

DURHAM COUNTY COUNCIL

At an Ordinary Meeting of the County Council held in the Council Chamber - County Hall, Durham on **Wednesday 20 February 2019 at 10.00 a.m.**

Present:

Councillor J Lethbridge in the Chair

Councillors E Adam, J Allen, J Atkinson, P Atkinson, B Avery, A Bainbridge, B Bainbridge, A Batey, A Bell, D Bell, E Bell, J Bell, R Bell, H Bennett, J Blakey, G Bleasdale, L Boyd, D Boyes, P Brookes, D Brown, J Brown, L Brown, J Carr, J Chaplow, J Clare, J Clark, M Clarke, I Cochrane, J Considine, K Corrigan (Vice-Chairman), P Crathorne, R Crute, G Darkes, M Davinson, S Dunn, S Durham, D Freeman, O Gunn, D Hall, C Hampson, K Hawley, T Henderson, S Henig, D Hicks, A Hopgood, K Hopper, L Hovvels, P Howell, E Huntington, S Iveson, I Jewell, O Johnson, P Jopling, B Kellett, L Kennedy, A Laing, K Liddell, L Maddison, J Makepeace, R Manchester, C Marshall, L Marshall, C Martin, E Mavin, S McDonnell, M McKeon, O Milburn, S Morrison, A Napier, J Nicholson, R Ormerod, A Patterson, L Pounder, S Quinn, G Richardson, J Robinson, S Robinson, J Rowlandson, E Scott, K Shaw, J Shuttleworth, M Simmons, A Simpson, H Smith, T Smith, W Stelling, J Stephenson, D Stoker, A Surtees, P Taylor, O Temple, K Thompson, J Turnbull, A Watson, M Wilkes, A Willis, C Wilson, M Wilson, S Wilson, D Wood, R Yorke and S Zair

Apologies for absence were received from Councillors C Carr, J Charlton, A Gardner, J Grant, N Grayson, S Hugill, H Liddle, J Maitland, P Oliver, A Reed, A Savory, P Sexton, A Shield, F Tinsley and T Tucker

Prior to the commencement of the meeting the Chairman announced, with great sadness, the death of the following:

- Councillor Henry Nicholson. Henry was a representative for the Shildon and Dene Valley Electoral Division and was elected in 2013. He was born and bred in Shildon and had the honour of being mayor of Shildon Town Council in 2014/15 and had served the Town Council from 2008.
- Former Easington District Councillor and Seaham Town Councillor Bruce Burn who served on Easington District Council from 1999 to 2009.
- Former Wear Valley District Councillor Kevin Graham who represented the Escomb Ward on the District Council from 1995 to 2003.

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

1 Minutes

The minutes of the meeting held on 23 January 2019 were confirmed by the Council as a correct record and signed by the Chairman.

2 Declarations of interest

Councillors J Blakey and S Dunn declared an interest in Agenda Item No 10 as Governors of Bowburn Junior School.

3 Chairman's Announcements

The Chairman 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 of the Council informed Council that he would not be presenting a report, which would allow for more focus on the budget for the forthcoming year. A full report would be brought to the next Council meeting.

5 Questions from Area Action Partnerships

Questions had been received from Teesdale AAP and Mid-Durham AAP relating to the following:

- The development of bespoke rural development plans for communities like Teesdale to further underpin economic and social regeneration.
- How the heritage, cultural and environmental assets within Mid-Durham AAP area would be focussed on or supported during the County Durham Year of Culture.

Adam White, Teesdale AAP Coordinator and Councillor D Bell, Mid-Durham AAP Chair were in attendance to ask their questions.

Councillor C Marshall, Portfolio Holder for Economic Regeneration thanked Teesdale AAP for their question and provided a response.

Councillor O Johnson, Portfolio Holder for Tourism, Culture, Leisure and Rural Issues thanked Mid-Durham 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 16 January and 6 February 2019 (for copy see file of Minutes).

9 **Budget 2019/20 - 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 2019/20 (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 2019/20.

The Chairman reminded Council that under Paragraph 14.6 of the Council Procedure Rules a recorded vote was required for each of the budget and council tax items, including the amendments. The voting record would be detailed in the Minutes.

Councillor J Robinson **moved** that Agenda Item Nos. 10 and 11 be considered together as they were inextricably linked. This was **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. With two Items being considered together, the allotted time for the proposer and seconder would double, with Group Leaders each being allotted 10 minutes, Movers and Seconders 6 minutes and other speakers 3 minutes.

Resolved:

That the motion be carried.

