

**21 February 2018**

**Report from the Cabinet**



## **Purpose of the Report**

To provide information to the Council on issues considered by the Cabinet on 17 January, and 7 February 2018 to enable Members to ask related questions.

Members are asked to table any questions on items in this report by 2 pm on 20 February 2018 in order for them to be displayed on the screens in the Council Chamber.

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[Key Decision: CYPS/02/17]

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[Key Decision: CYPS/03/17]

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**1. Aykley Heads Strategic Employment Site DCC Headquarters Full Business Case and Future options for the County Archive [Key Decision: ReaL/02/17]  
Cabinet Portfolio Holders– Councillors Joy Allan, Carl Marshall, and Alan Napier  
Contact – Sarah Robson 03000 267332**

We have considered a joint report of the Director of Transformation and Partnerships, the Corporate Director of Regeneration and Local Services and the Corporate Director of Resources on the future of Aykley Heads as a strategic employment site. The report affirms the potential for the site to attract high quality jobs to the county and proposes a masterplan to attract over 6000 jobs and sets out the implications of doing so for the site currently occupied by County Hall. The masterplan provides a unique opportunity to transform the economic prospects of the county as well as opportunities for the council to transform how it works in the future and how the heritage of the county is managed and celebrated.

The report is based on a robust Treasury green book methodology for determining value for money of complex projects and it included the production of a strategic business case, agreed by Cabinet in July 2015; an outline business case (OBC) agreed by Cabinet in July 2016 and a full business case (FBC), which was summarised in the report.

The conclusions of the report are:

- A Masterplan capable of attracting 6000 high quality private sector jobs to the Aykley Heads site has been developed which offers a once in a generation opportunity to enhance the economic prospects of the county.
- The Masterplan requires development on the footprint currently occupied by County Hall.
- The impetus to free up the County Hall site offers the Council an opportunity to transform how it works by downsizing to a more efficient building. The FBC concludes that moving to such a building in the city centre offers the most economically advantageous option to providing a civic and administrative centre over the next 35 years. The capital cost of moving to such a site is significantly less than maintaining and sustaining County Hall over that period whilst also demonstrating reduced running costs.
- In contrast to provision elsewhere in the country, County Hall contains the Archive and Record Office for County Durham and Darlington. The requirement to free up the County Hall site offers the Council an opportunity to bid for external funding to transform how we maintain our heritage for the next fifty years and to enhance access to and understanding of our social and industrial history.

## **Part 1: Proposed way forward on the Aykley Heads Strategic Employment Site:**

Part 1 of the report describes the Masterplan for the Aykley Heads site, the employment sectors that the site would target, and, the demand for a commercial business quarter in Durham City. It explains how development of the site would help realise long-held regeneration plans for the county and complement current growth in areas such as NetPark, the Newton Aycliffe Industrial Park, sites adjacent to the A1 and A19 and Bishop Auckland. This section of the report concluded that Aykley Heads provides a unique opportunity in the region to achieve significant growth of 6000 jobs. Whilst further work is required on the precise delivery model, it also concluded that a model that delivers jobs and a long-term financial return to the council is feasible and that the council should move to bring this to fruition.

## **Part 2: Durham County Council Headquarters Final Business Case:**

The requirements of the Masterplan as set out in Part 1 of the report mean that the site currently occupied by County Hall needs to be developed as part of the commercial business quarter to attract private sector jobs. A robust methodology has been applied to consider the most economically advantageous option for providing a civic and administrative centre for the council over the next 35 years. It concludes that moving to a smaller, more efficient building in the city centre would not only free up the opportunity on the current site to attract private sector jobs, but would be the most cost effective means of providing a council headquarters building. It summarises the procurement process which, though not yet complete, offers the opportunity to reduce running costs and downsize the administrative estate.

## **Part 3: Future options for the County Archive:**

This section takes as its starting point the need to relocate County Hall, in which the County Archive is currently located. The archive's significant value as part of the county's heritage is explained in this section. Few councils locate their archive in their administrative headquarters and the service experiences significant constraints on customer service and future growth by its location in County Hall.

In visioning how the council's heritage could be protected and celebrated for future generations, a proposal has been developed to co-locate several heritage and cultural services in a prestige setting. Whilst at an early stage of development, it is proposed that the proposal for a Durham History Centre is consulted on and that a Heritage Lottery Fund bid is submitted to significantly improve how the county's heritage is maintained and promoted.

