

4 December 2019

Report from the Cabinet



Purpose of the Report

To provide information to the Council on issues considered by the Cabinet at its meetings held on to enable Members to ask related questions.

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**1. Oral Health Strategy Update [Key Decision: AHS/01/19]
Councillor Lucy Hovvels, Cabinet Portfolio Holder for Adult and Health Services
Contacts - Gill O’Neill, Tel: 03000 267696 and Chris Woodcock, Tel: 03000 267672**

We considered a joint report of the Corporate Director of Adult and Health Services and the Director of Public Health on the County Durham oral health strategy. The report provided an overview of activity to date to tackle oral health inequalities across County Durham and included an update on the technical appraisal undertaken by Northumbrian Water to consider the feasibility of expanding the community water fluoridation scheme in County Durham, from the current scheme. The report also requested on the next legislatively defined steps for community water fluoridation.

In December 2017 we agreed to commission Northumbrian Water to complete a detailed technical appraisal of how operationally viable it would be to expand the community water fluoridation scheme and what the cost implications would be to make the distribution equal across the County. The draft technical appraisal highlighted the operational features and cost implications of a proposed expansion of the County Durham Community Water Fluoridation Scheme, which would impact the residents of Sunderland, South Tyneside and a very small number of households within Darlington, Hartlepool, Stockton, Gateshead and Cumbria.

All affected Local Authority areas covered by the current scheme would be consulted to determine whether they would wish to participate in establishing a joint committee and progress a 12-week public consultation. The affected Local Authorities would have three months to respond. Not all affected Local Authorities who are part of the existing scheme would receive newly fluoridated water, therefore those authorities may not seek to participate in the joint committee.

The technical appraisal identified that there is the operational ability to implement a community water fluoridation scheme covering all of County Durham, Sunderland and South Tyneside other than Barnard Castle and its surrounding area. Barnard Castle and the immediate surrounding population would not be part of the community water fluoridation scheme as their water is part of Teesside supply system.

The proposal for the extension of the community water fluoridation scheme would be fully inclusive of Sunderland and South Tyneside populations, therefore democratic processes would require consideration across all three of these areas.

Decision

We noted the progress made on the oral health action plan and next steps for delivery together with the findings of the technical appraisal by Northumbrian Water which included the capital costs to be funded by Public Health England and the potential revenue costs which would be sourced from Local Authority public health budgets.

We agreed;

- (a) to write to the Secretary of State for Health and Social Care seeking agreement that the scheme is operable and efficient and subject to that agreement to write to the Local Authorities affected by the current scheme inviting them to notify the Council whether they would be in favour of further progressing the proposal;
- (b) to delegate that the Head of Legal and Democratic Services, in consultation with the Leader, to nominate representatives from the Council to the Joint Committee and agree the Constitution of the Joint Committee, providing that the Local Authorities consulted do not oppose taking further steps on the proposals agree to participation in a Joint Committee; and
- (c) that the Joint Committee undertake a public consultation set out in 5(2) and 5(3) of the Water Fluoridation (Proposals and Consultation) (England) Regulations 2013

and report the outcomes of any such consultation to
Cabinet Health and Wellbeing Board Annual Report 2018/19

**2. Health and Wellbeing Board Annual Report 2018/19
Councillor Lucy Hovvels, Cabinet Portfolio Holder for
Adult and Health Services and Chair of the Health and
Wellbeing Board Councillor Olwyn Gunn, Cabinet
Portfolio Holder for Children and Young People's
Services
Contact - Gordon Elliott Tel: 03000 263605**

We considered a joint report of the Corporate Director of Adult and Health Services, the Corporate Director of Children and Young People's Services and the Director of Public Health County Durham which presented the Health and Wellbeing Board Annual Report for 2018/19.

The Health and Social Care Act 2012 requires all upper tier local authorities to establish Health and Wellbeing Boards. The Health and Wellbeing Board was formally established as a committee of Durham County Council in April 2013. The Health and Wellbeing Board Annual Report outlined the key performance achievements of the Board. A new Joint Health and Wellbeing Strategy (JHWS) for 2020-25 was being developed with new priorities based on information from the Joint Strategic Needs Assessment which linked with the new County Durham Vision for 2035. Key performance indicator areas for improvement included:

- (a) Reducing tobacco dependency in pregnancy;
- (b) Increasing the percentage of patients seen with face to face second contact within 9 weeks of referral to Child and Adolescent Mental Health Services;
- (c) Reducing falls, injuries and hip fractures in the over 65s;
- (d) Reducing the gap between the employment rate for those with a long-term health condition and the overall employment rate.

