

DURHAM COUNTY COUNCIL

At an Ordinary Meeting of the County Council held in the Council Chamber, County Hall, Durham on **Wednesday 21 February 2018 at 10.00 a.m.**

Present:

Councillor B Kellett in the Chair

Councillors E Adam, J Allen, J Atkinson, P Atkinson, B Avery, A Bainbridge, B Bainbridge, A Batey, D Bell, E Bell, J Bell, R Bell, J Blakey, L Boyd, D Boyes, P Brookes, D Brown, J Brown, L Brown, J Carr, J Chaplow, J Charlton, J Clare, J Clark, M Clarke, J Considine, K Corrigan, P Crathorne, R Crute, G Darkes, M Davinson, S Dunn, S Durham, D Freeman, A Gardner, J Grant, N Grayson, O Gunn, C Hampson, K Hawley, T Henderson, S Henig, A Hopgood, L Hovvels, P Howell, S Hugill, E Huntington, I Jewell, O Johnson, P Jopling, C Kay, L Kennedy, A Laing, J Lethbridge (Vice-Chairman), K Liddell, H Liddle, L Maddison, J Maitland, J Makepeace, R Manchester, C Marshall, L Marshall, C Martin, E Mavin, M McGaun, M McKeon, I McLean, O Milburn, S Morrison, A Napier, H Nicholson, J Nicholson, P Oliver, A Patterson, C Potts, L Pounder, S Quinn, A Reed, G Richardson, J Robinson, S Robinson, P Sexton, K Shaw, A Shield, J Shuttleworth, M Simmons, A Simpson, H Smith, J Stephenson, B Stephens, D Stoker, A Surtees, P Taylor, O Temple, K Thompson, F Tinsley, T Tucker, J Turnbull, A Watson, M Wilkes, A Willis, C Wilson, M Wilson, D Wood and S Zair

Apologies for absence were received from Councillors A Bell, C Carr, I Cochrane, D Hicks, K Hopper, S Iveson, L Mavin, S McDonnell, R Ormerod, J Rowlandson, A Savory, E Scott, T Smith, L Taylor and S Wilson

1 Minutes

The minutes of the meeting held on 24 January 2018 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 item of business on the agenda.

3 Chairman's Announcements

The Chairman informed Council that he would be using his discretion under rule 13.4 of the Council's Rules of Procedure to allow Group Leaders more than the allotted 5 minutes when discussing the budget.

The Chairman also proposed that the Council waived standing order 4.2(a) of the Council Procedure Rules to extend the time allowed for the length of the meeting, in the event that proceedings took longer than two and a half hours.

Resolved:

That the proposal be approved.

4 Leader's Report

The Leader, on behalf of the Council, expressed deepest condolences to the family and friends of Olivia Burt who tragically died outside the Missoula Bar in Durham on 7 February 2018. The Council was working closely with the police on a joint investigation into the circumstances around the incident and it would be inappropriate to comment further at this stage.

The Leader informed Council that he had been written to by Councillor Ian Bowyer, Leader of Plymouth City Council, requesting the Council's support for a campaign against government defence cuts which could see Durham's adopted ship HMS Bulwark and her sister ship HMS Albion decommissioned, along with reductions in the number of Royal Marines.

The Leader was sure that many Members would be aware of the important long-standing affiliation between HMS Bulwark and County Durham and that its crew were granted the Freedom of the City in 2010.

Not long ago HMS Bulwark was described as a state of the art vessel and a key part of the nation's defence and humanitarian aid capabilities, with the ship seeing service across the world. The Council had always taken great pride in welcoming the ship's company to Durham and hundreds of people had enjoyed watching their Freedom Parades, most recently in 2016 when the ship's company paraded through Durham City as part of a visit to the region. HMS Bulwark had also adopted the children's wards at Bishop Auckland and Durham hospitals, with the crew both visiting the wards and raising funds.

The Leader had sent information to all Members on how to get involved in supporting the campaign and urged all Members to do what they could to help protect HMS Bulwark and HMS Albion.

Last week Prince Charles had visited County Durham to carry out a number of engagements. The Chairman and Chief Executive were among those presented to Prince Charles at the beginning of the visit outside St Mary the Less Church, where His Royal Highness unveiled a plaque to his ancestor, Dame Elizabeth Bowes, who lived in Bowes House next to the church.

Whilst in Durham the Prince also attended the opening of Open Treasure and a concert in the Cathedral. Afterwards he went to Palace Green Library and saw the DLI exhibition. He then travelled to Barnard Castle where he officially opened the new Emergency Services Quad and visited the Bowes Museum.

The Leader congratulated the Durham BID and all those involved with the Fire and Ice Festival over the weekend. Businesses enjoyed one of their busiest weekends of the year and there was substantial media coverage.

