

DURHAM COUNTY COUNCIL

At a Ordinary Meeting of the County Council held in the Council Chamber, County Hall, Durham on **Wednesday 25 February 2015 at 10.00 a.m.**

Present:

Councillor J Robinson in the Chair.

Councillors E Adam, J Allen, J Alvey, J Armstrong, B Avery, A Batey, D Bell, E Bell, J Bell, R Bell, H Bennett, J Blakey (Vice-Chairman), G Bleasdale, D Boyes, P Brookes, J Brown, Carr, J Chaplow, J Clare, J Clark, P Conway, J Cordon, K Corrigan, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, S Forster, N Foster, B Glass, B Graham, J Gray, O Gunn, S Guy, J Hart, K Henig, S Henig, D Hicks, J Hillary, M Hodgson, G Holland, A Hopgood, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, C Kay, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, C Marshall, L Marshall, N Martin, J Maslin, P May, O Milburn, B Moir, S Morrison, A Napier, T Nearney, H Nicholson, R Ormerod, A Patterson, T Pemberton, M Plews, C Potts, L Pounder, S Robinson, J Rowlandson, A Savory, K Shaw, A Shield, J Shuttleworth, M Simmons, H Smith, T Smith, M Stanton, D Stoker, P Stradling, A Surtees, L Taylor, P Taylor, K Thompson, R Todd, E Tomlinson, J Turnbull, A Turner, A Watson, M Wilkes, M Williams, C Wilson, S Wilson, R Yorke and S Zair

Apologies for absence were received from Councillors B Armstrong, L Armstrong, A Bell, A Bonner, J Buckham, C Carr, J Charlton, P Crathorne, D Freeman, I Geldard, D Hall, C Hampson, B Harrison, P McCourt, J Measor, M Nicholls, P Oliver, G Richardson, M Simpson, W Stelling, B Stephens, O Temple, A Willis and R Young

Prior to the commencement of the business, the Chairman of the Council formally reported the deaths of firefighter Ian Bell; former Derwentside Councillor and Alderman Michael Brough; former Deputy Mayor, Durham City Councillor and Alderman Ron Dickie; former Easington District Councillor Barbara Boyd; and former Easington District Councillor Dennis Raine.

The Council stood for a moments silence as a mark of respect.

1 Minutes

Councillor N Martin moved an amendment to minute no.8, to clarify that the amendment he had moved to reduce the mileage allowance for Members was from 1 April 2015.

Councillor A Hopgood seconded the amendment.

With the amendment noted, the minutes of the meeting held on 21 January 2015 were confirmed by the Council as a correct record and signed by the Chairman.

2 Declarations of Interest

There were no declarations of interest in relation to any items of business on the agenda.

3 Chairman's Announcements

The Chairman congratulated 50 local schools who had participated in the recent Holocaust Day event. The event had been very successful, a special mention was made for a pupil of Teesdale School, Jake Lawton, who had been instrumental in organising the event.

The Chairman was pleased to announce that Durham now had an established Royal Airforce Squadron, City of Durham 607.

The Chairman proposed that under rule 13.4 of the Council's Rules of Procedure Group Leaders be allowed more than the allotted five minutes when discussing the budget.

Resolved:

That the proposal be approved.

4 Leaders Report

The Leader of the Council provided an update to the Council, summarised as follows:-

- In relation to riverbank safety, the Leader was pleased to report that there had been a lot of positive work undertaken by the City Safety Group both at and since its first meeting on 27 January.
The Royal Society for the Prevention of Accidents (RoSPA) had been commissioned to carry out an independent assessment of riverside safety which would commence during the first week of March.
That work would also consider other relevant aspects that impacted on safety including arrangements with the licensed trade, educational work with the students and awareness campaigns considering RoSPA's experiences from other cities in the UK, such as Bath and York.
Ahead of that work being undertaken a number of actions were already being progressed as follows:-
 1. Training sessions had been arranged for the owners, managers, bar and door staff of licensed premises focusing on responsible alcohol retailing:
 2. A pilot scheme had been agreed for the use of breathalysers to help identify intoxicated people prior to their entry to licensed premises. This was to be rolled out to establishments that had volunteered to take part once necessary equipment arrived;

3. All licensed premises had been contacted to promote awareness of the identification of vulnerable people and to inform them of new guardianship arrangements that had been put in place using volunteers:
 4. A 'Safe Haven' area had been created for vulnerable people to be brought to on evenings liaising with the police, volunteers and city centre management staff;
 5. The Students Union had mobilised volunteers to assist on evenings, supporting the existing positive work of the 'street lights' team who worked with vulnerable people:
 6. New radios and equipment had been provided to enhance communication within the city;
 7. A recruitment campaign had been held by the Students Union to find volunteer drivers to provide a night time bus for students to use from the city centre so that they could get home safely. Arrangements had also been made with four taxi companies whose services could be made available should vulnerable students be unable to fund their journey home after a night out in Durham;
 8. Durham University and the Students Union were further developing educational and awareness campaigns focusing on personal safety;
 9. The Council had awarded £50,000 to the Durham Students Union to develop and deliver a campaign aimed at reducing binge drinking and promoting personal safety;
 10. Partners were meeting to explore measures to tackle the availability of cheap alcohol and alcohol related offers within the city;
 11. Officers had been in contact with other cities in the UK that had experienced similar incidents to learn of their work to improve safety and awareness:
 12. Briefing meetings had been held with local members, the Member of Parliament, the Police and Crime Commissioner for Durham and the media:
- The Leader advised that outside of the work of the group which was focusing on Durham City, risk assessments were also being undertaken of high risk riverside areas such as Riverside Park at Chester-le-Street so that relevant issues could be managed and that the approach taken on any issues was consistent. This was to be rolled out across the county on a prioritised programme.
 - Council was advised that the following week the Council would be hosting the Local Government Association's annual Culture, Tourism and Sport conference. The event would attract up to 200 delegates from across the

country and a range of speakers including the Chairs of the Arts Council Peter Bazelgette, English Heritage and former international athletes Steve Cram and David Moorcroft.