There would be wider long-term system challenges to face including ensuring people lived longer in good health, reducing life expectancy variations, improving healthy life expectancy in a climate of ongoing austerity and reducing health inequalities in places where people lived, worked, learned and played. The report proposed that the Health and Wellbeing Board Annual Report 2018/19 be presented through partnership governance arrangements during October and December 2019 for endorsement.

Decision

We noted the work undertaken in 2018/19 by the Health and Wellbeing Board and endorsed the Health and Wellbeing Board Annual Report 2018/19. We also noted the intent to include more performance information in the Annual Report to demonstrate impact, moving forward.

3. County Durham Health and Social Care Plan – Integrated Strategic Commissioning Function Councillor Lucy Hovvels, Cabinet Portfolio Holder for Adult and Health Services Contact - Jane Robinson Tel: 03000 267355, Stewart Findlay Tel: 0191 371 3222

We considered a report of the Corporate Director of Adult and Health Services which provided an update on the development of an Integrated Strategic Commissioning function for Health and Social Care Services across County Durham. The report sought agreement on the proposed model for the Integrated Strategic Commissioning function and its implementation from April 2020 for Health and Social Care Services across the whole life course.

In April 2018 the proposed direction of travel in developing a Health and Social Care Plan for County Durham was approved. This was further developed and principles for the development of an Integrated Commissioning Model were agreed by Cabinet in March 2019. The report provided an update on the current national, regional and local context, with consideration of options for an Integrated Strategic Commissioning Function.

Since March 2019 progress had been made in developing a model for Integrated Commissioning through a standard programme management approach. We considered the following options:

Option 1 - to retain existing arrangements

Health and Social Care commissioning teams would continue to operate independently as they do now, recognising that some services had already been jointly commissioned locally between the Council and Clinical Commissioning Groups (CCGs) i.e. Community Equipment, Carers' Services, Social Prescribing and the post diagnosis Autism Service.

Option 2 - to informally enhance current arrangements

Teams working more closely and taking opportunities to commission together, should the occasion arise.

Option 3 – to create a separate entity

Set up of an independent “spin off” organisation that commissioned across Health and Social Care.

Option 4 - To implement an Integrated Strategic Commissioning Function based on the principles agreed in March 2019, as set out below:

- (i) Commissioning for Children and Adults across the whole life course.
- (ii) With the initial focus on Community Services it was acknowledged in line with national policy, that the direction of travel sought more hospital based services to be provided within the Community, therefore the model for Durham should include, in time, all Acute, Community and Mental Health services that related to Durham.
- (iii) Working with existing and emerging elements on a potential hub and spoke model, i.e. links with Primary Care Networks (including Teams Around Patients), the Mental Health and Learning Disability Partnership and the five CCGs operating across the Tees Valley.
- (iv) Joint Management arrangements reporting to the Corporate Director of Adult and Health Services and the Chief Officer, North Durham & Durham Dales, Easington and Sedgfield CCGs.
- (v) In line with the Community Services model, staff would retain their employment status with their own organisation and associated terms and conditions.
- (vi) The function would be hosted by Durham County Council giving opportunities to explore support to CCGs, for example in terms of legal advice.
- (vii) Enhanced existing connections with Primary Care to ensure the local influence of clinical leads across the Primary Care Network is maximised
- (viii) Both Durham County Council and the Clinical Commissioning Groups would retain their statutory responsibilities and decision-making processes.

The potential impacts for each of the options would be as follows:

Option 1 – things would continue to operate across organisations as they did currently, however, this would not maximise opportunities for

more efficient ways of working, retained duplication in the system and would not maximise the use of resources or optimise outcomes.

Option 2 – similar to the above, although there may be some instances whereby joint commissioning of services could be possible should suitable occasions arise. However, this would not necessitate significant change or reorganisation of work and was a reactive approach that did not facilitate broader development activity or cultural change.

