

**26 October 2016**

**Report from the Cabinet**



---

## **Purpose of the Report**

To provide information to the Council on issues considered by the Cabinet on 14 September 2016 to enable Members to ask related questions.

Members are asked to table any questions on items in this report by 2 pm on 25 October 2016 in order for them to be displayed on the screens in the Council Chamber.

## **Contents**

### **14 September**

- Item 1      Proposal to Close Startforth Morritt Memorial Church of England Primary School on 31 December 2016 [Key Decision: CAS/02/16]
- Item 2      Consultation Feedback on the Proposal for Changes to the Charging Policy for Non-Residential Social Care Services [Key Decision: CAS/06/15]
- Item 3      Review of Youth Support Key Decision: CAS/05/15
- Item 4      Strategy for Children and Young People with Special Educational Needs and/or Disabilities 0-25
- Item 5      Quarter One 2016/17 Performance Management Report
- Item 6      Forecast of Revenue and Capital Outturn 2016/17 – Period to 30 June 2016
- Item 7      Digital Durham Programme Update and Contract 1 Closure
- Item 8      The North East Investment Fund (JEREMIE 2)
- Item 9      Local Government Ombudsman Further Report relating to Mill House Farm, Windmill

**1. Proposal to Close Startforth Morritt Memorial Church of England Primary School on 31 December 2016 [Key Decision: CAS/02/16]  
Cabinet Portfolio Holder – Councillor Ossie Johnson  
Contact – Sheila Palmerley 03000 265731**

We have considered a report of the Interim Corporate Director, Children and Young People's Services which sought approval to close Startforth Morritt Memorial Church of England Primary School on 31 December 2016.

Although the school can accommodate 112 pupils, pupil numbers have been falling significantly in recent years and it is expected that as few as 21 pupils would attend the school from September 2016. The reduction in pupil numbers has led to a reduction in funding. The school was judged 'Requires Improvement' by Ofsted in March 2014 and a further inspection in June 2016 once more judged the school as requiring improvement. Consultation on the proposed closure followed many attempts by the County Council, Church of England Diocese, Governors and other schools in the area to explore various options to secure primary education in Startforth in the long term. At a meeting held on 25 April 2016 the Chair, Vice Chair of Governors, the Acting Headteacher and the Headteacher of an Outstanding School who the council had arranged to provide leadership support to Startforth Morritt during the past year, were all in agreement that as no other options had been able to be developed it would not be sustainable for the school to remain open. In light of this, plans were put in place to begin consultation on proposed closure of the school.

The consultation was undertaken for six weeks, between 16 May – 24 June 2016. Cabinet considered all the views submitted, including all objections and comments on the proposal. Details of the consultation were included in the report. Statutory notice was published on 7 July 2016 and representations were made between 7 July and 4 August 2016.

Startforth Parish Council responded to the publication of the statutory notice stating the Parish Council was not in support of the proposal as the Council was of the opinion that a school in Startforth is required to respond to the additional housing in the area. The Parish Council also stated that the school building is the only community building in the village and is the heart of the community and to lose the school will impact on community cohesion and the community involvement with the church. Additional housing is taken into account when projecting pupil numbers. Any additional pupils from the housing developments in Startforth would be gradual and still not sufficient to make the school sustainable in the long term. Officers will be discussing with the Church of England Diocese and the local community possible ways that the school building could be used in future should the school close.

There are another 4 primary schools in the local planning area of Startforth. As Startforth is a Church of England (CE) school there is the opportunity for pupils to be accommodated at another CE school if that is what parents wish, but if not, there are other schools available. It is expected that there will be around 21 pupils displaced if a decision is taken to close Startforth. Across the group of 4 other schools in the planning area there is expected to be up to 120 spare places each year for the next 5 years. This is more than adequate

to accommodate the pupils from Startforth and this takes account of the housing developments that have been approved for the Barnard Castle area.

Startforth Morritt Memorial Church of England School is designated by the DfE as a rural school. There is a presumption against the closure of rural schools and the case for closure should be strong and the proposal should be in the best interests of educational provision in the area. The report provided details as to how Cabinet considered the rurality of the school before making its decision on the proposal to close the school.