- Council was advised that during the summer there would be the first Yves Saint Laurent exhibition at the Bowes Museum, an event which everyone had automatically assumed would be taking place in London. The Leader stated that world class events of that nature, as well as high profile companies such as Hitachi deciding to locate to the county, demonstrated the step change which was now taking place in the way that County Durham and the council were now regarded nationally and internationally.
- The Leader recalled that back in 2008/09 he had made clear in his very first interview that economic growth would be the new Unitary Authority's highest priority and that managing continued decline was not on the agenda. For various reasons the county had slipped to becoming the equal poorest area in England according to the GVA economic measure at barely 60% of the UK average.

Furthermore that economic decline had also been associated with reduced levels of aspiration and many people moving away to find careers in more economically prosperous areas.

The Leader stressed that working to reverse such patterns had been at the heart of what the unitary council had been all about since the outset. The Authority had been clear that regeneration, economic development, more and better jobs had been its top priority and this has been reflected in all of our plans throughout, whether the council plan or sustainable community strategy.

At the regional level, the Leader stated that the Council had aligned its ambitions with the Adonis review and the Strategic Economic Plan for the North East, which set out plans to create 100,000 new jobs in the region.

There was a repeated emphasis that Durham was 'open for business' and that approach was clearly working, with examples such as Hitachi being highlighted. Council was advised that the last set of figures showed a welcome increase in GVA per head in Durham, albeit a figure still well below the UK average, showing that there was still much work to do, but demonstrating that the Council's high level of ambition was working.

- It was against that context that the County Durham Plan must be set. The Leader advised that in preparing the Local Plan, it was key that the Council's spatial strategy would help deliver the economic ambitions. It was vital that sites were available to support the Council's drive for new employment which would be supported by land for housing, retail and community facilities.

The plan had been led by the need for more and better jobs, it had been supported by business and earlier that day the Council heard the full support of business leaders not just from the county but across the north east. The

County Durham Plan reflected the ambition of the county to succeed to carry on the change that had already been apparent.

The Leader reported that the Planning Inspectors interim report released the previous week, stood in stark contrast to the Council's record and ambitions and to recent government plans for a 'northern powerhouse' as well. The key assertion by the Inspector was that Durham should reduce its jobs target, despite accepting that the target was achievable and accorded with regional economic aspirations.

The Leader stated that the conclusions and the direction identified in the report did not represent the ambitions of the Council's partners, the wider region nor the Council's developing record in attracting national and international inward investment. He stated it was not the vision of the Council and was not a future for County Durham.

- The Leader invited Councillor N Foster, Cabinet Portfolio Holder for Economic Regeneration, to address the meeting to provide more detail in relation to the County Durham Plan.

Councillor Foster expressed his extreme disappointment at the Inspectors report which had rejected the Council's and its partners ambition for economic growth despite significant support, strong evidence and a coherent strategy in line with what was felt to be national and regional policy and aspiration.

Council was advised that the Inspector identified the plan as overly ambitious in terms of its jobs and therefore as a result the housing targets were considered too high. The Inspector had also implied that he considered the regional aspiration as challenging.

Councillor Foster stated that the decision was unexpected. The Council had worked alongside the Inspectorate and other government agencies over many years and entered the examination with the full support of Natural England, the Environment Agency, the Highways Agency and with only one outstanding issue to be resolved on one site with English Heritage. Contrary to expectation, the Inspector had not raised any of his concerns either prior to or as part of the Examination process.

Councillor Foster advised that since 2009 the Council had been clear on its plans for future growth. During the Examination in Public, the Inspector had not challenged the Council directly on its Local Plan policies and appeared to hear more from those objecting to the Plan, rather than those in support.

Councillor Foster advised that the Council was now considering its options and would fight to ensure that the aspirations and ambitions for the County were not lost.

Councillor Hopgood addressed the meeting and began by thanking the Corporate Director of Neighbourhood Services for the progress being made by the City Safety Group.

In relation to the County Durham Plan, Councillor Hopgood stated that there had been no mention by the Leader or Councillor Foster of the impact the interim report and the uncertain future of the Plan would have on the residents of the County. She suggested that the judgement of the Council had been fundamentally wrong, hence such a damning report from the Inspector. Given that the Leader had fully supported and promoted the Local Plan, Councillor Hopgood questioned whether he would now resign in light of the Interim report.

