

THE MINUTES OF THE MEETING

OF THE EXECUTIVE

HELD ON TUESDAY 16 JANUARY 2007

Present: Councillors R Crute, Mrs J Freak,
D Myers, Mrs A Naylor, G Patterson,
F Shaw and P G Ward

Apologies: Councillors A Napier, R J Todd and
Mrs E Huntington

DUE TO THE ABSENCE OF THE CHAIR AND VICE CHAIR, NOMINATIONS WERE REQUESTED FOR A CHAIR FOR THE MEETING

COUNCILLOR R CRUTE TOOK THE CHAIR

1 **THE MINUTES OF THE LAST MEETING** held on 19 December 2006, a copy of which had been circulated to each Member, were confirmed.

2 **GENERAL FUND/HOUSING REVENUE – 2006/2007 MONITORING STATEMENT**

Consideration was given to the report of the Executive Member for Resources which gave details of the financial position for the period 1 April – 30 November 2006, a copy of which had been circulated to each Member.

Members were advised that budget holders were required to carry out a monthly exercise of examining their spending and the appendices attached to the report reflected the forecasted position to 31 March 2007.

Appendix 1 to the report gave a projected position on a directorate basis and reasons for variations.

When agreeing the 2006/2007 budget the following two major areas of uncertainty were identified: -

- arrangements for the implementation of changes to the countywide concessionary fares scheme were not finalised;
- the review of the service level agreements between the Council and East Durham Homes were incomplete and put at risk a significant amount of income.

The detail around these issues had previously been highlighted and provision made in the accounts to manage both situations.

The General Fund showed an estimated surplus of £224,590 at 30 November 2006, around 1.3% of the budget and at this stage the budget was stable.

Appendix 1 and 2 showed that the improvement was attributable to directorate budgets where in that element of the budget the position had moved from an estimated overspend of just under £103,000 to a slight under spend of £5,500. Overall the budget was broadly on target. Support services were showing an estimated overspend of £27,510 and the position would continue to be monitored.

Appendix 3 to the report outlined the reserve position. Commitments were reviewed against the year-end position of £5.85M and the revised position at the end of November was estimated at £4.37M. The Director of Finance and Corporate Services was confident the position would not worsen over the last 3 – 4 months and therefore the return could be used to firm up the 2007/2008 budget.

Appendix 4 outlined the position on the Housing Revenue Account (HRA). Although there had been changes to individual budget headings there were no fundamental changes and the overall budget position was still in line with the original budget projection.

The final Housing Subsidy Settlement for 2007/2008 had not been received but early indications were that the settlement was reasonable on face value with uplifts of around 4-5% on management and maintenance and major repairs allowances. The guideline percentage rent increase for Easington was around 5%.

RESOLVED that the information given, be noted.

3 USE OF RESOURCES – VALUE FOR MONEY

Consideration was given to the joint report of the Executive Members for Resources and Improvement which sought approval to a process for managing and improving Value for Money (VFM) within the Council's services, a copy of which had been circulated to each Member.

Members were advised that in 2005/2006 the Audit Commission assessed the Council in its use of resources covering a number of areas. In overall terms the Council scored 3 out of 4. However, the letter stated that overall the Council was judged to be working above minimum standards and performing well in a number of areas covered by the review and a number of key strengths were identified.

In terms of VFM the Council was judged as having adequate arrangements for providing VFM but needed to review and develop a corporate approach to assess and improve VFM. The assessment identified a number of improvements that were needed to move to the next level, details of which were outlined in the report.

In the current budget process it had been established that reduction measures were not a viable option in the longer term given the likely efficiency requirements from the pending comprehensive spending review and the recent white paper. All Councils would be required to consider sharing services and involving the voluntary sector in future service delivery.

However, this would take time and in the interim the Council would still be required to achieve efficiencies. As well as establishing whether VFM was being delivered the proposals would enable Members and officers to review the level of resources and policies related to the delivery of services to establish whether or not they were still relevant. This may lead to establishing cashable efficiencies to be redirected into changing priorities.

Whilst taking on board the Audit Commissions comments the Authority had looked at the practices of Authorities that scored 4 in the assessment, details of which were outlined in the report.

Over the last twelve months the Council's approach to VFM had improved but there were still improvements to be made.

Appendix 4 to the report set out the proposed framework to test and improve VFM in service areas. Section 6 within the framework outlined the process to establish whether or not services were achieving VFM and where necessary to carry out a review and implement a plan for improvement. A pragmatic approach had been taken to develop the process which was in 4 key stages, details of which were outlined.

RESOLVED that: -

- (i) the framework to improve Value For Money as outlined in Appendix 4, be approved;
- (ii) the process and timescales, summarised in paragraph 8, and Section 6 of the framework, be approved.