10 **Medium Term Financial Plan 2019/20 to 2022/23 and Revenue and Capital Budget 2019/20 and**

11 **Council Tax Setting in Order to Meet the County Council's Council Tax Requirement for 2019/20**

The Council considered reports from Cabinet which detailed budget recommendations for the 2019/20 balanced revenue budget, an outline Medium Term Financial Plan (MTFP(9)) 2019/20 to 2022/23 and a fully funded Capital Programme, and provided financial information and forecasts to enable the Council to calculate and set the Council Tax for 2019/20 (for copies see file of Minutes).

In **Moving** adoption of the Cabinet reports, Councillor Henig made a statement on the Budget and Precept for 2019/20, summarised as follows:

Proposals were approved by Cabinet at its meeting on 6 February and followed an extensive period of consultation and scrutiny. The proposals had been in the public domain for many months even though it was only a few weeks since government finalised its annual local government settlement.

Since the start of government austerity in 2010/11, Durham County Council had delivered savings of more than £220 million. There would be a further huge £14.2 million reduction in government revenue support grant next year, which dwarfed the additional one-off funding pots found in the settlement for areas such as winter pressures. All of this was despite the much-vaunted Conservative promise of an end to austerity. At least £30 million of further cuts were still to come in future years and the cuts could be even worse in subsequent years as a result of the so-called fair funding review

There would be an estimated reduction in council posts of almost 3,000 by 2020. This compared with just over 100 lost as a result of local government reorganisation in 2009.

Austerity was the offspring of both Conservatives and Liberal Democrats, with the cuts at their deepest from 2010-15 when the Liberal Democrats were in power. The former Chancellor George Osborne promised in 2010 they would be over by 2015, but cuts were still going in 2019-20 and there was no end in sight. The Council was now approaching a decade of deep cuts to the fabric of society. This was totally unprecedented in any large developed nation and Mrs Thatcher could only have dreamed of cuts on this scale.

The Council was also now faced, at the same time, with growing demand for the biggest spending services, adult services and children's services, both escalating rapidly, provoking the real threat of council insolvency and crisis across the country.

Numerous studies had demonstrated that Councils in poorer areas had been hit the hardest. In County Durham core spending power, which was the government's own preferred measure was now almost £200 lower per dwelling than the national average. The Council's core spending power was lower even than places such as Surrey and Wokingham despite the level of needs in County Durham in areas such as adult and children's services being far greater.

If County Durham were funded at the national average it would receive £44 million more in government grant, as outlined in paragraph 43 of the budget report.

It should also be noted that government figures on core spending power assumed that councils would increase the council tax to the permitted limit. Given the serious implications to the Council's budget and to services if it did not follow this government expectation, most council's around the country had concluded there was no choice. The Council's proposals therefore included a 2.99% general council tax increase and 2% adult social care precept for 2019/20, as set out in paragraph 4 of Agenda Item 11.

It was high time the government funded local services properly and did not pass the buck to councils and the general public to bridge a funding gap they had created.

It was against this background that the Council must set its budget. Yet despite this the Council had managed to protect many frontline services in County Durham. Priorities had been shaped by many years of consultation with several thousand residents across County Durham. Those priorities included support for the elderly in their homes, safeguarding budgets for vulnerable and looked after children, budgets for winter gritting and council tax support for low income households. Durham was the only council in the North East where the poorest working age families were exempt from council tax. Priorities also included the economy and job creation. The Council had always retained its business support function to create much needed jobs, as well as a fully funded capital programme aimed at economic regeneration.

County Durham had always retained a fully funded capital programme aimed at boosting its infrastructure and our economy. Funded mainly from borrowing, grants and contributions as demonstrated in Appendix 8 and Table 12 of Item 10, this was not an optional extra; it was critical for a county which had never fully recovered from the Thatcher onslaught of the 1980s and early 1990s. The County had to do everything it could to close the economic gap, whatever happened as a result of Brexit. The Majority Group made no apology for again making proposals to improve the County's economy and boost jobs. That included an expansion of Durham City's Park and Ride, additional funding for highways maintenance and funding for Town and Village regeneration. The complete capital programme which was set out in Appendix 7 showed support for Industrial Estates, Town Centres, for housing, for integrated transport and for renewable technology. The Leader made no apology for moving off the Aykley Heads site to attract 6,000 jobs which the county and the North East so badly needed.

The Government was undertaking a fair funding review which threatened to transfer yet more resource from poor to rich, Robin Hood in reverse with the government claiming, quite remarkably, that deprivation was not a factor in determining the need for services. The impact would potentially be another big transfer from poorer areas to more affluent district and county councils in the south of England and was due to be implemented in April 2020.