Councillor Wilkes addressed the meeting. He refuted Councillor Foster's assertion that concerns had not been raised regarding the Plan, stating that Councillors, thousands of residents and representatives from a variety of interest groups had actually been raising concerns for some 5 years. He highlighted that Councillor Foster had failed to make any mention about the greenbelt and he expressed his concerns at the Inspector's criticism of the Plan. While he concurred with Councillor Hopgood that the Leader should consider resigning, he felt that it was only appropriate that Councillor Foster should resign given that the Plan was within his Portfolio.

Councillor R Bell addressed the meeting. He stated that the current meeting was not the time for a debate on the County Durham Plan and that calls for resignations was not helpful.

The Leader stated that the Council had been clear from the beginning that it aspired to reverse the economic decline and that every subsequent document prepared by the Council had reflected that.

Council was advised that within the report, the Inspector concluded that the Council should set lower jobs and growth targets and he disagreed with the aims and ambitions of not only the Council, but also its business partners. The irony was that the county was beginning to turn a corner with companies such as Hitachi and Atom Bank locating to the area.

The Leader stated that Council should be proud of the desire to reverse such a long period of economic decline to give a decent future for the generations to follow. This was at the heart of everything the Unitary Authority was about.

In relation to green sites, the Leader stated this was always a sensitive issue and he highlighted that in one key part of the Inspector's report, it was suggested that while Newton Hall could not be developed, development should occur in areas, despite there being no evidence to support this.

In conclusion, the Leader advised that he would not consider resigning and that he stood by Council's high ambitions for more employment and economic growth.

The Chairman took the opportunity to acknowledge the work of the City Safety Group.

5 Questions from the Public

Three questions had been received from, Mr Liiv, all relating to garages at Sophia, Seaham. Mr Liiv was in attendance to ask his questions and received responses from Councillor Tomlinson, Cabinet Portfolio Holder for Housing and Rural Issues.

The Head of Legal and Democratic Services informed the Council that Mr Liiv would receive a written response to his questions and both the questions and responses would be published on the Council's website.

6 Petitions

There were no petitions for consideration.

7 Report from the Cabinet

The Leader of the Council provided the Council with an update of business discussed by the Cabinet at its meetings held on 14 January and 11 February 2015 (for copy see file of Minutes).

In referring to page 20 of the report, Councillor Martin commented that it was inconvenient that by the time of the Council meeting held 21 January 2015, Cabinet had been unaware of the budget proposals in relation to mileage allowances. The Leader responded that at the last Council meeting he had been clear that it was not an appropriate time to consider an increase for 2015/16 and this would be considered as part of the budget proposals in due course.

In response to a question from Councillor D Stoker about the savings that could have been made if introduced many years ago, the Leader clarified that the vast majority of mileage allowance was claimed by staff and not elected Members. As such, any changes to mileage allowances required proper negotiations with the Trade Unions.

8 Budget 2015/16 – Report under Section 25 of Local Government Act 2003

The Council considered a report of the Corporate Director of Resources which provided information on the robustness of the estimates and the adequacy of reserves in the Cabinet's Budget for 2015/16 (for copy see file of Minutes).

Resolved:

That the Council have regard to the report when approving the budget and the level of Council tax for 2015/16.

9 **General Fund Medium Term Financial Plan 2015/16 to 2017/18, Revenue and Capital Budget 2015/16 and 2015/16 Council House and Garage Rent Proposals**

The Council considered a report from Cabinet which detailed budget recommendations for 2015/16, an outline General Fund Medium Term Financial Plan 2015/16 to 2017/18 and details of a fully funded capital programme (for copy see file of Minutes). In **Moving** adoption of the Cabinet report, Councillor Henig made a statement on the Budget and Precept for 2015/16, summarised as follows:

The Leader made reference to an addendum to the report which had been circulated to Members, to reflect changes that were required to be made in accordance with the stock transfer date moving into April. The addendum set out amendments to be made to the main report, to replace paragraphs 202 to 207 and amendment to 211(j), relating to the Housing Revenue Account (for copy see file of Minutes).

The budget process for the forthcoming financial year had been subject to an extensive consultation process which had involved members of the public, trade unions, businesses and overview and scrutiny. Councillor Henig thanked all those who had taken part in the consultation process.

In preparing the coming years budget, the key aim had been to protect frontline services where possible. The Leader advised that during the full term of the current coalition Government, the total cuts faced by the Council could be as high as £250m, with £137m cuts made to date and a further £16.3m to be made in the coming year. The Medium Term Financial Plan which had been prepared for the following 2 years demonstrated that there may be a need to make in excess of £71m more cuts. However the Leader was confident that the Council had the understanding of its partners and the public in such unprecedented times.

The Leader advised that having released the Government grant settlement figures on 4 February, the Council had actually been granted £966,000 more than expected in revenue support grant in respect of additional funding for welfare assistance and social care services. The announcement was coming later and later each year and the Council would continue to lobby the Government for an earlier announcement date in future years.

A 1.99% increase had been applied to Council Tax for 2015/16. This decision had been made reluctantly, however the Leader advised that of those residents who had responded to consultation, two thirds were prepared to see an increase of up to 2% rather than have front line services cut.

The decision had been taken not to accept Council Tax freeze grants for 2015/16, as it was no longer value for money.

The Leader advised that the Council Tax reduction scheme would continue during 2015/16 and that Durham was one of only two regional authorities that were to retain that support for vulnerable residents. In addition a £1.5m Welfare Assistance Scheme had been built into the budget proposals. The Leader advised that the

county had a high number of adults with high need levels, however it continued to incur higher level cuts than more affluent areas. The spending power per dwelling had also now slipped behind that of more affluent areas.