4 ADDITIONAL URGENT ITEMS OF BUSINESS

In accordance with the Local Government Act, 1972, as amended by the Local Government (Access to Information) Act 1985, Section 100B(4)(b) the Chair, following consultation with the Proper Officer, agreed that the following items of business, not shown on the Agenda, be considered as a matter of urgency.

5 TOWN TWINNING, EASINGTON – BAESWEILER (AOB)

Consideration was given to the report of the Director of Regeneration and Development which gave details of an invitation from Baesweiler for the District Council to attend the Annual Karneval and kirmes celebrations, a copy of which had been circulated to each Member.

The report sought approval for an official visit to the karneval between 14 and 22 February 2007 and the kirmes between 31 May and 9 June 2007. It had been policy for the Chair and Vice-Chair of the Council together with the Twinning Officer to attend on these occasions. The Chief Executive had previously visited Baesweiler to generate closer links with counterparts in Baesweiler and it was proposed that the Director of Community Services participate in the 2007 kirmes visit on behalf of the Chief Executive.

RESOLVED that the Chair and Vice-Chair of the Council together with the Twinning Officer be authorised to attend both the karneval and kirmes celebrations in 2007 and the Director of Community Services be authorised to attend the kirmes visit.

6 ASSET REVIEW (AOB)

Consideration was given to the report of the Executive Member for Resources which sought approval to appoint the Institute of Public Finance (IPF) to undertake condition and access surveys on 84 of the Council's properties and use the information to populate the Council's Asset Register database. In addition approval was also sought to waive Contract Standing Order IV(a) and appoint IPF directly due to the specialist nature of the work, a copy of which had been circulated to each Member.

Members were advised that the Asset and Property Manager was currently undertaking a full review of all the Councils operational and non-operational property assets.

Currently the Asset Register was held on a specialist database system designed by IPF. The system had been designed to be used by both the Asset and Property Management and Finance Sections to complete year-end accounts and revaluations of assets. In order to undertake comprehensive Asset Management it was necessary to collate a wide range of information related to the operation and running costs of property and assimilate the information in a format to enable analysis and determination of property strategies.

There were a number of different computer packages available that had been specifically designed for Asset Management purposes. Only the IPF system combined both a financial package which was considered appropriate to the requirements of the Director of Finance and had additional modules that would enable quality Asset Management to be undertaken.

The Council currently subscribed on an annual basis to the full financial and asset management packages, however only the financial system was fully populated whilst the asset management information was limited to the Asset Register and valuations.

The cost of completing the surveys and inputting the data was £84,000 which was included in the General Fund Use of Reserves budget for service improvements approved in November 2005.

RESOLVED that Standing Order IV(a) be waived due to the specialist nature of the work involved and the Institute of Public Finance be awarded the work to complete Condition Surveys and Access Audits for 84 of the Council's assets and populate the Asset and Property Management database.

7 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED that in accordance with Section 100A (4) of the Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985 the press and public be excluded from the meeting for the following item of business on the grounds that it involved the disclosure of exempt information, as defined in Paragraph 3, Part 1 of Schedule 12A of the Act.

8 INDEMNITIES FOR MEMBERS AND OFFICERS

Consideration was given to the report of the Monitoring Officer which sought to clarify the range of powers available to the Council to grant indemnities to its Members and officers acting in the course of their duties and to obtain approval for the extent of the indemnity recommended, a copy of which had been circulated to each Member.

RESOLVED that: -

- (i) the Council agree to indemnify Members who inadvertently took actions on behalf of the Council which fell outside the Council's powers or the powers of the individual Councillor taking the decision provided that the action was taken in good faith and after making due enquiry if there was any doubt as to the extent of the Councillor's powers;
- (ii) the Chief Executive, in consultation with the Monitoring Officer and the Director of Finance and Corporate Services be authorised to determine whether the Council pay for legal representation of a Member charged with

- a criminal offence, subject always to the obligation of that Member to repay the costs if found guilty;
- (iii) insurance against the costs of defending defamation claims continue to be provided to Members;
 - (iv) Members be granted indemnity against the legal consequence of taking actions outside their powers (but not outside the powers of the outside body on which they were represented) provided that they had been appointed onto the outside body by the Council or with the approval of the Council and the error was made in good faith and after due enquiry if any doubt existed as to the extent of the Councillor's powers;
 - (v) the Council continue to obtain insurance against the costs of defending alleged breach of the Code of Conduct provided the cover available represented value for money;
 - (vi) the Council grant indemnity in respect of the actions of officers which proved to be outside the powers of the Council or the powers of the individual officer provided the officer had exceeded his powers in good faith in the honest belief that the action was within the Council's powers and had made due enquiry where there was an element of doubt;
 - (vii) a similar indemnity be granted to officers appointed to outside bodies in respect of their actions on those outside bodies provided that the indemnity did not extend to actions which fell outside the powers of the outside body itself.