
Base Budget Pressures				
Costs Associated with National Living Wage	4,000	4,250	2,500	1,000
Additional Employer Pension Contributions	0	0	1,000	0
Energy Price Increases	500	250	250	250
Pension Fund Auto Enrolment - Employer Contributions	600	0	0	0
Microsoft Licencing / O365	1,200	0	0	0
SSID Replacement Licences	0	0	300	0
Adults Demographic Pressures	1,000	1,000	1,000	1,000
Adults - Winterbourne	142	535	372	0
Childrens - Demographics	500	500	500	500
Childrens - LAC Pressures	2,900	-300	-1,200	-1,400
Unfunded Superannuation	-100	-100	-100	-100
Prudential Borrowing to fund new Capital Projects	0	1,000	2,000	2,000
TOTAL PRESSURES	16,192	12,835	12,522	9,350
Use of One Off funds				
Adjustment for use of BSR in previous year	12,622	537	0	0
Savings				
Savings Assured	14,803	2,445	1,383	0
Utilisation of Budget Support Reserve (BSR)	537			
Savings Surplus (-) / Shortfall	0	9,137	8,199	1,480

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Cabinet

18 October 2017

Transformation Programme



Report of Lorraine O'Donnell, Director of Transformation and Partnerships

Councillor Joy Allen, Cabinet Portfolio Holder for Transformation.

Purpose of the Report

- 1 The purpose of the report is to inform Cabinet of progress in the Council's Transformation Programme, since the last Cabinet report in December 2016 and to set out the main elements of the programme for the next three years.

Background

- 2 Cabinet received a report in December 2016 setting out the initial approach to the Council's Transformation Programme, documenting the objectives of the programme and the initial projects and programmes being initiated.
- 3 The report highlighted that Durham County Council has been on a continual programme of change since its inception as a Unitary Council in 2009 with notable success in forming the Council and providing good quality public services.
- 4 This has been achieved whilst simultaneously dealing with significant budget reductions escalating to over £209m pa, and reductions in staffing levels of over 2500 FTE posts.
- 5 The Council remains in a sound and stable financial position and is well placed to manage the financial challenges which lie ahead. However it is recognised that to do this well the Council needs to look through the organisation as a whole, review and digitise business process, modernise Council workplaces, and equip our workforce to be productive within future business models.
- 6 The report set out the four outcomes of the programme to:
 - a) Redesign our services to better meet customers' needs at reduced cost to the Council.
 - b) Help communities become more self-reliant and resilient
 - c) Move our partnership working from good to great
 - d) Become renowned for our skilled and flexible workforce and our employee engagement.

- 7 The report further highlighted that whilst a number of transformational initiatives, such as the Inspire Programme, were already in existence, further work was required to increase productivity and maintain the best possible outcomes for the people of the county in the face of continuing austerity.
- 8 This would include a renewed focus on the digitisation of process with associated investment in ICT and staff training, partnership working and a series of service reviews. The report also highlighted that a deep dive exercise was being commissioned to carry out an analysis of the Council's working practices, procurement activity and business models in order to highlight further areas where savings and improvements could be made.

Progress to Date

- 9 Since the report to Cabinet in December a progress has been made in the following areas:
 - a) PWC were engaged earlier in the year following a competitive process, to seek areas of improvement and suggest areas where additional savings could be found. This work was completed just prior to the summer and has helped to inform the Transformation Programme for the next three years. Details of the areas of search are given later in the report.
 - b) Following the elections in May 2017, Cllr Joy Allen was appointed as a new Cabinet Member for Transformation to give additional political oversight to the Transformation Programme.
 - c) Following from the restructure of the Corporate Management Team (CMT) a restructure of the Council's Extended Management Team (EMT) (Heads of Service) was completed for 1 June 2017. The new EMT gives additional focus to the digitisation of process and ICT systems management, strengthens our capacity to lead organisational change and manage our people and gives additional focus to our work to support looked after children.
 - d) Phase one of the Unitisation of Policy, Performance and Planning services within the Council was completed on 1 July 2017. Employees from a range of service areas across the council including, policy, performance management, partnership support, research and development, service planning, information management, service reviews and improvement were realigned into the newly formed Transformation and Partnerships Service.
 - e) Work has commenced to identify and implement a Cultural Change programme within the Council. Work has been carried out with Transformation Board, EMT, strategic managers and a staff survey to ascertain the values and behaviours we would wish to promote as well as cultural audits undertaken as part of the process reviews. Utilising the emerging themes of People, Outcomes, Innovation and Empowerment a cultural change programme is being developed, building on the current staff engagement and change programmes already in existence in the Council.

- f) A new Organisational Development strategy is being developed which includes a renewed focus on training and skills development across the Council, management development, digital and commercial skills, workforce planning, and ensuring that the Council is equipped to take advantage of the investment made into the apprentice levy by the Council. A new Head of People of Talent Management has been recruited (starting at the end of October) as part of the restructure of Extended Management Team to give additional focus to this work. The Council is also taking part in the Local Government Association's National Graduate Development Programme with four graduates starting with the Council in September 2017.
- g) Through the Inspire programme significant progress has been made in the preparation of the business case for the potential relocation of Council HQ to free up the Aykley Heads site for investment, development and additional job opportunities in the city and county, in line with the procurement process agreed by Cabinet in July 2016. The Full Business Case is will be presented to Cabinet in December for full deliberation.
- h) Significant work has also been carried out to modernise the working environment in Council buildings beginning in Crook and Spennymoor to support greater efficiency and productivity of staff. Work has been carried out with the employees in those buildings to change culture and working practice to support modern digital and mobile ways of working. Staff are being decanted to alternative premises whilst the physical work is carried out to the buildings which will result in much greater use of shared office and desk space, breakout areas, communal meeting rooms and digital equipment, commensurate with a modern productive workplace. This work is part of long term programme of building modernisation, cultural change and increased productivity.
- i) A process of "whole systems thinking" has been launched to review council processes in a holistic way along with a training programme to embed this thinking into the organisation. The first of these reviews are underway within Children's Services to support the replacement of the SSID IT system. The process reviews have utilised significant staff engagement within the looked after children teams to review existing processes and practice in order to simplify process for staff and service users and remove potential duplication. This work will ensure that the maximum benefit can be derived from the investment in the new SSID IT system and will support additional MTFP savings.
- j) Further work has also been undertaken to scope out and define the newer areas of work which the Council will undertake over the next three years as part of the Transformation Programme. These include: Commercialisation, Digital Customer, Digital Workforce, Transformation of Adult Health and Care, Transformation of Education, and the Transformation of Library and Leisure services. These are further explained later in the report. Governance arrangements with relevant Boards and associated membership has been agreed.

PWC Deep Dive Findings:

- 10 As stated in the previous paragraph PWC Consulting were commissioned at the end of last year, following a competitive process to carry out a deep dive exercise into the Council's business processes as directed by the Council. The brief required the deep dive to consider 5 specific areas of search which were: Digital, Demand Management, Commercialisation/Traded Services, Third Party Spend and Estates. The process involved working with Council staff to carry out research into internal business process and practice to seek improvements and additional savings.
- 11 PWC worked in conjunction with employees from across the Council in an organisational scanning exercise which covered a full range of council processes. Following the organisational scan, opportunity workshops were held followed by more detailed staff focus groups.
- 12 High level findings were presented to Council managers just before the summer, which can be summarised as:
 - a) The Council is in a sound financial position with significant savings being achieved on time and on budget, at that time £185m pa
 - b) The Council has areas of good practice and an appetite for investment in digital solutions and improvements in customer service, e.g. the Firmstep CRM system and the SSID replacement
 - c) The Council has good procurement processes and has achieved good value for money in its major contracts
 - d) The Council has a good, proactive, culture, with staff demonstrating a desire for change and a willingness to be involved in improvement programmes. The Council has recognised the need for further cultural change and training and development
 - e) The Council has a good track record in commercialisation and innovation, with the investments in Finance Durham and Atom Bank cited as areas of good practice
 - f) There is an opportunity to embrace greater digital solutions within a range of customer based services with associated process reviews to reduce the amount of time and staffing resource spent on non-front-line activity and to improve the customer experience. There is a further opportunity to improve the use of digital customer data to provide more targeted services and reduce demand for more costly services. This is referred to as the Digital Customer opportunity
 - g) There is an opportunity to unitise and professionalise the business and strategic support services within the Council and also to digitise processes that cut through the organisation, such as HR processes and performance management with more self-service options available. There is further opportunities for greater productivity through mobile working, digital training, premises rationalisation and facilities

management. This broad area of work is referred to as the Digital Workforce opportunity

- h) There are opportunities to make additional sustainable income streams through commercialisation of activity, building on the good practice that already exists in the Council.

The Transformation Programme to 2020

- 13 The Council has reshaped its Transformation Programme to take account of the PWC findings and has integrated a number of new projects into the portfolio.
- 14 The programme is a significant undertaking of change and is organised through four main interlocking initiatives; these are:

The Inspire Programme

- a) Developing a Full Business Case for the re-development of Aykley Heads and building modernisation programme
- b) Workplace re design and digital working practices roll out
- c) Change management and mobile working opportunities introduced
- d) Staff engagement in shaping the future, new staff focus groups and cultural change
- e) Refresh of Vision for County Durham to give a renewed sense of direction for public services in the County and support strategic planning through the County Durham Partnership.

Digital Workforce

- a) Unitisation and transformation of Strategic Support services, digital business intelligence and targeted performance and customer intelligence systems.
- b) Council wide review of Business Support services, closely aligned to programme of whole systems reviews.
- c) Council wide digital staff systems, leaner, streamlined business processes with associated whole system reviews where required.
- d) Promoting values of people and outcome focus, innovation and empowerment through a programme of communication, staff involvement, non-financial rewards and publicity.
- e) Renewed focus on Organisational Development with a council wide Learning and Development Programme to support the new skills required for the Council, improve productivity and service delivery.

Digital Customer

- a) Use of business intelligence, digital customer profiles to support targeted place based service offers.
- b) Continued rollout of Customer Relationship Management system to improve digital access to Council services and reduce costs.
- c) Customer experience led, business process reviews to modernise processes and reduce duplication or fragmentation.

- d) ICT systems architecture to gain a more strategic use of information technology and capital investment
- e) Improvements in the customer journey through digital channels, access to services and information to encourage channel shift and reduced costs.

Service Transformations & Commercialisation

- a) Children's Social Care Transformation (QIB), SSID replacement and associated whole system service reviews to improve social work processes, improve outcomes for children and their carers and simplify back office systems.
 - b) Transformation of Education Service focussing on the educational development service and the future relationship with schools, the commercial and paid for services, delivering a sustainable school organisation and the transition from school to work.
 - c) Adult Health and Care Transformation support the integration of health and care, review the internal management arrangements, manage demand better and develop a strategy for the utilisation of better care resources with relevant partners.
 - d) Provide a programme of sustainable income streams though commercial activity at both a corporate and service levels, integrated with service transformations, cultural change and new ways of working.
- 15 The Programme will work in a systematic way over the next three years integrating projects into a single portfolio of programmes and projects to transform the way the Council operates and to support the resilience of service provision during continued austerity.
- 16 By 2020 the Council will have:
- a) Completed a programme of modernisation of Council workplaces with greater use of mobile working, flexible space, and digitised more productive working practices
 - b) Digitised a full range of Council processes and unitised central support services to improve the productivity of Council staff, reduce costs and support front line service delivery
 - c) Improved the range of ways in which people can access Council services through digital and traditional means with associated reviews of Council processes from a customer service perspective.
 - d) Introduced a greater range of commercial services to create sustainable income streams for the Council
 - e) Invested in ICT, business intelligence, staff training and cultural change to manage change
 - f) Made a number of individual service based transformations in education, adult health and care and the provision of placed based services.

Governance

- 17 Progress on the programme will be reported through the Transformation Board, Chaired by the Leader of the Council. The Transformation Board consists of Cabinet Members and the Council's Corporate Management Team.
- 18 The programme will be regularly reviewed by the Council's Corporate Management Team to give senior management focus to the programme.
- 19 A series of officer steering groups are being established with senior officer membership and with a series of supporting staff engagement initiatives.
- 20 Day to day co-ordination is through a steering group made up of senior officers leading on aspects of the programme. The Steering Group is chaired by the Director of Transformation.
- 21 The programme has been informed by a number of consultation events with staff including staff roadshows, Members seminars, meetings with the Trade Unions and focus groups. The programme will be further enhanced through a comprehensive engagement process with staff and customers as it progresses.

Recommendations and reasons

- 22 Cabinet are recommended to note the contents of the report and endorse the approach taken to transform the Council over the medium term.
- 23 Cabinet are recommended to continue their engagement in the programme through the Transformation Board in order to provide governance for the programme and shape future high quality services.

