

## **THE MINUTES OF THE MEETING**

### **OF THE EXECUTIVE**

**HELD ON TUESDAY 5 FEBRUARY 2008**

Present: Councillor A Napier (Chair)  
Councillors R Crute, Mrs J Freak,  
Mrs E Huntington, D Myers, Mrs A Naylor,  
G Patterson, F Shaw and P G Ward

Also Present: Councillor C Patching – Chair of Community Services  
Scrutiny Committee

Apology: Councillor R J Todd

1 **THE MINUTES OF THE LAST MEETING** held on 15 January 2008, a copy of which had been circulated to each Member, were confirmed.

2 **LOCAL AVERAGE RATE OF INTEREST - HOUSING ACT 1985, SECTION 438 SCHEDULE 16, LOCAL GOVERNMENT AND HOUSING ACT 1989 SCHEDULE 11**

Consideration was given to the report of the Executive Member for Resources which sought approval for the local average rate of interest to be applied to local authority mortgages, a copy of which had been circulated to each Member.

The purpose of the report was to redetermine the local rate of interest to be applied to advances and transfers, and sums left outstanding on disposal of Council owned dwellings.

The Council's local average rate was set at 7.37% from 1 October 2007.

**RESOLVED** that the local average rate of interest be set at 7.24% from 1 April 2008 for a further six months.

3 **LOANS DIARY: – TRANSACTIONS FOR THE QUARTER ENDED 31 DECEMBER 2007**

Consideration was given to the report of the Executive Member for Resources which gave details of loan transactions for the quarter ended 31 December 2007, a copy of which had been circulated to each Member.

The report gave details of short term lending/borrowing, treasury accounts and long term borrowing.

**RESOLVED** that the information contained within the report, be noted.

4 **GENERAL FUND/HOUSING REVENUE - 2007/2008 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 2007 to 31 December 2007, 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/statements attached to the report reflected the forecasted position to 31 March 2008.

## Executive – 5 February 2008

In briefing Members on the monitoring statement, the Director referred to the overall position on the Housing Revenue Account (HRA). He advised that the position was positive and at the end of December 2007 the HRA returned a surplus of around £900k for the reasons detailed in the report. However, this had to be considered in the context of the need to address a deficit in respect of East Durham Homes (EDH), which as a result of actions taken since reported in September 2007, had been reduced from £1.9m to £715k.

It was therefore proposed that the Director of Finance and Corporate Services continue to monitor the situation and address the deficit by utilising HRA surplus in the current year.

The Director also referred Members to the current situation in relation to void properties. He explained that since the new Chief Executive of EDH had targeted void performance there had been a significant reduction in the number of re-lettable voids and void turnaround time had reduced.

However, because of budgetary problems and cost pressures the Company could not maintain momentum in this area to further improve performance. Therefore, Members were asked to consider utilising £100k from the HRA surplus in the current year which would tackle around 40 void properties.

**RESOLVED** that

- (a) the information contained within the report, be noted;
- (b) authority be delegated to the Director of Finance and Corporate Services to manage the £715k deficit in conjunction with East Durham Homes for the remainder of the financial year, and to transfer an element of the HRA surplus for 2007/8 to the Company as required;
- (c) £100k of the HRA surplus for 2007/8 be utilised to enable the Company to maintain progress in the reduction and turnaround of voids.

## 5 **BUDGET FRAMEWORK 2008/2009 AND THE MEDIUM TERM OUTLOOK – 2008/2009 TO 2010/2011**

Consideration was given to the report of the Director of Finance and Corporate Services which outlined the Council's approach to the budgets for 2008/9 and the medium term financial forecasts for the period 2008/9 to 2010/11. The report also sought approval to agree the council tax and rent proposals for 2008/9 and to agree requests for additional resources, a copy of which had been circulated to each Member.

**RESOLVED** that:-

- (a) the proposals be approved as a basis for the 2008/9 budget and the medium term financial plan covering the period 2008/9 to 2010/11;
- (b) the proposals be reflected in the budget report for consideration by full Council on 22 February 2008.

**6 REVIEW OF CHARGES FOR RECOVERY COSTS IN RESPECT OF COUNCIL TAX AND NATIONAL NON-DOMESTIC RATES**

Consideration was given to the report of the Executive Member for Resources which sought approval to increase the charge to ratepayers and council tax payers of obtaining a Liability Order and Committal Summons from the Magistrates Court for the recovery of non-domestic rates and council tax. A copy of the report had been circulated to each Member.

The basis of the review was to ensure that ratepayers who refused to pay rates and council tax payers who refused to pay council tax, met the cost of recovery. The charges were not meant to be penal but were representative of the cost of recovery up to the stage of obtaining a Liability Order for non-payment.

The report gave details of current charges made by neighbouring authorities in respect of obtaining Liability Orders. It was proposed to increase the present charge from £45 to £50 which would bring the Council in line with other authorities.

**RESOLVED** that:-

- (a) approval be granted to increase the charge of obtaining a Liability Order in respect of non-domestic rates and council tax to £50 per case and the existing charge of £80 per case for a committal summons be re-confirmed, with effect from 1 April 2008;
- (b) both charges be reviewed annually.

**7 REVIEW OF DISTRICT HEATING CHARGES**

Consideration was given to the report of the Executive Member for Housing which sought approval of proposals by East Durham Homes to increase the service charge paid by the residents of residential properties connected to Council District Heating Schemes. A copy of the report had been circulated to each Member.

