Overview

Over the last six years we have faced one of the greatest financial challenges in our history and will, by March 2018, have had to save more than £200 million.

The outlook remains challenging as Government funding continues to reduce and demand for some services is rising. Uncertainties around Brexit, possible new business rate retention rules, social care funding and welfare reforms all add to a complex picture.

Since 2011, each year we have listened to your views and worked together to shape an approach to our annual savings which has reduced back office functions to minimise the impact on frontline services, prioritised some services over others and, where necessary, used council reserves.

There is still a way to go to reach savings of £250 million by 2022 and we need your help again to balance the budget for 2018/19 for which we need to find a further £15.3 million.

The proposals outlined here, and in more detail in the Cabinet budget report, are for savings of £14.8 million with the remaining balance of £0.5 million from council reserves.

We have also included some information on what we are doing, apart from making savings, to ensure the future prosperity of the county - how we are working with businesses, organisations, our partners and local communities to raise aspirations, increase the number of jobs and improve economic prosperity as well as managing the impact of government policy.

Thank you in advance for taking the time to give us your views and help us plan for the future.
Each year it becomes harder to find savings that do not affect frontline services.

This autumn, as we start to think about budgets for spring 2018, we are coming back to you with a set of new savings proposals and want your views. We must look at what the proposed changes will mean for everyone in County Durham and we would also like to hear your ideas.

The key proposals for 2018/19 include:

**Continue to realise savings already agreed.**

As a result of earlier decisions, we will save £2.7 million through:

- Consistent use of criteria for adults who need social care services.
- Finding new ways to deliver the adult care services that are presently provided directly by the council.
- Increasing charges for adult care provision to bring the council in line with other councils.

**Continue to reduce management and back office posts, accommodation costs, supplies and services and review our working arrangements to achieve efficiencies.**

This will save nearly £7.2 million and includes:

- Service reviews across the whole council including management and back office functions.
- Reducing non-staffing budgets including supplies and services.
- Reducing the costs of maintaining and running council buildings and vehicles.
- Bringing back office functions together into single teams to achieve savings.

**Continue to find new ways of working and generating income including more effective commissioning of services, investing in changes that will reduce our future expenditure and focusing on priority service users.**

This will save nearly £4.9 million and includes:

- Applying government guidance to assess charging contributions for new users of non-residential adult services e.g. home and day care.
- Accessing new sources of funding to continue provision of community based non-residential adult social care.
- Redesigning childrens’ services to focus on early help to tackle child poverty.
- Redesigning school and education support services to ensure highly effective coverage of statutory requirements whilst also raising income through provision of services to other areas.
- Carrying out our annual review of fees and charges across all services.
- Reviewing culture and sport functions to maintain the support to our existing, well-used core services and reducing investment in developing new initiatives.
- Investing in new equipment in leisure facilities to reduce ongoing costs.
- Reducing management and administration costs and increasing income from a range of neighbourhood services including burial and crematorium, expansion of commercial pest control, opt-in waste services, greater enforcement activity and new powers relating to littering and dog fouling offences.
- Raising income from specialist young peoples’ services.

Use £0.5 million of our reserves to delay making some savings to give us more time to work with service users and the community to develop future proposals.

If you want to find out more you can read the full budget report online at: [www.durham.gov.uk/budget](http://www.durham.gov.uk/budget) or call us for a hard copy.
Apart from budget savings, what are we doing to ensure the county’s future prosperity and improve the quality of life in our local communities?

Working across the county

Our economic and strategic plans for the county have resulted in projects and outcomes which benefit all of us. Here are just a few highlights:

- Hitachi, ResQ and Atom Bank have chosen to locate their business in the county creating 2,230 jobs.
- Developments in Durham City including on the riverside and at Aykley Heads, at Netpark in Sedgefield and at Forrest Park in Newton Aycliffe will lead to 14,000 new jobs in the coming years.
- In 2015, there was a 3% increase in visitors across the county, a 2% increase in visitor spending and the number of people employed in the tourism industry was up 2%.
- Our world-class cultural programme boosts tourism - Lumiere 2015 attracted more than 200,000 people and delivered a £9.6million boost to the local economy.
- A pioneering approach has reduced youth offending rates and re-offending.
- Together with BT and the Rural Community Broadband Fund we’ve invested in our digital infrastructure. As a result, 98% of premises will have access to fibre broadband across the county.
- Transfer of social housing to the County Durham Housing Group has enabled the development of a 30 year plan to maintain standards, develop new homes and improve neighbourhoods – something we could not have done if housing had remained in-house.
- Our award-winning community assets transfer programme has helped to retain almost 100 community buildings.
- Our education attainment results at Key Stage 2, GCSE and A Level are better than the national average.
- DurhamWorks, a programme for 16 – 24 year olds not in employment, education or training, has helped over 3,000 young people since it started in 2016.
- Independent assessment of our street and environmental cleanliness services highlights Durham as one of the best performing councils.

We need to make the most of the money we do have. Here’s how you can help:

- Recycle more
- Go online to request services
- Support your local shops and businesses
- Look after your local environment
- Lead a more active, healthier life
- Volunteer! offer your skills and time
Working in your community

Working closely with our local communities to address their needs is very important to us. Our Area Action Partnerships (AAPs) operate in 14 areas of the county. They all have a budget to spend on local priorities that are decided each year by local people.

Priorities can vary from helping people into employment, to supporting voluntary and community projects to providing opportunities for children and young people.

Since their formation in 2009 AAPs have:

Now you’ve read the proposals, we need YOUR views

• Do you think this is a reasonable approach?
• Are there any particular savings proposals for 2018/19 that you would like to comment on?
• Despite the financial challenge, we aim to continue to transform and improve. Is there anything about our services you think we should change?
• The council recognises the importance of working with local communities to meet local needs. What do you think would most improve the quality of life in your local community?

Help us plan for the future

How to have your say

• Online at www.durham.gov.uk/budget
• Email: consultations@durham.gov.uk
• Post: Partnerships and Community Engagement, Durham County Council, County Hall, DH1 5UF
• Attend a public session - such as an AAP Board meeting, a partnership or community meeting. A full list is available on our website or call us on 03000 263 593 for your nearest session.

Please ask us if you would like this document summarised in another language or format.