Background papers

Contact: Andy Palmer: Tel: 03000 268551

Appendix 1: Implications

Finance

The Transformation Programme will seek to support the further reductions of over £40m to annual budget through a series of reviews and a whole Council approach to business process. Staffing and programme costs have been met through a reconfiguration of existing resources.

Staffing

The Programme will be staffed from the reorganisation of existing staffing resource. As the Council's budget is further reduced staff reductions are also anticipated.

Equality and Diversity

Equality impact assessments will be undertaken on projects within the Transformation Programme.

Accommodation

The Inspire, accommodation project is contained within the programme.

Crime and Disorder

No implications

Human Rights

No Implications

Consultation

Customer consultation and comprehensive staff engagement are fundamental elements of the Transformation Programme.

Disability Discrimination Act

No implications.

Legal Implications

No legal implications.

Cabinet

18 October 2017

County Durham Partnership Update

Report of Corporate Management Team**Lorraine O'Donnell, Director of Transformation and Partnerships****Councillor Simon Henig, Leader of the Council****Councillor Brian Stephens, Cabinet Portfolio Holder for Neighbourhoods and Local Partnerships**

Purpose of the Report

- 1 To update Cabinet on issues being addressed by the County Durham Partnership (CDP) including the board, the five thematic partnerships and all area action partnerships (AAPs). The report also includes updates on other key initiatives being carried out in partnership across the county.

Summary

- 2 The County Durham Partnership continues to address a number of key issues with the subject of June's Cabinet report of Prioritising Prevention still high on all partners' agendas. This was the focus of the June Forum meeting with workshops looking to identify key strands of work to focus on over the next year.
- 3 The thematic partnerships have all held significant meetings in recent months with the Children and Families Partnership welcoming the Children's Commissioner for England to its September meeting. This follows the successful Takeover Challenge last year where Durham received a Gold Commendation for its work. The Economic Partnership also invited Durham University's Vice Chancellor to its July meeting to outline the University's ambitious plans.
- 4 Work continues across the CDP, particularly focused on AAPs, to support the element of the Transformation Programme focused on supporting communities to become resilient. This features regularly in these Update Reports and is the main focus of this report.
- 5 A significant partnership success highlighted in the report was the official opening of a new leisure facility in Crook. In 2013, the county's largest participatory budget event, attracting over 1,300 participants, selected a proposal to create a new leisure by investing £500,000 of council funding. The community-led project has also attracted external funding from Sport England and the Social Investment Bureau. Membership numbers for the centre are already positive and a number of jobs will also be created.

Key Partnership Activity and Developments

- 6 The **County Durham Partnership Board** meeting in June focused on performance, with a presentation on the overall performance for the Partnership and Council for 2016/17. This showed that whilst there are positives such as

employment and education rates increasing and lower than national crime figures per 1,000 population, there are still significant demand pressures. These include the poverty and deprivation gap, a significant increase in numbers of Looked After Children and an aging population. Work is ongoing across the thematic partnerships to address the issues raised and new ways of managing performance are also being looked at as part of the transformation programme.

- 7 The Chief Constable, Mike Barton, also gave a presentation to the Board in June on why Durham is the top performing force in the country, this is based on a number of different inspections looking at a range of issues including performance and financial management. The Chief Constable said that the Force had looked at professional realignment focussing on problem orientation, restorative justice and a victim/offender focus as well as eliminating bureaucracy. Their approach has brought about positive changes and had been supported by the Office of the Police Crime and Victim's Commissioner.
- 8 The **CDP Forum** meeting in June had two main agenda items: the AAP Priority Survey and Prioritising Prevention, the latter being the focus of the last Update Report. The AAP survey was countywide and included all schools as well as a general survey and in total almost 8,000 people responded, the most a Council survey of this type has received to date. It is also the first time all schools have participated. The survey highlighted which of the ten chosen priorities people prioritised and the differences between those by age and respondent groups. The information will be broken down to AAP level and shared across all of the partnerships in order to inform their work going forward.
- 9 The Prioritising Prevention item followed on from the Partnership – Good to Great focus at the Forum meeting held in February. Prevention was highlighted as a common theme in a number of workshops as it is a cross partnership issue. The presentation and subsequent workshop focused on the five priority themes and asked attendees to choose one area from a long list of issues gathered from a range of sources. This information will be utilised by the Partnership Prevention Steering Group to shape the work over the next year.
- 10 The **Local Councils Working Group (LCWG)** met recently to discuss a review of the Local Councils Charter. The Charter was developed in 2009 following Local Government Reorganisation and set out some key agreements between the two tiers of authorities. It is timely to review and redraft this agreement in light of continuing austerity and changing priorities for all partners. The revised Charter was discussed at the LCWG in June and will be considered at the next meeting in November.
- 11 The **Voluntary and Community Sector** are key partners in supporting and contributing to resilient communities. One of the objectives of the VCS Strategy is to develop the capacity and resilience of individuals to manage and shape change in their lives and their communities. One example of how the sector is seeking to address this is through the fully subscribed bi-monthly training events for practitioners and volunteers being co-ordinated through the Advice Partnership, plus a regular programme of themed networking events with average participating delegate rate of 50-80. Similarly the peer to peer networks set up by Durham Community Action for Community Building Management groups and Trustee peer support groups all help towards creating and sustaining greater resilience within communities.

- 12 The East Durham Solutions project developed and funded **East Durham AAP** Area Budget, is a partnership between East Durham Trust and the council's Housing Solutions Team and has already recruited ten local volunteers. They are 'Community Coaches' who will be responsible for hand holding / befriending local people living in private rental properties who are in crisis situations. They will support residents in to identified services as well as receiving and signposting residents into the Housing Solutions Triage System.
- 13 The project will develop a model that has the potential to shape future countywide working practices, linking the preventative support from volunteers with statutory provision. It is anticipated that the project will provide the link between volunteer led projects and more intensive specialist support, but with a welfare volunteer providing a hand holding role throughout. Specialist advisory and support services are excellent in their delivery, however due to the increase in demand and the reduction in resources, they are finding it difficult to offer longer term support to individuals and families. The aims to improve the mental wellbeing of individuals and support them to access current services including community job clubs, debt support, housing solutions, community drop in's, gardening, arts and crafts, health activities etc.
- 14 **Durham AAP** continues to encourage working with the third sector via its most recent 'It's up 2 You event' which offers an opportunity to network with other groups, raise awareness and to recruit other potential volunteers. Last year saw a 90% increase in attendance but other aims for VCS groups include raising their awareness, networking and ability to recruit volunteers.
- 15 **Bishop Auckland and Shildon (BASH) AAP** has continued to facilitate visits from the F and P Scotto Charitable Trust and has introduced the trust to a number of worthy causes not only in the BASH AAP area but also across the county. This is an excellent and unique opportunity for the AAP to provide additional support and funding to groups in the area. Because of this relationship and the support of the BASH AAP the F and P Scotto Charitable Trust has invested an additional £550,000 into the area. With further visits planned and decisions outstanding, it is anticipated that this figure will surpass £600,000 by the end of the year. Primarily the funding has gone to groups in the BASH AAP area however; support has also gone into another eight AAP areas.
- 16 **Faith Communities** also contribute to building community resilience through their long established presence in every community. An event is planned to take place in East Durham in late October to consider and affirm how churches and faith groups already contribute to the building of flourishing and resilient communities and how they might develop better partnership working with the AAP and potentially each other.
- 17 At a recent breakfast seminar bringing together elected Members, officers, partners and faith communities in a roundtable conversation, the Bishop of Durham offered some reflections on 'The Challenges ahead: What routes to transform communities, people and places?' Recognising that transformation is about change and renewal for all (individuals, organisations and structures) he emphasised the importance of having a clear shared vision; listening carefully to individuals and communities to really hear what they are saying; and focussing on developing and nurturing the gifts and skills of individuals which are our greatest resource. By paying attention to these things we help build more resilient individuals and communities.

- 18 Helping the more vulnerable members of the **Armed Forces Community** who may have had difficulty in transitioning to civilian life to be more resilient will be a focus of the new Armed Forces Outreach Service which is being extended into County Durham. Two ex-forces personnel have been employed to provide advice and guidance to members of the armed forces community who are in particular need. They will be embedded within the Housing Solutions Team and have been funded for two years by the MOD Covenant Fund. This initiative is being supported by the County Durham Armed Forces Forum which meets twice a year to encourage all partners within County Durham to work together to take positive measures to prevent any disadvantage to individuals as a result of military service, or their return from it. The most recent Forum heard presentations from the Durham Tees Valley Community Rehabilitation Company about their aspirations of working with veterans; County Durham's Royal Naval Reservists; a project of the charity 'Forward Assist to set up support groups for female veterans; and an update on the Armed Forces Outreach Service.

Building Resilient Communities

- 19 As highlighted regularly in these County Durham Partnership Update Reports, the focus on partners' work with communities is to support them to become resilient and sustainable and forms a key part of the council's Transformation Programme. This is important both for the communities and local people to be able to shape their own areas and decide on their own priorities and also, it helps the Public Sector meet growing demands with reduced resources by allowing resources to be directed at those areas and people with the most need.
- 20 Area Action Partnerships are closest to communities in many areas and work closely with local people in order to target their work and funding where it is most needed. Through the priority setting work mentioned earlier in this report, they can identify which issues people want to address and help them to do so.
- 21 Over the summer months many AAPs support holiday programmes including Summer Activities with Food (**East Durham, 3Towns and Spennymoor**). These clubs are built around school holiday activities and give young people a place to go as well as receive a meal. This is particularly important for those families in financial difficulty as school holidays can add to this burden. The clubs also enable people who may not otherwise mix with people an opportunity to meet people, both the young people and their parents. Some clubs can focus on cooking tips as well.
- 22 **3Towns AAP** rolled out a full targeted holiday programme which included a summer play scheme, opportunities to take part in creative activities and are already planning for October half term cinema trips and day trips. They also provide a holiday activity fund which complements the programme and has funded seven organisations to date.
- 23 **Spennymoor AAP** has introduced Men's Breakfast Clubs and a Ladies' Club aimed specifically at socially isolated individuals. The project will use a range of methods to identify these individuals and would be looking to start the group with a minimum of ten participants. Identification of clients will come via personal recommendation, foodbanks and community workers, general advertising on social media/Spennynews and by working with agencies such as the Hospital of God, Cornforth Partnership, other community centres etc. By delivering this project it is envisaged that new members of the community will become involved in these activities/clubs with the obvious positive impacts emanating from this.

- 24 **4Together AAP** is also supporting men to maintain social networks and not to become isolated. Their Creative Woodworking for Men project hosts 12 wood-crafting workshops for older males in the local area and to date Endeavour Woodcrafts CIC has delivered six of these, providing an accessible space where older people of all abilities can come together socially to access a fully equipped workshop to work on practical projects including: DIY training, woodwork, repairs and restoration.
- 25 The project provides opportunities for older people who are at risk of loneliness and social isolation, aiming to help them to remain active, independent and positively engaged within their community. Over the duration of the workshops, participants will also work together on a “group build” producing 2-3 larger outdoor items such as benches or planters for use in the local community. Transport is provided to and from the premises for all participants. The workshops have proven to be very popular and well attended throughout. Those attending have gained skills in woodworking and also in team building, and have formed a friendship through their work together on community projects such as the benches designed, made and presented to two local councils.
- 26 The group has benefited in gaining a support network to combat social isolation and loneliness as well as increasing physical activity and building self-confidence. The project has already achieved its outputs which include; safeguarding four jobs, involving 18 people in initiatives aimed at improving mental health/wellbeing, and delivering a scheme aimed at improving the quality of life, independence and support for people.
- 27 **Durham AAP** supported its local Foodbank to run a pilot project to work with other organisations to deliver a comprehensive available service to individuals at first contact with the aim of preventing further contact. This is a partnership between MIND, Citizen’s Advice and the Foodbank to ensure they tackle the reason for a visit to a foodbank be it financial, legal or mental health issues at the outset rather than awaiting repeat visits before solving the problem.
- 28 Building on the ongoing support **Mid Durham AAP** gives to local communities, during June and July they delivered 16 village drop in sessions across the area following on from work started with local parish councils in 2013 whereby 16 Village Action Plans were created which covered the period 2013 to 2016. These plans were created by working closely with residents and community groups to look at how everyone can improve their villages and in turn develop their resilience. The plans drawn up for 2017 to 2020 have involved 600 residents who have identified their concerns and ideas for their villages alongside their views on possible solutions. The plans involve the AAP, Parish and County Councillors and relevant partners working alongside local residents to address these concerns over the next three years.
- 29 Examples from previous plans have included residents carrying out litter picks, grass cutting and working together to build new community facilities and sustain existing ones. The work has involved a large number of volunteers and has brought in £2.6m of additional funding to the area. Recent discussions with residents have shown that many people are now more aware of the impacts of austerity on public sector funding and are more open to working with partners to address local issues collectively.

