

DURHAM COUNTY COUNCIL

CABINET

At a remote meeting of the **Cabinet** held on **Wednesday 16 September 2020** at **9.30 am**

Present:

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

Cabinet Members:

Councillors O Gunn, L Hovvels, C Marshall, A Napier, A Patterson, K Shaw, B Stephens and A Surtees

Apologies:

Councillor J Allen

Also in attendance:

Councillors J Shuttleworth and O Temple

1. Public Questions

There were no public questions.

2. Minutes

The minutes of the meeting held on 8 July 2020 were confirmed as a correct record and would be signed by the Chair.

3. Declarations of Interest

Referring to agenda item 10, Councillor L Hovvels, Portfolio Holder for Adult and Health Services, declared an other relevant interest in relation to Bluebell Nursery School. As a board member of Weardale Railway Ltd, Councillor B Stephens, Portfolio Holder for Neighbourhoods and Local Partnerships, declared a disclosable pecuniary interest in item 11. The members would leave the meeting during the consideration of the respective reports.

4. Council Plan [Key Decision: CORP/R/19/04]

The Cabinet considered a report of the Corporate Director of Resources which presented the draft Council Plan for 2020-23, for consideration, prior to submission to Council for approval (for copy see file of minutes).

The Chair, Councillor S Henig, Leader of the Council, explained the Council Plan contributes to achieving the objectives set out in the County Durham Vision, with both the Council Plan and the County Durham Vision being based upon key ambitions, developed through extensive public consultation.

Councillor A Napier, Deputy Leader of the Council and Portfolio Holder for Finance, referred to the difficult times ahead for local government and commented that the plan, which includes details of the council's response and recovery work in relation to Covid-19, plays an important role in ensuring the council understands the needs of local communities and businesses.

Councillor A Surtees, Portfolio Holder for Social Inclusion, referred to the revised equalities and diversity policy and highlighted Durham County Council's commitment to equality and inclusion. The Cabinet Portfolio Holder for Corporate Services and Rural Issues, Councillor A Patterson, commented on the excellent work done to improve connectivity throughout the county. She added that work will continue to ensure that strategies and policies, considered by the council, take account of the needs of the county's rural communities.

Resolved:

That the recommendations in the report be approved.

5. Selective Licensing Scheme [Key Decision: REG/03/20]

The Cabinet considered a report of the Corporate Director of Regeneration, Economy and Growth which proposed a Selective Licensing scheme for homes which are privately rented, in some parts of County Durham (for copy see file of minutes).

Councillor O Temple, County Councillor for Consett North, declared an interest in the report, being an owner of a property which is let, and, acknowledged the improvements in the scheme as a result of the consultation.

In pointing out the difference between the Office for National Statistics latest estimate of the private rented sector in Durham (19.5%), and, Durham County Council's estimate used in the report (28.4%), Councillor Temple asked that, as the council has chosen to use its own algorithm, rather than the Office for National Statistics methodology, whether it was risking rejection of the scheme on the grounds of unreliability of the figures used.

Councillor K Shaw, Portfolio Holder for Strategic Housing and Assets thanked Councillor Temple for the question. He responded that the council will be putting forward a robust and confident estimate of the private rented sector in County Durham and a modelling process was used which the council believes is current and informed for County Durham, placing the private rented sector above the 19.46% national estimate. Councillor Shaw provided assurance that there is continuous dialogue with the Ministry of Housing and Communities and that the methodology used was in line with other successful submissions.

In recommending the report for approval, Councillor Shaw explained the scheme aims to drive up housing standards within the increasingly significant private rented sector in the county, and thereby improve communities. Following consultation, further changes were made to the policy to take into account issues raised by landlords and residents. It is hoped that the scale of the scheme to be submitted, with over 42% of the private rented sector covered, will lead to a considerable improvement for communities.

Councillor C Marshall, Portfolio Holder for Economic Regeneration, thanked all those who had participated in the consultation and the team responsible for preparing the comprehensive report. Councillor Marshall highlighted that the Selective Licensing Scheme supports the council's long-term vision and responds to concerns raised across the county. Councillor Hovvells confirmed that the scheme had been discussed by the Safe Durham Partnership, who welcomed the proposal.

Resolved:

That the recommendations in the report be approved.

6. Forecast of Revenue and Capital Outturn 2020/21 – Period to 30 June 2020 and Update on Progress towards achieving MTFP(10) savings

The Cabinet considered a report of the Corporate Director of Resources which presented information on the following:

- a) forecast revenue and capital outturn for 2020/21;
- b) forecast for the council tax and business rates collection fund position at 31 March 2021;
- c) forecast of earmarked cash limit and general reserves, and, the estimated balances to be held at 31 March 2021.

The report also sought approval of the budget adjustments and proposed sums outside the cash limit, and, provided an update on progress towards achieving MTFP(10) savings (for copy see file of minutes).

The Corporate Director of Resources requested that Cabinet note the high level of uncertainty when considering the figures set out in the report, particularly due to the Covid-19 pandemic.

Councillor Napier accepted the impact of Covid-19 on funding and recognised the difficulties in predicting income and expenditure during such uncertain times. He commended the exceptional management of the council's finances which had enabled significant support to continue to be provided in areas such as welfare support and the local council tax support scheme. He highlighted the authority is recognised as one of the leading councils for its support provided to local businesses, adding that capital expenditure plans will continue to focus on local companies and suppliers, to provide support to local business. Councillor Napier referred to the impact of 10 years of austerity, saying that although the council is on track to achieve its agreed budget savings for this year, he hoped that the importance of the authority would be recognised by the government, when considering funding cuts in the future. He thanked all officers concerned for their diligent management of the budget which had undoubtedly been a difficult task.

