

DURHAM COUNTY COUNCIL

CABINET

At a meeting of **Cabinet** held remotely via Microsoft Teams on **Wednesday 18 November 2020** at **9.30am**

Present

Councillor S Henig, Leader of the Council (Chair)

Cabinet Members

Councillors J Allen, O Gunn, L Hovvels, A Napier, A Patterson, K Shaw, B Stephens and A Surtees

Apologies

Councillor C Marshall

Also Present

Councillors J Robinson and J Shuttleworth

1 Public Questions

There were no public questions.

2 Minutes

The minutes of the meeting held on 14 October 2020 were agreed as a correct record and would be signed by the Chair.

3 Declarations of Interest

There were no declarations of interest.

4 Local Council Tax Reduction Scheme 2021/22 and Council Tax: COVID-19 Hardship Fund Payments [Key Decision: CORP/R/20/05]

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

- (a) sought approval to recommend to Council the continuation of the current Local Council Tax Reduction Scheme (LCTRS) for a further year into 2021/22, which would continue the protection afforded to all claimants in line with what their entitlement would have been under the former Council Tax Benefit system;

- (b) provided information on the current and forecasted expenditure in terms of the Government's COVID-19 hardship fund;
- (c) sought approval for the allocation of the remaining COVID-19 hardship fund grant to continue to support vulnerable residents following consideration of the options and recommendations set out in the report;
- (d) sought approval of the updated Discretionary Council Tax Reduction (COVID-19) policy in line with agreement on the allocation of the remaining COVID-19 hardship grant fund.

(for copy see file of minutes).

Moving the report, Councillor Napier, Deputy Leader of the Council and Portfolio Holder for Finance, commented that the protection of the scheme had enabled additional support to be provided to vulnerable residents, throughout the pandemic, including the reduction of a further £300 to eligible residents' council tax bills this financial year, and, it is proposed to apply an additional £100 of council tax support next year. These measures, together with the Welfare Support Scheme, will ensure the Council continues to provide as much support as possible to local residents.

The Chair, Councillor Henig, Leader of the Council, highlighted Durham County Council is one of a small minority of councils to continue to offer the same level of support to all claimants, as was available under the former Council Tax Benefit scheme. Furthermore, Durham's performance in the Council Tax collection rate is stronger than any other north east council since the changes were introduced.

Councillor Surtees, Portfolio Holder for Social Inclusion, welcomed the continuation of the scheme, which she commented is timely, with many people facing financial hardship at this time.

Resolved:

That the recommendations in the report be approved.

**5 Council Tax Base 2021/22 and Forecast Deficit on the Council Tax Collection Fund as at 31 March 2021
[Key Decision: CORP/R/20/03]**

The Cabinet 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 2021/22 and reported on the estimated collection fund surplus as at 31 March 2021 (for copy see file of minutes).

Councillor Napier acknowledged that estimating the future tax base position had been difficult owing to the impact of COVID-19 and the resulting uncertainty and he added it is hoped that government will provide further support to local authorities, given the reduced income from Council Tax this financial year.

Resolved:

That the recommendations in the report be approved.

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

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

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

The report also sought approval of the budget adjustments and proposed sums outside of 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 stated the report was based on best estimates and commented on the high level of uncertainty due to the COVID-19 pandemic, therefore, the report included a number of assumptions with regard to income and expenditure.

The Chair welcomed Councillor Shuttleworth, local member for Weardale, who requested a breakdown, and, a reason, for the £420,000 overspend on winter maintenance. Councillor Stephens, Portfolio Holder for Neighbourhoods and Local Partnerships, explained the provision of winter maintenance is a statutory obligation. The cost of the service is driven by the weather and is delivered in accordance with the winter maintenance policy. The forecast overspend of £420,000 is based on a projection which assumes a similar level of activity to that of 2019/20. This is subject to weather conditions throughout the forthcoming winter season and will be revised accordingly as the year progresses.

