

LOCAL GOVERNMENT ACT 1972

At an Extraordinary Meeting of the Durham County Council held at the County Hall, Durham on **Thursday 26 June 2008** at **10.00 a.m.**

Present

Councillor O'Donnell in the Chair

Councillors Alderson, Armstrong, Avery, A Bainbridge, B Bainbridge, Barnett, A Bell, E Bell, Blakey, Bleasdale, Boyes, Brookes, J Brown, Burn, Burnip, Campbell, Charlton, Cordon, Cox, Crooks, Farry, Fergus, Gittins, Gray, B Harrison, N Harrison, Henig, Hodgson, Holroyd, Hovvels, Hunter, E Huntington, G Huntington, Iveson, Johnson, Laing, Lee, Lethbridge, Liddle, Magee, C Marshall, D Marshall, L Marshall, Martin, Maslin, May, Morgan, B Myers, Napier, Naylor, Nicholson, B Ord, C Potts, Richardson, Rodgers, Shiell, Shuttleworth, Simmons, Southwell, Stelling, Stephens, Stoker, Stradling, P Taylor, T Taylor, Temple, Thomson, Todd, Tomlinson, Andrew Turner, Vasey, Walker, Wilkes, Wilkinson, Willis, B Wilson, Wood, Wright and R Young.

Apologies for absence were received from Councillors R Bell, Bowman, Carr, Chaplow, Docherty, Foster, Hugill, Moran, R Ord, J Robinson, S Robinson, Robson, Tennant, K Thompson, Williams, Woods, Yorke, and B Young.

A1 Declarations of interest

There were no declarations of interest in relation to any business on the agenda.

A2 Chairman's Announcements

(i) Withdrawal of Item

The Chairman reported that Item 8 regarding a Protocol on Waste Policy and Planning Applications had been withdrawn.

(ii) Adult and Community Services Presentation

The Chairman reminded Members that the Corporate Director of Adult and Community Services would be giving a presentation on the role and functions of that Service immediately following the meeting.

A3 Minimum Revenue Provision (MRP) – Local Authorities Capital Finance and Accounting (England) (Amendments) Regulations 2008

The Council considered a report from the County Treasurer which sought approval of the methodology for calculating Minimum Revenue Provision (MRP) for 2007/08 and 2008/09 (for report see file of Minutes).

In future years the MRP would be considered as part of the budget process.

Moved by Councillor Hodgson, **Seconded** by Councillor Henig and

Resolved:

- (i) That for 2007/08 Option 1 in the report be used in relation to all capital expenditure for 2007/08
- (ii) That for 2008/09 Option 1 in the report be used in relation to all capital expenditure before 1 April 2008, but only for capital expenditure financed by supported borrowing after 1 April 2008; and Option 3 in the report be used for capital expenditure financed by unsupported borrowing after 1 April 2008
- (iii) An Annual Statement of Policy be included in future annual budget reports when setting the budget

A4 Statement of Accounts for the Year ended 31 March 2008

The Council considered a report from the County Treasurer which sought approval to the Statement of Accounts for the County Council for the year ended 31 March, 2008 (for report see file of Minutes).

The Statement was an important element in demonstrating the County Council's stewardship of public money. It detailed the resources available and how they had been used to deliver services in County Durham.

The Audit Committee had met the previous day for its first view of the Statement and the Accounts were still subject to External Audit which might result in some changes.

Cabinet Portfolio Holder for Corporate Resources, praised the sound financial management exercised by the Council which had been prudent and responsive to changing circumstances. Issues around equal pay, job evaluation and inflation would be challenges for the future but the fact that £9.138m had been added to the general reserve would help alleviate such factors. Councillor Hodgson also placed on record her thanks to the Treasurer and all relevant staff for their excellent work in preparing the Statement of Accounts.

The Chairman of the Pension Fund Committee made reference to the extensive work which had been undertaken over the last 2 years in reviewing

the investment arrangements for the Pension Fund and the current challenging market conditions for the Authority's investments.

Councillor Martin referenced the extensive change in the Fund's investment structure during both his Chairmanship of the Committee and his successor, former Councillor Brian Walker, which would contribute to the prospect of reducing the employers' contribution to the Fund and help reduce any shortfall in funding.

Moved by Councillor Hodgson, **Seconded** by Councillor Henig and

Resolved:

That the Statement of Accounts for the financial year ended 31 March 2008 be approved.

A5 Allocation of Seats to Political Groups under Section 15 of the Local Government and Housing Act 1989 and Appointments to Outside Bodies

The Council considered a report from the Acting Director of Corporate Services about an adjustment to the allocation amongst political groups represented on the Council of seats on Committees and the allocation of seats to each political group for the County Durham and Darlington Fire and Rescue Authority, or a consequence of a number of Members changing their alignment to the various groups since the Annual Meeting of the Council. (for report see file of Minutes)

Moved by Councillor Henig, **Seconded** by Councillor D Marshall and

Resolved:

(i) That the total allocation of seats on Committees to each political group be determined as follows:

Labour 198
Liberal Democrats 79
Durham Independent Group 50
Conservative 29
Durham County Council Independent Group 12

(ii) That the indicative allocation of seats on each Committee as shown in Appendix 1 of the report be agreed.

(iii) That the Acting Director of Corporate Services be authorised, in consultation with the relevant Group Leader, to determine the adjustments to be made to individual Committee allocations in accordance with the provisions of Section 15 of the Local Government and Housing Act 1989

(iii) That the revised allocation of seats on the Fire Authority be as follows:

Labour 11

Liberal Democrat 4

Durham Independent Group 3

Conservative 2

Durham County Council Independent Group 1

A6 Electoral Review

The Council considered a report from the Acting Director of Corporate Services about the proposed review of the County Council's electoral boundaries and suggesting a way forward to deal with Stage 1 of the Review (for report see file of Minutes).

Councillor Henig thanked all eight principal local authorities in the County for their combined strenuous efforts to have the review moved to a future date and the Council would challenge the Boundary Committee's view that no Community Governance Reviews should take place during this period.

Moved by Councillor Henig, **Seconded** by Councillor Hodgson and

Resolved:

(i) That the report be noted.

(ii) That the Acting Director of Corporate Services be authorised to establish an all-party Member Working Group to deliberate and report back to Full Council to inform the Council's response to Stage 1 of the review on the future size of the Council.

A7 Appointment of Additional Independent Members to the Standards Committee

The Council considered a report from the Acting Director of Corporate Services which proposed that the two Independent Members from each of the Standards Committees of the Police and Fire and Rescue Authorities be appointed to the County Council's Standards Committee to ensure continuity of service during the transitional period, whilst also retaining relevant expertise and experience that the newly extended role and functions of the Committee would require. The report also sought an extension to the term of office of a current Independent Member of the County Council's Standards Committee which was due to expire in August 2008 (for report see file of Minutes).

Moved by Councillor Armstrong, **Seconded** by Councillor Stelling and

Resolved:

That the report be approved.