Option 3 – this would provide a very clear identity to the integrated commissioning function and achieve similar benefits to option 4. However, very little was understood about this type of approach and would require the set up of a new organisational structure with associated governance mechanisms in place.

Option 4 – there would be a number of potential benefits as shown below and this would be a more proactive approach:

- Increased ability to influence the Children's Health agenda
- Resources could be managed more efficiently, maximising the impact of the Durham Pound
- Provider market could be shaped more in line with requirements of the Durham system
- Leadership strengthened and working alongside integrated Community Services
- Joint Contract monitoring introduced to enable improved quality of service provision
- Reduced duplication to improve efficiency and processes
- The aim of all the above would be to improve outcomes for the people of County Durham

There were some unknowns that would need to be considered, particularly the uncertainty over the green paper for Social Care and the role of the Integrated Care Partnership. These issues would need to be managed irrespective of any changes or models proposed.

To build on the work already done, Option 4 would be the most logical recommendation at this point in time. An integrated management structure that worked in parallel with the community contract would enable the maximum use of the Durham pound, reduce duplication and commission better outcomes for the people of County Durham. The proposed model would be in line with the central direction of integrating service to provide better care and more joined up working across the system.

Decision

We noted the progress made since the previous report in March 2019 and that the report was being presented to the Governing Bodies of both North Durham and Durham Dales, Easington and Sedgfield Clinical Commissioning Groups.

We approved the progression of the joint management arrangements and associated delivery model outlined in option 4 and recognised the detail that needed to be worked through before implementation.

We agreed to the model being implemented from April 2020 and further reports on the Integrated Strategic Commissioning Function would be received, once operational.

4. Director of Public Health Annual Report 2019 Councillor Lucy Hovvels, Portfolio for Adult and Health Services Contact - Amanda Healy Tel: 03000 264323

We considered a joint report of the Corporate Director of Adult and Health Services and the Director of Public Health, County Durham which presented the 2019 annual report of the Director of Public Health for County Durham.

The production of an annual report on the health of the local population was a statutory requirement under the Health and Social Care Act 2012 and the local authority had a duty to publish the report. The report for 2019 focussed on the following:

- (a) Joint Strategic Needs Assessment/ Durham Insight
- (b) Update on the recommendations from the 2018 annual report
- (c) The Taylor family (one year on)
- (d) Mental health at scale
- (e) Healthy workforce

Decision

We received and agreed the publication of the Director of Public Health's Annual Report for 2019.

5. In House Enforcement Service
Councillor Alan Napier, Cabinet Portfolio Holder for Finance
Contact: Paul Darby Tel: 03000 261930, Michelle Waters
Tel: 03000 260495

We considered a report of the Corporate Director of Resources which detailed proposals to establish an Internal Enforcement Agent Service for the collection of council tax, business rates, parking fines, fixed penalty notices, commercial rents, sundry debt and housing benefit overpayments. The report also outlined the benefits of adopting the Citizens Advice Council Tax Protocol for Council Tax collection and proposals to adopt this protocol.

The Tribunal, Courts and Enforcement Act 2007, The Taking Control of Goods Regulations 2013 and The Taking Control of Goods Fees Regulations 2014, regulate the Enforcement Agent industry, defining procedures and charges associated with the enforcement of Council Tax, Business Rates and sundry debt. The Council's current contract with two external enforcement agents ends on 30 June 2020. The Regulations have facilitated the introduction of an internal or in-house Internal Agent Services in 11% of Councils, including Newcastle, Hartlepool and Stockton Councils locally. The report set-out proposals for the creation of an Internal Enforcement Agents Service and detailed the benefits, set-up cost and associated implications. The new in-house service would be in place for 1 July 2020 and would be supported by a contract with external Enforcement Agents for out of county debt and to provide resilience to the new service.

Decision

We approved the creation of an Internal Enforcement Agent Service to be effective from July 2020; and also agreed to adopt and sign-up to the Citizens Advice Council Tax Protocol from April 2020.

