

**THE MINUTES OF THE EXTRAORDINARY MEETING
OF THE DISTRICT COUNCIL OF EASINGTON
HELD ON THURSDAY 23 FEBRUARY 2006**

Present: Councillors B Bates, S Bishop,
B Burn, A Burnip, R Burnip,
P J Campbell, A Collinson, Mrs E M Connor,
R Crute, R Davison, Mrs J Freak,
J Haggan, H High, A J Holmes,
Mrs E Huntington, S Huntington, B Joyce,
T Longstaff, Mrs S Mason, D Myers,
A Napier, Mrs A Naylor, M Nicholls,
Mrs M Nugent, G Patterson, W R Peardon,
G Pinkney, B Quinn, D Raine,
F Shaw, R Taylor, R J Todd
and P G Ward

1 ELECTION OF CHAIR

In the absence of both the Chair and the Vice-Chair of the Council, nominations were requested for a Chair for the meeting.

RESOLVED that Councillor R J Todd be elected as Chair.

2 EAST DURHAM HOMES - 3 STAR STRATEGY

A Caygill, Chief Executive of East Durham Homes together with J Davidson, Area Performance Manager and J Gash, Performance and Service Development Manager were in attendance to give a presentation to Members on progress in relation to the development of the 3 Star Housing Strategy.

Members were reminded that the Arms Length Management Organisation (ALMO) had been created in 2003 from Easington District Council. In order to release additional funding of £117.5m towards the £150m decent homes programme 2 star minimum status was necessary, however following inspection a 1 star rating had been received. The Inspection highlighted a number of key issues; the strategy was too focussed on the Inspector's recommendations, the ALMO was a 'half way house', there was a weak approach to equality and diversity, value for money had not been a priority and there had been a lack of pace in progressing the Audit Commission's recommendations despite an improvement plan being in place.

In relation to the Re-Inspection Strategy EDH were aiming for 3 star status. To achieve this, a clearer identity for East Durham Homes would be created, performance management would be much more significant, board governance strengthened, equality and diversity would become an every day function and value for money would be demonstrated.

Each service had a 3 star service plan and details of these were given to Members:-

(a) **Rent Income**

It was pleasing to report that rent income was now in top quartile performance. There was a Former Tenants Arrears Team in place and a debt collection agency had been appointed to assist the

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Team. A Welfare Rights post had also been created. A corporate debt policy was in place with set procedures which demonstrated how EDH approached debt collection as a company.

(b) **Empty Properties**

This was one of the main areas examined by the Inspectors and it was noted that performance was improving and the empty property figures had reduced significantly. There were currently 438 empty properties compared to 626 in December 2004 and it was expected that these figures would reduce to below 400 by April 2006. Of these only 190 were lettable and 70 of these were in low demand areas. A strategy would be implemented to deal with low demand properties. In relation to repairs to properties the backlog of 57 with outstanding works were now close to being cleared. Capital funds had been allocated to demolish and regenerate areas with 248 properties to be cleared in 2006. A Regeneration Team had been created which would determine the sustainability of the 70 low demand properties and a Choice Based Lettings Manager was now in post.

(c) **Asset Management**

A stock condition survey would determine the final detail of works needed which should be completed by June 2006. A decent homes plus standard was being developed and consultation would be carried out with tenants on what additional works could be afforded. A road map for 2006-2010 was being prepared for July consultation.

A preventative maintenance programme had been developed for 2006/7 for external doors and windows for properties later in the decent homes programme, roofing, structural repairs and change of heating. A longer preventative maintenance programme up to 2015 was currently being worked on. New software should ensure that property information was up to date and the Capital Programme was on course to spend 100% by the end of March 2006.

(d) **Maintenance**

An external contractor would be working in villages from 1 July 2006 with new work for Three Rivers Housing Association and DAMHA to mitigate the loss of income and build a maintenance business for the future. 100% gas/solid fuel servicing was expected in 2005/6. The emphasis on preventative maintenance over reactive which was currently 50/50 would be greater in 2006/7.

(e) **Tenancy Management**

It was reported that since April 2005 there had been 1 eviction, 2 applications for demoted tenancies, 1 ASBO, 6365 bags of litter collected and 3512 items of fly tipping collected. Monthly estate inspections were ongoing and currently 41.6% had a

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resident in attendance. Service standards had been reviewed and updated and local performance indicators introduced.

(f) **Customer Involvement**

Excellent feedback had been received from a tenants conference and staff awareness sessions on resident involvement had been completed. Links with hard to reach groups had been made and mechanisms developed for engagement. Progress had been made on developing pilots for three local compacts and tenants had been involved in focus and monitoring groups.

A Caygill advised that in terms of creating a clearer identity for East Durham Homes the company was to be relocated to Meridian Court in Peterlee. The maintenance headquarters were to be centralised at Hackworth Road Depot with the offices at Peterlee, Murton and Seaham relocated. The company would have separate telephone numbers and e-mail as from February 2006.

In heading towards re-inspection everyone had been involved in the process. A Caygill explained that there had been a Board Business Plan away day, 3 star service groups had been established and an employee satisfaction survey had been commissioned.

With regard to performance management a Delivery Plan Panel met every month with the Chair of East Durham Homes, the Leader of the Council and the Chair of the District of Easington Tenants and Residents Federation in attendance. As a result of this significant improvements in performance and quality of reports had been seen. Key performance indicators suites were now available in every Directorate and service standards and service plans were monitored on a monthly basis. A mock inspection score card was updated every month and a full external mock inspection would be carried out in April 2006.