**RESOLVED** that:-

- (a) District Heating service charges be increased from April 2008 to reflect the 'true cost' of providing the service, and it be noted that this may be above the RPI + £2 + 0.5% guidance limit;
- (b) the new charges be implemented from 1 April 2008 for all new tenants and owners and existing residents of those District Heating Schemes with an average increase under £1 per week;
- (c) the new charges for existing tenants and owners served by the remaining District Heating Schemes (those with an increase of £1 or more per week) be implemented over a three year period commencing 2008/9 and completing 2010/11;
- (d) transitional costs be met from HRA and General Fund Reserves;
- (e) the Council introduce a process of annual service charge reviews to ensure that future fuel price inflation or deflation was factored into the service charge in line with the annual rent review.

**8 ANY 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 agreed that consideration be given to three items of business, not shown on the Agenda, as a matter of urgency, following consultation with the Proper Officer.

**9 EXTENSION OF THE GREEN WASTE KERBSIDE COLLECTION SERVICE (AOB)**

Consideration was given to the report of the Executive Member for Liveability on the green waste collection service, a copy of which had been circulated to each Member.

The report sought approval to extend the green waste collection service in the District to include the majority of houses with gardens. This would extend the service from the current 16,600 households, adding a further 17,100 to give a total of approximately 33,700 households served by the green waste scheme.

The potential impact of extending the green waste collection service had been evaluated against a number of performance criteria. These were summarised in the report for Members' information. The report also outlined the financial implications of implementing the scheme, noting that the net costs would be £99k per annum.

In drawing up the proposals, the Community Services Scrutiny Committee had been consulted. Councillor C Patching, Chair of Community Services Scrutiny Committee, highlighted a number of key points arising from the consultation:-

- the Committee acknowledged that the scheme was target driven to improve recycling;
- it acknowledged that consequences of not extending the scheme included an increase in landfill costs and the potential for considerable financial penalties being imposed if recycling targets were not achieved;
- the Committee had sought clarification in relation to the financial contribution from DCC, and was satisfied that this had now been confirmed;
- the Committee was assured that the existing bins stored at Hackworth Road Depot would be utilised;
- the proposal to extend the service to all households with sufficient garden space was a positive development;
- research had shown that those authorities which had been awarded beacon status for recycling provided a garden waste collection service to the majority of their residents. The Committee considered that the extension of the scheme offered an enhanced opportunity for the Council in this regard.

To conclude, Councillor Patching stated that the Committee considered that the scheme would benefit the residents of the District and that there was demonstrable public demand for it. The Committee also felt that the scheme would build upon the early success of the new refuse policies.

**RESOLVED** that:-

- (a) approval be granted to extending the green waste collection service to approximately 17,100 more properties within the District;
- (b) the detailed costs of the scheme as set out in paragraph 6.1 in the report be financed as follows:-
  - (i) a one-off procurement of bins estimated to cost £210,000 to be met from savings in the current year;
  - (ii) provision to be made in the 2008/9 estimates to meet the annual running costs of £99,000 per annum.

10 **CASTLE EDEN DENE PARTNERSHIP (AOB)**

Consideration was given to the report of the Executive Member for Liveability which sought approval to enter a Memorandum of Agreement for the Castle Eden Dene Partnership, including a contribution of £11,450 for 2007/8 for which there was existing budgetary provision. A copy of the report had been circulated to each Member.

It was reported that the Castle Eden Dene Partnership had been established in 1985 between the then Nature Conservancy Council (now Natural England), Peterlee Town Council, the District of Easington and Durham County Council to manage the Castle Eden Dene National Nature Reserve. Each partner agreed a financial allocation to support the management of the Dene in terms of access, education, research and interpretation.

A revised Memorandum of Agreement had been developed by Natural England in conjunction with the partners which updated the previous agreement to include more recent developments, as detailed in Appendix 1. The revised agreement proposed by Natural England covered only 2007/8 although there was scope to extend, subject to partners approval. In 2008/9, subject to an approach being made by Natural England, it was proposed to authorise the Director of Community Services, in conjunction with the Executive Member for Liveability, to extend the agreement for a further year.

The report provided details of financial allocations from each of the partners for the year 2007/8 and it was noted that there was provision in the draft 2008/9 budgets if the agreement was to be extended for this year.

Currently all potential liabilities arising out of employee legislation fell on Peterlee Town Council and in the revised agreement Natural England had agreed to make a 73.45% contribution with the remaining partners, including the District of Easington, contributing 8.85% each.

**RESOLVED** that:-

- (a) the Memorandum of Agreement for the Castle Eden Dene Partnership be approved for 2007/8;
- (b) the Director of Community Services, in conjunction with the Executive Member for Liveability, be authorised to agree a similar level of support (with inflation) for 2008/9, subject to a request being made by Natural England.

**11 PEMBROKE PLACE/LANCASTER HILL AREA, PETERLEE – PROPOSED FENCING AND FOOTPATH WORKS (AOB)**

Consideration was given to the report of the Executive Member for Regeneration which sought approval for the erection of fencing around Pembroke Place, Peterlee, the provision of a new length of footpath and to make an application for the stopping up and diversion of two existing footpaths in the area and for a 'Gate It' Order. A copy of the report had been circulated to each Member.

The Executive Member reported that the planned works were to address longstanding issues of anti-social behaviour arising from the current footpath being a direct routeway through Pembroke Place, an elderly persons housing scheme. Members were referred to plans detailing the proposals which had been circulated prior to the meeting.

Residents affected by the development proposal had been consulted, details of which were provided in the report.

The cost of the scheme could be accommodated within the approved regeneration budget for 2007/8.

**RESOLVED** that:-

- (a) the proposed fencing and footpath works in the Pembroke Place/Lancaster Hill area of Peterlee as described in the report, be approved, subject to the necessary Stopping Up Order being granted;
- (b) an application be made to Durham County Council for the granting of a 'Gate It' Order to facilitate the implementation of Phase 2 of the scheme;
- (c) landlords consent be granted for the works being undertaken on Council owned land.