6. Update on the delivery of the Medium Term Financial Plan 9
Councillor Simon Henig, Leader of the Council and all Cabinet collectively
Contact: Andy Palmer Tel: 03000 268551

We considered a report of the Director of Transformation and Partnerships which provided an updated position of the delivery of the 2019/20 Medium Term Financial Plan (MTFP9).

We have received regular updates on the progress made by the Council in delivering the financial targets within the MTFP since 2011/12.

MTFP9 savings were agreed by Council in February 2019 which set a savings target of just under £10 million for 2019/20. This brought the overall savings target for the period from 2011/12 to 2020/21 to circa £251 million. Significant progress was currently being made towards achievement of these savings.

The development of MTFP10 proposals for 2020/21 was underway to meet the ongoing austerity. Proposals are being financially assessed and the implications on the equal treatment of client groups is being considered through equality impact screenings and assessments. Proposals are on target to be presented to us in February 2020.

Decision

We noted the contents of the report and the amount of savings delivered during quarter 1 of the MTFP9 period and agreed to consider MTFP10 proposals once all relevant information was available, including equality impact screenings and assessments.

**7. The County Durham Strategic Partnership Approach to Early Help for Children, Young People and Families
Councillor Olwyn Gunn, Portfolio Holder for Children and Young People's Services
Contact: Martyn Stenton Tel: 03000 268067, Karen Davison Tel: 03000 286 904**

We considered a report of the Corporate Director of Children and Young People's Services which presented the County Durham Strategic Partnership Approach to Early Help for Children, Young People and Families.

The strategy set out the partnership vision, priorities and approach for providing effective, targeted and coordinated 'early help' in County Durham in order to address inequalities, promote opportunity and secure better outcomes for children, young people and their families. The strategy focussed on supporting family and community resilience. The strategy also outlined the collective responsibility across key partners for identifying children and young people who required additional help and support as well as our collective response to meet the needs of these children, young people and families at the earliest opportunity.

The strategy had been developed jointly with key partners and wider consultation undertaken to ensure the strategy is fully collaborative. Feedback from parents, carers, young people and children had helped shape the approach. An updated performance management framework was being developed for the Early Help and Think Family Partnership to

monitor success of the strategy. Performance exceptions would be escalated to the Integrated Steering Group for Children (ISGC).

The strategy was accompanied by an action plan which set out a range of key actions to be progressed over the coming year to ensure effective approaches were developed to deliver early help for children, young people and families in County Durham.

Decision

We received the strategy.

8. Review of School Provision – Wolsingham School & Sixth Form Key Decision No. CYPs/03/2018 Councillor Olwyn Gunn, Portfolio Holder for Children and Young People's Services, Councillor Alan Napier, Portfolio Holder for Finance

We considered a joint report of the Corporate Director of Children and Young People's Services and the Corporate Director of Resources which provided an update on the future of Wolsingham School and Sixth Form, following the report to Cabinet on 13 March 2019. The report set out the issues and implications arising from the decision of Wolsingham School and Sixth Form to seek to join the Advance Learning Partnership Academy Trust in order to achieve a financially sustainable position for the school going forward.

Previous Cabinet reports had outlined the funding challenges that all schools faced, particularly schools in rural settings which had fewer than 600 pupils (the Department for Education threshold for viability), which included Wolsingham School and Sixth Form. A wide range of options were set out in the report of November 2017. These were subsequently assessed and reported upon and the only viable options faced by the school (short of closure) were federation with other schools, or, for governors to agree to a decision to join a multi-academy trust (MAT). The option for Wolsingham School to federate with other schools was fully considered but too few schools agreed to form a federation, leading officers to conclude that the savings achievable would not be sufficient to eliminate the in-year and accumulated deficit of Wolsingham School.

The remaining option, that governors agree to Wolsingham School joining a multi-academy trust, had been progressed. In June 2019, the Advanced Learning Partnership (ALP) accepted Wolsingham School could join their trust, pending resolution of some terms. These terms were covered in the report and duly considered. The governing body of

Wolsingham School has undertaken due diligence and is in agreement that joining a multi-academy trust should proceed. The provisional date of joining the MAT was set at September 2020.