## **Decision**

We have:

- (i) considered the contents of this report, specifically in relation to concerns relating to low pupil numbers, the school's budgetary situation, long term viability of the school, education standards and Ofsted judgements in the two most recent inspections, balanced against the strong feelings of the governors, staff, parents, pupils and the local community to keep the school open; and
- (ii) taking all the factors into account in the report, approved the proposal to close Startforth Morritt Memorial Church of England Primary School on 31 December 2016, without modification.

## **2. Consultation Feedback on the Proposal for Changes to the Charging Policy for Non-Residential Social Care Services [Key Decision: CAS/06/15] Cabinet Portfolio Holders – Councillors Alan Napier, and Lucy Hovvels Contact – Paul Darby 03000 261930**

We have considered a joint report of the Interim Corporate Director, Resources and the Interim Corporate Director, Adults and Health Services which provided feedback on the proposed changes to the charging policy for Non-Residential Social Care Services.

On 16 March 2016 the Cabinet agreed that a consultation exercise should be undertaken on whether to change the current charging arrangements. The proposed changes approved by Cabinet would apply to the 'Disability Related Expenditure' disregards that are taken into account when calculating what is charged for non-residential social care services where the service user is in receipt of the Severe Disability Premium (SDP).

The Severe Disability Premium (SDP) is a welfare benefit to help people with the costs of having care in their homes. Currently Durham County Council assumes that at least half of the person's SDP is spent on Disability Related Expenditure (DRE) such as heating or laundry costs. Therefore when calculating charges for non-residential services, 50% of the SDP benefit is not

included in the person's financial assessment. However, experience has shown that this is not always the case, and some people will spend less than half of their SDP on helping to manage their disability.

This report provided the results of the consultation exercise on the proposals to make changes to the non-residential charging policy for people who receive social care services in respect of the allowances made for Disability Related Expenditure disregards where people are in receipt of SDP. The changes would apply to new clients only from 1 October 2016.

The report proposed to cease the Council's policy of automatically disregarding 50% of the weekly SDP for non-residential financial assessments for all new clients seeking to receive non-residential social care services and instead offer an individual assessment of DRE. This would mean that disregards are based on what people actually spend rather than a set amount thereby ensuring that all service users are treated fairly and equitably. This will also bring the Council's treatment of this element of income in line with the majority of other local authorities in the region.

Analysis of caseload data shows that on average the service users in receipt of SDP receive services for approximately three years and therefore, applying this policy change to new service users only will mean that after a three year period it is likely that all cases will be based on an actual assessment of DRE rather than an automatic 50% SDP disregard.

There was a limited response to the consultation, possibly reflecting the fact that the Council was not seeking to remove this automatic disregard from existing recipients and the fact that the changes proposed are based on an actual assessment of need and in line with the treatment already in place in many other local authorities.

## **Decision**

We have accepted the proposal that:

- a) With effect from 1 October 2016, the Council ends the automatic disregard of 50% of the weekly SDP in non-residential financial assessments for all new clients seeking to receive non-residential social care services, and offer an individual assessment of disability related expenses;
- b) The Council do not revise the current financial assessment for people currently receiving the disregard.

### **3. Review of Youth Support Key Decision: CAS/05/15 Cabinet Portfolio Holder – Councillor Ossie Johnson Contact – Carole Payne 03000 268657**

We have considered a report of the Interim Corporate Director, Children and Young People's Services which provided details on the outcome of the

consultation carried out between 1 February and 27 April 2016 on the future of youth support services in County Durham, and, made final recommendations on the future youth service delivery model.

On 13 January 2016 Cabinet agreed to consult on 3 proposals on the future of youth as follows:

- Proposal 1: A Strategy for Youth Support in County Durham
- Proposal 2: Deploy Council resources according to need to deliver a Targeted Youth Support Service
- Proposal 3: Ceasing the existing youth work support grant and allocate funding to each Area Action Partnership (AAP) to address local priorities linked to youth services.