Altogether wealthier

- 30 The **County Durham Economic Partnership** met in July and focused on the role of Durham University, the potential opportunity for businesses through the NE Access to Finance programme and the importance of linking in existing opportunities with the wider County Durham Partnership Prevention agenda. Durham University is consistently ranked as one of the world's leading universities as shown by its World Top 100 position in two influential global league tables. Partners were very keen to understand opportunities for working together, not only to support local businesses but to bring the university's knowledge and experience to our communities. Partners are looking at better working with schools to accessing knowledge on tackling the challenges on deprivation and job creation in County Durham. The board further welcomed the new approach from the Vice Chancellor, Stuart Corbridge and looked forward to a new and productive relationship.
- 31 The Economic Partnership recognises the importance of community resilience in not only keeping our communities vibrant but also in supporting people to gain and maintain employment while improving skills opportunities for all. Some recent projects and programmes that support this resilience agenda are highlighted below.
- 32 In East Durham, the Council is developing Horden Railway Station to improve local travel links, job and economic prospects in the area. The Department of Transport has awarded the scheme £4.4million from its new station fund to help pay for the station. The total funding for the scheme will be £10.55 million and work continues with Network Rail and other partners to develop the chosen option.
- 33 In other areas communities are being invited to help shape the future of Bishop Auckland town centre. The new Brighter Bishop Auckland Partnership has organised a public consultation at which people will have the chance to contribute to the production of a masterplan for the heart of the town.
- 34 Supporting young people into employment has a proven effect on improving local communities and offering improved life chances to the next generation. DurhamWorks is an exciting, innovative, £17m programme led by the council in partnership with 16 external delivery partners. By the end of the programme, 5,830 unemployed 16 to 24 year old County Durham residents into employment, education or training through intensive and long-term support. The support comprises innovative and engaging activities to develop motivation, work-related skills and work experience and increased employment opportunities. The programme was introduced in April 2016 and the offer of support from the council's employability team is that of a wrap-around employability support and placement service which replicates and significantly enhances the provision offered to 18 to 24 year olds across the county under the Generation North East (GNE) Programme.
- 35 The partnership is aware of the possible impact of welfare reform across all communities. The Welfare Reform Employability Initiative project is designed to support individuals affected by welfare reform and either support them in 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.
- 36 The priority beneficiaries are:
- (a) Residents living in the county's most deprived settlements

- (b) Unemployed residents in receipt of job seeker's allowance (JSA) who would like to become self-employed, but unable to meet the criteria or timescales of New Enterprise Allowance
 - (c) Under-occupancy – those liable to pay the spare room subsidy or 'Bedroom Tax'
 - (d) Benefit cap – those families whose benefit entitlement has been reduced to the maximum level
 - (e) Employment and support allowance (ESA) – those in the Work Related Activity Group (although those in the support group willing to progress towards the labour market will be supported)
 - (f) Private rented sector – those who have to contribute to their rent from out of work benefits should their local housing allowance not cover the whole rent of the property
 - (g) Ex-forces – those discharged from the regular forces
- 37 To date, the programme has ensured over 2000 people have been referred for support including, training, wage subsidies, skills development and employment opportunities through a host of partners; JobCentrePlus, CfBT Education Services, Housing Solutions and Northern Rights.
- 38 **Teesdale AAP's** Employment, Enterprise and Training group has highlighted key economic areas around supporting individuals into work through the development of skills, qualifications, careers advice and work experience. The group will also push for increased support to be available for small businesses looking to take on more staff as this is a specific issue in the Teesdale area. Many businesses are sole traders and therefore they need help and support to be able to employ staff.
- 39 The **Derwent Valley AAP** will be working with Consett Academy and RTC North (Regional Technology Centre) Ltd to increase the take-up of science by girls at Consett Academy by means of a mentoring programme designed to ensure students are given the best possible chance of securing future success.
- 40 Research undertaken by the AAP shows that many students benefit enormously from the individual support of a mentor, and specifically regional employers, who can inspire and help young people consider further study. Mentors can support students to make more informed decisions about career choices as well as highlighting the essential skills needed in the workplace and young students with mentors have more positive visions of themselves and their futures, and achieve more positive outcomes in school, work and life generally.
- 41 It is anticipated that 15 female students in Consett Academy from Year 8, 9 or 10 would be selected to be part of the programme (ideally Year 8 or 9) and participating students will undertake a 30 week programme (term time only) and be matched with an adult female volunteer mentor from a science industry or higher education who will offer one to one mentoring sessions delivered on site at the school, mentors for the project will be drawn from RTC's STEM Ambassador Hub's community. If a student is interested in a specific sector or career, the programme will match her with a mentor with similar interests and experience of that industry. Mentors will meet with students regularly (every two weeks) and challenge them to make full use of the support available in school and in industry to fulfil their potential.

- 42 The AAP will also be working with the CDC Enterprise Agency to deliver a Start, Sustain and Grow project, offering support to individuals with one-to-one coaching, training, advice and guidance to assist them to overcome barriers to self-employment, business sustainability and growth. Research undertaken by the AAP suggests that whilst conditions remain favourable for people to move into self-employment in the local area, there is still more work to be done to bring our employment rates up. Self-employment is an effective way to drive this growth and we need to continue to provide support to those looking to create their own jobs by starting up in business.
- 43 The intended aim of the project is to create new jobs and safeguard existing jobs in the local area. Through the project, support will be delivered to individuals at various stages including:
- (a) Pre-start stage: the project will support those looking to start-up in business. These individuals may be unemployed, underemployed or looking for a change in career. They will receive help to develop their ideas and make necessary preparations to give themselves the best chance possible of achieving success.
 - (b) Early Stage Trading: the project will support those individuals who have recently started up in business but require support to establish them in the market or overcome barriers.
 - (c) Established businesses: the project will support businesses that have been trading for over 2 years but seek assistance to help safeguard jobs or achieve their growth ambitions.
- 44 The support provided will be bespoke, tailored to the needs of the individual or business. It will be delivered by qualified and experienced business advisers with proven track record of achieving results.

Altogether better for children and young people

- 45 The **Children and Families Partnership** has recently reviewed its objectives around a smaller set of priorities where it can have the most impact, and moving forward will focus on the following:
- (a) Reducing Child Poverty
 - (b) Building Resilience
 - (c) Best Start in Life
- 46 A range of initiatives are already underway to support the new objectives. Work is taking place with health professionals, peer supporters and children's centre workers to promote the Baby Buddy app within the county. National charity, Best Beginnings were commissioned to develop the free app, which offers new parents in County Durham tips and advice from professionals on bringing up their baby, via their mobile phone any time of the day or night.
- 47 The app features daily facts, videos and useful information aimed specifically at the individual users. Parents and parents-to-be can use the app to keep track of medical appointments, locate nearby services and even create a time lapse video of their growing bump and baby. It is hoped that Baby Buddy will help to develop better informed and more confident parents, which should, in turn, improve breastfeeding rates and increase the number of parents who attend ante and postnatal medical appointments and will be beneficial in reaching parents who may not otherwise ask for help.

- 48 An online portal is being developed to offer a single online landing space for children and young people across the county. The mission statement of the portal is: 'To be the preferred digital reference point for children and young people in County Durham meeting their advice and information needs across a range of subject matters'
- 49 It will provide young people with advice and information across a range of topics including health, safety, education and employment, enabling them to find things out for themselves in a timely way. The site will include links to a Directory of Services and signposting to relevant organisations and opportunities which are available to the young people.
- 50 To ensure the portal appealed to young people, it has been developed with their involvement and provides opportunities for them to become actively involved in the development and content of the site. Two apprentices are working to populate the site and will visit groups of young people to create and publish stories with them. The Cornforth Partnership are leading on development of the portal.
- 51 The Takeover Challenge is an England-wide event where organisations open their doors to children and young people to listen to their views and get them involved in decision making. The Children and Families Partnership was awarded a Gold Commendation, the highest level of recognition by the Children's Commissioner for England, for the events which took place in 2016.
- 52 As a result of this Anne Longfield, Children's Commissioner for England, visited Durham on 8 September 2017 when she had a tour of Aycliffe Secure Centre, talked to an extended membership of the Children and Families Partnership about her role, and shared best practice around engagement. The Children and Families Partnership shared some of the work that is taking place across County Durham, and invited young people to attend the meeting to showcase projects they are involved in.
- 53 Following the 2016 Takeover Challenge, partners were asked to consider ways in which children and young people could be involved in decision making throughout the year and a programme of work has been implemented to make the Takeover Challenge more than one day. Progress has been made in a number of areas including engagement platforms, food banks, intergenerational projects and links with local businesses and the voluntary and community sector.
- 54 In order to build on this success the 2017 Takeover Challenge will be launched on 24 November and a number of activities have already been confirmed. All partners are encouraged to take part in the Takeover Challenge.
- 55 The Children and Young People's Mental Health, Emotional Wellbeing and Resilience Plan has initiated a number of developments focused on promoting resilience and emotional wellbeing in schools. The Youth Aware Mental Health (YAM) programme promotes increased knowledge and understanding about mental health through dialogue, role-play and reflection. YAM helps young people to explore how they can help peers in need and provides a guide that helps them to connect with local mental and general health resources as well as organisations who work with youth rights and empowerment in their communities.
- 56 The YAM programme is being implemented in County Durham following trials elsewhere which demonstrated a clear link to reduced levels of suicide attempts and severe suicidal ideation among young people.

- 57 To complement this work, **Stanley AAP** has supported Stars Youth & Community CIC with Area Budget funding to provide weekly drop-in sessions for young people of Stanley to access, provide support, reduce potential suicide and social isolation. This service will be able to provide the extra support required to young people in an increasingly challenging times for the Local Authority, NHS and charitable organisations.
- 58 The drop-in sessions will be moulded around the five steps to Well-Being: Connect, Be active, Take notice, Keep learning and Give. Young people will be able to access support at these sessions alongside activities such as: Art and Crafts, Sports, Cooking, Issue based work, Self-esteem and confidence building, Community engagement and Information, advice and guidance. A residential for the young people who have engaged, improved their confidence and self-esteem, and reduced their social isolation and risk to suicide will also be organised.
- 59 The term goals of the project is for young people who access this support will be given the opportunity to help create a group resource pack which can be used by other Youth provision organisations. Young people who are involved in the project to gain the confidence to volunteer by supporting other young people who are access the project and finally provide a sustained project for long term support in the Stanley area.
- 60 **East Durham Rural Corridor AAP's** is supporting young people through its Mentor and Campaign project which will be delivered in two ways as follows:
- (a) A Children's Campaigning Group will be established for children aged 5- 10 years, and will meet fortnightly, focusing on two areas of work. Firstly, the Children will identify issues around safety, which will include; bullying, feeling safe where they live, reducing barriers between older young people and children, and identifying what might make them feel safer. Secondly they will focus on litter and dog fouling in their local community, and look at ways that this might be tackled. Children will be supported to develop a local campaign that could include posters, awareness raising sessions, community cohesion events and meetings with key stakeholders.
 - (b) A Peer Mentoring Programme will be designed to create opportunities for young people aged 11-18, to talk openly about issues they say affect them, and gain the correct advice and information they need to develop and reach their full potential. The programme will deliver a series of sessions to the young people, on specific issues such as life skills, internet safety and risk taking behaviours (drugs, alcohol, smoking, sexual exploitation), and 4 – 6 young people will be supported to deliver sessions as Peer Trainers.