Whilst the school had successfully restructured in order to reduce its in-year deficit, with a plan to bring the school into an in-year balanced position by 2021/22, the Council would need to agree to cover the cumulative deficit from the General Fund at the point of conversion. As an alternative to closure, the opportunity presented to the school by ALP's invitation to join the multi academy trust was considerably more preferable. The consequences of closure, explained in detail in previous reports, were summarised in the report. Implications of the academisation of Wolsingham School were also covered, although an arrangement by which the County Council would assume responsibility for operating the leisure provision, including swimming pool. This would ensure that a like-for-like offer to the school and community could be maintained, despite the academy conversion.

Decision

We agreed the following:

- (a) Officers would continue to work with governors of Wolsingham School and Sixth Form and from the Advance Learning Partnership (ALP), plus the Regional Schools Commissioner, to deliver the schools decision to join the ALP Multi Academy Trust;
- (b) To write off the accumulated deficit of Wolsingham School and Sixth Form at the point of conversion in order to deliver a financially viable future for the school. The costs of writing off the deficit would be met from earmarked reserves; and
- (c) To assume responsibility for operating the leisure provision, including swimming pool, to secure community access and provision going forwards.

9. Review of the Council Tax Long Term Empty Premium Charges

Key Decision: CORP/R/19/03

Councillor Kevin Shaw, Cabinet Portfolio Holder for Housing and Assets and Councillor Alan Napier, Cabinet Portfolio Holder for Finance
Paul Darby Tel: 03000 261930

We considered a joint report of the Corporate Director of Regeneration and Local Services and the Corporate Director of Resources which considered the outcomes of the consultation on potential changes to the council's policy in terms of empty homes discounts and the policy of

applying a 50% premium on those properties that were unoccupied and unfurnished for more than 2 years, where councils now have the power to:

- (a) apply a maximum 100% premium on such properties (from April 2019) along with;
- (b) apply a maximum 200% premium on properties which have been unoccupied and unfurnished for more than 5 years (from April 2020).

The report outlined the positive impact the policy made in terms of contributing to the council's Housing and Homeless Strategies and included updated modelling of the impact of changing the current policy and proposed changes to the existing policy to provide greater protection and support to households in certain circumstances.

Since April 2013, councils had been able to apply a maximum 50% council tax premium on those properties which had been unoccupied and unfurnished for more than two years. In line with most councils, Durham introduced the premium charge from April 2013. The aim of the policy was to encourage the owners of long-term empty (LTE) properties to bring those homes back into use. It underpinned and supported the council's Housing Strategy and Homelessness Strategies. When the current policy was implemented in April 2013, there was an initial sharp reduction in the number of LTE properties (approximately 33% in the first 6 months). Those numbers had remained static afterwards, along with an increase in revenue to the council from those properties that were not brought back into use.

Following a change in legislation, which came into effect from April 2019, councils now had the power to charge a 100% council tax premium for properties which had been unoccupied and unfurnished for more than two years. A 200% premium on those properties which have been unoccupied and unfurnished for five years or more could be charged from April 2020. Further powers to charge a 300% premium on those properties that have been empty for more than ten years would come into force on 1 April 2021, although that had not been subject to consideration currently. To implement these powers the council needed to change its adopted policy on Long Term Empty Property Charges. The advantages of implementing these changes would be as follows:

- (a) There would be a further incentive for the owners of LTE properties to bring them back into use, potentially boosting the supply of properties available to rent in the county and making a positive impact on the Housing and Homeless strategies. Most LTE properties were in the lowest council tax band (A), often in the more deprived areas of the county and could be a useful source of affordable housing.

- (b) There would be an increase in revenues to the council which provided the opportunity for MTFP savings where properties were not brought back into use

On 10 July 2019 we approved a 12 week public consultation on the potential to implement changes from April 2020. The consultation ran from 15 July 2019 to 6 October 2019 via the following methods:

- on-line consultation via the council's website;
- targeted correspondence to key stakeholders;
- discussions with representatives of the County Durham Housing Forum; and
- presentations to Corporate Overview and Scrutiny Management Board and the Local Councils Working Group.

There were 258 responses to the online questionnaire, 255 comments left on the council's social media page and 10 responses from various stakeholders during the consultation.