Moving the report, Councillor Napier referred to the uncertain times for financial planning and forecasting and he commended officers for their work. The Chair referred to the overspend in excess of £50 million due to additional expenditure and loss of income during COVID-19. Whilst additional government funding had made-up most of the shortfall, there remains an overspend this year.

He confirmed the financial position will continue to be closely monitored during this challenging time.

Resolved:

That the recommendations in the report be approved.

7 Mid-Year Review Report on Treasury Management for the period to 30 September 2020

The Cabinet considered a report of the Corporate Director of Resources which provided information on the treasury management mid-year position for 2020/21 (for copy of report see file of minutes).

Resolved:

That the recommendations in the report be approved.

8 Lumiere 2019 – Evaluation

The Cabinet received a report of the Corporate Director of Regeneration, Economy and Growth which presented information on the Lumiere 2019 evaluation and the early plans for Lumiere 2021 (for copy see file of minutes).

Councillor Allen, Portfolio Holder for Transformation, Culture and Tourism, highlighted that the evaluation of Lumiere 2019 showed an overwhelming positive response from the public. Councillor Allen added that the event is not only a light festival, but also an important community development programme and a significant economic engine for the county. Careful planning will be undertaken for Lumiere 2021, which will include consideration of the context of the current pandemic.

Resolved:

That the report be noted.

9 Poverty Issues

The Cabinet received a report of the Corporate Director of Resources which provided an update on:

- a) the most recent welfare, economic and poverty indicators for the county; and
- b) the progress of the Council and partners' efforts to address and alleviate poverty including a summary of the actions to respond to the negative financial impacts experienced by residents as a result of the COVID-19 pandemic, and the poverty action strategy and plan (for copy see file of minutes).

Councillor Surtees referred to the many residents in the county who continue to struggle under the government's welfare reform programme, with the pandemic compounding the financial hardships. In addition, many families are suffering the effects of poverty that have not previously faced such issues. Councillor Surtees pointed out that despite funding constraints, the Council remains committed to providing help to those who are struggling financially and to alleviate the longer term issues leading to poverty.

Councillor Gunn, Portfolio Holder for Children and Young People's Services, welcomed the report and echoed the concerns of Councillor Surtees for those in the community who are in financial difficulty. She expressed pride at the partnership working taking place and thanked the voluntary and community sectors who have worked with the Council to maximise support to the most vulnerable. Highlighting the government's recent announcement to support those receiving free school meals during school holidays, Councillor Gunn pointed out that Durham County Council has been supporting families through school holiday periods for years, with assistance from the voluntary sector, and the Council had also provided assistance to parents who required help with back-to-school costs.

The Portfolio Holder for Strategic Housing and Assets, Councillor Shaw, spoke of the many valuable initiatives to support housing, fuel poverty and homelessness to respond to the significant increases in poverty resulting from years of austerity. Councillor Hovvells, Portfolio Holder for Adult and Health Services, expressed concern that the pandemic will lead to a greater inequalities gap adding the Council must strive to continue this good work to address poverty issues, with a particular focus on the impact on children and young people.

The Chair thanked officers for their hard work.

Resolved:

That the report be noted.

10 Mainstream Primary and Secondary Formula Funding 2021-22

The Cabinet considered a report of the Corporate Director of Resources which updated members on the government announcements about mainstream primary and secondary formula funding for 2021/22 and recommended that the Council continues to use a transitional formula next year, which will align the local formula with the National Funding Formula (for copy see file of minutes).

In moving the report, Councillor Napier commented it is clear that a significant injection of funding from government is required to help improve schools across the county. Councillor Gunn added that whilst increases in funding are welcomed, how the funding for next year will flow through schools remains to be seen.

She expressed concern that many schools will continue to struggle, as government funding over recent years has not met the cost pressures suffered by schools. She explained that she had written to various government ministers pointing out the lack of capital investment, and, calling for schools to be properly funded, however, the responses received did not reflect the reality that schools in the county are facing, and, she hopes these issues will form part of the levelling-up agenda. Councillor Gunn thanked all teachers, teaching assistants and school support staff for their excellent work, and, she also thanked children and young people and acknowledged the pressures they are facing, in these unprecedented times.