Altogether healthier

- 61 The County Durham vision for Integrated Health and Social Care, led by the **Health and Wellbeing Board**, is to bring together health, social care and voluntary organisations to achieve improved health and wellbeing for the people of County Durham. This includes:
- (a) Delivering the right care to patients by teams working together
 - (b) Helping individuals and others in the community lead a healthy life
 - (c) Building on existing teams already working together to help people stay well and remain independent
 - (d) Providing improved services closer to people's home

- (e) Offering a range of services working alongside GP practices which meet individual's needs
 - (f) Improving access to information and advice to help people make better choices
- 62 To support integrated care in County Durham 'Teams Around Patients' (TAPs) are being established, which will offer a range of coordinated services centred around groupings of GP practices and there will be 13 across the county. Development work is progressing with 'early adopter' TAPs in the Dales and Sedgefield areas and engagement with key stakeholders has begun in Derwentside and Chester-le-Street.
- 63 Demographic pressures place emphasis on the need to manage demand for social care more effectively, therefore the services provided in the TAPs will vary according to the needs of the local population. Some examples of services which may be included are: Community Nursing, Continence Services, Falls Prevention, Occupational Therapy, Podiatry, Physiotherapy, Voluntary and Community Services, Vulnerable Adult Services and Wellbeing for Life.
- 64 NHS and local authority colleagues are working with partners and the voluntary and community sector to look at how we can make the best use of partnerships and networks and simplify referral routes for patients and front line practitioners. This will help enable patients to access the right care, in the right place at the right time.
- 65 The Wellbeing for Life Service (WfL) is operating within the 30% most deprived areas, and is also providing outreach support to individuals and communities with specific needs outside of these boundaries. The service provides 'one to one' support, group activities, volunteering opportunities and community development approaches. Wellbeing for Life is connected to community activities that are already being delivered through the voluntary and community sector and Area Action Partnerships.
- 66 The last CDP update to Cabinet provided examples of the work that the WfL Service is doing within communities. These included individuals engaging in friendship, walking and seated exercise groups, receiving help with confidence, self-esteem and weight loss/maintenance and using volunteering opportunities as a route into employment.
- 67 The WfL Service has undertaken a specific drive to promote LOCATE, the council's online information service, ensuring that organisations are including their range of available services on the website so that individuals can easily find and access this information themselves. In most cases key performance indicators for the WfL Service have been exceeded with those engaged with the service reporting improvements in their sense of wellbeing and being more engaged in their local community.
- 68 Making healthy options available in the public sector is a key strategy by HM Government Childhood Obesity plan and sugar reduction is seen by Public Health England as an integral way to improve population health. Currently sugar intake of all population groups is above the recommended rates and can lead to tooth decay and obesity and its related health consequences.
- 69 Sugar Smart UK is a campaign to help local areas use various measures to tackle excessive sugar consumption. The campaign aims to encourage local organisations to consider sugar reduction and the health of their communities as part of their daily business. The campaign recommends specific action plans, which

offer a broad range of approaches individuals can take to reduce their sugar intake, such as:

- (a) Promoting free drinking water
- (b) Reducing high sugar options in vending machines
- (c) Promoting healthy meal deals
- (d) Reducing advertising of high sugar products
- (e) Stocking healthier food and drink
- (f) Providing clearer information about the sugar content of food and drink
- (g) Many local organisations have already made pledges linked to the Sugar Smart initiative, including all member organisations of the Health and Wellbeing Board, Taylor Shaw - the school meals provider, Durham University and the Claypath Deli.

70 The Sugar Smart campaign has also launched a community survey to gather views on the impacts of sugar on the county's residents, and the changes people want to see to make County Durham healthier.

71 Work is taking place across the County to establish and promote Dementia Friendly Communities, which involves all sectors of the community. The aim is to support people with dementia to retain their independence by feeling understood and included in their community so that they can confidently contribute to society. This can be easily achieved by using appropriate signage or displaying coin recognition charts to assist customers who may struggle to understand the money they have with them. Dementia Friendly Communities have been established at Spennymoor, Bishop Auckland and Stanley, and progress in establishing these at Barnard Castle, Chester-le-Street, Trimdon and Evenwood is being made.

72 A number of AAPs are focusing their work with older people in this way. A further Community is being developed in the **Derwent Valley AAP** area with the main aims of the dementia friendly projects in the Derwent Valley area being to:

- (a) Create a dementia friendly café; the café will be a hub of activities offering a set time for sufferers and their carers to visit for refreshments and wider social interaction with others suffering from the same condition.
- (b) Train staff from local businesses and representatives from community groups as dementia friendly volunteers/champions so they can welcome people with dementia and their carers to their businesses and premises.
- (c) Supply appropriate signage, welcome maps and other adjustments to local premises to make them dementia friendly.
- (d) Raise awareness and the profile of dementia within the locality.
- (e) Support the purchase of home protective equipment to assist dementia sufferers in their own homes.
- (f) Support the Alzheimer's Society to employ a Dementia Friendly Coordinator to work across the collective Northern AAP area with partners and residents to make all villages/towns accessible for dementia sufferers.
- (g) Support the creation of dementia friendly cinema screenings/productions at the Empire Theatre in Consett.

- 73 A range of partners will be involved in the development and implementation of the above work which is in its early stages and will include BBBSB Community Partnership, Alzheimer's Society, Age UK, County Durham Dementia Action Alliance, Durham Constabulary, Durham and Darlington Fire and Rescue and local businesses.
- 74 **Teesdale AAP's** priority group for older people would like to see ideas that support individuals and families living with Dementia, projects that improve older people's physical and mental health or application that address the issue of social isolation.
- 75 In February 2013 a participatory budget event was held by the **3Towns AAP** in Crook to allow the community to decide where they would like to see a resource of £500,000 allocated. 1353 people turned out to vote at the event, this was one of the highest turn outs and participation by local people in the Country and the highest in the County where people were eligible to vote from the age of 11. The proposal to create a new leisure facility for Crook received overwhelming public support receiving almost double the voting score compared to the second most popular proposal. Along with the £500,000 awarded from Durham County Council Crook Community Leisure received £74,000 from Sports England and £68,000 from Social Investment Business.
- 76 Crook Community Leisure opened the doors to the public this summer at its new £650,000 leisure facility at Peases West in Crook. The new centre features a gym, café bar, and function room, multi-use rooms for fitness classes, showers and changing facilities and brings together outdoor and indoor sport and fitness opportunities. Membership take up has been excellent with many joining the facility in the first six weeks of opening, and up to eight jobs will be created, the Centre was officially opened on the 8 September by Baroness Hillary Armstrong.
- 77 Community Wellness Co-ordinators are operating in both the **Weardale and Teesdale AAP** areas and aim to improve the physical and mental wellbeing of local communities therefore reducing the need for people to visit their GP surgeries. The co-ordinators also help to combat social isolation which is a particular issue in the rural areas of the county. They are linked to GP surgeries and supported by the Durham Dales Health Federation.

Altogether safer

- 78 The **Safe Durham Partnership** and 'Durham Agency Against Crime' have used £30,000 of Home Office Innovation funding for a creative arts project which aims to raise young people's awareness of, and build their resilience to, radicalisation. College students delivered a performance at the Majestic Theatre in Darlington, in front of over 100 guests.
- 79 Video interviews with the young people involved in the project highlight how young people were unaware of radicalisation prior to being involved in the project. Following their involvement, young people understood the importance of having their own beliefs and sticking to them and felt empowered to challenge behaviours of others. A Home Office Evaluator has given the project positive feedback and the education resource developed alongside the project has generated interest from the Department for Education and the national Educate Against Hate website.
- 80 A multi-agency calendar of cybercrime events demonstrate the level of community engagement and awareness raising. These events included:
- (a) A cybercrime stall ran by police colleagues at a recent Bikewise community event which gave out cyber security advice with the help of Get Safe Online.

- (b) A community event delivered to over 500 members of the public with the help of Get Safe Online delivering cyber hygiene awareness. Community resilience themes as part of this work included helping people to develop secure passwords, highlighting the awareness of scams and avoiding them and awareness of security when buying products online.
 - (c) Awareness and how to deal with cyber-bullying within schools.
 - (d) Fulfilling Lives event for people with learning disabilities enjoyed a talk about how to stay safe online with the audience undergoing a cyber-safety quiz.
 - (e) Publicising events with local communities through existing channels such as the organisation's Facebook page.
- 81 Various activities are planned in October as part of Get Safe Online week which commences on 23 October 2017. These include free awareness raising exploitation, grooming and radicalisation seminars aimed at team managers, frontline staff and practitioners who work with parents, carers, children and young people to gain improved understanding of the issues. County Durham and Darlington Children's Safety Carousels will also take place from the 31 October to 1 December 2017.
- 82 A working group has been established to add value to current work coordinating activity relating to businesses with a focus on preventing them from becoming victims of cybercrime. A survey of businesses is being undertaken that will provide a clear focus on the key issues concerning business regarding cybercrime.
- 83 E-Cadets is a preventative solution that empowers school students to become knowledgeable about how to keep safe online and teach their peers to do the same, building resilience across the whole school. It provides a safe web based platform through which children can share ideas with each other, ask questions of the E-Cadets team and communicate, share and collaborate about online safety and learning with other children who they can be sure are the same age as they are.
- 84 The SDP's Dying to be Cool campaign won a national Municipal Journal (MJ) Achievement Award 2017 for Excellence in Community Engagement, and has now prompted the LGA to call on the Government to make teaching children about cold water shock compulsory. The campaign seeks to educate 10 – 16 year olds on the potentially fatal risks of jumping into rivers, lakes and streams without acclimatising. Awareness raising sessions have been delivered to over 10,000 school children through assemblies and water safety sessions for pupils. The work has contributed to a reduction in deaths, injuries and near misses in the county's rivers and other open water sites.
- 85 **East Durham Rural Corridor AAP** is the latest AAP to invest in the Mini Police initiative. As featured in previous update reports, this is an innovative, school based programme, designed to increase engagement between Durham Constabulary, and children and their families within the community. The project is designed to be used for a variety of activities; for example Community Speed Watch, Meets and Greetings, crime reduction and crime prevention. It involves years 5 and 6 at primary school which is primarily 9 to 11 year olds; this allows early engagement, intervention, and builds on the children's confidence and self-esteem. It also allows the children to take responsibility for local problems, giving them a voice. Four schools to date are involved in the project and they have been part of a royal visit as well as visiting a mosque in Newcastle and Spennymoor Police Station.

Altogether greener

- 86 The **Environment Partnership Board** met in June with Oliver Sherratt as interim Chair. Recognising the continued challenges and opportunities across the environment for County Durham, the board as a main part of its agenda considered its own strengths and forward opportunities and how as a partnership it can continue to better shape and align delivery. Maintaining an influencing voice for the environment, continued need for partnership working across communities and maximising resources came through as very important to the partnerships forward thinking.
- 87 Environment led community initiatives can start to make a real difference in building local community capacity and motivating a transition towards a more resilient and environmentally sustainable community. These initiatives have seen delivery to support community infrastructure, open spaces, quality of place, community housing and amongst others energy efficiency and carbon reduction. Many of these initiatives are submitted into one of the 12 categories of the annual Environment Awards. These awards highlight the fantastic effort that organisations, communities and individuals go to in ensuring County Durham remains a great place to live, work and visit.
- 88 The Environment Partnership also recognises activity throughout the year through 'Caring for your Environment' awards. One example of positive partnership activity is 'The Elms' group, a supported living development by Cestria Community Housing. The residents all contributed towards transforming their environment which has made a big difference to their immediate local surroundings. Named 'The Paradise Garden', it was designed into the development and is composed of two large raised beds, two polytunnels and some fruit trees. One of the beds is planted with flowers and the second with vegetables. Once grown, most of these were sold to other residents with the proceeds going toward buying seeds and other garden materials.
- 89 The Climate Change Group has worked with students from across County Durham to use art to raise awareness of climate change and the impact it has on communities, such as the potential for an increase in localised flooding. Six secondary schools have worked with artists from Bearpark Artists Co-operative to produce innovative designs that are only visible when it rains.
- 90 St John's Church in Shildon has won a £10,000 national award for their community garden work as part of the 'Shildon Alive' project. The project brings together people of all ages for a range of activities including learning, growing, cooking and eating, with a view to strengthening community spirit and inspiring a sense of pride in the area. The award means the project can continue and build on the 1,000 people they had through the garden in 2016.
- 91 The council's 'Operation Spruce Up' programme continues to receive positive feedback from communities since its launch last November. Seven areas across the county have now benefited from a 'spruce up' involving jet washing; painting; gully cleaning; shrub planting; highways re-marking and much more. Children at Evenwood Primary School, received an education assembly and took part in a poster competition to encourage people to keep the village clean and tidy and support a sense of community pride.
- 92 **3Towns AAP's** 'It's Your Town' project focuses on educating primary school pupils on the impact of litter, how it can be reduced and how they can influence others not to drop it. This project involves the civic pride team visiting all 12 primary schools

with the council's litter mascot Tidy Ted and carrying out an assembly about how the problem of litter can be addressed. Each school will have an educational assembly, have the chance to take part in an organised litter pick either in the local area or on school grounds and be asked to complete a poster asking residents to dispose of their litter responsibly. The winning posters displayed at a number of retail and community buildings within the AAP area.

- 93 The second strand is around local communities developing and improving areas to make them nicer places to live and work. The key idea of this strand is to develop a small grant fund which allows VCS groups, schools and businesses to take part in the 'It's Your Neighbourhood' initiative. The grant of up to £500 for ten groups will enable environmental improvements within town and villages within the AAP area.
- 94 Complementary to this project, 3 Towns AAP, in partnership with Groundwork North East, is running a Local Heroes scheme which brings together residents and local businesses to tackle 'grot spots' and environmental issues in specific areas, empowering residents to take ownership of problem sites and rewarding 'Local Heroes' with practical and resourceful additions. The scheme will create a positive response to community action and will allow communities to further understand their roles, responsibilities and priorities so that they feel empowered to tackle the challenges in their own areas.
- 95 Volunteers are at the heart of resilient communities and are an integral part of a number of **Great Aycliffe and Middridge Partnership (GAMP)** funded projects. One such initiative is allowing local residents to develop their horticultural skills and make new friends within the grounds of the Pioneering Care Centre.
- 96 The 'Growing Our Community' project offers weekly gardening tutorials at the centre. Recent refurbishment works also funded by GAMP have further improved access to the plant beds in the garden, making the garden fully accessible for people with additional needs. A key part of the project is combating isolation amongst local residents by bringing people together. The vision for this project is that it will eventually become self-sustaining through the active involvement of volunteers. A core group of gardeners is already established. Other local groups also use the garden; these include, Options Disability Day Service members and the local Men's Cree Group. The Men's Cree group is a social club aimed at reducing social isolation among men.
- 97 **Chester-le-Street & District AAP** has helped develop a Community Resilience Plan (CRP) for the town centre area for both businesses and residences. The plan was developed in response to the impact of flooding in the town and the devastation of homes and businesses this caused.
- 98 The plan was developed in partnership with the Business Association, Central (town) residents group and the council's Civil Contingencies Unit (CCU). Other partners involved include the fire service, environment agency and the churches together group.
- 99 Community 'awareness raising' events have taken place locally to develop the plan so that people can better protect themselves against incidents of flooding and other emergency incidents. The plan is living document and is reviewed and updated regularly.
- 100 The AAP initially led this work through its Environment Task Group and co-ordinated partnership activity with the Business Association now taking on the

leadership role. The AAP remain involved in helping to co-ordinate activity around the plan.