The results were summarised in the report. The views expressed were mainly polarised with those generally unaffected by the policy supporting the proposed changes. Those directly affected by the policy did generally not support any changes.

For those who did not support a change in the policy, this tended to be on the basis that the properties affected were not being deliberately kept empty but rather the owners could not sell or let them for various reasons often beyond their control. This would lead to an increased financial burden. Guidance issued by the Department for Communities and Local Government in May 2013 recommended that the policy was not intended to penalise owners in such circumstances.

Large social landlords also described circumstances where they were working with the council to regenerate certain areas of the county which required them to proactively manage voids in an area which they could otherwise have let, with a view to demolition and estate remodelling.

The report recommended that the council amended its policy, to take up the full powers available with effect from April 2020, but in doing so, to mitigate the effects of amending the policy, adopt a new section 13A(1)(c) policy to address the issues and concerns highlighted in the consultation. The current policy did not contain the proposed exemptions, instead there is reliance placed on applications to the council's Hardship Relief Policy. This would ensure that those who genuinely attempted to bring their properties back into use or were being prevented from doing so, due to justifiable and evidenced reasons, would not be penalised by the policy. Absent landlords and

those who were keeping long term empty properties empty for speculative purposes would be subject to it.

Decision

We agreed to implement the full powers allowed by the change in legislation by amending our Long-term Empty Property Charges Policy to increase the empty homes premium charge from April 2020 as follows:

- (a) charge a 100% empty homes premium on properties that have been unoccupied and unfurnished for between two and five years at 1 April 2020;
- (b) charge a 200% empty homes premium on properties that have been unoccupied and unfurnished for five years or more at 1 April 2020; and
- (c) charge the empty homes premium on properties that have been unoccupied and unfurnished for two years or more that required or are undergoing major repairs; and
- (d) adopt and implement a new section 13A(1)(c) policy to provide assistance to owners who have been unable to sell or let their properties for legitimate reasons, have purchased long term empty properties and are renovating them to return to the property market, or who have deliberately kept properties empty due them being in an area subject to regeneration or where the properties have been earmarked for demolition.

10. Council Tax Base 2020/21 and Forecast Surplus on the Council Tax Collection Fund as at 31 March 2020 Key Decision: CORP/R/19/02 Councillor Alan Napier, Cabinet Portfolio Holder for Finance Contact: Paul Darby Tel: 03000 261930

We considered a report of the Corporate Director of Resources which determined the council's tax base for domestic properties liable to pay council tax, which is an important component in the council's budget setting process for 2020/21. The report also provided details of the estimated collection fund surplus as at 31 March 2020, which would need to be distributed to the principal precepting authorities in 2020/21.

Regulations made under the Local Government Finance Act 1992 required each billing authority to calculate its 'council tax base' for the

following financial year. The council tax base was a measure of the county council's 'taxable capacity', for the purpose of setting its council tax. Legislation required the council to set out the formula for calculation and that we formally approve the tax base.

In determining the council tax base for 2020/21 the following issues had to be factored into the calculation:

- (a) The impact of exemptions and discounts being applied to properties within County Durham;
- (b) Forecasted impact on the tax base as a result of changes in the incidence of Local Council Tax Reduction (LCTR) claims, which was a discount rather than a benefit payment and therefore reduced the tax base;
- (c) Forecasted impact on the tax base as a result of the changes to be applied to the Long Term Empty (LTE) property council tax premium, offset by the estimated impact of the new section 13A(1)(c) policy;
- (d) Forecasted impact on the tax base as a result of growth (i.e. new build) or reductions (e.g. demolitions or increases in the incidence of other council tax discounts and exemptions) for 2020/21; and
- (e) Provision for non-collection of council tax due to bad debts that needed to be written off.

Having taken all such matters into account the council tax base for the financial year 2020/21 had been calculated to be 141,742.0 Band D equivalent properties, an increase of 2,003.2 (1.43%) on the council tax base for 2019/20.

As at 30 September 2019 the council tax collection fund was forecast to achieve a surplus of £1.074 million at 31 March 2020 and the council would be declaring a surplus for budget setting purposes and needed to apportion this between the major precepting bodies. Durham County Council's share of the surplus was £0.899 million.