Historically, the main focus of council-funded youth services has been the provision of universal youth sessions which any young person aged 13-19 can access through attendance at youth clubs and projects across the County. This is commonly referred to as open access youth provision. The Council currently provides on average 200 weekly sessions of open access youth provision through 63 youth centres and projects across the County. Much of the provision is delivered in partnership with a range of voluntary and community sector partners in and through community centres. The provision is overseen by voluntary management committees who are supported by One Point Youth Workers.

This provision has evolved over time and has not been based on a strategic assessment of need to inform where it is most needed. Since the establishment of the One Point Service in 2011, in addition to universal work, some targeted youth support has been developed to support young people who have identified additional needs, including support to young people who are not in education, employment or training (NEET), young people at risk of exclusion and teenage parents.

In addition, the Council is responsible for the maintenance of six Youth and Community Centres. Options regarding the potential transfer to local community ownership under the Durham ASK programme have been pursued which will enable the Council to realise up to £116,517 savings at the same time as the facilities being retained in the community. Progress on the transfer of the available youth and community centres has been made to date and four of the six centres are expected to asset transfer no later than December 2016.

The consultation outlined 3 key proposals which were based on the delivery of a targeted youth support model as follows.

### **Proposal 1: A Strategy for Youth Support in County Durham**

The consultation sought endorsement of the Strategy (detailed in Appendix 3 of the report) which set out the Council's vision as:

- Ensure those young people who require additional help are identified and supported to achieve good outcomes; and
- Work in partnership with other providers, including the Voluntary and Community Sector, to ensure young people can access universal provision and activities

The Strategy sets out the Council's aim to ensure all young people negotiate their teenage years successfully and achieve their full potential.

### **Proposal 2: Deploy Council resources according to need to deliver a Targeted Youth Support Service**

This review demonstrated that only a small proportion of young people attend open access youth clubs, despite clubs being universal access. At the same time, outcomes for vulnerable young people need to improve. It was proposed therefore, that Council resources should be redirected, according to need, so that a targeted youth support service can be provided. This will mean that universal, open access youth work will no longer be funded through the One Point Service budget. Instead following the £1million MTFP efficiency saving, the remaining resource will be reconfigured to deliver a Targeted Youth Support Service.

In order to move to a rational basis for resource allocation, a methodology was developed to measure need across the County which was detailed in the previous Cabinet report dated 13 January 2016. The methodology considered data relating to young people's outcomes across County Durham in two parts; social need and educational/school based need.

The methodology concluded that in order to deliver the proposed model, the available resource should be distributed as follows:-

- 60% of the available resource will be used to support delivery of the social element of the model, and
- 40% of the available resource will be used to deliver the school based element of the model.

### **Proposal 3: Ceasing the existing youth work support grant and the allocation of funding to each Area Action Partnership (AAP) to address local priorities linked to youth services**

The Youth Work Support Grant funds a range of organisations and supplements the staffing allocation provided by the Council for the delivery of universal open access youth work sessions. Current allocations of this grant are historical and are not based on any assessment of need. It was proposed that the 2015/16 grant budget of £194,684 will be reduced by a minimum of £56,000 in order to deliver the MTFP requirement. However, this amount is dependent upon the successful asset transfer of Youth and Community Centre buildings, as set out in the report. If all centres are not transferred the Youth Support Grant will be reduced further prior to distribution to AAPs.

On 13 January 2016, Cabinet agreed to a 12 week public consultation and the report included a summary of the consultation responses. Common themes emerged throughout the consultation. Responses clearly referred to the positive effect youth workers have in supporting young people. Respondents expressed a view that the vision as set out in the proposed strategy was positive and there was broad acknowledgement that with less funding the Council should effectively target those young people in greatest need. Respondents also recognised that the proposal to transfer funds to the AAP to address local priorities linked to youth services would address the current inequality of distribution. The report outlined a number of actions that could be taken to mitigate against the issues raised.