Recommendations and reasons

101 It is recommended that Cabinet note the report.

Contact: Clare Marshall, Principal Partnerships and Local Councils Officer
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Appendix 1: Implications

Finance - Area and Neighbourhood budgets are utilised and delivered through the 14 AAPs and ensure the Council (and AAPs) receive improved information on the outputs achieved through use of locality budgets.

Staffing - None

Risk - None

Equality and Diversity / Public Sector Equality Duty - The actions set out in this report aim to ensure equality and diversity issues are embedded within the working practice of AAPs.

Accommodation - None

Crime and Disorder - Altogether safer is the responsibility of the Safe Durham Partnership.

Human Rights - None

Consultation - The County Durham Partnership framework is a key community engagement and consultation function of the Council and its partners. The recommendations in the report are based on extensive consultation with AAP partners.

Procurement - None

Disability Issues - None

Legal Implications – None

Cabinet

18 October 2017

**Improved Better Care Fund (iBCF) –
Update & MTFP Considerations**



Report of Corporate Management Team

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

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

Purpose

- 1 To provide Cabinet with an update in respect of the Improved Better Care Fund (iBCF) allocations and proposed expenditure plans, as agreed with local Clinical Commissioning Groups (CCG's) and the impact on the Councils Medium Term Financial Planning.

Background

- 2 The Better Care Fund (BCF) brings together ring-fenced budgets Clinical Commissioning Groups (CCG's) allocations, the Councils Disabled Facilities Grant (DFG) capital allocations and funding paid direct to the Council for adult social care services.
- 3 The BCF pooled budget totals £45.7million for 2017/18, the majority of which is funded from CCG revenue contributions. The BCF is accounted for through the Council's accounts.
- 4 In the current year, the BCF allocations have been augmented with additional resources – the Improved Better Care Fund (iBCF) – initially announced in the Autumn statement last year and augmented in the March budget. The iBCF allocations are additional monies payable to Councils to support the adult social care budget.
- 5 The iBCF consists of two elements – a planned allocation included in the Local Government Finance Settlement 2017/18 (£2.378million), and additional funding for adult social care announced at Budget 2017 (£13.112million) for 2017/18. Future year allocations for the iBCF have also been published, and projected income streams are set out below:

£m	2017/18	2018/19	2019/20
Initial iBCF Allocation	2.378	13.378	23.078
Additional iBCF Allocation – March Budget 2017	13.112	8.068	3.993
Total iBCF Allocations 17/18 to 19/20	15.490	21.446	27.071

- 6 Available funding for 2020/21 and beyond has not been determined.
- 7 The initial planned iBCF amounts, which increase to c£23million by 2019/20, have already been built into the MTFP to support adult social care-related activity. The additional monies announced at Spring Budget 2017 offer further opportunities to utilise funds to support social care and health priorities, and defer future savings pressures.
- 8 Whilst the additional iBCF allocations were announced in March, the grant conditions were not received until 24 April, 2017 and the detailed BCF planning guidance was not received until July 2017.
- 9 Due to the late notification of these additional funds, received after the Council and the local CCG's had set their 2017/18 budgets, and the delay in receiving the planning guidance, plans have only recently been finalised.
- 10 This has required detailed discussions with our local CCGs. Given the nature of this funding, which is non-recurrent, the following criteria has underpinned our planning:
- Whether the planned investment is one-off or recurrent;
 - Whether the investment generates savings;
 - Whether the investment is preventative and how the impact of this can be measured, including financial impacts within the care system;
 - Whether the investment is capital or revenue;
 - Whether the investment supports MTFP objectives
- 11 In terms of the 2017/18 iBCF additional funding allocations, the proposed investments are outlined below, which will support overall health and social care priorities across County Durham:

12

iBCF Planned Spend – 2017/18 Grant Allocation	£'000
Supporting the Market:	
- Residential Care in Reach Service (1:1)	0.750
- Workforce Development in Care Sector	1.500
- Transitional Arrangements – Quality Band Assessment (QBA) Changes	1.500
Prevention:	
- Dementia Care Advisors Contract	0.735
- Social Isolation / Mental Health (AAP Allocations)	1.050
- Income Maximisation - Benefit Take-Up	0.375

iBCF Planned Spend – 2017/18 Grant Allocation	£'000
Alleviate NHS Pressures:	
- Community Based Services Support	4.500
- Enhancing Reablement	1.500
System Support:	
- Deep Dive Reviews	0.084
- Commissioning Resource - Backfill	0.300
- Project Management	0.150
- ICT Resource (Integration)	0.150
- ICT Resource (e-Brokerage)	0.481
- Contingency	0.037
Total	13.112

- 13 In terms of the additional allocations for 2018/19 (c£8m) and 2019/20 (c£4m), these amounts have been built into MTFP (8) and will be utilised to delay adult care-related MTFP savings.

Recommendations

- 14 Cabinet is requested to:
- a. note and agree the proposed spending plans for the 2017/18 additional iBCF allocation, as agreed with the CCG's.
 - b. provide delegated authority to the Corporate Director of Adult and Health Services and Corporate Director of Resources in consultation with relevant Portfolio Holders and NHS/CCG colleagues to implement iBCF spending plans.
 - c. note and agree the use of 2018/19 and 2019/20 additional iBCF allocations to support the MTFP by deferring adult care-related savings pressures.

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Denise Elliott, Head of Commissioning, AHS Tel: 03000 267389
Paul Darby, Head of Finance & Transactional Services, Resources
Tel: 03000 261930

Appendix 1: Implications

Finance –

The Better Care Fund (BCF) is a continuing pooled resource paid to local Clinical Commissioning Groups (CCG's), totalling £45.7m for 2017/18. The BCF is accounted for through the Council's accounts from specified contributions from local CCG's, and also includes the Council's Disabled Facilities Grant (DFG) allocation.

The BCF Plan is subject to an assurance and sign off process via the Department of Health (DoH). Prescribed planning templates are required to be submitted to the DoH as part of this process and BCF plans must be signed off by local Health and Wellbeing Boards.

For 2017/18, additional monies are directly payable to Durham County Council to support the adult social care budget. The Improved Better Care Fund (iBCF) consists of two elements – a planned allocation included in the Local Government Finance Settlement 2017/18 (£2.378m), and additional funding for adult social care announced at Budget 2017 (£13.112m). Overall iBCF allocations increase for 2018/19 and 2019/20.

Staffing –

The application of iBCF funding will have staffing implications, particularly the use of the 2017/18 as outlined in the report. Utilisation of the funds in 2018/19 and 2019/20 will allow MTFP savings within Adults and Health Services, which would otherwise have had staffing implications, to be deferred.

Risk –

The BCF planning guidance references that 2018/19 iBCF allocations may be reviewed if Delayed Transfers of Care (DTC) reduction targets are not met. The guidance references a potential 10% reduction in allocations for future years, which would equate to circa £800,000 in 2018/19 and circa £400,000 in 2019/20. At present, it is not clear whether any reductions will actually be applied, so in terms of Medium Term Financial Planning, it is assumed that initial grant allocations will be honoured. In County Durham, DTC performance is amongst the best in the country, providing a low baseline, therefore, any significant reductions in delayed discharges would be difficult to attain.

iBCF plans need to be included in the BCF planning and monitoring processes, including sign off by DoH. Application of the funding is subject to the Grant Conditions set out in the Improved Better Care Fund (Revenue) Grant Determination (2017/18) No. 31/3064.

Equality and Diversity / Public Sector Equality Duty – No specific Equality and Diversity / Public Sector Equality Duty implications at this stage.

Accommodation– None

Crime and Disorder– None.

Human Rights– None.

Consultation– CCG's have been fully involved in identifying and agreeing spending plans as set out in this report. These have been factored into the BCF Planning template submitted to the DoH as part of the BCF/iBCF assurance process.

Procurement– Any procurement activity required to implement the plans as set out in this report will be in line with DCC policies and procedures.

Disability Issues– No specific disability issues identified at this stage.

Legal Implications–

The iBCF funding has been awarded to under section 31 of the Local Government Act 2003 (Improved Better Care Fund (Revenue) Grant Determination (2017/18) No. 31/3064).

The Grant Determination has different grant conditions to the BCF, although iBCF plans still need to be included in the BCF planning and monitoring processes. iBCF grant conditions are set out below:

- (a) Grant paid to a local authority under this determination is to be spent on **adult social care** and used for the purposes of **meeting adult social care needs, reducing pressures on the NHS** - including supporting more people to be discharged from hospital when they are ready - and **stabilising the social care provider market**.
- (b) A recipient local authority must:
 - i. pool the grant funding into the local Better Care Fund, unless the authority has written Ministerial exemption;
 - ii. work with the relevant Clinical Commissioning Group(s) and providers to meet National Condition 4 (Managing Transfers of Care) in the Integration and Better Care Fund Policy Framework and Planning Requirements 2017-19 (see below) ; and
 - iii. provide quarterly reports as required by the Secretary of State.
- (c) The Government has made clear that part of this funding is intended to enable local authorities to quickly provide stability and extra capacity in local care systems. Local authorities are therefore able to spend the grant, including to commission care, subject to the conditions set out in the grant determination, as soon as plans have been locally agreed.

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Cabinet

18 October 2017

Proposal for Changes to the Charging Policy for Non-Residential Social Care Services



MTFP Savings Ref. AHS 3.2

Report of Corporate Management Team

Jane Robinson Corporate Director of Adult and Health Services

John Hewitt, Corporate Director of Resources

Councillor Lucy Hovvels, Portfolio Holder for Adult and Health Services

Councillor Alan Napier, Portfolio Holder for Finance

Purpose of the Report

- 1 To outline proposed changes to the Non-Residential Charging policy for individuals who receive social care services and are assessed to determine their financial contribution towards their care costs.
- 2 The proposed policy change will bring DCC charging policy into line with Department of Health national guidance. The proposals in this report will ensure that the council continues to treat all care users fairly and equitably in the financial assessment.

Background

- 3 As outlined in the Medium Term Financial Plan (MTFP) report considered by Cabinet on 12 July, 2017, the financial outlook for the Council continues to be extremely challenging.
- 4 Savings of £37.4 million are forecast to be required to balance the budget over the 2018/19 to 2021/22 period, with £14.8 million (40%) falling in 2018/19.
- 5 The scale of the financial challenge faced by the Council is therefore very significant.
- 6 By 31 March 2018, savings of £209 million will have been delivered since the beginning of austerity in 2011/12 and it is forecast that this figure will be £246 million by 2021/22.
- 7 The Council's Non-Residential charging policy was reviewed in 2011 and again in 2013 and 2016 when the following changes were implemented:

- (a) charges for day care services were introduced in 2011/12;
 - (b) service users with savings over £23,250 were required to meet the full cost of their non-residential care services from November 2013;
 - (c) the automatic disregarding of 50% of the weekly severe disability premium (SDP) in non-residential financial assessments for all new service users seeking to receive non-residential social care services was ended with effect from 1 October, 2016 and instead individual assessments of Disability Related Expenditure were introduced, in line all other non SDP service users.
- 8 The combined impact of these changes resulted in savings of £1.7 million being delivered across the period 2011/12 and 2013/14 and further estimated £1 million of savings from the changes to SDP disregards as part of the Council's MTFP across the period 2016/17 to 2019/20.
- 9 A local authority which intends to charge people in receipt of non- residential services has a duty to carry out a financial assessment to calculate how much they should be able to afford to contribute towards the services they receive. Durham County Council carry-out a 'means test' assessment, which is undertaken in line with statutory guidance and takes into account relevant income that the service users receive, including welfare benefits, plus any savings, pensions and other relevant assets that the person may have.
- 10 The financial assessment is undertaken by telephone in order to ease the burden on service users in terms of completing a financial assessment form themselves by qualified and trained assessment officers, who have access to care assessment undertaken by care and social work officers which identifies the individuals care needs and the care plan for how these needs will be met.
- 11 The process helps to ensure that those who are receiving services and are entitled to benefits, including attendance allowance, disability living allowance or personal independence payments, receive these benefits. Allowances and disregards for those on specific benefits have always been included in the financial assessment process according to individual circumstances.
- 12 This proposed policy changes outlined in this report will align DCC charging policy with Department of Health (DH) national guidance by adopting the recommended Minimum Income Guarantee rates.