The Leader reported that so far this winter the Council had used 35,629 tonnes of salt and had 14,094 tonnes left. A further 15,000 tonnes were on order with deliveries scheduled over the next two weeks. In an average winter the Council used around 30,000 tonnes of salt and was forecasting to use over 40,000 tonnes this winter, which demonstrated that this winter had been more severe than average.

In terms of other environmental initiatives, Operation Spruce Up had recently been awarded the Keep Britain Tidy Award for Campaign of the Year, the second year in succession for the accolade. The Big Spring Clean started today and ran until 15 April to inspire people to give their local area a spring clean-up to banish strewn litter in time for summer.

Finally, County Durham continued to be successful on the sporting front. In the last couple of weeks it had been confirmed that international cricket matches would be held at Durham County Cricket Club until 2024. In addition to matches in the Cricket World Cup in 2019, one day internationals had been confirmed with Australia in 2020, Sri Lanka in 2021 and South Africa in 2022 with matches to be announced for the following years. Chester le Street remained the only regular international sporting venue in the North East.

The Leader congratulated Durham Women's football team on their achievement of reaching the Women's FA Cup Quarter Finals where they would host Everton in March.

The Leader extended good luck wishes to Mica McNeill from Consett who was competing in the third and fourth heats of the Women's Bobsleigh representing Team GB in South Korea. The Team was lying in 6th place after two heats.

5 Questions from Area Action Partnerships

Questions had been received from the Chester-le-Street and District Area Action Partnership and the East Durham Rural Corridor Area Action Partnership relating to the following:

- Improvement of the electrical vehicle infrastructure in the Chester-le-Street area
- Whether the temporary closure of GP surgeries had been experienced in other areas and what steps were being taken by the CCG to address the situation?

Councillor D Wood, Chester-le-Street AAP Board Member and Jane Bellis, East Durham Rural Corridor AAP Coordinator were in attendance to ask their questions.

Councillor C Marshall, Portfolio Holder for Economic Regeneration thanked Chester-le-Street AAP for their question and provided a response.

Councillor L Hovvels, Portfolio Holder for Adult and Health Services thanked the East Durham Corridor AAP for their question and provided a response.

6 Questions from the Public

There were no questions from the public.

7 Petitions

There were no petitions for consideration.

8 Report from the Cabinet

The Leader of the Council provided the Council with an update of business discussed by Cabinet on 17 January and 7 February 2018 (for copy see file of Minutes).

Councillor L Maddison asked the following question relating to the Cabinet report Item 1, Aykley Heads Strategic Employment Site:

At pages 14 and 15 of the report to Cabinet dated 21st February, reference is made to the Masterplan to attract business to the Aykley Heads site and to develop growth areas for business elsewhere in the County as a result of the development proposals. Given that there was an aspiration to provide over 2000 jobs on the Durham gate, Spennymoor, site several years ago that has still to be realised could the portfolio holder advise how the investment in Durham will bring added value to other areas of the County and what resource will be made available to encourage developments and economic prosperity across the County, as well as in Durham City.

Councillor C Marshall, Portfolio Holder for Economic Regeneration thanked Councillor Maddison for her question and provided the following response:

The approach that the council had taken was to support market opportunities wherever they arose in the county and the Council had achieved considerable success in this approach. It was estimated that more than £3bn of new investment was under delivery or planned across the County at this point in time.

To get to this comparatively strong position the council and its partners had planned and brought forward sites across the county over the last 10 years. These included building on the huge success of Newton Aycliffe Business Park with Forrest Park; the Enterprise Zone at Hawthorn, now Jade; Integra 61 at Bowburn; and the Genesis site in Consett to name but a few.

Schemes could take a long time to come forward but the council was keen to ensure there was a good supply of available employment land in appropriate locations across the county. The Council's approach and success could be evidenced by the concerted approach to NetPark in Sedgefield over many years which now saw the regions only science park as an internationally recognised location for science and technology companies. It was the only science park in the

UK with two Catapults: and 6 Centres of Excellence. As the buildings were 100% full, infrastructure works were on site for Phase 3 and a further building, NETPark Explorer, had been funded and constructed.

The Durhamgate scheme was being delivered by the private sector and it was hopeful that significant jobs would be delivered at this employment location in coming years. The development had safeguarded jobs at Black and Decker and recently announced the very positive news about Learning Curve's expansion as well as provide infrastructure for future employment on this and adjacent sites in Spennymoor.

In order to see the county's economy grow the Council needed to maximise all of its assets and ensure a spread of investment across the county to create opportunities for local people. Aykley Heads was the next addition to the county's portfolio. It added to the County's offer, and that of the North East by providing a campus business park in the centre of a historic city, accessible by all modes of transport.

In terms of Aykley Heads, as was set out in the recent Cabinet report, the location and quality of the site was felt by all who have looked at it to present an excellent and indeed once in a generation opportunity for the county. The Council recognised that opportunities to provide employment prospects to retain talented young people were central to the future of the whole county, but the site was an obvious location to help drive the county's economy upwards and bring interest and momentum to other sites across the county.