To strengthen Board Governance, Board Member training and development was underway and the Members had become Key Lines of Enquiry Champions (KLOE).

As part of the original inspection it had been recommended that equality and diversity become an everyday function of working life within EDH. To achieve this a major exercise of customer profiling had been undertaken and a review of services was underway. Training was being rolled out to all staff and level one of Equality Standard had been achieved in December 2005.

East Durham Homes recognised that it needed to demonstrate value for money in every area of it's business. Strategic partners had been commissioned for decent homes work and all service level agreements were market tested by an independent company with an estimated £384,000 savings per year to be reinvested. A value for money group was in the process of developing a procurement strategy.

Members were invited to ask questions and following lengthy discussion it was **RESOLVED** that the information given, be noted.

3 GENERAL FUND BUDGET FOR 2006/2007 AND THE MEDIUM TERM FINANCIAL PLAN FOR 2006/7 TO 2008/9

Consideration was given to the report of the Director of Finance and Corporate Services which sought approval to the General Fund estimates for 2006/7 and the Medium Term Financial Plan for three years from 2006/7 to 2008/9, a copy of which had been circulated to each Member.

RESOLVED that:-

- (a) the content of the report in relation to the robustness of the budget and adequacy of the reserves as set out in Appendix 1, be noted;
- (b) the Prudential Indicators as set out in Appendix 2, be agreed;
- (c) the Treasury Management Strategy, incorporating the Council's overall borrowing limits and Investment Strategy as set out in Appendix 3, be agreed;
- (d) the revised Medium Term Financial Strategy Framework as set out in Appendix 6, be agreed and the key issues as listed in Appendix 6/1, be noted;
- (e) an overall budget of £17,048,380 be agreed, as set out in Appendix 4/3;
- (f) a budget requirement of £19,967,067 be agreed for the purposes of calculating the Collection Fund demand (as detailed in paragraph 11.3 in the report);
- (g) approval be granted to demand the sum of £8,227,607 from the Collection Fund for the year 2006/7 (as detailed in paragraph 12.1 in the report);
- (h) the Council Tax for a band D property be increased to £168.93 for 2006/2007. Schedules of amounts of Council Tax for the year 2006/7 to be presented to a further meeting of the Council on 9 March 2006. The schedule to form the basis of the appropriate statutory resolutions to be put to that meeting, following the consultation process with representatives of the business community, in accordance with Section 30(2) of the Local Governance Finance Act 1992;
- (i) the Medium Term Financial Plan for the period 2006/7 to 2008/9, be adopted as set out in Appendices 6/3 and 6/4;
- (j) the schedule of charges as set out in Appendix 9, be agreed.

PRIOR TO CONSIDERATION OF THE FOLLOWING ITEM OF BUSINESS COUNCILLORS B BATES, MRS E M CONNOR AND R DAVISON DECLARED PERSONAL BUT NOT PREJUDICIAL INTERESTS

4 HOUSING REVENUE ACCOUNT (HRA) BUDGET FOR 2006/2007 AND FUTURE YEARS

Consideration was given to the report of the Director of Finance and Corporate Services on the Housing Revenue Account budget for 2006/7 and future years, a copy of which had been circulated to each Member.

The purpose of the report was to seek approval to the HRA budget and East Durham Homes (EDH) HRA Management Fee for 2006/2007 together with noting the position for future years budgets. Members were also asked to agree the weekly dwelling average rent increase for 2006/2007.

It was noted that a cautious and prudent approach to the setting of next years budget was necessary particularly as the Council took cognisance of the financial position of East Durham Homes and the implementation of the 3 star strategy. Further reports would be presented to the Council's Committees during the financial year, together with detailed financial monitoring reports.

RESOLVED that:-

- (a) the HRA budget proposals for 2006/7 and future years as set out in the report be agreed;
- (b) the 2006/7 HRA management fee for East Durham Homes, be agreed at £10.698M;
- (c) the dwelling rent increase of 4.5%, be agreed for 2006/7 .

5 CAPITAL PROGRAMME FOR 2006/2007

Consideration was given to the report of the Chair of the Capital Programme Working Group which gave details of the proposed Capital Programme for 2006/7, a copy of which had been circulated to each Member.

The purpose of the report was to determine allocations for the Capital Programme for 2006/7, which amounted to proposals totalling £17,092,240.

RESOLVED that:-

- (a) funding for the 2006/2007 Capital Programme be set at £17,092,240 as detailed in the report;
- (b) finance for the Capital Programme be allocated in accordance with Appendix B as follows:-
 - ALMO works - Decent Homes Works – £9,660,000
 - ALMO works - Non-Decent Homes Works - £920,000
 - HIP - Council Schemes - £3,132,000
 - Other Services - £3,380,240

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- (c) further reports be submitted to Members where necessary, detailing the actual areas of work to be carried out within capital schemes in the 2006/2007 Capital Programme.

At this point, the Leader, on behalf of the Council commended all those involved in helping to achieve the strong financial position of the Council, as detailed in the aforementioned reports.

CERTIFIED TRUE RECORD

CHAIR.....

DATE.....

JE/MA/com dist/060301
2 March 2006