Proposed Changes to Non Residential Charging Policy

- 13 Following a further review of the remaining discretionary elements of the Councils Non-Residential Care charging policy, potential changes to the treatment of service users in receipt of non-residential services have been identified in the use of the Minimum Income Guarantee (MIG).

- 14 When the Care Act 2014 came into force on 1 April 2015, the Department of Health prescribed the minimum amount of income a person must be left with after charging for care and support. Councils can allow people to keep more income if they wish. This is referred to as the Minimum Income Guarantee (MIG). The MIG allowances can be found in the Care and Support (Charging and Assessment of Resources) 2014 regulations.
- 15 The Care and Support Statutory Guidance provides that ‘There are differences in how income is treated in a care home and in all other settings. Charging a person in a care home is provided for in a consistent national framework. When charging a person in all other settings, a local authority has more discretion to enable it to take account of local practices and innovations.’ (Care Act Statutory Guidance, Annex C, par 2).
- 16 Durham County Council currently use the Minimum Income Guarantee +25% as a mechanism by which service users can be left with a basic income plus a 25% buffer. The concept of MIG +25% was originally devised by Torbay Council and at the time recommended as best practise by the Department of Health.
- 17 The Department of Health has issued a circular [LAC (DH) (2017) 1], which states that the MIG allowances for 2017/18 will remain frozen to the rates first set in 2015/16.
- 18 This puts Durham in a position where it is currently applying allowances higher than those defined in DH guidance, which applies a buffer equivalent to MIG + 18.6%. This results in service users in County Durham contributing less towards their care than if the allowances set out in the Department of Health’s circular were applied. A comparison of the MIG thresholds set out in the DH guidance compared to the policy that currently exists in Durham is set out below:

	MIG allowance in LAC(DH)(2017) 1	Current MIG allowance used in DCC policy 2017/18
Single person attained pension credit age	£189.00	£199.20
Member of a couple where one or both attained pension credit age	£144.30	£152.03
Single person aged 25-64	£131.75	£132.10
Member of couple where one or both between age 25-64	£114.70	£115.05
Single person aged 18-24	£132.45	£133.00
Member of Couple where one or both aged 18-24	£112.75	£113.10

- 19 Since 2010, several Welfare Reforms have been introduced to encourage people to support themselves through work rather than welfare. People of pensionable age have largely been protected from many of the wider welfare reform changes in comparison to those of working age.

- 20 From April 2017, the state pension was uprated by 2.5% in line with the governments 'triple lock' commitment. The minimum income guarantee in pension credit increased by 2.4% and the savings credit element of pension credit increased by 1%.
- 21 All working age benefits (main rates) remained at the 2016/17 rates, as they are being frozen for four years. Premiums paid to disabled people receiving working age benefits and to Employment Support Allowance claimants increased in line with the Consumer price Index (CPI) by 1%. The lower rates in social security rates are reflected in the lower disregards allowed for working age service users.

Regional Picture

- 22 The table below illustrates the rates of Minimum Income Guarantee thresholds currently used in the Adult Social Care Charging Policies across the region. Four Local Authorities in the region report that they have used their discretion to adopt the figures published on an annual basis in the Department of Health Local Authority Circulars (DH LAC) rather than MIG +25% as a part of their charging policy. None report a noticeable reduction in take up of services when they adopted the DH rate.

Local Authority	Policy	Comments
Durham	MIG + 25%	
Sunderland	MIG using Dept. of Health Threshold	Applies to all service users: Above Pension Credit age and working age.
Newcastle	MIG using Dept. of Health Threshold	Applies to all service users: Above Pension Credit age and working age
Hartlepool	MIG + 25%	
South Tyneside	MIG + 25%	
Northumberland	MIG using Dept. of Health Threshold	Applies to all service users: Above Pension Credit age and working age
North Tyneside	MIG + 25%	
Gateshead	MIG using Dept. of Health Threshold	Applies to all service users: Above Pension Credit age and working age
Redcar and Cleveland	MIG + 25%	
Middlesbrough	MIG + 25%	
Stockton	MIG + 25%	
Darlington	MIG + 25%	

Impact of Potential Policy Change – Movement to DH Guidance

- 23 There are 6,372 service users receiving non-residential care services. Of these 4,875 (76.5%) make a financial contribution towards their care costs based on a means tested financial assessment in line with national guidance and the DCC policy framework.

- 24 1,497 (23%) of all service users currently are on zero charge because they are already on minimum income i.e. no chargeable income.
- 25 1,975 (31%) of all service users, 41% of those who make a financial contribution towards the cost of their care, currently pay for the full cost of their non-residential care services. The level of care being delivered to them is dependent on the assessed level of care needs, some will pay more if the level of their care increases.
- 26 The amount a service user pays is dependent on the level of care they receive and their financial circumstances. Two different service users, each assessed as being able to pay a maximum charge of £30 may contribute entirely different amounts on a weekly basis e.g. one may only receive 1 hr of service so pays the full cost of that 1 hr service i.e. £14.00, whereas the other may receive 60 hours of service and pay the £30 maximum contribution.
- 27 The effect of adopting a MIG allowance in line with DH LAC (2017) 1 as a disregard is best illustrated by case studies, which shows the maximum charge which could be paid currently and if the revised policy criteria was adopted. The greatest effect will be on the charges to Older People as a result of the fact that this group that have received the greatest uprating increases in benefit income compared to those people of working age over recent years. These examples are attached at Appendix 2.

MTFP Implications

- 28 Levels of service provided can vary on a weekly basis, making financial projections of the impact of these policy changes difficult.
- 29 However, just over 50% of those currently receiving a non-residential service would be unaffected and it is projected that the increase in income from a policy change where the Council adopted the figures published on an annual basis in the Department of Health Local Authority Circulars (DH LAC) rather than MIG +25% would be circa £800,000.
- 30 This would bring the Council's policy in line with four other authorities in the North East.
- 31 In line with other changes adopted by the Council in recent years, the new policy criteria would only be applied to new service users.
- 32 In the service users aged 65+ category there is an attrition rate of 34%, as they stop receiving non-residential services because they either go into residential/ nursing care or pass away. The attrition rate for people aged 18-64 is lower at 14%, as they are likely move into the aged 65+ cohort with the passage of time.
- 33 The MTFP(8) savings proposals put forward by AHS, include an additional £0.8million of income (AHS3.2) from a further review of the discretionary elements of the Non Residential Charging Policy. Based on a strategy of applying the changes to new service recipient, it is reasonable to assume

MTFP savings of c£267,000 per annum across the period 2018/19 to 2020/21 can be achieved. The savings therefore would be as follows:

Year	Savings: MIG Changes Applied to New Service Users Only [AHS3.2]
2018/19	266,667
2019/20	266,667
2020/21	266,666
	800,000

Future Developments: Universal Credit

- 34 The Welfare Reform Act 2012 provided for the introduction of 'Universal Credit'. Universal Credit (UC) is administered by the Department for Work and Pensions (DWP), who are responsible for leading the roll out of this project and ensuring that appropriate support frameworks are in place for claimants.
- 35 The DWP currently envisage that the movement of the current caseload of those on legacy benefits will have a 'managed migration' across to UC from 2019 to 2021.
- 36 In Durham, we can anticipate starting to see changes in service user's income as they move onto UC when they have changes in circumstances. This will be difficult to model as DWP have not given any indication as to how or at what rate this migration will be managed other than the dates it is expected to happen.
- 37 The impact of the roll out of Universal Credit on service users will be carefully monitored in preparation for the start of the managed migration in 2019 and the effect on the Council's charging income further evaluated at that stage.

Support for Service Users

- 38 Advice and support is always given to help service users to maximise their income and benefit entitlement wherever possible during the financial assessment. This is undertaken through joint work between the Financial Assessments Team and Welfare Rights, who also undertake the appeals.
- 39 Care management and social work staff will have carried out a care assessment and identified any care needs and together they will draw up a care plan to identify how these needs will be met. Should service users consider that their charges are prohibitive and subsequently decline a service, then a reassessment of the service user's care plan could be undertaken.
- 40 Service users who are unhappy with the contribution they would be assessed to make would be offered a further review of their financial assessment on request through our fast track review process.

- 41 In line with general charging principles there is the potential to consider the waiving of charges in exceptional circumstances due to severe hardship or if care management /social work staff consider a person to be at risk.

Equality Impact Assessment

- 42 An Equality Impact Assessment (EIA) has been undertaken to assess the impact on the groups most likely to be affected by the proposals contained in this report. The EIA is attached as Appendix 3.
- 43 At this stage it is clear that existing service users are more likely to be older and female. It can be anticipated that future service users will form a similar age and gender profile. Overall, these groups are more likely to be adversely affected through the financial impacts of additional charging as a result of this policy change. These impacts will be mitigated through the support to service users detailed above.
- 44 The EIA will be updated following the consultation.

Proposals for Consultation

- 45 It is proposed that the Council seeks the views of key stakeholders and the wider public, including relevant disability charities and Community and Voluntary Sector groups, through consultation on the proposed adoption of the Department of Health's Minimum Income Guarantee.
- 46 Some examples of how service users could be impacted by these proposals if they were applied to existing recipients are shown in Appendix 2.
- 47 Following Cabinet approval of these draft proposals, it is proposed a 12 week consultation would begin immediately thereafter. A further report would be submitted to Cabinet on 14 March 2018 to enable members to make a final decision on these proposals, taking into account the outcome of the consultation. Any policy changes would be implemented 1 April 2018 for new service users.

Conclusion

- 48 This report sets out proposals to amend the Council's non-residential charging policy for social care services for service users in respect of the Minimum Income Guarantee disregard the rationale for these proposals being:
- (a) the proposals reflect the need for the Council to carry out financial assessments which are equitable to all and which are bespoke to the individual service user;
 - (b) the proposals are in line with the Care Act guidance in respect of charging and financial assessments by adopting the Department of Health national guidelines on the rate of minimum guarantee.

- 49 The MTFP(8) savings proposals put forward by AHS, include an additional £0.8million of income (AHS3.2) from a further review of the discretionary elements of the Non Residential Charging Policy. Based on a strategy of applying the changes to new service recipient, it is reasonable to assume MTFP savings of c£267,000 per annum across the period 2018/19 to 2020/21 can be achieved. The savings therefore would be as follows:

Year	Savings: MIG Changes Applied to New Service Users Only [AHS3.2]
2018/19	266,667
2019/20	266,667
2020/21	266,666
	800,000

- 50 An Equality Impact Assessment has also been undertaken to assess the impact on the affected groups and appropriate mitigation of this impact. See Appendix 4.

Recommendations

- 51 Cabinet is asked to note the content of the report and support the following recommendations:
- (a) that the consultation is undertaken on proposals to change the MIG+25% disregard and replace this with the disregards as set out in the DH guidance with this policy change applying to new service users only. This will generate c£800,000 of MTFP savings across a three year period;
 - (b) that a 12 week period of public consultation on these proposals is undertaken, with a further report on the outcome of this consultation to be considered by Cabinet in March 2018.

Background Papers

Care Act 2014

Charging Policy for Non-residential Care Services

MTFP (8) reports to Cabinet July 2017 and October 2017

Contact:	Lee Alexander	Tel: 03000 268180
	Paul Darby	Tel: 03000 261930

Appendix 1: Implications

Finance - If the policy changes proposed in this report are implemented then MTFP savings in the region of £800,000 would be achieved over a three year period. Implementation would be in April 2018 and apply to the financial assessments of new service users only, therefore, based on average caseload and customer turnover, savings would accrue across the period 2018/19 to 2020/21.

Staffing – None. Financial assessments are already undertaken and this policy change will be applied to new assessments for new service users and implemented as part of business as usual.

Risk – Should service users consider that their charges are prohibitive and decline a service then a reassessment of the service user’s care plan could be undertaken.

If a service user considered that their charges are prohibitive and declined a service and the social worker considered that there could be risks to the service user’s well-being as a consequence they would need to carry out a risk assessment and consider reviewing the care plan or if there are sufficient risks to consider waiving charges.

Equality and Diversity/Public Sector Equality Duty - A full impact assessment would need to be carried out as part of the consultation. An Equality Impact Assessment screening has been undertaken and is attached to this report.

Accommodation – None

Crime and Disorder - None

Human Rights - None

Consultation – This is a significant policy change which requires consultation.

The Council will therefore seek the views of key stakeholders and the wider public, including relevant disability charities and Community and Voluntary Sector groups, through both targeted and open consultation on the proposed changes in adopting the Department of Health’s Minimum Income Guarantee.

