

## **COUNCIL**

Thursday, 18 February 2021

**PRESENT** – The Mayor, Councillors Ali, Allen, Bartch, Bell, Boddy, Dr. Chou, Clarke, Cossins, Crudass, Crumbie, Mrs Culley, Curry, Donoghue, Dulston, Durham, Harker, Haszeldine, Heslop, Holroyd, Howell, C L B Hughes, L Hughes, Johnson, B Jones, Mrs D Jones, Keir, Laing, Layton, Lee, Lister, Marshall, McCollom, Mills, K Nicholson, M Nicholson, Paley, Preston, Renton, A J Scott, Mrs H Scott, Snedker, Tait, Tostevin, Wallis and Wright.

**APOLOGIES** – Councillors Lucas and Newall.

**ABSENT** – Councillors Baldwin.

### **53 DECLARATIONS OF INTEREST.**

There were no declarations of interest reported at the meeting.

### **54 ANNOUNCEMENTS.**

**Death of former-Councillor Peter Jones** - The Mayor reported on the death of former-Councillor Peter Jones, who had sadly recently passed away.

As a mark of respect, Members observed a short silence in memory of their former colleague.

### **55 QUESTIONS - TO ANSWER QUESTIONS WHERE APPROPRIATE NOTICE HAS BEEN GIVEN FROM MEMBERS OF THE PUBLIC**

There were no questions, with notice, from members of the public.

### **56 MEDIUM TERM FINANCIAL PLAN**

The Chief Officers Executive submitted a report (previously circulated) to seek approval for a Medium Term Financial Plan (MTFP) for 2021/22 to 2024/25, including setting a budget and Council Tax increase for 2021/22.

The submitted report stated that the Council had faced significant challenges over the previous decade following the economic downturn and reduction in public sector spending. It was reported that the Council had been successful in responding to these challenges, however it was becoming more difficult particularly in respect of a growing elderly population, pressure in the Children's Social Care sector, and the major economic impact of Covid-19, which had had a direct impact on the Council's finances this year, and would be felt for years to come.

The submitted report stated that the Council had received its definitive financial settlement on 17 December 2020, and confirmed a number of funding streams announced in the spending review for 2021/22, including Social Care Grant, Covid-19 support, the continuation of the Revenue Support Grant and an Adult Social Care precept.

The submitted report outlined that the Council had undertaken a significant consultation exercise in 2016, following an in-depth and detailed review of all services, which had resulted in the agreement of a Core Offer budget and allowed for a small futures fund allocated to discretionary services. In addition, in subsequent MTFPs, Members agreed to use unallocated balances of £6.5m to invest in five areas which hold great value to the community.

The submitted report stated that the core offer remained challenging, with some significant pressures arising in social care and the ongoing impact of Covid-19, however through tight financial management, innovative financial investments, and increased income from economic growth successes, it was anticipated that the Council could deliver the agreed balanced plan, extend the MTFP for a further year to 2024/25, whilst retaining usable balances of £3.738m.

The following amendment to the Motion was moved by Councillor Harker, and seconded by Councillor McCollom:

'To replace paragraph 7 of Item 5 (Medium Term Financial Plan) with the following:

Council are requested to:

(a) Approve the Revenue MTFP as set out in Appendix 7 including the following:

- (i) Council tax increase of 1.99% for 2021/22.
- (ii) The Schedule of Charges as set out in Appendix 3.
- (iii) The Futures Fund investment into 2024/25 as set out in paragraph 62.

(b) Approve a delegation for Cabinet to vary the Revenue Budget for 2021/22 by up to £0.5m without further Council approval.

(c) Defer the Adult Social Care Precept of 3% until 2022/23'

In accordance with Council Procedure Rules, a request was made by five Members for a named vote on the Amendment. A named vote was taken of those Members present at the meeting and there appeared:-

**For the Amendment** – The Mayor; Councillors Ali, Cossins, Crumbie, Harker, Haszeldine, Heslop, Holroyd, C. L. B. Hughes, L. Hughes, Layton, Lister, McCollom, M. Nicholson, Paley, A. J. Scott, Snedker and Wallis (18)

**Against the Amendment** – Councillors Bartch, Bell, Dr. Chou, Clarke, Crudass, Mrs. Culley, Donoghue, Dulston, Durham, Howell, Johnson, B. Jones, Mrs. D. Jones, Keir, Laing, Lee, Marshall, Mills, K. Nicholson, Preston, Renton, Mrs. H. Scott, Tait, Tostevin and Wright (25)