In particular, It was recognised that living in rural areas, in particular Weardale and Teesdale, present their own challenges. Concerns were raised during consultation regarding the impact changes to the current open access, delivery model would have on young people in these areas.

## **Decision**

We have agreed the following recommendations:

### **Recommendation 1:**

Endorsed the revised Strategy for Targeted Youth Support which includes a recognition that young people who experience the impact of rural isolation should be included as part of the criteria for access to targeted support;

### **Recommendation 2:**

Agreed to the cessation of open access youth provision, which will deliver the required £1million MTFP efficiency saving, and approve the provision of a Targeted Youth Support Service, which will be resourced in accordance with need, based on the following formula:-

- 60% of the available resource distributed based on the numbers of young people who live in the top 30% most deprived communities
- 40% of the available resource distributed based on numbers of pupils enrolled in secondary schools in each of the 10 One Point areas to support the delivery of the Team Around the School

### **Recommendation 3:**

Agreed to allocate the remaining Youth Work Support Grant funding equally across the 14 Area Action Partnerships with a requirement that the AAPs allocate this fund to support services for young people.

- 4. Strategy for Children and Young People with Special Educational Needs and/or Disabilities 0-25**  
**Cabinet Portfolio Holder – Councillor Ossie Johnson**  
**Contact – Caroline O’Neill 03000 268932**

We have considered a report of the Interim Corporate Director, Children and Young People’s Services which provided details of the Strategy for Children

and Young People with Special Educational Needs and/or Disabilities (SEND) 0-25.

The Strategy, which was included in the report at Appendix 3, was developed by the Education Service, Children's Service and Adults Service of Children & Adults Services, with significant contributions from Public Health, schools, colleges, North East Commissioning Support, North Durham Clinical Commissioning Group, and Durham Dales Easington and Sedgefield Clinical Commissioning Group.

In September 2014 the introduction of the Children and Families Act 2014 brought about major reforms to the way local authorities and other organisations support children and young people with Special Educational Needs or Disabilities. The strategy outlined the current position in County Durham for children and young people with SEND and outlined the next steps, including the response to the Children and Families Act 2014 SEND Code of Practice. At the heart of the plan is the principle that all children and young people, including those with special educational needs and/ or disabilities (SEND) should be given every opportunity to take control of their lives, to be as independent as possible and to achieve as much as they are able.

The strategy and associated action plan is to be reviewed annually. The action plan will be a live document which will grow for continuous improvement and review. Measures and outcomes will be developed for each of the actions as part of the governance arrangements. The strategy will inform a review of current youth provision and will shape the direction of the youth service so that it is well placed to deliver the improved outcomes and ambitions for young people in County Durham.

## **Decision**

We have:

- Approved the Strategy for Children and Young People with Special Educational Needs and/or Disabilities 0-25.
- Noted the action plan at appendix 2 of the report.

## **5. Quarter One 2016/17 Performance Management Report Leader of the Council – Councillor Simon Henig Contact – Jenny Haworth 03000 268071**

We have considered a report of the Director of Transformation and Partnerships which presented progress against the council's corporate basket of performance indicators (PIs), Council Plan and service plan actions and reported other performance issues for the first quarter of the 2016/17 financial year, covering the period April to June 2016.

The council has observed increases in demand for many key areas this quarter such as increases in looked after children cases, overall planning applications and the number of fly-tipping incidents being reported. Customers dealt with at customer access points have again increased and the number of telephone calls and Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests received remains high. Some notable reductions are in the number of people requiring rehousing and the overall number of children in need referrals received. Fewer new benefit claims required processing as did changes of circumstances for council tax reduction although changes to housing benefit have increased.

## **Decision**

We have:

- a. Noted the performance of the council at quarter one and the actions to remedy under performance.
- b. Agreed all changes to the Council Plan outlined below:

### **Altogether Wealthier**

- i. Define and agree a proposal for North Road - March 2017. Revised date: June 2017
- ii. Identify new visual art space(s) within Durham City centre and the wider county - June 2016. Revised date: March 2017.
- iii. Deliver access improvements to Durham Rail station - October 2016. Revised date: March 2017.
- iv. Secure a developer for the North East Industrial Estate in Peterlee - March 2017. Revised date: July 2017.