Council was advised that the budget proposals as presented were prudent and that the Authority remained committed to protecting frontline services where possible. In addition the Durham Living Wage was now being provided, there was to be no increase in member allowances, a modest reduction in car mileage allowances and the proposed budget included a fully funded capital programme to help deliver and protect jobs.

The Leader advised that the 2015/16 budget would be the last in which the Council would set council house rents as the housing stock was soon to be transferred. The budget did include a 2.2% increase on garage and housing rents.

IN **Seconding** the adoption of the Cabinet report, Councillor Napier advised that the public and the Council's stakeholders had been listened to when preparing the budget proposals who understood the difficulties of setting a budget in such unprecedented times. It was grossly unfair that the current system exercised by central Government in relation to the awarding of grants, failed to recognise areas of high need. However Councillor Napier stated that the Council must be proud that in such times, the Council was able to protect its most vulnerable residents and provide a living wage. The budget made the best use of reserves to protect frontline services and provide a £148m capital programme to protect and develop jobs. The Council should also be proud that an additional £1m to Adult Care Services and £300,000 to support the concessionary care scheme.

Councillor J Armstrong, Chairman of the Overview and Scrutiny Management Board, advised that there had been close scrutiny of the budget proposals and as in previous years, the Council's scrutiny function had helped to shape the budget. It was increasingly difficult to set a balanced budget and the testing financial circumstances in which the Council found itself was acknowledged. However due to good planning, strong delivery and a prudent use of reserves, Councillor Armstrong advised that the Council had been successful in proposing a balanced budget for the coming year.

An Amendment was **Moved** by Councillor Shuttleworth, **Seconded** by Councillor Savory as follows:

- 1) *Reduce the number of FTEs in the Press Office and Comms Team to 1 x Tier 4 Manager + 3 support employees. Saving = £0.319 million*
- 2) *Abolish Durham County News. Part Saving = £0.096 million*
- 3) *Reduce Revenue Contingency Budget by £2.556m. Saving = £2.685 million*

Total Savings = £3.1 million

- 1) *Remove the £3.1 million 'profit' target from Highways Team programme of works so that they can reduce their pricing of internal projects and thereby be able to do an extra £3.1 million of highways maintenance work in 2015/16.*

- 2) *In so doing, this will also make the Highways Service more competitive when bidding for external contracts.*

Total Additional Costs = £3.1 million

For the Amendment

Councillors A Savory and J Shuttleworth

Against the Amendment

Councillors E Adam, J Allen, J Alvey, J Armstrong, A Batey, E Bell, J Bell, H Bennett, J Blakey, G Bleasdale, D Bell, D Boyes, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, P Conway, J Cordon, K Corrigan, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, S Forster, N Foster, B Glass, B Graham, J Gray, O Gunn, S Guy, J Hart, S Henig, K Henig, D Hicks, J Hillary, M Hodgson, G Holland, A Hopgood, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, C Kay, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, L Marshall, C Marshall, N Martin, J Maslin, P May, B Moir, S Morrison, A Napier, T Nearney, H Nicholson, R Ormerod, A Patterson, T Pemberton, M Plews, C Potts, L Pounder, J Robinson, K Shaw, A Shield, M Simmons, H Smith, T Smith, M Stanton, D Stoker, P Stradling, A Surtees, P Taylor, L Taylor, K Thompson, R Todd, S Zair, E Tomlinson, A Turner, J Turnbull, A Watson, M Wilkes, M Williams, C Wilson, S Wilson and R Yorke

Abstentions

Councillors R Bell and J Rowlandson

The Amendment was **Lost**.

An Amendment was **Moved** by Councillor J Shuttleworth, **Seconded** by Councillor A Savory as follows:

Maintain General reserves at 5% as opposed to between 5% and 7.5% and top slice Service Grouping Cash Limit Reserves by 25%.

This would allow a further £13 million to be utilised for highways maintenance in 2015/16.

For the Amendment

Councillors A Savory and John Shuttleworth

Against the Amendment

Councillors E Adam, J Allen, J Alvey, J Armstrong, A Batey, E Bell, J Bell, H Bennett, J Blakey, G Bleasdale, D Bell, D Boyes, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, P Conway, J Cordon, K Corrigan, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, S Forster, N Foster, B Glass, B Graham, J Gray, O Gunn, S Guy, J Hart, S Henig, K Henig, D Hicks, J Hillary, M Hodgson, G Holland, A Hopgood, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, C Kay, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, L Marshall, C Marshall, N Martin, J Maslin, P May, B Moir, S Morrison, A Napier, T Nearney, H Nicholson, R Ormerod, A Patterson, T Pemberton, M Plews, C Potts, L Pounder, J Robinson, K Shaw, A Shield, M Simmons, H Smith, T Smith,

M Stanton, D Stoker, P Stradling, A Surtees, P Taylor, L Taylor, K Thompson, R Todd, E Tomlinson, A Turner, J Turnbull, A Watson, M Wilkes, M Williams, C Wilson, S Wilson, R Yorke and S Zair

Abstentions

Councillors R Bell and J Rowlandson

The Amendment was **Lost**.