Following Cabinet approval of these draft proposals, it is proposed a 12 week consultation would begin immediately thereafter. A further report would then be presented to Cabinet on 14 March 2018 to enable members to make a final decision on these proposals, taking into account the outcome of the consultation.

Procurement - None

Disability Issues – The proposed policy changes set out in this report would impact on the financial assessment of people with a disability. However, the intention is to adopt the Department of Health’s Minimum Income Guarantee and bring DCC charging policy into line with national guidelines. The proposals in this report will

ensure that the council treats all care users fairly and equitably in the financial assessment.

Legal Implications – People in receipt of non-residential services are required to have a financial assessment to calculate how much they can afford to contribute towards the services they receive. The assessment is a means test, is undertaken in line with statutory guidance and takes into account income, including welfare benefits, savings and assets that the person receives.

Allowances and disregards are included in the financial assessment, depending on individual circumstances. The Government has also set a minimum income guarantee and if income is below this level service users are not required to pay for their services. The minimum income guarantee is dependent on age and if the person has an underlying entitlement to Severe Disability Premium.

Appendix 2 – Examples of the Impact of Proposed Changes

Case Study 1: Aged 65+ based upon service user on basic single person Pension Credit including the Severe Disability Premium and lower rate Attendance Allowance;

Weekly Income:	£
Pension Credit	221.80
Attendance Allowance	<u>55.65</u>
Total income	<u>277.45</u>

Financial Assessment applying current DCC MIG plus 25% disregard:

	£
Weekly income:	277.45
MIG+25%	- <u>199.20</u>
Weekly maximum charge contribution	<u>78.25</u>
Annual contribution £78.25 x 52 weeks =	£4,069

Financial Assessment applying proposed DH disregard:

	£
Weekly income	277.45
DH LAC (2017) 1 disregard	- <u>189.00</u>
Weekly maximum contribution	<u>88.45</u> [+£10.20 per week]
Annual contribution £88.45 x 52 weeks =	£4,599.40

This could produce a maximum annual increase in income of £530.40.

Case Study 2: Couple where one or both attained pension credit age with one Attendance Allowance in payment;

Weekly Income:	£
Pension Credit	243.25
Attendance Allowance	<u>+55.65</u>
Total income	<u>298.90</u>

Couples are assessed on income of MIG rate x 50% so would be based on an income of £243.25 x 50%= £121.63 plus any Attendance Allowance

Financial Assessment for couples with current DCC charging policy:

Weekly assessed income	£
MIG x 50%	121.63
Attendance Allowance	+ <u>55.65</u>
Total assessed income	<u>177.28</u>

Assessed income	177.28
DCC income disregard	- <u>152.03</u>
Weekly maximum contribution	<u>25.25</u>
Annual contribution £25.25 x 52 weeks =	£1,313

Financial Assessment applying proposed DH disregard:

	£
Total assessed income	177.28
DH LAC (2017) 1 disregard	- <u>144.30</u>
Weekly maximum contribution	<u>32.98</u> [+£7.73]
Annual contribution £32.98 x 52 weeks =	£1,714.96

This could produce a maximum increase in income of £401.96 per annum.

Case Study 3: Aged 25 64 in receipt of Employment and Support Allowance:

Due to varying rates of benefits paid to service users under pensionable age possible change to contribution more difficult to predict;

Aged 25-64 on Employment and Support Allowance (ESA) including the support group, lives with parents at home and on standard rate of Personal Independence Payment;

Weekly Income:	£
ESA	125.55
PIP	<u>55.65</u>
Total income	<u>181.20</u>

Financial Assessment applying current MIG plus 25% disregard:

	£
Weekly income	181.20
MIG+25%	- <u>132.10</u>
Weekly maximum contribution	<u>49.10</u>
Annual contribution £49.10 x 52 weeks =	£2,553.20

Financial Assessment applying proposed DH disregard:

	£
Weekly income	181.20
DH LAC (2017) 1 disregard	- <u>131.75</u>
Weekly maximum contribution	<u>49.45</u> [+£0.35]
Annual contribution £49.45 x 52 weeks =	£2,571.40

This could produce a maximum increase in income of £18.20 per annum.

Case Study 4: Aged 25-64 on Employment and Support Allowance (ESA) including the work capability component and standard rate of Personal Independence Payment (PIP):

Weekly Income:	£
ESA	174.25
PIP	<u>55.65</u>
Total income	<u>229.90</u>

Couples are given a disregard on their income (not including PIP/DLA) x 50%. This would be based on an income of £174.25 x 50%= £87.12 plus any PIP.

Financial Assessment for couples with current charging policy:

	£
Assessed income	229.90
Allowance for spouse x 50% of income	- 87.12
DCC disregard	- <u>115.05</u>
Maximum weekly contribution	<u>27.73</u>
Annual contribution £27.73 x 52 weeks =	£1441.96

Financial Assessment applying proposed DH disregard:

£

Total assessed income	229.90
DH disregard	- 114.70
Allowance for spouse x 50% of income	<u>- 87.12</u>
Weekly maximum contribution	<u>28.08</u> [+£0.35]
Annual contribution	£28.08 x 52 weeks=£1,460.16

This could produce a maximum increase in income of £18.20 per annum

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	Adult Services
Lead Officer	Lee Alexander
Title	Proposal for Changes to the Charging Policy for Non-Residential Social Care Services
MTFP Reference (if relevant)	AHS 3.2
Cabinet Date (if relevant)	18 October 2017
Start Date	September 2017
Review Date	

Subject of the Impact Assessment

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):

This relates to a change to the Adult Social Care Charging policy. Proposals are to change the approach to calculating the Minimum Income Guarantee (MIG) that is part of the Adult Social Care Financial Assessment for charging.

Currently the policy is based on MIG PLUS 25%. It is proposed that the new policy is brought in line with DoH guidance, which changed in 2014 and which now equates to MIG PLUS 18.6%.

Other Councils have already or are considering this approach (4 in the region have already moved to this position). Transitional arrangements will be used similar to those in other policy changes, where existing recipients will see no change in their current arrangements, but new clients, would be subject to the new rules from 01.04.18.

People in receipt of non-residential services are required to have a financial assessment (means tested) to calculate how much they can afford to contribute towards the services they receive. The financial assessment is undertaken by telephone (on a pre-arranged time and date), in order to ease the burden on service users in terms of completing a financial assessment form themselves, by qualified

and trained assessment officers, who have access to care assessment undertaken by care and social work officers which identifies the individuals care needs and the care plan for how these needs will be met.

All financial assessments comply with the Government's Care Act Guidance which will ensure that no-one is asked to pay more than they can afford, in line with national guidelines. During this assessment a benefit maximisation check is also carried out for those who require it. It is not proposed to change the way in which financial assessments are carried out.

The assessment is means tested and takes into account income, including welfare benefits, savings and assets. We also make allowances and disregards in the financial assessment depending on individual circumstances. The Government has set a minimum income and if the assessment income is below this level service users are not required to pay for their services.

Prior to the financial assessment people will have had a care assessment with a social worker and their care needs will be identified and a care plan will be drawn up with the service user to identify how these needs will be met. When undertaking the care needs assessment social workers will ask the service user whether they have someone who helps them with their finances and whether they want or need them present at the point of undertaking the financial assessment.

If at any time during the course of a financial assessment it becomes clear that the service user is struggling to understand or answer the questions or their carer or family member is not present then the assessment is rearranged and potentially a home visit arranged to undertake the assessment.

Following a review of the remaining discretionary elements of the Councils Non-Residential Care charging policy, potential changes to the treatment of service users in receipt of non-residential services have been identified in the use of the Minimum Income Guarantee (MIG).

When the Care Act 2014 came into force on 1 April 2015, the Department of Health prescribed the minimum amount of income a person must be left with after charging for care and support. However local councils can allow people to keep more income if they wish. This is referred to as the Minimum Income Guarantee (MIG). The MIG allowances can be found in the Care and Support (Charging and Assessment of Resources) 2014 regulations.

The Care and Support Statutory Guidance provides that 'There are differences in how income is treated in a care home and in all other settings. Charging a person in a care home is provided for in a consistent national framework. When charging a person in all other settings, a local authority has more discretion to enable it to take account of local practices and innovations.' (Care Act Statutory Guidance, Annex C, par 2).

Durham County Council currently use the Minimum Income Guarantee +25% as a mechanism by which service users can be left with a basic income plus a 25% buffer. The concept of MIG +25% was originally devised by Torbay Council and at the time recommended as best practice by the Department of Health (DH).

This puts DCC in a position where it is currently applying allowances higher than those defined in DH guidance, which applies a buffer equivalent to MIG + 18.6%. This results in service users in Co Durham contributing less towards their care than if the allowances set out in the Department of Health's circular were applied.

One area that DCC can use to mitigate any increase in charges is to take account of disability related expenses (DRE's) of the allowances made in the financial assessment. Finance Officers can refer to the care plan when DRE's are identified during the financial assessment.

A 12 week consultation with service users and potential service users is planned regarding changes to the charging policy.

This change to the charging policy is estimated to achieve around £800,000 in savings through additional adult social charging income if implemented in 2018/19.

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

- Service users, families and carers
- Social workers and finance staff
- Relevant disability charities and Community / voluntary groups.

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	N
Disability	Y	N
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	N

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.

The adverse effect will derive from the increase in care costs predominantly affecting older disabled women.

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?

It is anticipated that this policy will implement consistency across all new service users post April 2018.

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.

This saving relates to an increase in charging income in respect of adult social care provision by adopting the Department of Health's disregard known as minimum income guarantee (MIG).

There are currently 6,372 service users receiving a non-residential services. The current caseload has been used as a proxy for future caseload in terms of this Equality Impact Assessment screening. Of the existing clients receiving this disregard the following demographic characteristics currently apply:

Age Group	Clients
18 – 24	325
25 - 64	2,161
65+	3,886

Client Group	Clients
Older People	3,621
Learning Disabilities	1,544
Mental Health	388
Physical Disability	710
Other	109

Gender	Clients
Female	3,678
Male	2,667
Transsexual	less than 5
Blank	26

At this stage it is clear that the affected clients are more likely to be older and female and in need of some support with their daily living. It can be anticipated that future clients will form a similar age, gender and disability profile. Overall these groups are more likely to be adversely affected through the financial impacts of additional charging as a result of this policy change. These impacts are planned to be mitigated through specific support for clients.

There are 6,380 service users receiving non-residential care services. Of these 4,880 (76.5%) make a financial contribution towards their care costs based on a means tested financial assessment in line with national guidance and the DCC policy framework.

1,500 (23%) of all service users currently are on zero charge because they are already on minimum income i.e. no chargeable income.

1,978 (31%) of all service users, 41% of those who make a financial contribution towards the cost of their care, currently pay for the full cost of their non-residential care services. The level of care being delivered to them is dependent on the assessed level of care needs, some will pay more if the level of their care increases. The amount a service user pays is dependent on the level of care they receive and their financial circumstances.

As the levels of service provided can vary on a weekly basis, making accurate projections is difficult. However, in view of the fact that just over 50% of those receiving a non-residential service would be unaffected it is projected that the increase in income from a policy change where adopting the figures published on an annual basis in the Department of Health Local Authority Circulars (DH LAC) rather than MIG +25% would be circa £800,000.

Support for Service Users

- Advice and support is always given to help service users to maximise their income and benefit entitlement where ever possible during the financial assessment. This is undertaken through joint work between the Financial Assessments Team and Welfare Rights, who also undertake the appeals.
- Care management and social work support will be available to clients if required. Should clients find that the charges are prohibitive and decline a service, and then a reassessment of the service user's care plan could be undertaken.
- Clients who are unhappy with the contribution they would be assessed to make would be offered a further review of their financial assessment on request through our fast track review process. The appeal would be considered by an independent officer and with the support of the Welfare Rights team. In line with general charging principles there is the potential to consider the waiving of charges in exceptional circumstances due to severe hardship.

Further Evidence

- Growing demand for social care services and demographic information as set out in the JSNA
- Views expressed following the proposed consultation process (to be included in revised assessment).
- As more clients are women, then the potential is for women to be more affected by any changes than men. (Source: SSID data).
- Most clients consulted will have some form of physical disability, mental health condition, or general frailty due to old age.

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?	Y
No evidence of actual or potential impact on some/all of the protected characteristics?	N

Sign Off

Lead officer sign off: Lee Alexander	Date: September 2017
Service equality representative sign off: Research and equalities manager	Date: September 2017

Section Two: Data analysis and assessment of impact

Please provide details on impacts for people with different protected characteristics relevant to your screening findings. You need to decide if there is or likely to be a differential impact for some. Highlight the positives e.g. benefits for certain groups, advancing equality, as well as the negatives e.g. barriers for and/or exclusion of particular groups. Record the evidence you have used to support or explain your conclusions. Devise and record mitigating actions where necessary.