## **Decision**

### **Part 1: Proposed way forward on the Aykley Heads Strategic Employment Site**

We have:

- a) noted the high-level options available to bring forward the delivery of the Strategic Employment Site and agree to receive a subsequent more detailed report on delivery arrangements in Summer 2018;
- b) noted the masterplan for Aykley Heads;
- c) approved the submission of an outline planning application for the Aykley Heads site;
- d) noted that the masterplan for Aykley Heads includes the development of the footprint currently occupied by County Hall.

### **Part 2: Durham County Council Headquarters Final Business Case**

We have:

- a) endorsed the key findings of the FBC as set out in the report and the related Part B report:
  - i. noted that the detailed financial information is set out in the part B Cabinet report and that the Office Accommodation Capital Reserve is available to finance the project and the capital costs, on-going revenue costs and savings and one-off costs of the project will be incorporated into future MTFP reports.
  - ii. approved the outcome of the procurement process to select a Preferred Bidder and Reserve Bidder;
  - iii. agreed to delegate authority to the Corporate Director of Regeneration and Local Services and the Corporate Director of Resources in consultation with the Cabinet Portfolio Holder for Economic Development and Regeneration and the Cabinet Portfolio Holder for Finance to enter into a Pre Development Services Agreement with the Preferred Bidder;
  - iv. agreed to delegate authority to the Corporate Director of Regeneration and Local Services and the Corporate Director of Resources, in consultation with the Cabinet Portfolio Holder for Economic Development and Regeneration and the Cabinet Portfolio Holder for Finance, to enter into the Development Agreement for the new HQ following satisfactory planning approval provided that the Preferred Bidder achieves the council's requirements during the PDSA period.

### **Part 3: Future options for the County Archive:**

We have:

- a) agreed to propose a 'Durham history centre' concept;
- b) agreed to consult stakeholders and interested parties on the proposal;
- c) authorised the Corporate Director of Regeneration and Local Services and the Corporate Director of Resources, in consultation with the relevant portfolio holders to continue negotiations with the relevant landowners;
- d) agreed to the submission of a funding application to the Heritage Lottery Fund, subject to the outcome of the consultation and negotiations;
- e) agreed to receive a further report on the detailed proposals for final consideration;
- f) noted the estimated capital costs as set out in the report will be included in future MTFP plans once they are finalised;
- g) noted that the on-going revenue costs of the history centre can be met from available resources;
- h) noted that the one-off costs set out in this report will be met from general reserve.

**2. School Admission Arrangements Academic Year 2019/2020, and Proposed changes to the oversubscription criteria for admission to Community and Voluntary Controlled Nursery Schools and Nursery Units from 1 September 2018**  
**[Key Decision: CYPS/02/17]**  
**Cabinet Portfolio Holder– Councillor Olwyn Gunn**  
**Contact – Graeme Plews 03000 265777**

We have considered a report of the Corporate Director of Children and Young People's Services which sought approval for the proposed oversubscription criteria for admission to Community and Voluntary Controlled Nursery Schools and Nursery Units from 1 September 2018 to take account of the council's statutory duty to provide 30 hours free childcare per week for entitled 3 and 4 year olds. The report also sought Cabinet approval for the proposed admission arrangements for Community and Voluntary Controlled Schools for the 2019/20 academic year.

The national School Admissions Code requires all schools to have admission arrangements that clearly set out how children will be admitted, including the criteria that will be applied if there are more applications than places at the school (oversubscription). Admission arrangements are determined by admission authorities. The Local Authority (LA) is the admission authority for

Community and Voluntary Controlled Schools, while the Governing Body is the admission authority for Voluntary Aided and Foundation Schools and the relevant Trust for an Academy or Free School.

All admission authorities must agree admission arrangements annually. Where changes are proposed to admission arrangements the admission authority must first consult on those arrangements. If there are no changes proposed they only need to be consulted on at least every 7 years. There were no changes proposed to Durham's admission arrangements therefore there was no need to consult this year. Consultation will need to be undertaken for future admission arrangements in autumn 2018 as this will start the next 7 year period.

On 8 February 2017, Cabinet approved the school admission arrangements for the academic year 2018/19. These arrangements included the oversubscription criteria to be applied for admission to Community and Voluntary Controlled Nursery Schools and Nursery Units. Since then, the Government introduced 30 hours free childcare per week for entitled 3 and 4 year olds from 1 September 2017. The oversubscription criteria agreed on 8 February 2017 did not include how applications for 30 hours per week places would be offered, therefore consultation was undertaken on proposed criteria for 30 hour places. Details of the consultation were contained in the report.

