

City of Durham

At a Meeting of the **COUNCIL** held in the Town Hall, Durham, on Monday 29th September, 2008, at 5.30 p.m.

Present: The Deputy Mayor of Durham, Councillor Dickie (in the Chair) and Councillors Bartle, Bell, Carr, Colledge, Cowper, Crooks, Freeman, Guy, Hopgood, Howarth, Jackson, Kellett, Kelly, Lightley, Lodge, McDonnell, Marsden, Martin, Mitchell, Moderate, Pitts, Plews, Reynolds, Robinson, Simmons, Simpson, D Smith, M.J.A. Smith, Southwell, Stoddart, Thomson, Turnbull, van Zwanenberg, Walker, Walton, Wilkes, Wilkinson, Woods and Young.

205. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Holland, Kinghorn, Laverick, Rae, Wolstenholme and Wynn.

206. MINUTES

The Minutes of the Meeting held on 22nd July, 2008, were confirmed as a true record and signed by the Deputy Mayor.

Report of the Director of Financial Services

207. STATEMENT OF ACCOUNTS 2007/2008 (MIN 83, 30th JUNE 2008)

The Director of Financial Services submitted a comprehensive report to represent the circulated Accounts for re-approval, prior to consideration of the report of the District Auditor on the conclusion of his external audit of the Council's Statement of Accounts for 2007/08.

Resolved: That the revised Statement of Accounts be approved subject to the report of the District Auditor formally re-published on the Council's website.

Note: Councillor Pitts left the Meeting at 5.45 p.m.

208. ANNUAL GOVERNANCE REPORT

Circulated was a copy of the Audit Commission report on Annual Governance covering the audit of the Authority for the year ended 31st March, 2008, which was presented to Council by Mr. C. Waddell, District Auditor.

Resolved: That the report be noted.

209. MAYOR'S ANNOUNCEMENTS

The Deputy Mayor congratulated staff on winning the Best Small City in the Northumbria in Bloom Competition. He also congratulated Durham County Cricket Club on becoming County Cricket Champions in the Premier Tournament.

Members were advised that tickets were still available for the Mayor's Charity event which was to be held on 11th October, 2008, which was an evening at the Dogs.

210. COUNCIL PROCEDURE RULE NO. 11

The following petition was received, by the due date, from Mrs. C Brown of 7 Durham Road West, Bowburn, Durham, DH6 5AU.

“Names and Addresses of residents close to Artful Ink Tattoo Parlour wanting the land fronting on to Durham Road West to be returned back to a green area with the trees and shrubs reinstated.”

Mrs. Brown addressed the Council on the Petition.

Resolved: That the petition be noted.

211. QUESTIONS UNDER COUNCIL PROCEDURE RULE NO. 9.2

Prior to the questions being considered, the Head of Legal and Strategic Services advised Members that a letter that could be taken to be a letter before action had been received in relation to the matters which were the subject of the questions. Members were reminded that comments made by Members during the course of Council were not subject to privilege.

- (a) The following questions were received, by the due date, from Councillor Plews and were addressed to the Leader of the Council.

“Given the possible implications to City of Durham Council of positions held in a company by the former chief executive and current Deputy Leader, could the Leader of the Council please answer the following questions:

Can you please confirm when Mr Spears ceased to be employed as Chief Executive of Durham City Council?

Is or was Mr. Spears ever employed, as a consultant, or in any other capacity for Durham City Council after he finished being Chief Executive of Durham City Council? If so, when was this and who approved his re-employment?

Were you aware that the Deputy Leader, Cllr. Woods, is named as company secretary and as a consultant for a company (Sherburn Consultants Ltd. - Co No. 6508291) of which Mr Spears is listed as the sole director and shareholder? Were you also aware that Mr. Spears became a director of the company, Sherburn Consultants, while he was still chief executive of Durham City Council? If you were aware of any of this information when did you first learn of it? Upon learning of any of this information what action did you take?

Has Durham City Council ever used Sherburn Consultants’ services since February 2008?

Has Sherburn Consultants ever applied for any tenders and/or work with Durham City Council or Durham Villages Regeneration Company?”