This would cost County Durham even more in cuts. The impact could be magnified by a threat to Durham's public health budget, initially determined on the basis of need by previous NHS bodies, now to be calculated mainly by population. The impact again would be a large transfer of funding from north to south, from poor to rich. Durham would be the biggest loser in the country, with £19 million removed from its much-needed public health programmes. Surrey and Hertfordshire would each gain about £14 million. This was simply wrong and lobbying against this change which will hit hard would continue.

A big new challenge being faced was rising demand in children's services. This added to the existing demographic pressure in adult services. Table 5 of Item 10

showed the Council's base budget pressures which totalled £32 million, dominated by Children's Services, Adult Services as well as pay and price inflation.

In Children's services the pressures in children's social care continued to escalate, which had a huge cost to the Council. In addition the pressures on the 'high needs block' of the dedicated schools grant were also growing. This was a national crisis, with the same thing happening in local authorities across the country, to leave a huge funding gap which the government was doing very little about.

Faced by all of these pressures, which were making the task of setting the general fund budget more and more difficult, the Council was proposing savings proposals for 2019-20 totalling £10.334 million as outlined in Appendix 3. Members were asked to consider the Equality impact assessments of the savings proposals and the mitigations set out in paragraphs 143 to 164 of the budget report and in Appendix 10. Consultation feedback could be found in paragraphs 47-53 and Scrutiny Committee feedback in paragraphs 54 to 57.

The Council was extremely fortunate that it was able to meet the significant budget shortfall in the children's high needs block of Dedicated Schools Grant with a one-off use in 2019/20 of £5.487 million of budget support reserve to plug the shortfall due to increased demand. This was unprecedented, but it was a good thing the Council still had some reserves and didn't listen to the people who had suggested spending them all. Had the Council done this it would have had no reserves to be able to use and really would be in a crisis.

As it is the budget proposals for 2019-20 continued to protect Durham's front-line services as far as possible.

As well as those areas of the reports the Leader had highlighted, the Council also needed to agree the prudential code, treasury management strategy and Property Strategies as set out in Appendix 14 of Item 10, note the taxbase as agreed by Cabinet as set out in paragraph 9 of Item 11, the collection fund surplus and distribution as set out in paragraph 8 and the precepts for Police, Fire and Parish Councils as notified, set out in the council tax report. Recommendations on all of the required council tax resolutions were set out in paragraph 9 of Item 11.

In closing the Leader thanked all officers and especially the Cabinet Portfolio Holder for Finance for their careful, robust and forward-thinking financial stewardship in what were very difficult times. The Leader **moved** the reports and recommendations.

In **seconding** the reports and recommendations, Councillor Napier, Deputy Leader and Cabinet Portfolio Holder for Finance informed Council that this was another year of austerity with the government being oblivious to the impact it was having on local communities. Cuts of this magnitude had never before been experienced and foodbanks were becoming the norm, homelessness rising and the police service needing to raise its precept by more than 10%. By the end of the financial year, the Council would have made savings of £224 million, and if austerity had never been, this would have meant the Council would have had £224 million more to spend on services. The LGA had identified an £8bn funding gap by 2025, the Institute for

Fiscal Studies identified that poorer areas were losing more money and the Financial Times had commented on the scale of cuts. Austerity was neither necessary nor coming to an end. For 2019/20 the Council would need to find savings of £15 million of savings and £140 million had been taken from the Revenue Support Grant since 2011.

97% of councils were likely to increase council tax and this was a shift from central government funding to local tax payers funding services. The Council had maintained its Local Council Tax Reduction Scheme and it was hoped this could be maintained after the fair funding review. The Council would continue to focus on the people of County Durham.

Councillor R Crute, Chairman of Corporate Overview and Scrutiny Management Board informed Council that there had been three scrutiny meetings to consider the budget. The Corporate Overview and Scrutiny Management Board had scrutinised the budget setting, savings 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. Members were very concerned about the level of uncertainty in the financial outlook. Feedback from the scrutiny process could be found at paragraphs 54 to 57 of the report at Agenda Item 10.

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

MTFP 9

The Council, in respect of the Cabinet's 2019/20 budget and MTFP 9 to consider:

- (a) Cease entirely the publication of the County Durham News from April 2019. This produces an annual saving of £160,000.
- (b) Reduce the staffing in the Communication and Marketing team to one press officer, two assistants and two marketing officers. This would produce a saving in 2019/20 of £672,500 and an additional saving in 2020/21 of £672,500, totalling £1,345,000.
- (c) Cease entirely the development of the new HQ and the History Centre. A total of £13.1 million of the capital cost is funded from borrowing which will result in a revenue saving of £750,000 in 2022/23. The remainder of the capital cost is being funded from the Office Accommodation Capital Reserve. Total Revenue Savings from (a) + (b) + (c) are as follows
 - (i) 2019/20 - £832,500
 - (ii) 2020/21 - £672,500
 - (iii) 2022/23 - £750,000

TOTAL REVENUE SAVING - £2,255,000

The revenue savings identified above to be invested as follows:

- (a) Reduce the 2.99% Council Tax increase in 2019/20 to 1.99%. The total council tax increase in 2020/21 will therefore be 3.99% once the Adult Social

Care 2% precept increase is included. The lost income in 2019/20 is £2,100,000 from this proposal.