A recent survey of employment opportunities since 2009 had shown that where land and premises were available significant growth was achieved. Available floorspace in the east of the county had enabled companies to move into readily available premises and supported approximately 47% of all company growth in the county over the last 9-10 years. This point demonstrated how important having the right infrastructure in place could be in terms of anchoring growth in the county.

The Council's approach to date had delivered some notable successes, for example 1400 jobs with Hitachi Rail Europe and 150 jobs at Compound Photonics both in Newton Aycliffe, 400 jobs with Atom Bank in Durham city, potentially 1200 jobs at ResQ and 200 jobs at Great Annual Savings, both in Seaham along with 350 jobs with Bristol Laboratories in Peterlee.

Through Finance Durham, the council's £20m equity investment fund managed by Maven Capital Partners, the Council had also added another major distinguishing factor that it hopes would make Durham an attractive location for companies to locate and grow. The recent decision to invest £650,000 in Consett-based biomass energy plant SDS Limited would allow SDS to purchase additional machinery to improve efficiency and develop their commercial markets.

When taken together, these initiatives meant that the County could compete for investment in all business sectors, manufacturing, logistics, science and technology and office, across the North. This grew the County's economy and provided the best chance for residents and particularly young people, to find good jobs and to stay in Durham.

Councillor A Hopgood asked the following question relating to the Cabinet report Item 1, Aykley Heads Strategic Employment Site:

Given the current traffic issues around the access to the proposed HQ site and the ongoing unaddressed issues on the Aykley Heads site. How can we be confident that the required infrastructure will be in place to accommodate the increased number in these locations?

Councillor C Marshall, Portfolio Holder for Economic Regeneration thanked Councillor Hopgood for her question and provided the following response:

The Aykley Heads site was attractive in terms of accessibility with easy access to the railway station, public transport and park and ride. However, it was recognised that in the longer term and in order to enable the full development of the site, there would be wider highway improvements required. The costs for this were built into the Cabinet report presented last month. The planning application would have a full traffic impact assessment and this would consider required infrastructure at the various points through the 20 year development and enable scrutiny of the process.

In terms of The Sands site, peak time congestion in any vibrant, healthy and successful city centre was inevitable. The additional traffic generated as a result of the new Headquarters was relatively low in comparison to the current traffic flows and in the worst case scenario was expected to increase delays on Providence Row from approximately 40 to 44 seconds and as such the spare capacity in the existing network was sufficient to cope.

In addition, with new ways of working, it was expected that the working day would be more flexible and better accessibility meant people would have greater choice in terms of their journey to work.

Councillor M Wilkes asked the following question relating to the Cabinet report Item 3, Capital funding for Bowburn school:

What funding is going to be made available for other capital works in the coming year following the completion of the school survey reports?

Councillor O Gunn, Portfolio Holder for Children and Young People's Services thanked Councillor Wilkes for his question and provided the following response:

All Local Authorities across the country were given an annual grant from the Department for Education to address the most urgent condition issues in their schools. The grant allocations for each Local Authority had not yet been announced for 2018/19.

The condition surveys that were being carried out in each maintained school in County Durham would be completed by August 2018. Once these were completed the Council would have up to date information on the condition of all schools and would be able to prioritise the schools in the most urgent need of capital investment. Once the Department for Education allocations were announced the

Council would be in a better position to say what level of investment would be made in to its schools.

The Council itself had a capital bidding process where all services across the Council were given the opportunity to submit bids for capital funding on an annual basis, so additional funding to top up the Department for Education grant could be bid for by the relevant service area.

9 Budget 2018/19 - Report under Section 25 of the 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 Council's Budget for 2018/19 (for copy see file of Minutes).

Resolved:

That the Council have regard to the statement when approving the budget and the level of Council Tax for 2018/19.

The Chairman reminded Council that under paragraph 16.6 of the Council Procedure Rules a recorded vote was required for each of the budgetary items, including any amendments. The voting record would be detailed in the minutes of the meeting.

Under Council Procedure Rule 12(c) Councillor J Robinson **moved** that Agenda Item Nos. 10 and 11 be considered together as they were inextricably linked.

Seconded by Councillor A Laing.

The Head of Legal and Democratic Services advised Council that the Council Procedure Rules allowed for such a Motion and that it was appropriate to consider both Items together. A named vote on the budgetary items, including any amendments, would still be required.

Resolved:

That the motion be carried.