The Leader of the Council indicated:

“I can confirm that Mr. Spears ceased to be employed as Chief Executive on 31st March 2008. He took outstanding holidays and left his desk on 29th February 2008 and Mr. Marrs took over as Head of Paid Service on 1st March 2008. The answer to the rest of your questions is no.”

- (b) The questions received, by the due date, from Councillor Turnbull addressed to all Portfolio Holders and Committee Chairs were withdrawn by Councillor Turnbull at the meeting.
- (c) The following question was received, by the due date, from Councillor Taylor and was addressed to the Deputy Leader of the Council.

In the absence of Councillor Taylor the Mayor agreed that the question be read out by the Executive Director.

“Given the possible implications to City of Durham Council of positions held in a company by the former chief executive and current Deputy Leader, could the Deputy Leader of the council please answer the following questions:

Can the Deputy Leader, Cllr. Woods, confirm she is a consultant and company secretary with Sherburn Consultants Ltd, as listed on their website, and that the purpose of the company is to provide “a range of services to local government, housing associations, developers and public service organizations.” (Quote taken from Sherburn Consultants website, 22nd Sept 2008).

When did Cllr. Woods first declare she is Company Secretary for Sherburn Consultants Ltd (Co No. 6508291) on the City Council Declaration of Members Interest?

Was Cllr. Woods aware the company was incorporated while Mr. Spears was still chief executive of the City Council?

Has Cllr. Woods received any money or benefits from the company, its director or shareholder since its incorporation in February 2008. If so what and what amounts?

According to the Council’s constitution (Part III, Page 23C) Cllr. Woods, as Deputy Leader of the Council, has responsibility for Government Initiatives, Business Partnership Working, Regional Strategies, Transport and Marketing. According to its website, Sherburn Consultants provides “a range of services to local government, housing associations, developers and public service organisations.” (Quote taken from Sherburn Consultants website, 22nd Sept 2008). Can she please explain to the Council what steps she has taken to ensure that this does not create a conflict of interest with her role as Deputy Leader of the City Council?

Can Cllr. Woods please tell us what input she had into the Council’s submission for the Regional Spatial Strategy and when this input occurred? Has Sherburn Consultants been involved in any way with the RSS?”

Councillor Woods indicated:

“I am an unpaid Secretary for Sherburn Consultants Ltd. a local business which is registered at Company House. This information has been in the public domain for months, not only on the company’s website but also on my Declaration of Member’s Interest as published by the Council. I have not received a penny for the work I have done for this start-up company.

This business, set up by the former Chief Executive of the City Council, began trading on June 1st – two months after he left his Council employment. I added it to my declaration of interests at the beginning of the financial year in which the company expected to trade.

The company has never applied for any tenders or work from Durham City Council or any company Durham City Council has any interest in. It also has no intention of ever doing so.

The only input that I had into the Council's submission for the regional Spatial Strategy was to agree the officer's report. Sherburn Consultants has not been involved in any way with the Regional Spatial Strategy.

These facts quite clearly illustrate that I have ensured that I have worked within the member's code of conduct and the orders laid down in the council constitution and will continue to do so."

Report of the Director of Corporate Services

**212. RECORDING OF COUNCIL PROCEEDINGS -
EXTRAORDINARY MEETING OF THE COUNCIL – 10 NOVEMBER 2008**

Arrangements had been made for an Extraordinary Meeting of the Council to be held on 10th November, 2008, to admit Mr Fenwick Lawson as an Honorary Freeman of the City of Durham.

Rule 23 of the Council Procedure Rules provides, inter alia, that the taking of photographs or the recording of any proceedings at meetings of the Council is prohibited without the express consent of the Council having first been obtained.

Resolved: That, in accordance with Council Procedure Rule No. 23, the Council consents to the taking of photographs during the ceremonial part of the proceedings of the Extraordinary Meeting of the Council to be held on 10th November, 2008.

213. ANNUAL SCRUTINY REPORT 2007/2008

In accordance with the terms of reference of the Scrutiny Committee, the annual report on the work of the Scrutiny Committee had been presented to Council.

Resolved: That the report be approved and adopted.

The Meeting terminated at 6.05 p.m.

Mayor