### **Altogether Greener**

- v. Prepare a draft Air Quality Action Plan for Chester-le-Street and identify a range of required actions to improve air quality and to meet specific air quality objectives - June 2016. Revised date: December 2016.

### **Altogether Better Council**

- vi. Review of equalities training - June 2016. Revised date: August 2016.
- vii. Provide support to organisations interested in the Ask programme - develop and test a new model for Asset Transfer in Children and Adult Services - March 2017. Revised date: March 2018.
- viii. Renew County Durham Partnership: Develop and implement a programme of change based on the outcome of the CDP Away Day - June 2016. Revised date: September 2016.
- ix. Office accommodation programme: Develop detailed milestones and deliverables for HR and ICT - April 2016. Revised date: September 2016.

- x. Improving the opportunity for managers to effectively plan in relation to the workforce through developing the business intelligence module for managers - April 2016. Revised date: August 2016.

**6. Forecast of Revenue and Capital Outturn 2016/17 – Period to 30 June 2016**  
**Deputy Leader of the Council – Councillor Alan Napier**  
**Contact – Jeff Garfoot 03000 261946**

We have considered a report of the Interim Corporate Director, Resources which provided Cabinet with a forecast of 2016/17 revenue and capital outturn, based on the period to 30 June 2016.

This report is the first indication of the revenue and capital outturn for 2016/17 based on actual expenditure and known commitments as at 30 June 2016, together with the forecast balances on general reserves and earmarked reserves at 31 March 2017. The report also included forecasts for the Council Tax Collection Fund and Business Rates Collection Fund for 216/17.

The following adjustments have been made to the Original Budget agreed by Full Council in February 2016:

- (i) agreed budget transfers between Service Groupings;
- (ii) additions to budget for items outside the cash limit (for Cabinet consideration and recommended approval);
- (iii) planned use of or contribution to Earmarked Reserves

**Capital**

On 13 July 2016 Cabinet received a report, which provided details of the final outturn position of the 2015/16 Capital Programme. The report also included the additional capital allocations of £54.422 million approved by full Council on 24 February 2016 and the reprofiling of budgets from 2015/16 amounting to £17.119 million, which resulted in the establishment of the original 2016/17 budget of £126.090 million.

The Council's Member Officer Working Group (MOWG) that closely monitors the capital programme has since approved further revisions to the capital programme, taking into account additional resources received by the authority and further requests for reprofiling as Service Management Teams continue to monitor and review their capital schemes.

**Decision**

We have:

- i. Noted the projected change in the Council's overall financial position for 2016/17.
- ii. Agreed the proposed 'sums outside the cash limit' for approval.
- iii. Agreed the revenue and capital budget adjustments.
- iv. Noted the forecast use of Earmarked Reserves.

- v. Noted the forecast end of year position for the Cash Limit and General Reserves.
- vi. Noted the position on the Capital Programme and the Collection Funds in respect of Council Tax and Business Rates.

**7. Digital Durham Programme Update and Contract 1 Closure  
Cabinet Portfolio Holders – Councillors Jane Brown, Neil Foster,  
and Alan Napier  
Contact – Steve Hodgson 07946483564**

We have considered a joint report of the Interim Corporate Director, Resources and the Corporate Director, Regeneration and Economic Development which provided Cabinet with an update on the Digital Durham Programme and the outcomes for Contract 1, which has now closed.

The Digital Durham Programme began in April 2014 and aims to improve access to effective broadband across the region. Durham County Council is the accountable body and the programme area includes Gateshead, Sunderland and the five Tees Valley authorities. Following a national procurement exercise, BT was appointed as the principle contractor to deliver the broadband solution across the Digital Durham Programme. The programme has been split into 3 contracts due to the complexity caused by the involvement of different authorities and the cost of delivery against the original programme expectations:

- Contract 1 was the original contract involving 8 authorities. Build on this contract has now been completed.
- Contract 2 is a second phase of build to which the Council and its partners committed additional funding. This work is now underway
- Contract 3, which is yet to be defined, includes the potential of addressing all properties that will not be covered by contracts 1 and 2.