10 Medium Term Financial Plan 2018/19 to 2021/22 and Revenue and Capital Budget 2018/19; and

11 Council Tax Setting in Order to Meet the County Council's Council Tax Requirement for 2018/19

The Council considered reports from Cabinet which detailed budget recommendations for the 2018/19 balanced revenue budget, Medium Term Financial Plan (MTFP(8)) 2018/19 to 2021/22 and Capital Programme, and provided financial information and forecasts to enable the Council to calculate and set the Council Tax for 2018/19 (for copies see file of Minutes). The reports also set out details of revisions to the Council's Treasury Management strategy.

In **Moving** adoption of the Cabinet reports, Councillor Henig made a statement on the Budget and Precept for 2018/19, summarised as follows:

The recommendations made by Cabinet were the culmination of a lengthy budget process. Enforced deep austerity cuts which were first introduced by the Conservatives and the Liberal Democrats, and more recently the Conservatives alone, had seen funding reductions of more than £200m in County Durham since 2010. The North East region had seen £1¹/₂b funding removed over this period, which was an unprecedented situation the Council had to deal with in the best way it could. By comparison, the process of Local Government Re-organisation in 2008-09 set out to save £20m, which was a fraction of these cuts.

Councillor Henig thought it was difficult for people to fully grasp the extent of the financial challenge the Council had been forced to deal with since 2010, but this could be highlighted by the financial crisis which had arisen at Northamptonshire County Council where the local authority had effectively stopped all non-essential spending. The Leader of the Labour Party had described the situation after eight years of austerity as a national emergency. Unfortunately, the government continued with their austerity policies with further deep cuts to Revenue Support Grant agreed for 2019/20, after which the situation was unknown, though it remained possible the Council could face further cuts in public health and other areas of funding.

As in previous years, the Council had carried out public consultation on its budget and feedback from this was included in the report. More than 3,300 people had been engaged in the consultation, including meetings of AAP's and other community groups, and 1,175 people had returned feedback forms. Of these, 78% of responses agreed that the Council's approach to making future savings was a reasonable way to progress in 2018/19.

The government had announced changes as part of the final settlement, which had meant some amendments since the Cabinet meeting, and these were contained in the report. At the twelfth hour the government had allocated an additional £150m nationally in terms of adult social care support grant, of which the Council would receive £1.764m in 2018/19. Although this additional funding was welcome, it was understood to be one-off funding for 2018/19, and was a fraction of what was needed to close the overall funding gap in Adult Social Care, according to estimates made by the Local Government Association.

Councillor Henig also noted amendments had been necessary to reflect the government error in calculating section 31 grant totalling £264,000 in 2018/19, reducing the utilisation of the budget support reserve by this amount and amendments to the Treasury Management Strategy as set out in the report, which reflected the late publication of government regulatory changes.

Unfortunately, County Durham continued to receive no Rural Services Delivery Grant, which was additional grant awarded to areas of sparsity across the country. It was regrettable that the government did not appear to believe County Durham to be rural and this meant the council received none of this additional resource for the cost of delivery of rural services.

No additional funding had been provided by the government for growing financial pressures on children's services, which were being felt across the country, nor was there any funding for the council's hard working staff who deserved a decent pay award. There was no additional funding for a range of other inflationary pressures.

Instead the government was assuming in its core spending power calculations that councils would take up the permitted additional 1% increase in council tax, on top of the 1.99% limit, as well as an adult social care precept of up to 3% to make up for the funding shortfall. Pressures in adult social care and children's services should be funded by national government and it was wrong that these pressures were passed on locally to be funded by local taxpayers. Government figures on spending power even assumed that council's would increase council tax while doubtless being very grateful that local authorities took any blame. Councils across the country of all colours were increasing council tax, and the Leader of Kent County Council had said they had no choice given the increasing multi-million pound pressures on adult and children's services. There was nowhere else to find the additional resource that was needed to fund growing demands on adult and children's social care. This was the case in County Durham and a 2.9% council tax increase along with a 2% adults social care precept was being proposed.

After years of unfair spending settlements from national government, County Durham's core spending power per dwelling was not only lower than the England average, but lower even than a county like Surrey which would enjoy 20% higher spending power than Durham in 2018/19. Because government assumed that council tax would fill the gaps left by its deep budget cuts, if the Council did not increase council tax as proposed, the gap would grow wider and the core spending power for County Durham would fall even further behind the national average. If Durham was funded at the same level as the national average, it would receive almost £50m in additional resource.

Councillor Henig referred to the Capital Budget. It had always been a high priority for the Council to focus on job creation and engage in economic regeneration schemes across County Durham such as those earlier outlined by Councillor Marshall. This was investing in the future. Sources of finance for the capital programme included capital grants, capital receipts and prudential borrowing. Again, the Council had a significant and fully funded capital programme which included substantial highways maintenance funding, a range of economic development schemes, disabled facilities grants and a new, much needed school in the Bishop Auckland area.