- (b) The remaining savings of £155,000 to be invested to provide an annual grant of circa £500 for village halls and community centres from 2019/20.

Total Revenue Costs from (a) + (b) are £2,255,000 in 2020/21

There will be a requirement to utilise additional Budget Support Reserve of £1,422,000 in 2019/20. The total use of the Budget Support Reserve in 2019/20 will increase from £5,487,000 to £6,909,000.

The savings in 2020/21 and 2022/23 will ensure the additional costs incurred in 2019/20 are balanced across the MTFP.

In relation to the capital budget, the savings from ceasing plans to build a new HQ and the History Centre are proposed to be invested as follows;

- (a) Total backlog maintenance for retaining HQ in its current form is estimated £37 million. A total of £10 million to be made available across the MTFP(9) period to ensure any high priority condition issues are addressed in County Hall with future backlog maintenance costs to be considered as part of future MTFP plans.
- (b) An increase in the Highways Maintenance capital budget of £5.375 million in each of the next four years, totalling £21.5 million.

The net MTFP impact of the budget proposals is set out below:

Summary of MTFP Impact	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Savings	-832	-673	-750	0	-2,255
Investments	155	0	0	0	155
Reduced Council Tax	2,100	0	0	0	2100
Increase Use of Budget Reserve	-1,423	0	0	0	1,423
Adjustment for PYR use of Reserve	0	1,423	0	0	1,423
Change in MTFP Savings	0	750	-750	0	0
Revised MTFP Savings	0	10,321	5,497	7,425	23,243

In summary, the decisions above increase the utilisation of the Budget support Reserve by £1,423,000. Although the savings target in 2020/21 increases by £750,000, this is offset in 2021/22 ensuring that the savings shortfall over the MTFP(9) period is retained at £23,243,000.

For the Amendment

Councillors B Avery, A Bainbridge, B Bainbridge, R Bell, D Brown, I Cochrane, K Hawley, T Henderson, K Liddell, J Makepeace, S McDonnell, G Richardson, J Rowlandson, J Shuttleworth and K Thompson

Against the Amendment

Councillors E Adam, J Allen, J Atkinson, P Atkinson, A Batey, A Bell, D Bell, E Bell, J Bell, H Bennett, G Bleasdale, 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, S Durham, O Gunn, D Hall, C Hampson, S Henig, D Hicks, K Hopper, L Hovvels, P Howell, E Huntington, S Iveson, I Jewell, O Johnson, B Kellett, L Kennedy, A Laing, J Lethbridge, R Manchester, C Marshall, L Marshall, M McKeon, O Milburn, S Morrison, A Napier, A Patterson, L Pounder, S Quinn, J Robinson, S Robinson, K Shaw, H Smith, T Smith, W Stelling, J Stephenson, A Surtees, P Taylor, J Turnbull, A Watson, C Wilson, M Wilson, S Wilson, D Wood, R Yorke and S Zair

Abstentions

Councillor J Blakey, L Brown, G Darkes, D Freeman, A Hopgood, P Jopling, L Maddison, C Martin, E Mavin, J Nicholson, R Ormerod, E Scott, M Simmons, A Simpson, D Stoker, O Temple, M Wilkes and A Willis

The Amendment was **Lost**.

An amendment was Moved by Councillor Hopgood, Seconded by Councillor Temple as follows:

MTFP 9

The Council, in respect of the Cabinet's 2019/20 budget to consider:

Savings

- (a) Councils are able to charge a 100% council tax premium on empty properties from 1 April 2019; a 200% premium on properties unoccupied for more than 5 years from 1 April 2020 and a 300% premium on properties unoccupied and unfurnished for more than 10 years from 1 April 2021. It is estimated that implementing this policy will generate £1,220,000 from April 2020 and a further £311,000 in 2021/22. Proposed changes would need to be subject to consultation and therefore the earliest implementation date is 1 April 2020 for the 100% and 200% premiums and 1 April 2021 for the 300% premium. These proposals are estimated to provide total income of £1,531,000.