Decision

We approved the council tax base for the financial year 2020/21 for the county, which had been calculated to be 141,742.0 Band D equivalent properties.

We noted the impact on individual Town and Parish council tax bases and the Local Council Tax Reduction Scheme Grant allocations for the financial year 2020/21;

We approved the declaration of a surplus on the council tax Collection Fund at 31 March 2020 of £1.074 million, to be distributed to the council; the County Durham Fire and Rescue Authority; and the Durham Police, Crime and Victims' Commissioner in accordance with council tax regulations.

11. Mid-Year Review Report on Treasury Management for the period to 30 September 2019
Councillor Alan Napier, Cabinet Portfolio Holder for Finance
Contact: Jeff Garfoot Tel: 03000 261946 and Azhar Rafiq Tel: 03000 263480

We considered a report of the Corporate Director of Resources which provided information on the treasury management mid-year position for 2019/20. The report provided a summary of the Council's treasury position, borrowing activity, investment activity, treasury management and prudential indicators.

The Council held £341 million in borrowing, with £287 million cash balances invested at 30 September 2019. During the half year period, borrowing of £40 million was taken out from the Public Works Loan Board (PWLB) at rates ranging from 1.75% to 2.23%. Although the level of cash balances did not warrant borrowing at this time the historic low level of interest rates had enabled the council to borrow at very low rates.

Investments had been undertaken in line with both the CIPFA Code and government guidance which required the Council to invest its funds prudently, whilst having regard to the security and liquidity of its investments before seeking the highest rate of return, or yield.

During the half year period to 30 September 2019, the Council has complied with Treasury Management Indicators relating to interest rate exposure, maturity structure of borrowing and sums invested for more than one year. The Council has also complied with Prudential Code Indicators which relate to the capital programme and how much the Council can afford to borrow.

Decision

We noted progress with the Treasury Management Strategy 2019/20 and approved a revised operational debt boundary of £556 million and authorised limit of £611 million for 2019/20 reflecting increased finance lease commitments referred to in the report.

12. County Durham Plan – Delivery of the Western Relief Road
Councillor Carl Marshall, Cabinet Portfolio Holder for Economic Regeneration and Councillor Alan Napier, Cabinet Portfolio Holder for Finance
Contact: Mike Allum Tel: 03000 261908 and Jeff Garfoot Tel: 03000 261946

We considered a joint report of the Corporate Director of Regeneration and Local Services and Corporate Director of Resources which sought agreement to the delivery of the proposed Western Relief Road. The Western Relief Road was a proposal set out within Policy 23 of the County Durham Plan and was required to reduce traffic congestion on the western edge of the city around Neville's Cross and the surrounding network. The relief road would also facilitate development at Sniperley Park and connect the A691 at Sniperley Park and Ride roundabout at its northern end with the B6302 Broom Lane at its southern end.

Decision

We agreed the continued preparation for the construction of the Western Relief Road, subject to examination in public of the County Durham Plan, on the principle that the Council committed to the delivery of the Western Relief Road by agreeing to forward funding the delivery of the road which was detailed in the report.

13. Forecast of Revenue and Capital Outturn 2019/20
Period to 30 September 2019
Councillor Alan Napier, Portfolio Holder for Finance
Contact: Jeff Garfoot Tel: 03000 261946 and Paul Darby Tel: 03000 261930

We considered a report of the Corporate Director of Resources which provided information on the updated forecasts for the:

- (a) revenue and capital outturn for 2019/20;
- (b) council tax and business rates collection fund position at 31 March 2020;
- (c) use of earmarked, cash limit and general reserves and estimated balances to be held at 31 March 2020.

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

The 2019/20 projected revenue outturn a forecast cash limit overspend of £1.010 million plus an underspend on all other budgets of £2.062 million. The forecasted net underspend of £1.052 million represented 0.3% of the net expenditure budget of £412.454 million. The total earmarked and cash limit reserves (excluding school reserves) were forecast to reduce by £11.290 million in 2019/20, from £209.069 million to £197.779 million. The updated projected capital outturn was £142.205 million. The estimated outturn for the Council Tax Collection Fund was a surplus of £1.074 million. Durham County Council's share of this forecasted surplus was £0.899 million, which would be available to support the 2020/21 budget. The estimated outturn for the Business Rates Collection Fund was a surplus of £1.718 million. Durham County Council's share (49%) of the estimated surplus was £0.841 million and would be available to support the 2020/21 budget.