An amendment was **Moved** by Councillor J Shuttleworth, **Seconded** by Councillor A Savory as follows:

The village halls and community centres grants budget should only be cut by £26,406 (10%) rather than £155,039 proposed within the Assistant Chief Executive's Budget Savings. This will allow these vital community buildings to be sustainable and stay open

The corresponding £128,633 saving can be met from the remaining part saving by abolishing the Durham County News.

Reduce the Cut in Community Grants Budget to 10% only. Cost = £0.129 million

Abolish Durham County News. Part Saving = £0.129 million

For the Amendment

R Bell, D Hicks, G Holland, A Hopgood, N Martin, R Ormerod, J Rowlandson, A Savory, J Shuttleworth, M Simmons, D Stoker, K Thompson, M Wilkes and S Zair

Against the Amendment

E Adam, J Allen, J Alvey, J Armstrong, A Batey, E Bell, D Bell, J Bell, H Bennett, J Blakey, G Bleasdale, D Boyes, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, P Conway, J Cordon, K Corrigan, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, S Forster, N Foster, B Glass, B Graham, J Gray, O Gunn, S Guy, J Hart, S Henig, K Henig, J Hillary, M Hodgson, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, C Kay, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, L Marshall, C Marshall, J Maslin, P May, B Moir, S Morrison, A Napier, T Nearney, H Nicholson, A Patterson, T Pemberton, M Plews, M Potts, L Pounder, J Robinson, K Shaw, A Shield, H Smith, T Smith, M Stanton, P Stradling, A Surtees, P Taylor, L Taylor, R Todd, E Tomlinson, A Turner, J Turnbull, A Watson, M Williams, C Wilson, S Wilson and R Yorke.

Abstentions

None

The Amendment was **Lost**.

An amendment was **Moved** by Councillor R Bell, **Seconded** by Councillor J Rowlandson as follows:

Mindful of the facts that accepting the Government's Council Tax Freeze Grant for 2015/16 would give DCC £2.180m, and that a 1.99% Council Tax increase will generate additional Council Tax income of £3.398m in 2015/16, which is £1.218m more than the freeze grant option, this council considers that charging Council Taxpayers £3.398m to benefit DCC by £1.218m is unjustified.

And accordingly, in respect of the Cabinet's 2015/16 Revenue Budget, I move an amendment for the Council to freeze council tax and accept the government grant. This would cost an estimated £1,218,000 a year and would be funded by:

- *Stopping the publication of County Durham News from April 2015 but retaining the Events Guide and Guide to Services. This would produce an annual saving of £137,000.*
- *Reducing the level of Corporate Risk Contingency budget for one year only in 2015/16 by £1,081,000.*

The Corporate Risk Contingency budget would be replenished and augmented by 31 March 2016 by commencing in 2015 a programme of centralising all back office and support functions including:

- *Policy Planning and Performance (estimated full year effect saving £450,000)*
- *Administration/Business Support (estimated full year effect saving £450,000)*
- *Communications and Marketing (estimated full year effect saving £300,000)*

(Estimated full year effect total saving of £1,200,000).

For the Amendment

Councillors R Bell, G Holland, A Hopgood, N Martin, R Ormerod, J Rowlandson, A Shield, M Simmons, D Stoker, K Thompson, M Wilkes and S Zair

Against the Amendment

Councillors E Adam, J Allen, J Alvey, J Armstrong, A Batey, D Bell, E Bell, J Bell, H Bennett, J Blakey, G Bleasdale, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, P Conway, J Cordon, K Corrigan, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, S Forster, N Foster, B Glass, B Graham, J Gray, O Gunn, S Guy, J Hart, S Henig, K Henig, D Hicks, J Hillary, M Hodgson, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, C Kay, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, L Marshall, C Marshall, J Maslin, P May, B Moir, S Morrison, A Napier, T Nearney, H Nicholson, A Patterson, T Pemberton, M Plews, C Potts, L Pounder, J Robinson, K Shaw, H Smith, T Smith,

M Stanton, P Stradling, A Surtees, P Taylor, L Taylor, R Todd, E Tomlinson, A Turner, J Turnbull, A Watson, M Williams, C Wilson, S Wilson and R Yorke.

Abstentions

Councillors A Savory and J Shuttleworth

The Amendment was **Lost**.

An amendment was **Moved** by Councillor A Hopgood, **Seconded** by Councillor N Martin as follows:

This Council agrees to accept the Government's 1% council tax freeze grant offer with the remaining £1.218m budget requirement being met from reducing:

- *CAS Demographic Hyper Inflation amount by £418,000*
- *Price Inflation by £800,000*

Estimated full year effect total saving of £1,218,000

For the Amendment

R Bell, G Holland, A Hopgood, N Martin, R Ormerod, J Rowlandson, A Shield, M Simmons, D Stoker, K Thompson, M Wilkes and S Zair

Against the Amendment

Councillors E Adam, J Allen, J Alvey, J Armstrong, A Batey, D Bell, E Bell, J Bell, H Bennett, J Blakey, G Bleasdale, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, P Conway, J Cordon, K Corrigan, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, S Forster, N Foster, B Glass, B Graham, J Gray, O Gunn, S Guy, J Hart, S Henig, K Henig, D Hicks, J Hillary, M Hodgson, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, C Kay, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, L Marshall, C Marshall, J Maslin, P May, B Moir, S Morrison, A Napier, T Nearney, H Nicholson, A Patterson, T Pemberton, M Plews, C Potts, L Pounder, J Robinson, K Shaw, H Smith, T Smith, M Stanton, P Stradling, A Surtees, P Taylor, L Taylor, R Todd, E Tomlinson, A Turner, J Turnbull, A Watson, M Williams, C Wilson, S Wilson and R Yorke.