Total Revenue Savings over the MTFP are as follows:

- (iv) 2020/21 : £1,220,000
(v) 2021/22 : £ 311,000

TOTAL REVENUE SAVING: £1,531,000

Investments

- (a) There are 200 dropped kerbs on the waiting list that meet the Council's criteria. The estimated capital cost of undertaking these works is estimated

at £190,000 in 2019/20. The revenue borrowing costs associated with this capital expenditure are estimated at £11,000 from 2020/21.

(b) There are circa 200 schools that have had a risk assessment undertaken but have not yet been allocated funding for 20mph zonal work. The capital cost of undertaking the works at these schools is estimated at £3 million. Assuming the works are undertaken over a three year period, the annual capital cost is estimated at £500,000 per annum (to be match funded with £500,000 per annum from other sources). The revenue borrowing costs associated with this capital expenditure are estimated at £30,000 in 2020/21, 2020/22 and 2022/23 – totalling £90,000.

(c) An additional capital allocation of £5,000,000 will enable the worst condition unclassified roads to be dealt with. The revenue borrowing costs associated with this capital expenditure are estimated at £289,000 from 2020/21.

Total Revenue Costs from (a) + (b) + (c) are as follows

- (i) 2020/21 : £330,000
- (ii) 2021/22 : £ 30,000
- (iii) 2022/23 : £ 30,000

TOTAL INVESTMENT: £390,000

The net MTFP changes of the budget proposals as set out is as follows:

Summary of MTFP Impact	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Savings	0	-1,220	-311	0	-1,531
Investments	0	330	30	30	390
Change in MTFP Savings	0	-890	-281	30	-1,141
Revised MTFP Savings		8,681	5,966	7,455	22,102

In summary, in addition to the investment set out, the budget amendment will also reduce the MTFP 9 savings requirement by £1,141,000 - from £23,243,000 to £22,102,000.

For the Amendment

Councillors L Brown, G Darkes, D Freeman, K Hawley, D Hicks, A Hopgood, P Jopling, K Liddell, L Maddison, J Makepeace, C Martin, E Mavin, S McDonnell, J Nicholson, R Ormerod, S Robinson, E Scott, M Simmons, A Simpson, W Stelling, D Stoker, O Temple, K Thompson, A Watson, M Wilkes and S Zair

Against the Amendment

Councillors E Adam, J Allen, J Atkinson, P Atkinson, A Bainbridge, B Bainbridge, A Batey, A Bell, D Bell, E Bell, J Bell, R Bell, H Bennett, J Blakey, G Bleasdale, 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, S Durham, O Gunn, D Hall, C Hampson, T Henderson, S Henig, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, B Kellett, L Kennedy, A Laing, J Lethbridge, R Manchester, C Marshall, L Marshall, M McKeon, O Milburn, S Morrison, A Napier, A Patterson, L Pounder, S Quinn, G Richardson, J Robinson, J

Rowlandson, K Shaw, H Smith, T Smith, J Stephenson, A Surtees, P Taylor, J Turnbull, C Wilson, M Wilson, S Wilson, D Wood and R Yorke.

Abstentions

Councillors D Brown, I Cochrane, P Howell, J Shuttleworth and A Willis

The Amendment was **Lost**.

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

MTFP 9

The Council welcomes the recent report by the Economy and Enterprise Overview and Scrutiny Committee "*Review of support provided to the retail sector by Durham County Council*", noting its approval by Cabinet on 16th January 2019, and seeks to accelerate its implementation by moving that:

The Council, in respect of the Cabinet's 2019/20 budget and MTFP 9 to make additional savings and expenditure as follows:

Savings

- (a) Reduce the number of editions of the County Durham News from four to three from April 2019 – retaining the guide to services. This produces an estimated annual saving of £25,000

TOTAL REVENUE SAVING: £25,000

Investments

- (a) Extend free wi-fi across Barnard Castle, Chester-le-Street and Seaham. The total capital costs are estimated at £130,000. It is proposed to fund these capital costs from the towns and villages reserve that has been established by cabinet (£10 million). The on-going revenue costs are estimated at £25,000 and will be funded from savings identified in this budget amendment.

Total Revenue Costs are as follows

- (i) 2019/20 - £ 25,000

TOTAL INVESTMENT: £25,000

As the savings and investments net off in 2019/20, there is no net impact on the MTFP.