A summary of recommendations could be found at paragraph 262 of Item No 10. These included approval of the 2018/19 Net Budget Requirement of £395.544m, approval of the revised 2017/18 capital budget of £111.383m, the additional capital schemes for 2018/19 as detailed in Appendix 8, MTFP capital budget of £360.798m as detailed at Table 25 and the Treasury Management strategy which reflected the latest government changes that had recently been announced.

The recommendations on Council Tax resolutions could be found in paragraph 27 of Item 11. These incorporated a 2.99% Council Tax increase for 2018/19 and a

further 2% increase for Adult Social Care precept, totalling 4.99%, the tax base as agreed by Cabinet set out in the report at paragraph 13, the collection fund surplus and distribution set out at paragraph 12, the precepts for Police, Fire and Parish Councils and the new parish precept for the Durham City area set out at paragraph 18.

This remained an incredibly difficult financial situation as the eighth year of austerity was being entered. The effect of relentless austerity cuts could be seen across the country and nationally a tipping point was being reached. In the face of these unprecedented pressures, Durham continued to do everything it could to keep providing as many of its services as possible, in line with public priorities. This was why, despite massive funding reductions of approaching £250m, almost four in five of the public said they thought the Council's proposals to be a reasonable approach.

Councillor Henig **moved** the recommendations.

In **Seconding** the recommendations, Councillor Napier, Deputy Leader and Portfolio Holder for Finance reported that the budget and council tax proposals were as a result of a lot of hard work by members and officers and thanked all those who had been involved in the process. The Council was facing the 9th year of austerity which had been introduced initially by the coalition government and continued by the Conservative government. By the end of the 2017/18 financial year the council will have made savings of £209m, if no austerity had been in place then the council would have had an additional £209m in its budget. Councillor Napier had never known a time of such uncertainty in local government funding with no indication of available levels of funding beyond 2019/20.

As an illustration of the effects of austerity, Councillor Napier referred to Northamptonshire County Council, which had issued a section 114 notice because it was unable to bring in a balanced budget. The notice was believed to be the first issued by a local authority in more than 20 years.

The priority of the council in setting the budget was the protection of frontline services. Durham's core spending power per dwelling was lower than the national average, and if funded to the national average, Durham would have an additional £48m of resource.

There was a lot of uncertainty of funding after 2019/20, although there were no signs of austerity ending and therefore the council needed to plan the best it could. 95% of councils were planning to increase their council tax level and this was a cost shunt from central government onto local government.

Councillor R Crute, Chairman of Corporate Overview and Scrutiny Management Board informed Council that there had been four scrutiny meetings to consider the budget, adding that the process had been hindered by the late confirmation of the final budget settlement. The Corporate Overview and Scrutiny Management Board had scrutinised the budget setting, proposals and settlement and commended officers on the way savings had been carried out to date and the planned way

savings were to be carried out. Feedback from the scrutiny process could be found at paragraphs 92 to 101 of the report at Agenda Item 10.

An amendment was **Moved** by Councillor Shuttleworth, **Seconded** by Councillor Blakey as follows:

The Council, in respect of the Cabinet's 2018/19 Revenue Budget:

- (a) Cease entirely the publication of the County Durham News from April 2018. This would produce an annual recurring saving of £195,000.
- (b) Reduce staffing in marketing and communications to 1 press officer and 2 assistants, saving £1,300,000.

Total Savings (a+b) = £1,495,000

The savings from (a) and (b) above to be allocated as follows:

- (i) Reduction in the general council tax increase to 0.99% for 2018/19. The cost of this is £3,995,000.
- (ii) Provision of £500 annual grant to 317 village halls and community centres across the County at a cost of £158,500.

Total Costs (i+ii) = £4,153,500

- (iii) The net cost of these amendments in 2018/19 of £2,658,500 to be met from the budget support reserve.
- (iv) The net cost in future years to be added to the overall savings target for 2018/19 to 2021/22 (increasing it from £43.5M to £46.2M).

The Council, in respect of the 2018/19 Capital Budget:

- (a) Do not proceed with the new County Hall and History Centre. Apply the proposed capital investment in the scheme to the 'highways maintenance budgets' across the County.

For the Amendment

Councillors J Blakey, J Makepeace, P Sexton, J Shuttleworth and A Willis.

Against the Amendment

Councillors E Adam, J Allen, J Atkinson, P Atkinson, A Batey, D Bell, E Bell, J Bell, L Boyd, D Boyes, P Brookes, J Brown, J Carr, J Chaplow, J Charlton, J Clare, J Clark, M Clarke, J Considine, K Corrigan, P Crathorne, R Crute, M Davinson, S Dunn, A Gardner, J Grant, O Gunn, C Hampson, S Henig, L Hovvells, E Huntington, I Jewell, O Johnson, C Kay, B Kellett, L Kennedy, A Laing, J Lethbridge, H Liddle, L Maddison, J Maitland, R Manchester, C Marshall, L Marshall, M McKeon, I McLean, O Milburn, S Morrison, A Napier, H Nicholson, A Patterson, C Potts, L Pounder, S Quinn, J Robinson, S Robinson, K Shaw,

H Smith, B Stephens, J Stephenson, D Stoker, A Surtees, P Taylor, K Thompson, F Tinsley, T Tucker, J Turnbull, A Watson, M Wilkes, C Wilson, M Wilson, D Wood and S Zair.