The Chair remarked on the significant additional costs, and, loss of income as a result of Covid-19 and the time of great financial uncertainty. He confirmed the financial position will be reviewed and reported in future outturn reports, and, the council will continue to lobby government to cover all Covid-19 costs, and lost income.

Resolved:

That the recommendations in the report be approved.

7. Annual Enforcement Programme Children and Young Persons (Protection from Tobacco) Act 1991 and Anti-Social Behaviour Act 2003

The Cabinet considered a report of the Corporate Director of Regeneration and Economic Growth which reviewed enforcement activities under the Children and Young Persons (Protection from Tobacco) Act 1991 and Anti-Social Behaviour Act 2003 and the Licensing Act 2003 for the period April 2019 to March 2020. The report also sought approval of a new enforcement programme for 2020/21 (for copy see file of minutes).

Councillor Stephens thanked the Community Protection Team and its partners, for their excellent work and he endorsed the proposed programme of activities for the year ahead.

Councillor Hovvels observed that the enforcement activities will form an important part of the council's health and wellbeing key priority.

Resolved:

That the recommendations in the report be approved.

8. Treasury Management Outturn 2019/20

The Cabinet considered a report of the Corporate Director of Resources which provided information on the treasury management outturn position for 2019/20 (for copy see file of minutes).

Resolved:

That the report be noted.

9. Quarter One, 2020/21 Performance Management Report

The Cabinet considered a report of the Corporate Director of Resources which presented progress towards achieving the key outcomes of the council's corporate performance framework (for copy see file of minutes).

In moving the report, the Chair acknowledged that the corporate performance framework, which is structured around the ambitions of the County Durham Vision, had suffered from the impact of the Covid-19 pandemic. He highlighted that, prior to the pandemic, employment in the county had been increasing, and, with thanks to activity by Business Durham, many jobs had been created and safeguarded.

He expressed concern at the implications of the end of the furlough scheme on employment and he pledged support to industry and employees. He referred to the council's work to support business throughout the pandemic and he thanked the officers responsible for expediting grant funding payments to businesses. He added that the council will continue to invest in plans to bring an additional 30,000 jobs to County Durham.

Referring to the projection that unemployment is expected to double by 2021, Councillor Napier remarked this was particularly worrying for the county's young people and commented that there is a task ahead to focus on providing more and better paid jobs and education and training opportunities.

Resolved:

That the report be noted.

Councillor L Hovvels left the meeting.

10. Maintained School Budget Plans and Permission to Set Deficit Budgets 2020/21

The Cabinet considered a joint report of the Corporate Director of Children and Young People and the Corporate Director of Resources which provided an overview of maintained schools' initial budget plans for 2020/21, as agreed by the relevant Governing Bodies. The report highlighted where the Corporate Director of Resources had exercised judgement in terms of approving the setting of deficit budgets, in accordance with the Council's constitution and the Scheme of Financing for Schools (for copy see file of minutes).

In moving the recommendations, Councillor Napier commented on the likelihood that schools will face increasing pressures in these uncertain times, saying the council will work closely to assist schools faced with financial concerns.

Councillor Gunn, Portfolio Holder for Children and Young People's Services, expressed her concern at school deficit budgets and acknowledged the challenges for schools in setting balanced budgets. She emphasised the importance of providing continued support in order to ensure school budgets are effectively managed, particularly in the current climate. She stated that she had written to education ministers on a number of occasions regarding school funding and she will continue to lobby government for fair and sustainable funding.

Resolved:

That the recommendations in the report be approved.

Councillor L Hovvels re-joined the meeting.

Councillor B Stephens left the meeting.

11. Weardale Railway: Request for Financial Support

The Cabinet considered a report of the Corporate Director of Regeneration, Economy and Growth on an opportunity regarding the development of Weardale Railway and of a request from The Auckland Project to support its future development (for copy see file of minutes).

Councillor Shuttleworth, County Councillor for Weardale, referred to previous Cabinet reports on Weardale Railway and he provided his views on providing further financial assistance to the company.

He pointed out that paragraph 30 of the report referred to a Cabinet report dated 2009 and he stated that he was not aware of that report and had not been able to find it. He requested clarification from the Head of Legal and Democratic Services. Councillor Shuttleworth then asked what the economic benefits would be, to the local community, of providing a further £2.128 million pounds to the Weardale Railway.

Councillor Marshall thanked Councillor Shuttleworth for his question and explained the economic benefits including that the project aims to further increase the number of visitors to Bishop Auckland. He added that the railway would become an important part of a growing network of visitor attractions which, in turn, would increase footfall and benefit the Weardale and Bishop Auckland areas. The project would provide sustainable employment for local people and the ambition is also to improve sustainable transport arrangements for the people of Bishop Auckland, Shildon, Weardale and the wider area.

The Head of Legal and Democratic Services agreed to confirm the position with regard to the report to Cabinet dated 2009, and, to provide a copy of the report to Councillor Shuttleworth and Cabinet members.

In moving the report, Councillor Marshall stressed the importance of the council supporting such an innovative project which aims to boost the visitor economy. Councillor Napier spoke of the significant benefits the project would bring to the community and the wider area. Councillor Patterson added her full support to the initiative, to bring much needed private and public sector investment into Weardale.

Resolved:

That the recommendations in the report be approved.