Abstentions

Councillors A Savory and J Shuttleworth

The Amendment was **Lost**.

An amendment was **Moved** by Councillor M Wilkes, **Seconded** by Councillor M Simmons as follows:

In order to begin to address the £90 million backlog in school repairs and maintenance this Council agrees to:

- 1) *Create a £1m loans pool fund and reinstate a process to provide long term loans to schools for up to 3% of the school's current year budget for repairs, maintenance and expansion or energy efficiency measures. This would work out to be on average:*

- £10,000 for nurseries
- £20,000 for primary schools
- £60,000 for special schools and
- £100,000 for secondary schools

2) *Provide a capital fund of £14m to provide grants to schools on a priority business case basis to improve our school buildings, enabling to draw on any available matched funding.*

To be paid for through the Unitisation of:

- *Policy Planning and Performance (estimated full year effect saving £450,000)*
- *Administration/Business Support (estimated full year effect saving £450,000)*
- *Communications and Marketing (estimated full year effect saving £300,000)*

Estimated full year effect total saving of £1,200,000 that will fund the £14m capital finance through prudential borrowing.

For the Amendment

Councillors R Bell, D Hicks, G Holland, A Hopgood, N Martin, J Maslin, P May, R Ormerod, J Rowlandson, A Savory, A Shield, J Shuttleworth, M Simmons, D Stoker, K Thompson, A Watson, M Wilkes and S Zair

Against the Amendment

Councillors E Adam, J Allen, J Alvey, J Armstrong, A Batey, D Bell, E Bell, J Bell, H Bennett, J Blakey, G Bleasdale, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, P Conway, J Cordon, K Corrigan, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, S Forster, N Foster, B Glass, B Graham, J Gray, O Gunn, S Guy, S Henig, K Henig, J Hillary, M Hodgson, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, C Kay, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, L Marshall, C Marshall, B Moir, S Morrison, A Napier, T Nearney, H Nicholson, A Patterson, T Pemberton, M Plews, C Potts, L Pounder, J Robinson, K Shaw, H Smith, T Smith, M Stanton, P Stradling, A Surtees, P Taylor, L Taylor, R Todd, E Tomlinson, A Turner, J Turnbull, M Williams, C Wilson, S Wilson and R Yorke

Abstentions

None

The Amendment was **Lost**.

An amendment was **Moved** by Councillor R Ormerod, **Seconded** by Councillor D Stoker as follows:

This Council recognises that it can do more to improve its highways network and therefore agrees to fund a one off major investment of £18m into road and pavement capital works, and bid for Government Challenge Funding using this

additional Council funding as a match to support the bid to further increase this investment.

To be funded by reducing the number of corporate directors or equivalent from 5 to 3 and a corresponding reduction of 4 Heads of Service, 9 Tier 4 Managers and 4 Personal Assistants. These savings to be achieved over an extended period through voluntary redundancy and early retirement.

Estimated full year effect total saving of £1,500,000 that will fund the £18m capital finance through prudential borrowing.

For the Amendment

Councillors R Bell, G Holland, A Hopgood, N Martin, R Ormerod, J Rowlandson, A Shield, M Simmons, D Stoker and M Wilkes

Against the Amendment

Councillors E Adam, J Allen, J Alvey, J Armstrong, A Batey, D Bell, E Bell, J Bell, H Bennett, J Blakey, G Bleasdale, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, P Conway, J Cordon, K Corrigan, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, S Forster, N Foster, B Glass, B Graham, J Gray, O Gunn, S Guy, S Henig, K Henig, D Hicks, J Hillary, M Hodgson, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, C Kay, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, L Marshall, C Marshall, J Maslin, P May, B Moir, S Morrison, A Napier, T Nearney, H Nicholson, A Patterson, T Pemberton, M Plews, C Potts, L Pounder, J Robinson, K Shaw, H Smith, T Smith, M Stanton, P Stradling, A Surtees, P Taylor, L Taylor, K Thompson, R Todd, E Tomlinson, A Turner, J Turnbull, A Watson, M Williams, C Wilson, S Wilson, R Yorke and S Zair

Abstentions

Councillors A Savory and J Shuttleworth

The Amendment was **Lost**.

An amendment was **Moved** by Councillor G Holland, **Seconded** by Councillor M Wilkes as follows:

This council agrees to:

- 1. Scrap the RES 22 saving of £85,235 in liability order court costs*
- 2. Utilise part of the welfare assistance budget so that the Council can ensure home visit work to the most vulnerable in our society who struggle with their finances*
- 3. Work to put in place a system which checks the status of council tax defaulters and cross references if they have been through our triage system*

To be funded by reducing the revenue contingency budget by £85,235 and by prioritising the welfare assistance budget.