Abstentions

Councillors A Bainbridge, B Bainbridge, R Bell, D Brown, L Brown, G Darkes, S Durham, D Freeman, N Grayson, K Hawley, T Henderson, A Hopgood, P Howell, S Hugill, P Jopling, K Liddell, L Maddison, C Martin, E Mavin, M McGaun, J Nicholson, A Reed, G Richardson, A Shield, M Simmons, A Simpson and O Temple.

The Amendment was **Lost**.

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

In respect of the Cabinet's 2018/19 Revenue Budget:

- (a) Cease publication of the County Durham News from April 2018 but retain the Events Guide and Guide to Services. This would produce an annual recurring saving of £137,000 to be utilised on the DCC Highways Maintenance Capital budget.
- (b) Utilise £364,000 of the non-recurrent £1.764m Adult Social Care and Support Grant (which is proposed to be used for 'social care prevention initiatives') to fund existing pressures in Adult Social Care and the released funding of £364,000 to be utilised on the DCC Highways Maintenance Capital budget.
- (c) In respect of (a) and (b) – AAPs be consulted on the additional works proposed in their area, and that AAPs be required to consider utilising some of their own capital budgets for this purpose.
- (d) REAL directorate to consider applying budget underspends at end of financial year 17/18 to the DCC Highways Maintenance Capital budget.
- (e) REAL directorate to undertake a feasibility study for food waste collection and digestion, including pilots and alternative fuel sources for vehicles in advance of current contracts expiring in 2025.

For the Amendment

Councillors A Bainbridge, B Bainbridge, R Bell, D Brown, L Brown, S Durham, D Freeman, T Henderson, A Hopgood, P Howell, S Hugill, J Makepeace, E Mavin, G Richardson, P Sexton, D Stoker and O Temple.

Against the Amendment

Councillors E Adam, J Allen, J Atkinson, P Atkinson, A Batey, D Bell, E Bell, J Bell, L Boyd, D Boyes, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, M Clarke, J Considine, K Corrigan, P Crathorne, R Crute, M Davinson, S Dunn,

A Gardner, J Grant, O Gunn, C Hampson, S Henig, L Hovvels, E Huntington, I Jewell, O Johnson, C Kay, B Kellett, L Kennedy, A Laing, J Lethbridge, H Liddle, J Maitland, R Manchester, C Marshall, L Marshall, M McKeon, I McLean, O Milburn, S Morrison, A Napier, H Nicholson, P Oliver, A Patterson, C Potts, L Pounder, S Quinn, J Robinson, K Shaw, H Smith, B Stephens, J Stephenson, A Surtees, P Taylor, K Thompson, F Tinsley, T Tucker, J Turnbull, A Watson, C Wilson, M Wilson, D Wood and S Zair.

Abstentions

Councillors J Blakey, J Charlton, G Darkes, N Grayson, K Hawley, P Jopling, K Liddell, L Maddison, C Martin, M McGaun, J Nicholson, A Reed, S Robinson, A Shield, J Shuttleworth, M Simmons, A Simpson, M Wilkes. A Willis

The Amendment was **Lost**.

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

Recent studies have shown that Durham County Council has the largest number of empty properties in the UK by Council area.

To address this our Regeneration department will identify 3 additional staff to work solely on bringing empty homes back into use with a target of bringing 65 additional properties a year back into use over 3 years.

For 2018/19 the estimated salary costs of the three staff (£103,350) to be met from the budget support reserve. Future years salaries assumed to be paid for from the the empty homes element of the New Homes Bonus which the Council will receive - the equivalent of an additional Band D council tax per year for four years for every net extra property we bring back into use.

Note :

The Empty Homes Bonus provides the equivalent of 4 years of Band D council tax for every net additional property brought back into use, which is currently £1590 per year or £6360 per property.

This proposal is revenue neutral and only asks that officers bring back into use an additional 1% of all empty properties each year.