Contract 1 commenced in December 2013 and is now complete. BT has surpassed its contractual target (cumulative total) of 104,716 premises being able to access fibre based broadband services, reaching more than 107,000 premises by the end of the contract 1 in July 2016. 490 new structures have been installed across the Digital Durham Programme area to provide fibre broadband services.

In terms of take up of services, as of the 12 August 2016, 25.64% of properties included in the Digital Durham programme area have upgraded to fibre based broadband, against the Government target of 20%. Take up in Durham County is at 28.62%.

Contract 2 of the programme is now underway, with circa £8.5million available to provide access to superfast broadband to a further 29,000 premises. Of this funding Durham County Council has matched £1 million of BDUK monies with £1 million of local authority funded capital expenditure. The rest of the funding is made up of BDUK funding, match from other authorities and BT's

contribution. Contract 2 is also known as the Superfast Extension Programme (SEP) and runs until December 2018.

To comply with the European State Aid rules, a public consultation to define the intervention area where public funds can be used in contract 3 is currently underway. Timescales for Contract 3 have not yet been confirmed. Any subsequent investment in Contract 3 will need to be approved by Cabinet.

Details of the programme's financial position were included in the report. The programme remains on track with no significant issues to address. Digital Durham is recognised by BDUK as one of the leading broadband initiatives across the country both in terms of its numerical success and also the collaboration across multiple unitary authorities. The programme has brought significant benefits to businesses, residents and communities across the region.

## **Decision**

We have:

- i. Noted the content of this report, specifically the successful outcomes delivered to date;
- ii. Noted the closure of Contract 1 and the implementation plans in terms of Contract 2;
- iii. Noted there will be a further report will be brought to Cabinet to detail the options available for funding Contract 3.

## **8. The North East Investment Fund (JEREMIE 2) Cabinet Portfolio Holders – Councillors Neil Foster, and Alan Napier Contact – Paul Darby 03000 261943**

We have considered a joint report of the Corporate Director, Resources and the Corporate Director, Regeneration and Economic Development which sought approval for the Council's participation in a compliant governance structure to enable the North East Investment Fund (JEREMIE 2) project to proceed.

JEREMIE funding is Joint European Resources for Micro to Medium Enterprises, which is a joint initiative of the European Commission and the EIB Group, mainly through the European Investment Fund, to enhance cohesion across the EU. The funding is provided to areas by Government via Implementing Bodies to provide funding opportunities for businesses who meet the relevant criteria and for specific purposes.

The proposed North East Investment Fund ('JEREMIE 2') Fund will provide a successor to the Finance for Business North East (FBNE) JEREMIE 1 fund, which currently provides access to finance (equity and mezzanine loans

funds) to Small and Medium Sized Businesses in the North East. The JEREMIE 1 scheme is due to end in December 2016.

Other regional JEREMIE funds are being consolidated into the Northern Powerhouse Investment Fund (NPIF), with the British Business Bank acting as the Implementing Body, which will be operated from Sheffield. The North East opted not to join NPIF, preferring to create a successor fund based in the North East, utilising existing expertise and infrastructure developed under the JEREMIE 1 programme. In 2015 Government approval, in principle, was provided to establish a North East fund operated by an Implementing Body located in the North East.

The need for continuing intervention via a renewed JEREMIE resource is demonstrated by an independent assessment report on the JEREMIE1 scheme. The resource will increase the amount of venture capital accessed by local businesses in order to support growth, jobs and to attract further external investors locally. The report provided details of the proposed arrangements for JEREMIE 2.

An application for ERDF funding of circa £60million has been submitted by NECA on behalf of the North East Local Enterprise Partnership to DCLG's ESIF (European Social Investment Fund) Committee. The application is being considered by written procedure of the ESIF committee at the beginning of October 2016. The NECA Leadership Board will meet on 20 September to consider a report regarding the proposals for the structure and governance of the SPV.