For the Amendment

Councillors D Hicks, G Holland, A Hopgood, N Martin, P May, R Ormerod, A Shield, M Simmons, D Stoker, K Thompson, A Watson and M Wilkes

Against the Amendment

Councillors E Adam, J Allen, J Alvey, J Armstrong, A Batey, D Bell, E Bell, J Bell, H Bennett, J Blakey, G Bleasdale, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, P Conway, J Cordon, K Corrigan, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, S Forster, N Foster, B Glass, B Graham, J Gray, O Gunn, S Guy, S Henig, K Henig, J Hillary, M Hodgson, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, C Kay, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, L Marshall, C Marshall, J Maslin, B Moir, S Morrison, A Napier, T Nearney, H Nicholson, A Patterson, T Pemberton, M Plews, C Potts, L Pounder, J Robinson, K Shaw, H Smith, T Smith, M Stanton, P Stradling, A Surtees, P Taylor, L Taylor, R Todd, E Tomlinson, A Turner, J Turnbull, M Williams, C Wilson, S Wilson, R Yorke and S Zair

Abstentions

Councillors R Bell, J Rowlandson, A Savory and J Shuttleworth

The Amendment was **Lost**.

A vote was then taken on the main Motion which was the recommendation detailed in the report.

For the Motion

Councillors E Adam, J Allen, J Alvey, J Armstrong, A Batey, D Bell, E Bell, J Bell, H Bennett, J Blakey, G Bleasdale, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, P Conway, J Cordon, K Corrigan, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, S Forster, N Foster, B Glass, B Graham, J Gray, O Gunn, S Guy, S Henig, K Henig, D Hicks, J Hillary, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, C Kay, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, L Marshall, C Marshall, J Maslin, P May, B Moir, S Morrison, A Napier, T Nearney, H Nicholson, A Patterson, T Pemberton, M Plews, C Potts, L Pounder, J Robinson, A Savory, K Shaw, J Shuttleworth, H Smith, T Smith, M Stanton, P Stradling, A Surtees, P Taylor, L Taylor, R Todd, E Tomlinson, A Turner, J Turnbull, A Watson, M Williams, C Wilson, S Wilson and R Yorke

Against the Motion

Councillors R Bell, G Holland, A Hopgood, N Martin, R Ormerod, J Rowlandson, A Shield, M Simmons, D Stoker, K Thompson, M Wilkes and S Zair.

Abstentions

None

The Motion was **Carried**.

Resolved

That the report of the Cabinet and its recommendations be adopted in full, with the amendments to recommendation 211 (j), to read:-

Housing Revenue Account

- i. To set dwelling rents for 2015/16 in accordance with Government guidelines which result in an overall average increase of 2.2%;
- ii. To increase garage rents by 2.2% which is in line with CPI as at September 2014 plus 1 percentage point;
- iii. The notional HRA revenue and capital budgets;
- iv. To note the management fees for the four providers.

10 Council Tax setting in order to meet the County Council's Budget Requirement for 2015/16

The Council considered a report from Cabinet which detailed the information to calculate and set the Council tax for the Council's area for 2015/16 (for report see file of Minutes).

Moved by Councillor Henig, **Seconded** by Councillor Napier that the report of the Cabinet and its recommendations be adopted, and with it the setting of the Council Tax.

For the Motion

Councillors E Adam, J Allen, J Armstrong, A Batey, D Bell, E Bell, J Bell, H Bennett, J Blakey, G Bleasdale, P Brookes, J Brown, J Carr, J Chaplow, J Clare, P Conway, J Cordon, K Corrigan, R Crute, K Davidson, M Davinson, K Dearden, M Dixon, S Forster, N Foster, B Glass, B Graham, J Gray, O Gunn, S Guy, S Henig, K Henig, J Hillary, K Hopper, L Hovvells, E Huntington, S Iveson, I Jewell, O Johnson, A Laing, P Lawton, J Lee, J Lethbridge, H Liddle, R Lumsdon, J Maitland, C Marshall, P May, B Moir, B Napier, T Nearney, A Patterson, T Pemberton, M Plews, C Potts, L Pounder, J Robinson, A Savory, K Shaw, J Shuttleworth, H Smith, M Stanton, A Surtees, P Taylor, L Taylor, K Thompson, R Todd, E Tomlinson, J Turnbull, A Watson, M Williams, C Wilson, S Wilson, R Yorke and S Zair

Against the Motion

Councillors G Holland, A Hopgood, N Martin, R Ormerod, M Simmons, D Stoker and M Wilkes

Abstentions

Councillors R Bell and J Rowlandson

Resolved:

That the following be adopted:

- (a) It be noted that on 17 December 2014 the Cabinet calculated the Council Tax Base 2015/16;
 - i) for the whole Council area as 130,493.0 band D equivalent properties [Item T in the formula in Section 31B of the Local Government Finance Act 1992 (as amended) and
 - ii) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix 3.
- (b) The Council Tax Requirement for the Council's own purposes for 2015/16 (excluding Parish precepts and the Charter Trustees for the City of Durham) is £174,133,774.
- (c) The following amounts in accordance with Sections 30 to 36 of the Act:
 - i) being the aggregate of the gross expenditure which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils is £1,192,986,341.
 - ii) being the aggregate of the gross income which the Council estimates for the items set out in Section 31A(3) of the Act is £1,007,931,906.
 - iii) being the amount by which the aggregate at (c) i) above exceeds the aggregate at (c) ii) above in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act) is £185,054,435.
 - iv) being the amount at (c) iii) above (Item R), all divided by Item T ((a) i) above), in accordance with Section 31B of the Act as the basic amount of its Council Tax at Band D for the year (including Parish precepts is £1,418.12.
 - v) being the aggregate amount of all special items referred to in Section 34 (1) of the Act: (total of all Parish precepts including Charter Trustees) is £10,920,661.
 - vi) being the amount at (c) iv) above less the result given by dividing the amount at (c) v) above by Item T ((a) i) above), in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax at Band D for the year for dwellings in those parts of its area to which no Parish precept relates is £1,334.43.
- (d) It be noted that for 2015/16 County Durham and Darlington Fire and Rescue Authority has recommended the following amounts will be in

the precept issued to the County Council, in accordance with Section 40 of the Act, as shown in the table below:

COUNTY DURHAM AND DARLINGTON FIRE AND RESCUE AUTHORITY

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
62.64	73.08	83.52	93.96	114.84	135.72	156.60	187.92

- (e) It be noted that for 2015/16 Durham Police and Crime Commissioner has recommended that the following amounts will be in the precept issued to the County Council, in accordance with Section 40 of the Act, as shown in the table below:

DURHAM POLICE AND CRIME COMMISSIONER

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
108.49	126.57	144.65	162.73	198.89	235.05	271.22	325.46

- (f) The Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992 (as amended), hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2015/16 for each part of its area and for each of the categories of dwellings.

DURHAM COUNTY COUNCIL

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
889.62	1,037.89	1,186.16	1,334.43	1,630.97	1,927.51	2,224.05	2,668.86

**AGGREGATE OF COUNCIL TAX REQUIREMENTS
(excluding Parish, Town Council and Charter Trustees)**

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,060.75	1,237.54	1,414.33	1,591.12	1,944.70	2,298.28	2,651.87	3,182.24

- (g) The Council has determined that its relevant basic amount of Council Tax for 2015/16 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992 (as amended) and that the increase in Council Tax is not excessive in accordance with the principles approved under Section 52ZC Local Government Finance Act 1992 (as amended).

- (h) As the billing authority, the Council has not been notified by County Durham and Darlington Fire and Rescue Authority and Durham Police and Crime Commissioner, as major precepting authorities, that their relevant basic amount of Council Tax for 2015/16 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992 (as amended).
- (i) The County Council, in accordance with Section 11A (3) of the Act sets a 0% discount for Second and Empty Furnished Homes.
- (j) The County Council, in accordance with Section 11A (4A) of the Act sets a 0% discount for dwellings defined in Classes C or D.
- (k) The County Council, in accordance with Section 11B (1b) of the Act sets a 150% premium for Long Term Empty Homes for 2015/16.
- (l) The Chief Executive be instructed to publish a notice in accordance with Section 38 (2) of the Act, relating to the amounts of council tax set.
- (m) The Chief Executive be instructed to publish a notice in accordance with Section 11A (6) and 11B (6) of the Act, relating to the discount set.

11 The Requirement to set up a Local Pension Board

The Council noted a report of the Corporate Management Team which advised of the need for the Council, as the Administering Authority for the Durham County Council Pension Fund, to establish a Local Pension Board (for copy see file of Minutes).

The Head of Legal and Democratic Services advised of an amendment to paragraph 47 to delete the words 'Makes recommendation to Council'.

Moved by Councillor S Henig, **Seconded** by Councillor A Napier and

Resolved

- (a) That the establishment of the Local Pension Board be approved;
- (b) That the recruitment of the members of the LPB be delegated to the Corporate Director Resources in consultation with the members of the Pension Fund Committee;
- (c) That it be agreed that the recruitment of both the employer and scheme member representatives should involve an open and transparent process, with advertisements placed on the Council's website and employers being requested to publicise this to their employees and directing them to visit the Council's website;

- (d) That the terms of reference state that the LPB:-
- i. Assists the Administering Authority:-
 - To secure compliance with the Local Government Pension Scheme Regulations;
 - To secure compliance with other legislation relating to the governance and administration of the LGPS;
 - To secure compliance with the requirements imposed by the Regulator in relation to the LGPS;
 - To ensure the effective and efficient governance and administration of the LGPS.
 - ii. Complies with the requirements of a Constitution to be agreed by the Pension Fund Committee compliant with legislation and including the requirement to comply with a Code of Conduct;
 - iii. Meets at the frequency set out in the Constitution.
- (e) That the members of the LPB should not receive allowances but be reimbursed expenses at rates agreed by the Corporate Director of Resources in consultation with the Leader and Deputy Leader of the Council;
- (f) That the establishment of constitutional documents, codes, policies, plans, frameworks and protocols connected with the establishment and operation of the LPB be delegated to the Pension Fund Committee on the understanding that the Corporate Director of Resources and the Head of Legal and Democratic Services will prepare them for approval by the Committee.

12 Community Governance Review – Pelton and Newfield

The Council considered the report of the Head of Legal and Democratic Services which presented the draft terms of reference and consultation documents in relation to the Community Governance Review of Pelton and Newfield (for copy see file of Minutes).

Moved by Councillor S Henig, **Seconded** by Councillor J Cordon and

Resolved

That the draft terms of reference and consultation documents for the review of Pelton and Newfield, be approved.

13 Motions on Notice

There were no motions on notice.

14 Questions from Members

There were no questions from Members.