For the Amendment

Councillors A Bainbridge, B Bainbridge, R Bell, J Blakey, D Brown, L Brown, I Cochrane, S Durham, D Freeman, K Hawley, T Henderson, D Hicks, A Hopgood, P Howell, P Jopling, K Liddell, J Makepeace, C Martin, E Mavin, S McDonnell, J Nicholson, R Ormerod, G Richardson, J Rowlandson, E Scott, J Shuttleworth, M Simmons, A Simpson, D Stoker, O Temple, M Wilkes, A Willis and S Zair

Against the Amendment

Councillors E Adam, J Allen, J Atkinson, P Atkinson, A Batey, A Bell, D Bell, E Bell, J Bell, H Bennett, G Bleasdale, 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, S Dunn, O Gunn, D Hall, C Hampson, S Henig, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, B Kellett, L Kennedy, A Laing, J Lethbridge, L Maddison, R Manchester, C Marshall, L Marshall, M McKeon, O Milburn, S Morrison, A Napier, A Patterson, L Pounder, S Quinn, J Robinson, S Robinson, K Shaw, H Smith, T Smith, W Stelling, J Stephenson, A Surtees, P Taylor, K Thompson, J Turnbull, A Watson, C Wilson, M Wilson, S Wilson, D Wood and R Yorke

Abstentions

Councillor G Darkes

The Amendment was **Lost**.

Votes were then taken on the main Motions which were the recommendations contained within the reports.

Medium Term Financial Plan 2019/20 to 2022/23 and Revenue and Capital Budget 2019/20.

For the Motion

Councillors E Adam, J Allen, J Atkinson, P Atkinson, A Batey, A Bell, D Bell, E Bell, J Bell, H Bennett, G Bleasdale, 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, G Darkes, S Dunn, O Gunn, D Hall, C Hampson, S Henig, K Hopper, L Hovvels, E Huntington, S Iveson, I Jewell, O Johnson, B Kellett, L Kennedy, A Laing, J Lethbridge, L Maddison, R Manchester, C Marshall, L Marshall, M McKeon, O Milburn, S Morrison, A Napier, J Patterson, L Pounder, S Quinn, J Robinson, K Shaw, H Smith, T Smith, J Stephenson, A Surtees, P Taylor, K Thompson, J Turnbull, A Watson, C Wilson, M Wilson, S Wilson, D Wood and R Yorke

Against the Motion

Councillors A Bainbridge, B Bainbridge, R Bell, D Brown, L Brown, S Durham, D Freeman, K Hawley, T Henderson, D Hicks, A Hopgood, P Howell, P Jopling, K Liddell, J Makepeace, C Martin, E Mavin, S McDonnell, J Nicholson, R Ormerod, G Richardson, S Robinson, J Rowlandson, E Scott, J Shuttleworth, M Simmons, A Simpson, D Stoker, O Temple, M Wilkes and S Zair.

Abstentions

Councillors J Blakey, I Cochrane, W Stelling and A Willis.

Resolved:

That the report and its recommendations be adopted in full.

Council Tax Setting in Order to Meet the County Council's Council Tax Requirement for 2019/20

For the Motion

Councillors E Adam, J Allen, J Atkinson, P Atkinson, A Bainbridge, B Bainbridge, A Batey, A Bell, D Bell, E Bell, J Bell, R Bell, H Bennett, J Blakey, G Bleasdale, L Boyd, D Boyes, P Brookes, D Brown, J Brown, J Carr, J Chaplow, J Clare, J Clark, M Clarke, J Considine, K Corrigan, P Crathorne, R Crute, G Darkes, S Dunn, S Durham, O Gunn, D Hall, C Hampson, S Henig, K Hopper, L Hovvels, P Howell, E Huntington, S Iveson, I Jewell, O Johnson, B Kellett, L Kennedy, A Laing, J Lethbridge, L Maddison, R Manchester, C Marshall, L Marshall, M McKeon, O Milburn, S Morrison, A Napier, A Patterson, L Pounder, S Quinn, G Richardson, J Robinson, J Rowlandson, K Shaw, H Smith, T Smith, J Stephenson, A Surtees, P Taylor, K Thompson, J Turnbull, A Watson, A Willis, C Wilson, M Wilson, S Wilson, D Wood and R Yorke

Against the Motion

Councillors L Brown, I Cochrane, D Freeman, K Hawley, D Hicks, A Hopgood, P Jopling, K Liddell, J Makepeace, C Martin, E Mavin, S McDonnell, J Nicholson, R Ormerod, S Robinson, E Scott, J Shuttleworth, M Simmons, A Simpson, D Stoker, O Temple, M Wilkes and S Zair

Abstentions

Councillor W Stelling

Resolved

That the following be adopted:

- (a) It be noted that on 14 November 2018 the Cabinet calculated the council tax base 2019/20 for:
 - (i) the whole council area as 139,738.8 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 2019/20 (excluding Parish precepts and the Charter Trustees for the City of Durham) is £222,275,522.
- (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 £1,268,078,485.
 - (ii) aggregate of the gross income which the council estimates for the items set out in Section 31A(3) of the Act is £1,032,654,533.
 - (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 £235,423,952.
 - (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 £1,684.74.
 - (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 £13,148,430.
 - (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 £1,590.65.
- (d) It be noted that for 2019/20, 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
£	£	£	£	£	£	£	£
69.00	80.50	92.00	103.50	126.50	149.50	172.50	207.00

- (e) It be noted that for 2019/20, 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
£	£	£	£	£	£	£	£
136.83	159.63	182.44	205.24	250.85	296.46	342.07	410.48

- (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 2019/20 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
£	£	£	£	£	£	£	£
984.70	1,148.8 2	1,312.9 3	1,477.0 5	1,805.2 8	2,133.5 2	2,461.7 5	2,954.1 0

DURHAM COUNTY COUNCIL – ADULT SOCIAL CARE

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
75.73	88.36	100.98	113.60	138.84	164.09	189.33	227.20

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

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,266.2 6	1,477.3 1	1,688.3 5	1,899.3 9	2,321.4 7	2,743.5 7	3,165.6 5	3,798.7 8

- (g) That the Council has determined that its relevant basic amount of council tax for 2019/20 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 2019/20 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 **Appointment of Chairman - Area Planning Committee (Central and East)**

Moved by Councillor J Robinson, **seconded** by Councillor L Marshall and

Resolved:

That Councillor A Laing be appointed Chairman of the Area Planning Committee (Central and East).

Councillor J Robinson referred to the Motion which had been submitted by Councillor R Bell and asked whether Members of the County Planning Committee would need to declare an interest.

The Head of Legal and Democratic Services advised that membership of the County Planning Committee was neither a disclosable pecuniary nor 'other relevant' interest. The Motion referred to an executive decision which was taken by Cabinet and if it was successful it would be necessary to refer the matter back to Cabinet for consideration. The Motion did not relate to the merits of the planning application whilst merits may be referred to as part of the debate, advice to Members of the Planning Committee was not to be drawn on the merits of the application.

13 **Motions on Notice**

In accordance with a Notice of Motion it was **Moved** by Councillor Dunn and seconded by Councillor Adam:

Full Council notes:

1. It is clear that climate change is not only a reality but that our communities are becoming more and more aware of the changing weather and issues of flooding and extreme heat that was predicted would occur over 20 years ago;
2. Global temperatures have already increased by 1 degree Celsius from pre-industrial levels, and atmospheric CO² levels are above 400 parts per million (ppm). This far exceeds the 350 ppm deemed to be a safe level for humanity;

3. In order to reduce the chance of runaway Global Warming and limit the effects of Climate Breakdown, it is imperative that we reduce our CO₂eq (carbon equivalent) emissions from their current 6.5 tonnes per person per year to less than 2 tonnes as soon as possible;
4. The world is on track to overshoot the Paris Agreement's 1.5°C limit before 2050. The IPCC's Special Report on Global Warming of 1.5°C, published in October 2018, describes the enormous harm that a 2°C rise is likely to cause compared to a 1.5°C rise, and told us that limiting Global Warming to 1.5°C may still be possible with ambitious action from national and sub-national authorities, civil society, the private sector, indigenous peoples and local communities;
5. We have seen over the past few months, leaders from all around the world coming together to slow down these impacts and it's important at a local level that as a county council we also show some leadership in making a change. It's not too late if we all do what we can;
6. Individuals and local businesses cannot be expected to make this reduction on their own. Society needs to change its laws, taxation, infrastructure, etc., to make low carbon living easier and the new norm;
7. Carbon emissions result from both production and consumption and we need to ensure we tackle both these elements going forward;
8. Durham County Council has already shown foresight and leadership when it comes to addressing the issue of Climate Breakdown, having adopted Durham Wide targets of reducing carbon emissions by 40% by 2020 (based on 1990 levels). We have, compared to many authorities, excelled already achieving what was considered to be a stretch target;
9. All governments (national, regional and local) have a duty to limit the negative impacts of Climate Breakdown, and local governments that recognise this should not wait for their national governments to change their policies;
10. The UK's entire society and entire economy need to be refocused to meet the looming challenge of ecological breakdown using the full power of the state to decarbonise the economy and create hundreds of thousands of green jobs. We have to tackle climate change in a really radical way, the evidence is crystal clear and at the same time maximise the opportunities that clean growth, developing innovation and creating strong partnership with the private sector can achieve
11. Unfortunately, despite reassurance from our Prime Minister, austerity is still very much with us and probably will be for some time, we have some significant pressures as an authority supporting our elderly and an ever increasing number of children accessing our looked after services and we need to continue to develop our economy. However we must also take responsibility for our environment and ensure that we leave Durham in a better place for our children than the one we inherited. We need to get the balance right and ensure that we put something in place which is deliverable but that makes significant progress

towards making County Durham Carbon Neutral as quickly as possible and hopefully that takes our communities and our businesses along with us;

12. Councils around the world are responding by declaring a 'Climate Emergency' and committing resources to address this emergency.