**Abstentions** – Councillors Allen, Boddy and Curry (3)

**The Amendment was Lost.**

In accordance with the requirements of the Budget and Policy Framework Rules a vote on the recommendation was taken of those Members present at the meeting and

there appeared:-

**For the Motion** – Councillors Bartch, Bell, Dr. Chou, Clarke, Crudass, Mrs. Culley, Donoghue, Dulston, Durham, Holroyd, Howell, Johnson, B. Jones, Mrs. D. Jones, Keir, Laing, Lee, Marshall, Mills, K. Nicholson, Preston, Renton, Mrs. H. Scott, Snedker, Tait, Tostevin and Wright (27)

**Against the Motion** – The Mayor; Councillors Ali, Cossins, Crumby, Harker, Haszeldine, Heslop, C. L. B. Hughes, L. Hughes, Layton, Lister, McCollom, M. Nicholson, Paley, A. J. Scott and Wallis (16)

**Abstentions** – Councillors Allen, Boddy and Curry (3)

**Motion Carried.**

**RESOLVED** - (a) That the Revenue MTFP, as set out in Appendix 7 of the submitted report, be approved, including the following;

- (i) Council tax increase of 1.99% plus a 3% Adult Social Care Precept to help fund social care for 2021/22 totalling 4.99%.
- (ii) The Schedule of Charges as set out in Appendix 3.
- (iii) The Futures Fund investment into 2024/25, as detailed in Paragraph 62 of the submitted report.

(b) That a delegation for Cabinet to vary the Revenue Budget for 2021/22 by up to £0.5m without further Council approval, be approved.

**REASONS** - (a) The Council must set a budget for the next financial year.

(b) To enable the Council to continue to plan services and finances over the medium term.

(c) To ensure decisions can be made in a timely manner.

## **57 DARLINGTON CAPITAL STRATEGY**

The Chief Officers Executive submitted a report (previously circulated) requesting that consideration be given to the Council's Capital Strategy for 2021/22, which incorporated the capital programme priorities for approval.

The submitted report stated that the production of a Capital Strategy was a requirement for Councils following the publication of the revised Prudential Code for Capital Finance in Local Authorities 2017. It was reported that the Strategy provided an overview of how capital expenditure and financing plans are decided upon, and provided a framework for the development, management and monitoring of the Council's capital investment plans. The submitted report stated that the Strategy also highlighted the resource streams available in terms of funding to the Council and the risk management approach taken.

**RESOLVED** – (a) That the Capital Strategy for 2021/22–2024/2025, as detailed in Appendix 1 of the submitted report, be approved.

(b) That the Capital Programme, as detailed in Appendix 2 of the submitted report, with the priorities summarised in Annex A, be approved.

(c) That a delegation for Cabinet to vary the capital programme for 2021/22 by up to £0.5m without further Council approval, be approved.

**REASONS** - (a) To ensure the Council adopts the Prudential Code for Capital Finance 2017.

(b) To enable the Council to invest in its assets.

(c) The Strategy is approved by Council.

## 58 HOUSING REVENUE ACCOUNT - MTFP 2021/22 TO 2024/25

The Director of Economic Growth and Neighbourhood Services submitted a report (previously circulated) requesting that consideration be given to proposals for the revenue budget, rent levels and service charges for the Council's Housing Revenue Account (HRA) for the financial year 2021/22 in the context of the HRA Medium Term Financial Plan to 2024/25, and the 30 year Investment Plan.

The submitted report stated that Local Authorities had the discretion to inflate rents by CPI plus 1%, which meant an average £1.46 increase in weekly rents. It was also recommended that, where appropriate, service charges had an inflationary increase.

The submitted report highlighted that since the Government had lifted the borrowing cap on the HRA, the Council had used this additional capacity to invest in building much needed new homes. It was reported that in 2021/22 the Council planned to borrow an extra £8m to fund the new build programme, which could be supplemented with Homes England grant, and that the Council planned to build 100 affordable homes per annum over the next 10 years.

**RESOLVED** - (a) That an average weekly rent increase of 1.7% for 2021/22 be implemented giving an average social rent of £73.11 and affordable rent of £83.62.