There were no changes proposed to the current admission arrangements for Community and Voluntary Controlled schools that required public consultation, other than where it is proposed that some schools have a reduction in the admission number for the purposes of efficient and effective curriculum delivery. All Governing Bodies/Trusts have considered the proposed admission number for their school. The proposed admission number (PAN) for each Community and Voluntary Controlled School was detailed in Appendix 3 of the report. Consultation was undertaken between 12 October 2017 and 27 November 2017 on schools where a reduction to the admission number was proposed.

All Governing Bodies/Trusts have also considered and agreed to the co-ordinated admission schemes that will govern the administrative processes for the 2019/20 academic year. These are unchanged from last year. Since a new School Admissions Code was published in December 2014 all admission authorities in Durham have followed advice issued by the Department for Education (DfE) at the same time in relation to the admission of summer born children outside of the normal year of entry. The process was detailed in the coordinated admission scheme for primary schools of the report.

All admission authorities must determine that admission arrangements for 2019/2020 by 28 February 2018 and these must be published on their website not later than 15 March 2018.

## Decision

We have agreed the proposed oversubscription criteria for admission to Community and Voluntary Controlled Nursery Schools and Nursery Units from 1 September 2018 to take account of the council's statutory duty to provide 30 hours free childcare per week for entitled 3 and 4 year olds as set out in the report; and agreed the following in respect of Community and Voluntary Controlled schools, when determining the admission arrangements for 2019/20:

- (a) The proposed admission numbers as recommended in Appendix 3 of the report.
- (b) The admission arrangements in Appendix 4 of the report.

**3. Proposal to Change the Age Range of Bowburn Junior School from 7-11 to 3-11 from 1 September 2019 in an Enlarged New Build to Create a Primary School and to Close Bowburn Infant and Nursery School as a Registered School on 31 August 2019 [Key Decision: CYPs/03/17]  
Cabinet Portfolio Holder– Councillor Olwyn Gunn  
Contact – Graeme Plews 03000 265777**

We have considered a report of the Children and Young People's Services which sought Cabinet approval to change the age range of Bowburn Junior School from 7-11 to 3-11 from 1 September 2019 in an enlarged new build to create a Primary School and to close Bowburn Infant and Nursery School as a registered school on 31 August 2019, taking account of the Local Authority's duties as prescribed in the Education and Inspections Act 2006 to secure sufficient places, and to ensure good outcomes for all children and young people in this local area.

In December 2016, Cabinet approved its overarching strategy for school organisation and the pattern and provision of schools across County Durham. One of the principles underlying the strategy is where practicable to do so, to move towards a pattern of 'all through' primary schools rather than separate infant and junior schools. The proposal to amalgamate Bowburn Infant and Nursery School and Bowburn Junior School into a single primary school is in accordance with the council's strategy of moving towards a model of all through primary schools. In November 2017, Cabinet also approved a strategic review of school provision in County Durham to ensure the financial sustainability of schools. This review builds on the strategy approved in December 2016 and aims to ensure that County Durham has an appropriate mix and the right number of high performing, financially sustainable schools. One of the options to be utilised to meet this aim is the amalgamation of schools.

Using delegated powers, the Corporate Director, Children and Young People's Services approved the start of consultation on the proposal to change the age range of Bowburn Junior School from 7-11 to 3-11 from 1 September 2019. A public consultation was undertaken between 2 October

2017 and 10 November 2017. A full summary of the consultation responses was included in the report at Appendix 2.

The large majority (63) were in support of the proposal and only 2 were not in support of it. After full consideration of all the responses to the consultation, the Corporate Director, Children and Young People's Services used delegated powers to agree to publish proposals to change the age range of Bowburn Junior School from 7-11 to 3-11 from 1 September 2019 in an enlarged new build and to close Bowburn Infant and Nursery School as a registered school on 31 August 2019. A statutory notice was therefore published on 23 November 2017.

A statutory 4 week representation period followed during which comments on the proposal could be made. One response was received by the end of the 4 week statutory notice period. This respondent expressed concerns as to access to the site for the proposed primary school and queried whether the site was large enough. It was unclear whether the response was in support of the proposal or not.

Any proposal that is 'related' to another proposal must be considered together. A proposal should be regarded as 'related' if its implementation (or non-implementation) would prevent or undermine the effective implementation of another proposal. Decisions for 'related' proposals should be compatible.