For the Amendment

Councillors E Adam, J Allen, J Atkinson, P Atkinson, A Bainbridge, B Bainbridge, A Batey, D Bell, E Bell, J Bell, R Bell, J Blakey, L Boyd, D Boyes, P Brookes, D Brown, J Brown, L Brown, J Carr, J Chaplow, J Charlton, J Clare, J Clark, M Clarke, J Considine, K Corrigan, P Crathorne, R Crute, G Darkes, M Davinson, S Dunn, S Durham, D Freeman, A Gardner, J Grant, N Grayson, O Gunn, C Hampson, K Hawley, T Henderson, S Henig, A Hopgood, L Hovvels, P Howell, S Hugill, E Huntington, I Jewell, O Johnson, P Jopling, C Kay, B Kellett, L Kennedy, A Laing, J Lethbridge, K Liddell, L Maddison, J Maitland, R Manchester, C Marshall, L Marshall, C Martin, E Mavin, M McGaun, M McKeon, I McLean, O Milburn, S Morrison, A Napier, H Nicholson, P Oliver, A Patterson, C Potts, L Pounder,

S Quinn, A Reed, G Richardson, J Robinson, S Robinson, K Shaw, A Shield, J Shuttleworth, M Simmons, A Simpson, H Smith, B Stephens, J Stephenson, D Stoker, A Surtees, O Temple, K Thompson, T Tucker, A Watson, M Wilkes, A Willis, C Wilson, D Wood and S Zair.

Against the Amendment

Councillors H Liddle, J Makepeace, P Sexton and J Turnbull

Abstentions

Councillor P Taylor, F Tinsley and M Wilson

The Amendment was **Carried**.

The Corporate Director of Resources informed the Council that the Amendment, while not having any impact on the bottom line of the budget or the council tax requirement, would require various appendices in the MTFP report to be amended.

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

Durham County Council currently has a huge highways capital works backlog approaching £200 million. Whilst the Council is doing better than the national and regional average in repairing A and B class roads, we are significantly below the regional and national averages for estate and unclassified roads. We also have a significant backlog of pavement repairs.

Council therefore agrees to invest an additional £5m a year for 3 years into road and footway capital works on estate and unclassified roads.

This will be paid for by using a portion of the unallocated new prudential borrowing already in the MTFP. This will cost £275,000 in each of the next three years. For 2018/19 this will require additional use of the budget support reserve totalling £275,000.

Notes:

Taken alongside other Lib Dem proposals in this budget, around 50% of the unallocated prudential borrowing would still be available for capital schemes still not identified by Cabinet.

For the Amendment

Councillors A Bainbridge, B Bainbridge, R Bell, D Brown, L Brown, J Charlton, G Darkes, S Durham, D Freeman, A Gardner, N Grayson, K Hawley, T Henderson, A Hopgood, P Howell, S Hugill, P Jopling, K Liddell, L Maddison, J Makepeace, C Martin, E Mavin, M McGaun, P Oliver, A Reed, G Richardson, S Robinson, P Sexton, A Shield, J Shuttleworth, M Simmons, A Simpson, D Stoker, O Temple, KThompson, A Watson, M Wilkes, A Willis and S Zair.

Against the Amendment

Councillors E Adam, J Allen, J Atkinson, P Atkinson, A Batey, D Bell, J Bell, L Boyd, D Boyes, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, M Clarke, J Considine, K Corrigan, P Crathorne, R Crute, M Davinson, S Dunn, J Grant,

O Gunn, C Hampson, S Henig, L Hovvels, E Huntington, I Jewell, O Johnson, C Kay, B Kellett, L Kennedy, A Laing, J Lethbridge, H Liddle, J Maitland, R Manchester, C Marshall, L Marshall, M McKeon, I McLean, O Milburn, S Morrison, A Napier, H Nicholson, A Patterson, C Potts, L Pounder, S Quinn, J Robinson, K Shaw, H Smith, B Stephens, J Stephenson, A Surtees, P Taylor, F Tinsley, T Tucker, J Turnbull, C Wilson, M Wilson and D Wood.

Abstentions

Councillor J Blakey

The Amendment was **Lost**.

Councillor Hopgood informed the Council that she had submitted a budget amendment, but following discussions with Councillor C Marshall, Portfolio Holder for Economic Regeneration, she would withdraw her amendment.

A vote was then taken on the main Motion, as amended by Councillor Wilkes Motion, which was the recommendations contained within the report.

Medium Term Financial Plan 2018/19 to 2021/22 and Revenue and Capital Budget 2018/19

For the Motion

Councillors E Adam, J Allen, J Atkinson, P Atkinson, A Batey, D Bell, E Bell, J Bell, J Blakey, L Boyd, D Boyes, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, M Clarke, J Considine, K Corrigan, P Crathorne, R Crute, M Davinson, S Dunn, J Grant, O Gunn, C Hampson, S Henig, L Hovvels, S Hugill, E Huntington, I Jewell, O Johnson, C Kay, B Kellett, L Kennedy, A Laing, J Lethbridge, H Liddle, J Maitland, R Manchester, C Marshall, L Marshall, M McKeon, I McLean, O Milburn, S Morrison, A Napier, H Nicholson, P Oliver, A Patterson, C Potts, L Pounder, S Quinn, J Robinson, K Shaw, H Smith, B Stephens, J Stephenson, A Surtees, P Taylor, F Tinsley, T Tucker, J Turnbull, A Watson, C Wilson, M Wilson and D Wood.