It is proposed, subject to the decision of the NECA Leadership Board meeting on 20 September 2016 that the Council consider becoming a member of the company which will deliver the JEREMIE 2 Funds. Similar Cabinet decisions will be made by all the NECA constituent authorities.

As the Council does not have a scheduled Cabinet meeting in the relevant time period, the report proposed that delegated authority be given to the Interim Corporate Director, Resources and Corporate Director, Regeneration and Economic Development, in consultation with Cabinet Portfolio Holder for Finance and Cabinet Portfolio Holder for Regeneration and Economic Development to determine this matter, following the NECA Leadership Board meeting on 20 September.

## **Decision**

We have noted the report and authorised, subject to the decision of the NECA Leadership Board on 20 September 2016, the Corporate Director, Resources and Corporate Director, Regeneration and Economic Development, in consultation with the Cabinet Portfolio Holder for Finance and Cabinet Portfolio Holder for Regeneration and Economic Development to determine the Council's membership of the Special Purpose Vehicle for the North East Investment Fund (JEREMIE 2) and associated matters to enable it to be appropriately established.

**9. Local Government Ombudsman Further Report relating to Mill House Farm, Windmill  
Cabinet Portfolio Holders – Councillors Neil Foster, and Alan Napier  
Contact – Laura Renaudon 03000 269886**

We have considered a joint report of the Corporate Director, Regeneration and Economic Development and Interim Corporate Director, Resources which requested Cabinet to endorse the process for determining whether or not to utilise revocation, modification and discontinuance powers in respect of land at Mill House Farm, Windmill following a further report from the Local Government Ombudsman (“the LGO”).

The LGO requires the Council to consider whether to revoke, modify or discontinue permissions for 3 barns on agricultural land at Windmill, as a result of finding that the permissions were improperly granted and had unacceptable impacts on the neighbours because of the intensive housing of livestock. This is a Council decision, delegated to the Head of Planning & Assets.

On 29 February 2012 the Local Government Ombudsman issued a report finding maladministration by the Council.

The finding was in respect of (among other matters) the granting of planning permissions for 3 barns on agricultural land at Mill House Farm, Windmill. The ombudsman’s reports are the result of a long running set of issues that have their roots in activity before Local Government Reorganisation in 2009. The first two planning permissions were granted by Teesdale District Council in 2006 and 2007 respectively and the barns were constructed. The third permission was granted by Durham County Council in 2010 and has yet to be built.

The ombudsman recommended that the Council commissioned reports and then made a decision whether to revoke, modify or discontinue any of the permissions. The LGO has issued a further report and has reiterated that the Council should make a decision on the revocation/modification/discontinuance questions by October 2016. Failure to do so could result in censure by the Secretary of State. The LGO also made other recommendations in the first report including that the Council should compensate each household in the sum of 50% of the council tax due on their properties from March 2010 until the date of its decision. The obligation to make these payments continues. A schedule of the compensation paid and still arising and making revocation, modification or discontinuance orders (which would require confirmation by the Secretary of State) will carry costs consequences to the Council, arising out of the obligation to compensate the landowner. Those costs are a material consideration for the planning authority.

Making revocation/modification/discontinuance orders lies within the delegated authority of the Head of Planning and Assets. Given the significance of the decision, it is proposed to refer the question to the Area

Planning Committee for their advice at their meeting on 20 October before a decision is made.

The report proposed that the landowner, local residents and other interested parties will be consulted prior to the meeting of the Planning Committee, and that normal public speaking arrangements will apply at that meeting.

### **Decision**

We have:

1. Endorsed the proposed process for reaching a decision in response to the LGO's recommendations; and
2. Noted and where applicable approved the proposed costs as set out in the accompanying exempt report; and
3. Authorised the Head of Planning and Assets to take all reasonable steps required to achieve the planning controls sought by any orders he decides to make, and/or such other controls as he deems expedient.

**Councillor S Henig**  
**Leader of the County Council**

18 October 2016