Full Council agrees to:

1. Declare a 'Climate Emergency';
2. Immediately adopt a new Durham County Council target of 60% by 2030 making significant progress towards making Durham County Council and County Durham carbon neutral taking into account both production and consumption emissions;
3. Investigate what further actions are necessary to make County Durham Carbon Neutral by 2050 and pledge to achieve this;
4. Call on Westminster to provide the powers and resources to make the 2030 and 2050 targets possible;
5. Work with other agencies and bodies (both within the UK and internationally) to determine and implement best practice methods to limit Global Warming to less than 1.5°C;
6. Continue to work with partners across the county and region to identify opportunities for innovation, develop clean industries and a green economy and ensuring we have the right infrastructure for our communities to deliver on these new targets through all relevant strategies and plans;
7. Report to Full Council within six months with the actions the Council will need to take to achieve the new 2030 target and supply an initial report on what actions would be required to achieve a carbon neutral County Durham by 2050.

Councillor M Wilkes **Moved** the following amendment, **Seconded** by Councillor L Brown:

1. Declare a 'Climate Emergency';
2. Immediately adopt a new Durham County Council target of ~~60%~~ 100% carbon neutral by 2030 ~~making significant progress towards making Durham County Council and County Durham carbon neutral~~ taking into account both production and consumption emissions;
3. Investigate what further actions are necessary to make County Durham Carbon Neutral by ~~2030~~ 2050 and pledge to achieve this;
4. Call on Westminster to provide the powers and resources to make the 2030 ~~and 2050~~ targets possible;
5. Work with other agencies and bodies (both within the UK and internationally) to determine and implement best practice methods to limit Global Warming to less than 1.5°C

6. Continue to work with partners across the county and region to identify opportunities for innovation, develop clean industries and a green economy and ensuring we have the right infrastructure for our communities to deliver on these new targets through all relevant strategies and plans;
7. Report to Full Council within six months with the actions the Council will need to take to achieve the new 2030 target and supply an initial report on what actions would be required to achieve a carbon neutral County Durham ~~by 2050~~.

Upon a vote being taken the amendment was **Lost**.

Upon a further vote being taken the Substantive Motion was **carried**.

In accordance with a Notice of Motion it was **Moved** by Councillor R Bell and seconded by Councillor Howell.

Council calls upon Cabinet to suspend activity on planning for and building the new HQ at The Sands, Durham and, while affirming the need to build a new HQ, to:

- Immediately make public the advice and reasoning which caused it to choose the Sands and dismiss other sites, including the Part B reports from the Cabinet meetings of 13 July 2016 and 17 January 2018, and the background papers behind those reports.
- To complete within one month a public consultation on building a new HQ at the Sands and Aykley Heads.
- To re-evaluate within two months the options of building a new HQ at the Sands and Aykley Heads.

In accordance with Standing Order 14.4 Councillor Ormerod sought a named vote on the Motion. The requirements were met.

For

Councillors A Bainbridge, B Bainbridge, R Bell, D Brown, L Brown, G Darkes, S Durham, D Freeman, K Hawley, A Hopgood, P Howell, P Jopling, K Liddell, J Makepeace, C Martin, E Mavin, S McDonnell, J Nicholson, R Ormerod, G Richardson, E Scott, M Simmons, A Simpson, W Stelling, D Stoker, O Temple, K Thompson and M Wilkes

Against

Councillors E Adam, J Allen, J Atkinson, P Atkinson, D Bell, E Bell, J Bell, H Bennett, G Bleasdale, P Brookes, J Brown, J Chaplow, J Clare, J Clark, J Considine, K Corrigan, R Crute, S Dunn, O Gunn, C Hampson, S Henig, K Hopper, L Hovvells, E Huntington, S Iveson, I Jewell, O Johnson, B Kellett, L Kennedy, A Laing, J Lethbridge, R Manchester, C Marshall, L Marshall, M McKeon, O Milburn, S Morrison, A Napier, A Patterson, L Pounder, S Quinn, J Robinson, K Shaw, H Smith, A Surtees, P Taylor, J Turnbull, A Watson, C Wilson, M Wilson, S Wilson and R Yorke

Abstain

Councillors J Carr and L Maddison

The Motion was **Lost**.

14 Questions from Members

No questions had been received from Members.