The proposal to change the age range of Bowburn Junior School from 7-11 to 3-11 from 1 September 2019 in an enlarged new build and to close Bowburn Infant and Nursery School as a registered school on 31 August 2019 are 'related' therefore they must be considered together.

Officers believe that proceeding with the proposal will enhance education provision in Bowburn. Amalgamating Bowburn Infant and Nursery School and Bowburn Junior School into one Primary School in an enlarged new build will provide a more viable educational establishment for the long term to respond to the growth in Bowburn.

## **Decision**

We have agreed:

- (a) that the age range of Bowburn Junior school should be changed from 7-11 to 3-11 in an expanded new build from 1 September 2019 to create a primary school; and
- (b) that Bowburn Infant and Nursery School should close as a requested school on 31 August 2019.

**4. Regulation 7 Direction – Proposals to restrict Letting Boards in areas of high number student properties**  
**Cabinet Portfolio Holder– Councillor Carl Marshall**  
**Contact – Stuart Timmiss 03000 261906**

We have considered a report of the Corporate Director of Regeneration and Local Services which requested Cabinet to authorise the Head of Planning and Assets to make a proposal to the Secretary of State under Regulation 7 of the Town and Country Planning (Control of Advertisements) (England) Regulations 2007 for a Direction which would operate to withdraw deemed consent for the display of letting boards within the Durham City Conservation Area.

The effect of such a Direction would be to require advertisers to submit an application to the Council for express consent for the display of letting boards. This new control would align with the Council's vision of an 'Altogether Better Durham' and the Regeneration and Local Services (REAL) Service Grouping Key Area of Focus of "A Clean, Sustainable and Safe Environment".

Efforts to control the display of letting boards were introduced a number of years ago with the increase in student landlords and advertising. In 2011 a voluntary code was introduced. Whilst this has had a positive impact it has not alleviated the harm to amenity and environment to the expected standard and a more formal intervention has been required.

Introducing a Regulation 7 Direction would allow the Council to introduce firmer controls on letting boards in a way which it has not been able to achieve to date. However, as the power to make such a Direction is vested in the Secretary of State, as opposed to the Council, it is necessary for the Council to apply to the Secretary of State for a Direction.

Publicity and consultation on three options was undertaken between the 9th January 2017 and 17th February 2017. Following the publicity and consultation a total number of 104 responses were received and the key comments of all the responses received were summarised in the report.

Having regard to the representations made it was considered that the following three options were available:

- Option 1 – Revert back to position before the implementation of the Voluntary Code

It was considered that Option 1 would be a regressive step as this would revert back to a situation before the introduction of the Voluntary Code, where the number of displayed letting board was at its highest.

- Option 2 – Continue with the current Voluntary Code

It was considered that Option 2 would not provide any improvement or enhancement to the existing character of Durham (City Centre) Conservation Area. Whilst the introduction of the Voluntary Code has reduced the number

of boards present it has not had the desired effect as not all landlords and agents have signed up to the Code.

- Option 3 – Implementation of Regulation 7 Direction

Option 3 was the preferred option as implementing the Regulation 7 Direction would mean no letting boards can be displayed without formal consent from the Council. The Council would therefore have control over the display of the letting boards ensuring a consistent approach is applied throughout that either preserves or enhances the special interest, character and appearance of the Durham (City Centre) Conservation Area.

To introduce controls on letting boards the Council will be required to apply to the Secretary of State to request that he makes a Direction under regulation 7 of the 2007 Regulations. The current Voluntary Code will continue to be implemented by the County Council until a decision has been made by the Secretary of State on the Regulation 7 Direction proposal. The application/proposal to be made under Regulation 7 of the Town and Country Planning (Control of Advertisement) (England) Regulations 2007 to the Secretary of State will require satisfaction of publicity requirements. Stakeholders will have 21 days to submit objections directly to the Secretary of State, who will then consider the proposal along with any representations received by the Council in response to the formal notices.

There is no timescale for a decision which can take between 3-6 months or potentially longer if an Inquiry is called. If objections are received (which is considered likely) then the Secretary of State will almost certainly convene a Public Inquiry to consider the matter. If the Secretary of State decides to make a Direction, a second publicity exercise is then undertaken.

### **Decision**

We have authorised the Head of Planning and Assets to make a proposal to the Secretary of State for a Regulation 7 Direction to be made to prohibit the display of Letting Boards within the Durham City Conservation Area without express consent, and to comply with all necessary publicity requirements.

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

13 February 2018