Decision

We noted the council's overall financial position for 2019/20, the forecast use of earmarked reserves, the forecast end of year position for the cash limit and general reserves, and the position on the capital programme and the Collection Funds in respect of Council Tax and Business Rates

We also agreed the revenue and capital budget adjustments.

14. Overview and Scrutiny Review, Children's Residential Care Homes **Cllr Heather Smith, Chair of Children and Young People's Overview and Scrutiny Committee** **Contact: Ann Whitton Tel: 03000 268143, Jonathan Slee** **Tel: 03000 268142**

We considered a report of the Director of Transformation and Partnerships which presented a draft of key findings and recommendations following an overview and scrutiny review of Children's Residential Care homes by the Safer and Stronger Communities Scrutiny Committee.

A joint review group had been established from the memberships of the Children and Young People's and Safer and Stronger Communities Overview and Scrutiny Committees to consider Children's Residential Care Homes. The aim of the review was to gain an understanding of concerns associated with the impact of private children's residential care homes on demand of services and to explore approaches to lobby government/ national bodies for tighter legislation. These concerns were focussed on demands on services particularly with the Council's Children and Young People's Services (e.g. children's social work and

education) and the Police with reports of children reported missing, risks of vulnerability linked to criminal child exploitation and anti-social behaviour.

At the time of the review, within County Durham there were 22 private children's residential care homes providing approximately 90 beds to which over 77% have either a good or outstanding Ofsted rating. There were 10 local authority children's residential care homes in County Durham. This included a secure unit providing a national resource and a respite centre. The remaining eight homes provided 32 beds for children looked after from County Durham.

Members were advised by officers from Children and Young People's Services and Durham Constabulary of existing approaches through partnership working to engage with children's residential care homes and the development of an accreditation process. In addition, the emerging County Durham Plan provided for a policy regarding any new development of children's homes.

The review gathered evidence through desktop research, meetings with officers from the Council's Children's services, virtual school and commissioning teams and Durham Constabulary. The Chair of the Review Group also met with young people from a residential care home, attended a network meeting of children's residential care managers and held a focus group session on community concerns with councillors.

Decision

We noted the recommendations contained in the Overview and Scrutiny review report as follows:

- (a) **Recommendation One** - That consideration be given for the Durham Safeguarding Children Partnership via the Corporate Director of Children and Young People's Services and the ERASE team to receive a further report on timeliness and accuracy of information received from placing authorities to the Council and partner agencies in line with regulation 5 'to engage with the wider system to ensure the children's needs are met' for out of area children looked after residing within a children's residential care home within the county.
- (b) **Recommendation Two** - That the Corporate Director of Children and Young People's Services and the Durham Safeguarding Children Partnership (DSCP) monitor the demand placed upon the LADO and ensure that all private children's Residential care homes receive information about courses provided by DSCP relating to residential care.

- (c) **Recommendation Three** - That the Durham Safeguarding Children Partnership receive regular information to monitor the number of incidents reported to Durham Constabulary from all Residential Children's Care Homes within the county and action taken to reduce demand.
- (d) **Recommendation Four** - That the Council's Corporate Parenting Panel receive regular information relating to reported incidents to Durham Constabulary, for County Durham children looked after who reside within any residential children's care home within County Durham with a specific focus on reports of missing from home.
- (e) **Recommendation Five** - That following an evaluation of the trial of the accreditation scheme, the Corporate Director of Children and Young People's Services takes proposals for a revised scheme to Corporate Parenting Panel. As part of the implementation of a revised scheme it should be promoted with all children's residential care homes within County Durham.
- (f) **Recommendation Six**- That the Durham Safeguarding Children Partnership give consideration to lobbying regionally and nationally for agreement to explore an accreditation scheme for residential children's care homes nationally.

We agreed that the report be shared with the Durham Safeguarding Children Partnership; and that a review of the progress made against the recommendations contained in the report would be undertaken in six months time.

Councillor S Henig
Leader of the County Council

26 November 2019