(b) That garage rents and service charges are increased as detailed in Table 3 of the submitted report.

(c) That the budget, as detailed in Appendix 1 of the submitted report, be approved.

(d) That the Housing Investment Plan, as detailed in Appendix 2 of the submitted report, be agreed.

(e) That the Director of Economic Growth and Neighbourhood Services be given delegated powers to proceed with new build schemes for affordable rent using the funding as identified in Paragraph 16 of the submitted report.

(f) That the Director of Economic Growth and Neighbourhood Services be given

delegated powers to acquire dwellings in the private sector as opportunities arise, particularly as part of regeneration initiatives as highlighted in Paragraph 17 of the submitted report.

**REASON** - To enable the Council to deliver an appropriate level of service to tenants to meet housing need and to support the economic growth of the Borough through housing development.

## **59 PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT STRATEGY 2021/22**

The Managing Director submitted a report (previously circulated) which requested that Council adopt the Prudential Indicators and Limits for 2021/22 to 2023/24 relating to capital expenditure and Treasury Management activity, a policy statement relating to the Minimum Revenue Provision, and the Treasury Management Strategy 2021/22, which includes the Annual Investment Strategy for 2021/22.

The submitted report outlined the Council's Prudential Indicators for 2021/22 – 2023/24, and set out the expected treasury operations for this period. It was stated that the report fulfilled key legislative and guidance requirements.

The information contained within the submitted report regarding the Council's capital expenditure plans, treasury management and prudential borrowing activities indicated that they were within the statutory framework and consistent with the relevant codes of practice, prudent, affordable and sustainable, and an integral part of the Council's Revenue and Capital Medium Term Financial Plans.

**RESOLVED** - (a) That the Prudential Indicators and limits for 2021/22 to 2023/24, as summarised in Tables 1 and 2 of the submitted report, be approved and adopted.

(b) That the Minimum Revenue Provision (MRP) statement, as detailed in paragraphs 33 to 37 of the submitted report, be approved and adopted.

(c) That the Treasury Management Strategy 2021/22 to 2023/24, as summarised in paragraphs 41 to 69 of the submitted report, be approved and adopted.

(d) That the Annual Investment Strategy 2021/22, as contained in paragraphs 70 to 107 of the submitted report, be approved and adopted.

**REASONS** - (a) To comply with the Prudential Code for Capital Finance in Local Authorities and the Ministry of Housing, Communities & Local Government (MHCLG) guidance on investments.

(b) To comply with the requirements of the Local Government Act 2003.

(c) To approve a framework for Officers to work within when making investment decisions.

## **60 SETTING THE COUNCIL TAX FOR 2021/22**

The Managing Director submitted a report (previously circulated) requesting that

consideration be given to setting this Council's Council Tax for 2021/2022, which was required to be set before 11th March 2021.

In accordance with the requirements of the Budget and Policy Framework Rules a vote on the recommendation was taken of those Members present at the meeting and there appeared:-

**For the Motion** – Councillors Bartch, Bell, Dr. Chou, Clarke, Crudass, Mrs. Culley, Donoghue, Dulston, Durham, Holroyd, Howell, Johnson, B. Jones, Mrs. D. Jones, Keir, Laing, Lee, Marshall, Mills, K. Nicholson, Preston, Renton, Mrs. H. Scott, Snedker, Tait, Tostevin and Wright (27)

**Against the Motion** – The Mayor; Councillors Ali, Cossins, Crumbie, Harker, Haszeldine, Heslop, C. L. B. Hughes, L. Hughes, Layton, Lister, McCollom, M. Nicholson, Paley, A. J. Scott and Wallis (16)

**Abstentions** – Councillors Allen, Boddy and Curry (3)

**Motion Carried.**

**RESOLVED** – (a) That the following amounts be calculated by the Council for 2021/22 in accordance with sections 31 to 36 of the Act and relevant regulations:-