Protected Characteristic: Age		
What is the actual or potential impact on stakeholders?	Record of evidence to support or explain your conclusions on impact.	What further action or mitigation is required?
Existing clients are more likely to be older and female. It can be anticipated that future clients will form a similar age and gender profile. Overall these groups are more likely to be adversely affected through the financial impacts of additional charging as a result of this policy change.	Age Group Current Clients 18 – 24 325 25 - 64 2,161 65+ 3,886	These impacts will be mitigated through the support to new clients including the use of DRE's.

Protected Characteristic: Disability		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
All clients will have had an assessment of their needs and will have a degree of disability in order to access services. All those people affected by this financial change will have a disability.	Group Current Clients Older People 3,621 Learning Disabilities 1,544 Mental Health 388 Physical Disability 710 Others 109	These impacts will be mitigated through the support to new clients.

Protected Characteristic: Marriage and civil partnership (workplace only)		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
N/A		

Protected Characteristic: Pregnancy and maternity		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
Insufficient evidence available to show whether or not impact is likely.		

Protected Characteristic: Race (ethnicity)		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
There is no evidence available to show whether or not impact is likely.		

Protected Characteristic: Religion or belief		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
There is no evidence available to show whether or not impact is likely.		

Protected Characteristic: Sex (gender)												
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?										
58% of clients affected are expected to be female based on the current client profile. On average they will likely see an increase in their charge.	<table border="1"> <thead> <tr> <th>Gender</th> <th>Current Clients</th> </tr> </thead> <tbody> <tr> <td>Female</td> <td>3,678</td> </tr> <tr> <td>Male</td> <td>2,667</td> </tr> <tr> <td>Transsexual</td> <td>less than 5</td> </tr> <tr> <td>Blank</td> <td>26</td> </tr> </tbody> </table>	Gender	Current Clients	Female	3,678	Male	2,667	Transsexual	less than 5	Blank	26	These impacts will be mitigated through the support to new clients.
Gender	Current Clients											
Female	3,678											
Male	2,667											
Transsexual	less than 5											
Blank	26											

Protected Characteristic: Sexual orientation		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
There is no evidence available to show whether or not impact is likely		

Protected Characteristic: Transgender		
What is the actual or potential impact on stakeholders?	Explain your conclusion considering relevant evidence and consultation	What further action or mitigation is required?
There is less than five transgender service user in receipt of services.	Transgender: less than five	These impacts will be mitigated through the support to new clients

Section Three: Conclusion and Review

Summary

Please provide a brief summary of your findings stating the main impacts, both positive and negative, across the protected characteristics.

The EIA does say that there are impacts of the change overall, (affected people are more likely to be older, female and obviously have some form of severe disability), but it also says that future clients are likely to be of a similar profile to existing clients. So it is unlikely that there is to be any disproportionate effects with respect to the protected characteristics by taking these transitional measures. Transitional arrangements have been used in other policy changes, where existing recipients will see no change in their current arrangements, but new clients, after a specific point in time, are subject to the new rules.

Will this promote positive relationships between different communities? If so how?

Action Plan

Action	Responsibility	Timescales for implementation	In which plan will the action appear?
12 week public consultation	Lee Alexander	Oct 2017 – if agreed at Cabinet	

Review

Are there any additional assessments that need to be undertaken? (Y/N)	N
When will this assessment be reviewed? Please also insert this date at the front of the template	October 2017

Sign Off

Lead officer sign off: Lee Alexander	Date: September 2017
Service equality representative sign off: Research and equalities manager	Date: September 2017

Please return the completed form to your service equality representative and forward a copy to equalities@durham.gov.uk

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Cabinet

18 October 2017

Transport for the North – Incorporation as a Sub-National Transport Body



Report of Corporate Management Team

Ian Thompson, Corporate Director of Regeneration and Local Services

Councillor Carl Marshall, Cabinet Portfolio Holder for Economic Regeneration

Purpose of the Report

1. The purpose of this report is to seek consent from Cabinet to the making of Regulations by the Secretary of State to establish Transport for the North (TfN) as a Sub-National Transport Body under section 102J of the Local Transport Act 2008.
2. The consent of each Highway Authority within the area of each Combined Authority, which is a Constituent Authority of TfN, is required to the making of Regulations by the Secretary of State because the Regulations contain provisions giving TfN highway powers to be exercised concurrently with the Local Highway Authorities.

Background to Transport for the North

3. To address concerns about transport connectivity across the North, Local Transport Authorities and Local Enterprise Partnerships from the North of England came together in 2014 in partnership with the Department for Transport and the National Transport Agencies to form Transport for the North (TfN).
4. TfN have developed an ambitious pan-northern transport strategy to drive economic growth in the North. Getting transport right is central to achieving the Northern Powerhouse ambition, which is itself central to a successful UK industrial strategy. A world-class transport system linking towns and cities across the North will create a unified economic area, attracting new business, improving productivity in the North and helping to rebalance the UK economy.
5. The ambition of TfN over time is to achieve significant devolution of transport responsibilities for the North of England and specifically to:
 - a) Develop and deliver a multi-modal, integrated strategic transport plan that drives transformational economic growth in the North;

- b) Set the strategic outcomes, outputs and priorities for the North of England's rail infrastructure and strategic road network; and
- c) Determine specifications and contracts for future rail service franchises in the North of England.

Sub National Transport Body

- 6. In October 2016, with the agreement of the Constituent Authorities, TfN submitted a proposal to the Secretary of State for Transport that TfN should be established as the first sub-national transport body (STB) under the provisions of section 102E of the Local Transport Act 2008 as amended by the Cities and Local Government Devolution Act 2016.
- 7. The proposal submitted by the TfN requested the following powers and functions:
 - a) To prepare a Transport Strategy for the Combined Area in accordance with section 102I of the Local Transport Act 2008
 - b) To provide advice to the Secretary of State about the exercise of the transport functions in the Combined Area
 - c) To be a Statutory Partner with the Secretary of State in both road and rail investment processes and to be responsible for setting the objectives and priorities for strategic road and rail investments in the Combined Area
 - d) To be consulted in relation to rail franchise agreements for services to and from or within its area
 - e) To co-manage with the Secretary of State the TransPennine Express and Northern Rail Franchises
 - f) To co-ordinate the carrying out of specified transport functions that are exercisable by its different Constituent Authorities with a view to improving the effectiveness and efficiency of the carrying out of those functions;
 - g) To promote and co-ordinate road transport schemes;
 - h) To make proposals to the Secretary of State for the transfer of transport functions to TfN;
 - i) To make other proposals to the Secretary of State about the role and functions of TfN;
 - j) To undertake Smart Ticketing within the Combined Area;
 - k) To promote and oppose local or personal bills in Parliament;
 - l) To pay Capital Grants to support the funding and delivery of joint projects;
 - m) To exercise powers to construct highways and to acquire land for that purpose under section 8(1), 24 and 239 of the Highways Act 1980 concurrently with local Highway Authorities

The Secretary of State's Response

8. The Secretary of State has now formally responded to the Proposal and has indicated that he is minded to make Regulations creating TfN as the first Sub-National Transport Body with the following functions:
 - a) The preparation of a Northern Transport Strategy
 - b) The provision of advice on the North's priorities, as a Statutory Partner in the Department's investment processes;
 - c) The coordination of regional transport activities, (such as smart ticketing), and the co-management of the TransPennine Express and Northern rail franchises through the acquisition of Rail North Ltd.

Regulations and inclusion of Highway powers

9. Regulations have now been drafted to create TfN as a Sub-National Transport Body, which once passed will confer on TfN the majority of the functions and powers requested in the proposal.
10. In addition to Transport Authority powers, the proposal includes a number of Highway Authority powers. These powers relate to land acquisition for highways, the ability to enter into agreements to carry out certain highway works and the powers to construct new highways. This would allow TfN to play a coordination and commissioning role for strategic road schemes that span multiple administrative boundaries.
11. The highway powers are detailed in Appendix 3 and relate firstly to powers currently held by the Secretary of State in relation to the construction of trunk roads which may be delegated down to TfN, and secondly to powers under the Highways Act 1980, to be exercised by TfN concurrently with the local Highway Authority.
12. There is no intention that TfN will itself become a Highway Authority and the Regulations make it clear that before any highway powers may be exercised, TfN will need to obtain the express consent of the relevant Highway Authority to the manner in which the powers would be exercised.
13. The intention is that TfN will promote and facilitate partnership working to support effective delivery on cross Authority schemes, rather than dilute local decision-making. These powers would therefore only be exercised in circumstances where all the local Highway Authorities, through whose area the highway will pass, consider that there would be a benefit in TfN carrying out the work.
14. It is intended that before TfN exercises any transport powers or functions it holds concurrently with any of the Constituent Authorities or Highways Authorities within the TfN area, TfN will enter into a written Protocol with the

Constituent Authorities or the local Highway Authorities covering the way in which the functions will be exercised.

Consent to the Regulations

15. Before the Secretary of State can make the Regulations he must obtain consent from each of the nineteen Constituent Authorities (see Appendix 2). It is also necessary to gain consent to the granting of concurrent highway powers from each of the Highway Authorities within TfN's area.
16. It is anticipated that the Secretary of State will send a letter to each of these Highway Authorities requesting formal consent to the making of the Regulations. It is understood that the letter will request a response before the end of October 2017.
17. The North East Combined Authority (NECA) has already given its consent to the making of the Regulations. However, as NECA are not a Highway Authority it is necessary for each individual Highway Authority within the NECA area to give their consent to the granting of highway powers within the Regulations.

Recommendation

18. It is recommended that Cabinet formally consent under section 102J of the Local Transport Act 2008 to the making by the Secretary of State of Regulations to establish Transport for the North as a Sub-National Transport Body and giving TfN concurrent highway powers.

Contact : Adrian White Tel : 03000 267455

Appendix 1 : Implications

Finance – There are no financial implications for the authority. TfN is currently funded by the Secretary of State and no decision to require financial contributions from Constituent Authorities can be made without the agreement of each Authority

Staffing – None

Equality and Diversity – None

Accommodation – None

Crime and Disorder – None

Human Rights – None

Consultation – None

Procurement – None

Disability Discrimination Act – None

Legal Implications – It is expected that the Secretary of State will write to the Council as Highway Authority seeking formal consent to the making of the Regulations.

Any use by TfN of transport or highway powers involving roads within County Durham will require further consent from the Authority and will be subject to a written protocol to be agreed with TfN

Appendix 2 : Constituent Authorities and operating principles

The Constituent Authorities of TfN:

- Greater Manchester Combined Authority
- Liverpool City Region Combined Authority
- The Durham, Gateshead, Newcastle on Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority
- Sheffield City Region Combined Authority
- Tees Valley Combined Authority
- West Yorkshire Combined Authority
- Cumbria County Council
- Lancashire County Council
- North Yorkshire County Council
- Blackburn with Darwen Borough Council
- Blackpool Borough Council
- Cheshire East Council
- Cheshire West and Chester Council
- Warrington Borough Council
- The Council of the City of York
- The East Riding of Yorkshire Council
- Kingston upon Hull City Council
- North Lincolnshire Borough Council
- North East Lincolnshire Council

Operating Principles of TfN:

- a. All Constituent Authorities are entitled to appoint a representative to TfN, such representative to normally be the Elected Mayor, Chair, Leader or Member with delegated responsibility for transport
- b. Decisions will be expected to be unanimous but where voting is required votes will be weighted in accordance with the populations of the Constituent Authorities
- c. Decisions in relation to the Budget, the adoption of a Transport Strategy and the Constitution will require a Super Majority
- d. Funding will be provided by the Secretary of State and no decision to require financial contributions from Constituent Authorities can be made without the agreement of each Authority
- e. There will be appropriate mechanisms for Scrutiny of TfN's decisions
- f. Rail North Limited will be wholly owned by TfN
- g. A wider Partnership Board including representatives of government bodies and the LEPs will be set up to inform TfN's decision making.

Appendix 3 : Proposed TfN Highway Powers

The highway powers that are contained in the Regulations are firstly the following powers of the Secretary of State in relation to the construction of trunk roads which may be delegated down to TfN:

- Section 6(5) Highways Act 1980 (power to enter into agreements for works relating to trunk roads)
- Sections 105A – 105C Highways Act 1980 (functions relating to environmental impact assessments)
- Sections 239 to 240 and 246 Highways Act 1980 (powers to acquire land in connection with highways)
- Section 250 Highways Act 1980 (powers relating to the acquisition of powers over land)

Secondly the following powers under the Highways Act 1980 are conferred on TfN concurrently with the local Highway Authority.

- Section 8(1) (power to enter agreements with local highways authorities etc for doing certain works)
- Section 24(2) (power of local highway authority to construct new highways)
- Section 25(i) (powers to enter into agreement for creation of footpath etc)
- Section 26 (i) (compulsory powers for creation of footpaths etc)
- Various functions in sections 239, 240, 246 and 250 relating to the acquisition of land for highway purposes

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