

DURHAM COUNTY COUNCIL

At a Meeting of **Cabinet** held in Committee Room 2, County Hall, Durham on **Wednesday 11 February 2015 at 10.00 am**

Present:

Councillor S Henig (Leader of the Council)

Members of the Committee:

Councillors J Brown, N Foster, L Hovvels, O Johnson, A Napier, M Plews, B Stephens and E Tomlinson

Apologies:

An apology for absence was received from Councillor M Nicholls

Also Present:

Councillors J Armstrong, J Gray, O Gunn, G Holland, I Jewell, J Maitland, J Shuttleworth, P Stradling, A Surtees, K Thompson, R Todd, M Wilkes and M Williams

1 Minutes of the meeting held on 14 January 2015

The minutes of the meeting held on 14 January 2015 were confirmed as a correct record and signed by the Chairman.

2 Declarations of interest

Councillors Plews and Tomlinson declared interest in item 4 due to their positions on the County Durham Housing Group Board, and took no part in the discussion of the item.

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

[Key Decision: Corp/R/15/01]

The Cabinet considered a joint report of the Corporate Director, Resources and the Assistant Chief Executive which provided comprehensive financial information to enable Cabinet to agree the 2015/16 balanced revenue budget, an outline General Fund Medium Term Financial Plan (MTFP (5) for 2015/16 to 2017/18 and a fully funded capital programme for recommendation to the County Council meeting on 25 February 2015 (for copy see file of minutes).

The Corporate Director, Resources in presenting the report advised that a revised budget report (for copy see file of Minutes) had been circulated the previous day, as the Council had received confirmation of its final grant settlement from the Department of Communities and Local Government on 4 February which had included an increase of £966,000 in revenue support grant in respect of additional funding for welfare assistance and social care services. The scale of the increase was considered to be significant enough to warrant amending the budget report and recirculating it rather than dealing with the implications by way of addendums and alterations.

Councillor J Armstrong, Chairman of Overview and Scrutiny Management Board advised that the scrutiny committees had considered in depth the budget proposals put forward by Cabinet. He advised of the meetings and seminar which had been supported by officers. The scrutiny members having considered whether there were any alternative options to propose the majority of members were in favour of the proposals and no feasible alternative options were put forward. The policy changes would successfully deliver the reductions, and congratulated cabinet colleagues on the difficult decisions it needed to make to deliver a reduced budget for a further year. He advised of the four specific areas that the members did ask Cabinet to consider further, which had been provided to Cabinet and addressed where appropriate. He advised that the Overview and Scrutiny Management Board was to meet on 13 February to consider this report, and he was aware that minority parties may put forward alternative budget proposals to the full Council meeting.

Cabinet members spoke of the continuation of the unprecedented financial reductions being imposed on the Authority, how the scale of the cuts was deepening and the continuation of further reductions in service were consistently becoming harder to find. The unfair distribution of funds between local authorities was continuing, with evidence showing the effect this was having on Durham, in particular its spending power. The measures to be taken would continue to protect front line services as far as possible, however if the cuts in public funding continued this pattern would be unlikely to continue. The consultation process had been thorough, and the views of the scrutiny members had been considered.

Cabinet members thanked officers for the work they had done in this year's MTFP process, and remarked on how quickly and professionally the report had been updated after having only received the full settlement on 4 February.

Upon a recorded vote being taken on the recommendations detailed in the report, a unanimous vote in favour of the recommendations was reached by Cabinet members.

Resolved:

That the recommendations contained in the revised report be approved.

4 Housing Stock Transfer - Final Update Prior to Transfer Completion
[Key Decision: R&ED/10/14]

The Cabinet considered a joint report of the Corporate Director, Regeneration and Economic Development and the Corporate Director, Resources which sought approval for the completion of the transfer of ownership of the Council's housing stock to the new County Durham Housing Group (CDHG) and its component housing management organisations: Dale & Valley Homes, Durham City Homes and East Durham Homes, before the Government's deadline of 31 March 2015 (for copy see file of minutes).

Cabinet members commented on the scale of the work and challenges that had been undertaken to reach this stage of the process, thanking all those involved which had included tenants, officers, and members. They hoped that the completion of the transfer would go ahead on 23 March 2015, and remarked that it would be a historical moment.

Resolved:

That the recommendations contained in the report be approved.

5 Exclusion of the public

Resolved:

That under Section 100A(4) of the Local Government, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely discussion of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the said Act.

6 Atom HQ Inward Investment
[Key Decision: R&ED/15/14]

The Cabinet considered a joint report of the Corporate Director, Regeneration and Economic Development and the Corporate Director, Resources regarding Atom HQ Inward Investment (for copy see file of minutes).

Councillor N Foster, responded to the questions made by Councillor Wilkes.

Resolved:

That the recommendations contained in the report be approved.