- |  |              |
|--|--------------|
| (i) the aggregate of the amount 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, which is its expenditure  | £221,356,072 |
| (ii) the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act, which is its income  | £166,143,000 |
| (iii) the amount by which (i) exceeds (ii) calculated by the Council for the year in accordance with Section 31A(4) of the Act as its Council Tax Requirement  | £55,213,072  |
| (iv) The amount at item 5(iii) above, divided by the council tax base in paragraph 13 below, calculated by the Council in accordance with Section 31B of the Act as the basic amount of its Council Tax for the year (including Parish Precepts) | £1.649.16    |
| (v) the aggregate of all special items (Parish Precepts) referred to in Section 34(1) of the Act as in the attached <b>Appendix 1</b>  | £183,072     |
| (vi) the amount at 5(iv) above less the result given by dividing the amount at 5(v) above by the amount at paragraph 13 below, calculated by the Council in  |              |

accordance with Section 34(2) of the Act as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish Precept relates £1,643.69

(vii) That the basic council tax for 2021/22 calculated for dwellings in those areas that have parish precepts be as set out in **Appendix 1**, column 5

(viii) That the Council, in accordance with Sections 30 and 36 of the Act, hereby sets the aggregate amounts shown in **Appendix 2** as the amount of Council Tax for 2021/22 for each part of its area and for each of the categories of dwellings

(b) It be noted that for the year 2021/22 The Office of the Durham Police, Crime and Victims' Commissioner has stated the following amounts in the precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown : -

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Police Authority	153.49	179.08	204.66	230.24	281.40	332.57	383.73	460.48

(c) It be noted that for the year 2021/22 County Durham and Darlington Fire and Rescue Service has stated the following amounts in the precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown: -

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Fire Authority	71.70	83.65	95.60	107.55	131.45	155.35	179.25	215.10

(d) The Council, in accordance with Section 30(2) of the Act hereby sets the amounts set out in **Appendix 3** as the amounts of council tax for 2021/22 for each of the categories of dwellings.

**REASON** – To set the Council Tax for the Council's area in accordance with statutory requirements.

## 61 POLICE AND CRIME COMMISSIONER, TEES VALLEY COMBINED AUTHORITY AND BY-ELECTIONS - MAY 2021

The Managing Director submitted a report (previously circulated) requesting that consideration be given to changes to a number of polling places (commonly known as polling stations) to be used at the Police and Crime Commissioner (PCC) and the Tees Valley Combined Authority Mayoral (TVCAM) Elections, and any by-elections, scheduled to be held on Thursday, 6 May 2021, and the delegation of power to the Assistant Director Law and Governance (the Returning Officer) to change the location of polling places in the event that a designated polling place is no longer available or

suitable.

The submitted report stated that when booking the polling places for the elections scheduled to be held in May 2021, Officers were made aware that number of the polling places were unavailable, and that as a result of this unavailability a number of alternative polling places had been proposed.

**RESOLVED** – (a) That the following changes to polling places, commonly known as polling stations, for all elections scheduled to take place on 6 May 2021, be noted and approved:-

- (i) College Ward (Polling Districts COA, COB and COC) to vote at the Queen Elizabeth Sixth Form College Sports Pavilion, Abbey Road Playing Field, Abbey Road, Darlington, in place of the classrooms in the main Queen Elizabeth Sixth Form College building.
  - (ii) Hummersknott Ward (Polling Districts HKA and HKB) to vote at Salutation Hall, Salutation Road, Darlington, in place of Carmel College.
  - (iii) North Road Ward (Polling District NRA) to vote at Darlington Elim Pentecostal Church, Bowman Street, Darlington, in place of St. Thomas Aquinas Church Hall.
  - (iv) Park East Ward (Polling Districts PEA) to vote at the Friends Meeting House, Skinnergate, Darlington, in place of St. Augustine's Parish Centre.
  - (v) Park West Ward (Polling District PWC) to vote at Darlington Baptist Church, Grange Road, Darlington, in place of St. Augustine's Parish Centre; and
  - (vi) Sadberge and Middleton St George Ward (Polling Districts SMA and SMC) to vote at Bishopton Village Hall, Bishopton, in place of Great Stainton Church Hall.
- (b) That power be delegated to the Assistant Director Law and Governance (the Returning Officer), in consultation with Cabinet Member with the Resources Portfolio, Group Leaders and relevant Ward Members, to change the location of polling places in the event that a designated polling place is no longer available or suitable.

**REASONS** - (a) To comply with the requests received from Carmel College and Queen Elizabeth Sixth Form College to use alternative premises and to find alternative venue(s) for those polling places that are unavailable; and

(b) To allow further changes to be made to the approved list of polling places should they be unavailable or unsuitable.