Against the Motion

Councillors A Bainbridge, B Bainbridge, R Bell, D Brown, L Brown, J Charlton, G Darkes, S Durham, D Freeman, A Gardner, N Grayson, K Hawley, T Henderson, A Hopgood, P Howell, P Jopling, K Liddell, L Maddison, L Makepeace, C Martin, E Mavin, A Reed, G Richardson, S Robinson, P Sexton, A Shield, J Shuttleworth, A Simpson, D Stoker, O Temple, K Thompson, A Willis and S Zair.

Abstentions

Councillors M McGaun, M Simmons and M Wilkes.

Resolved:

That the report, as amended, and its recommendations be adopted in full.

Council Tax Setting in Order to Meet the County Council's Council Tax Requirement for 2018/19

For the Motion

Councillors E Adam, J Allen, J Atkinson, P Atkinson, A Batey, D Bell, E Bell, J Bell, J Blakey, L Boyd, P Brookes, J Brown, J Carr, J Chaplow, J Clare, J Clark, M Clarke, J Considine, K Corrigan, P Crathorne, R Crute, M Davinson, S Dunn, J Grant, O Gunn, C Hampson, S Henig, L Hovvels, S Hugill, E Huntington, I Jewell, O Johnson, C Kay, B Kellett, L Kennedy, A Laing, J Lethbridge, H Liddle, L Maddison, J Maitland, R Manchester, C Marshall, L Marshall, M McKeon, I McLean, O Milburn, S Morrison, A Napier, H Nicholson, A Patterson, C Potts, L Pounder, S Quinn, J Robinson, K Shaw, H Smith, B Stephens, J Stephenson, A Surtees, P Taylor, F Tinsley, T Tucker, J Turnbull, A Watson, C Wilson, M Wilson and D Wood.

Against the Motion

Councillors A Bainbridge, B Bainbridge, R Bell, D Brown, L Brown, J Charlton, G Darkes, S Durham, D Freeman, A Gardner, N Grayson, K Hawley, T Henderson, A Hopgood, P Howell, P Jopling, K Liddell, L Makepeace, C Martin, E Mavin, P Oliver, A Reed, G Richardson, S Robinson, P Sexton, A Shield, J Shuttleworth, A Simpson, D Stoker, O Temple, K Thompson, A Willis and S Zair.

Abstentions

Councillors M McGaun, M Simmons and M Wilkes.

Resolved:

That the following be adopted:

- (a) It be noted that on 15 November 2017 the Cabinet calculated the Council Tax Base 2018/19 for:
 - (i) the whole Council area as 138,419.2 Band D equivalent properties [Item T in the formula in Section 31B of the Local Government Finance Act 1992 (as amended) and;
 - (ii) 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 2018/19 (excluding Parish precepts and the Charter Trustees for the City of Durham) is £209,712,009.
- (c) Agree the following amounts in accordance with Sections 30 to 36 of the Act being the:

- (i) 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 £1,244,868,071;
- (ii) aggregate of the gross income which the Council estimates for the items set out in Section 31A(3) of the Act is £1,022,611,616;
- (iii) 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 £222,256,455;
- (iv) 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 £1,605.68;
- (v) aggregate amount of all special items referred to in Section 34 (1) of the Act: (total of all Parish precepts including Charter Trustees) is £12,544,446;
- (vi) 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 £1,515.05.
- (d) It be noted that for 2018/19, the County Durham and Darlington Fire and Rescue Authority has recommended the following amounts 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
£	£	£	£	£	£	£	£
67.02	78.19	89.36	100.53	122.87	145.21	167.55	201.06

- (e) It be noted that for 2018/19, the Durham Police, Crime and Victims' Commissioner has recommended that the following amounts be in the precept issued to the County Council, in accordance with Section 40 of the Act, as shown in the following table:

DURHAM POLICE, CRIME AND VICTIMS' COMMISSIONER

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
120.83	140.96	161.10	181.24	221.52	261.79	302.07	362.48

- (f) That 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 2018/19 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
£	£	£	£	£	£	£	£
954.50	1,113.58	1,272.67	1,431.75	1,749.92	2,068.08	2,386.25	2,863.50

DURHAM COUNTY COUNCIL – ADULT SOCIAL CARE

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
55.53	64.79	74.04	83.30	101.81	120.32	138.83	166.60

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

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,197.88	1,397.52	1,597.17	1,796.82	2,196.12	2,595.40	2,994.70	3,593.64

- (g) That the Council has determined that its relevant basic amount of Council Tax for 2018/19 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, Crime and Victims' Commissioner, as major precepting authorities, that their relevant basic amount of council tax for 2018/19 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 50% premium for Long Term Empty Homes.
- (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.

12 Motions on Notice

There were no Motions on Notice.

13 Questions from Members

There were no questions from Members.