Resolved:

That the recommendation in the report be approved.

11 Regional Adoption Agency – Full Business Case

The Cabinet considered a report of the Corporate Director of Children and Young People's Services which presented the full business case for the Regional Adoption Agency (RAA) – Adopt Coast to Coast, which sets out the Partnership Model agreement reached by Durham, Cumbria and Together for Children/Sunderland to work collaboratively to develop and deliver their respective adoption services (for copy see file of minutes).

Councillor Gunn confirmed the partnership model meets the Secretary of State's requirements to carry out adoption functions jointly, with the aim of reducing the amount of organisations recruiting and assessing adopters, as the RAA will operate at a greater scale. She expressed confidence that the new service will enable timely adoptions to be secured, and, deliver high quality support services to those wishing to adopt.

Councillor Hovvells commented on the importance of this work, adding the Council will work with partners to ensure the sufficiency of high quality adoption services and to encourage high aspirations for adopted children.

Resolved:

That the recommendations in the report be approved.

12 Overview and Scrutiny Review of GP Services in County Durham

The Cabinet considered a report of the Corporate Director of Resources which presented the Adults Wellbeing and Health Overview and Scrutiny Committee's review report focusing on GP Services in County Durham (for copy see file of minutes).

The Chair welcomed Councillor John Robinson, Chair of the Adults, Wellbeing and Health Overview and Scrutiny Committee who presented the review report and thanked colleagues for their contribution to the cross-party report. He explained the review was undertaken in response to concerns over the cumulative impact of a number of applications to either review, merge or close GP surgeries across County Durham. He outlined the terms of reference and provided details of the agencies engaged to provide evidence to inform the review, and, described the nine review recommendations.

Councillor Robinson placed on record the Adults, Wellbeing and Health Overview and Scrutiny Committee's thanks to GP and primary care services for the role they have played during the COVID-19 pandemic. He also thanked the Principal Overview and Scrutiny Officer, Stephen Gwilym, for his advice and support to the Committee, and, he thanked all members, officers and partners for their valuable contribution.

Councillor Hovvells thanked the Committee for undertaking such a broad review which included investigating difficulties caused by transport issues, with the recommendation that an integrated transport solution be developed, to address the challenges faced by patients.

Councillor Gunn remarked on the timeliness of the report and commented on the value placed by communities on GP surgeries, which has been observed through many representations received from residents, when proposals to review services are considered.

Resolved:

That the recommendations in the report be approved.

13 Director of Public Health Annual Report 2020

The Cabinet considered a joint report and presentation of the Corporate Director of Adult and Health Services and the Director of Public Health which presented the 2020 Annual Report of the Director of Public Health for County Durham (for copy of report and presentation see file of minutes).

The Director of Public Health explained the Annual Report differs from that of previous years as it has a major focus on the impact of COVID-19 and, in delivering the presentation, the Director of Public Health provided information on action taken in response to the pandemic, including work with partners and the community, and outlined the seven public health strategic priorities which will inform the recommendations to be taken forward next year.

Councillor Hovvells welcomed the Annual Report, saying the report clearly demonstrates that health and wellbeing is a responsibility for every individual. Councillor Stephens commented on the good partnership working that had taken place to launch the County Durham Together Community Hub and the significant role played by Area Action Partnerships to provide support during the pandemic.

Councillor Gunn thanked the Director of Public Health and her staff during these difficult times. She added that the community support and the work of volunteers who have helped to support the community on a daily basis, has been invaluable.

Resolved:

That the recommendations in the report be approved.

14 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 disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act.

15 Marginal Viability Housing Infrastructure Fund (HIF) – Newton Aycliffe Housing Growth Report

The Cabinet considered a joint report of the Corporate Director of Regeneration, Economy and Growth and the Corporate Director of Resources which sought agreement on the proposed approach to bringing forward a Housing Infrastructure Fund (HIF) supported housing development in Newton Aycliffe that will make more land available for housing (for copy see file of minutes).

Resolved:

That the recommendations in the report be approved.