

**DURHAM COUNTY COUNCIL**

**At an Extraordinary Meeting of the County Council** held at the County Hall, Durham on **Friday 27 February 2009** at **10.00 a.m.**

**Present:**

**Councillor B Myers** in the Chair

Councillors Alderson, Armstrong, Arthur, Avery, Bailey, A Bainbridge, B Bainbridge, Barnett, A Bell, E Bell, R Bell, Blakey, Bleasdale, Bowman, Boyes, Brookes, D Brown, J Brown, Brunskill, Burn, Burnip, Campbell, Carr, Charlton, Cordon, Cox, Crooks, Crute, Davison, Dixon, Docherty, Farry, Foster, Freeman, Graham, Gray, Hancock, B Harrison, N Harrison, Henig, Hodgson, Holland, Holroyd, Hopgood, Hovvels, Hugill, Hunter, E Huntington, G Huntington, Johnson, Jopling, Laing, Lee, Lethbridge, Liddle, Maddison, Magee, C Marshall, D Marshall, L Marshall, Martin, Maslin, Mavin, May, Moran, D Myers, Napier, Naylor, Nicholson, B Ord, R Ord, Paylor, Plews, C Potts, M Potts, Richardson, S Robinson, Robson, Rodgers, Savory, Shield, Shiell, Shuttleworth, Simmons, Southwell, Stelling, Stephens, Stradling, T Taylor, Temple, Tennant, Thompson, Thomson, Todd, Tomlinson, Allen Turner, Andy Turner, Vasey, Walker, Wilkes, Wilkinson, Williams, Willis, B Wilson, Woods, Wright, B Young, R Young and Zair.

Apologies for absence were received from Councillors Chaplow, Fergus, Iveson, Morgan, Murphy, Nicholls, Nugent, O'Donnell, Sloan, Stoker, J Wilson, Wood and Yorke.

**A1 Declarations of Interest**

Councillors Avery, Bowman, Farry, Graham, Gray, G Huntington, Hovvels, Moran, B Ord, Paylor, C Potts, Stephens and Thompson each declared a personal interest in relation to Item No. 5 (Setting Rents for Sedgefield Borough Council Area) and Item No. 6 (Sedgefield Large Scale Voluntary Transfer) in their capacity as Members of Sedgefield Borough Council.

**A2 Chairman's Announcements**

The Chairman invited Members to view the 'Live and Learn' exhibition taking place in the Durham Room that morning which had been organised by the Council's Trade Unions to help all staff.

### **A3 Electoral Review Stage 1 Additional Submission**

With reference to Minute No. A5 dated 4 February, 2009, the Council considered a report from the Acting Director of Corporate Services which attached a draft additional submission to the Boundary Committee for England providing further evidence and reasoning on Member workloads, including expectations around Member community leadership and engagement roles that would influence future council size (for report see file of Minutes).

The additional submission had been compiled following the conclusion of work on the Council's new governance structure and area working arrangements. The Council recorded its appreciation of the efforts of staff in preparing the additional submission.

It was **Moved** by Councillor Henig, **Seconded** by Councillor Martin and

**Resolved:**

That the additional submission be approved.

### **A4 Budget 2009/10**

#### **(i) Report under section 25 of the Local Government Act 2003**

The Council considered a report from the Corporate Director of Resources which provided Members with information on the robustness of the estimates and the adequacy of reserves in accordance with the requirements of Section 25 of the Local Government Act 2003 (for report see file of Minutes).

The robustness of the estimates had been the subject of considerable challenge from Cabinet, Overview and Scrutiny and the Citizens Panel. However, it was accepted that work for the years 2010/11 and 2011/12 was yet to begin in earnest.

The Corporate Director advised that the level of general reserves took account of a number of assumptions, including District Council reserves. If the latter was less than expected then there would be less room for manoeuvre in the future.

However, it was the Director's view that if the Council was to accept the Cabinet's recommendations the level of risks identified in the budget process, alongside the Authority's financial management arrangements, suggested that the level of reserves were adequate.

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

**Resolved:**

That the Council have regard to the report when approving the budget and the level of Council tax for 2009/10.

**(ii) Report of Cabinet**

The Council considered a report from Cabinet which detailed budget recommendations for 2009/10, incorporating the level of Council Tax increase and the utilisation of available resources in accordance with statutory of available resources. In accordance with statutory requirements, the report also detailed the information to set the Council Tax for the Council's area (for report see files of Minutes).

The Corporate Director of Resources reported that the Police Authority had approved its budget recommendations the previous day. In addition the replacement copies of the Cabinet Report including Annex 3 (Council Tax for Parish and Town Councils in 2009/10) and Section J (Prudential Code and Treasury Management) had been tabled at the meeting. The changes to these documents in comparison to the originals was largely presentational and did not affect the thrust of the recommendations.

**Moved** by Councillor Henig, **Seconded** by Councillor Robson

**Resolved:**

That the Cabinet report and its recommendations be adopted.

In moving adoption of the report and its recommendations, Council Henig emphasised that formulating the budget for the forthcoming year had been a very difficult process, with the merging of eight budgets into one. He also acknowledged that because of the scale of the exercise and the limited time available, the Overview and Scrutiny process had been more limited than normal but this would be addressed in successive years.

As far as the Capital Budget was concerned, because of the complex and different programmes in the Districts and County Council, time would be taken to agree a more structured way forward and a Member Group was to be established for this purpose.

An Amendment was **Moved** by Councillor Martin and **Seconded** by Councillor Southwell as follows:

Delete all but the final sentence of Paragraph 16 (Revenue Budget 2009/10) of the Report of the Cabinet and replace it with:

*For the year ended 31<sup>st</sup> March 2010;*

*(a) The Budget requirement for the County Council be £411,380,426*

*(b) The County Council agrees a basic council tax at Band D of £1201.86*

*(The average decrease in the level of the Council Tax for the year ended 31 March 2010 is 1.7% ranging from a nil change to a reduction of 5.5%)*

*And make any necessary consequential changes to the detailed calculations that follow in later paragraphs.*

On a vote being taken, the Amendment was **lost**.

A further Amendment was **Moved** by Councillor Shuttleworth, **Seconded** by Councillor Arthur:

*The world, the country and indeed this County has changed in the last 12 months, and not for the better. With this in mind we as a council need to reflect those changes, and adopt prudent fiscal measures.*

*In terms of this budget, it's not possible to have a zero increase, but it is possible to have a very modest one.*

*If having had regard for the unitary bid document, we did not implement the AAP quangos there would be a saving of £3.5million, the re-branding exercise of £727,000 could be scaled back and only basic necessities implemented thus saving £500,000.*

*The council magazine would save £145,000 if only published twice a year. These simple measures alone could see a council tax of under one per cent, which is affordable.*

*In Durham City liberal democrat Members want to retain nothing more than civic pomp and vanity by keeping a mayor. The people of this City will have to fund this to the tune of £132,155*

On a vote being taken, the Amendment was **lost**.

On a further vote being taken it was:

**Resolved:**

1. That the report of the Cabinet and its recommendations be adopted in full.
2. That the Council place on record its appreciation of the very considerable efforts of Members and staff alike in producing the budget for 2009/10.

**A5. Setting Rents for Sedgfield Borough Council Area**

The Council considered a report from the Corporate Director of Resources which summarised the County Council's responsibility for setting house and garage rents for Sedgfield Borough Council tenants prior to the transfer of all stock under the Large Scale Voluntary Transfer (LSVT) to Sedgfield Borough Homes (for report see file of Minutes).

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

**Resolved:**

That the recommendations contained in the report be approved.

#### **A6. Sedgefield Borough Council – Large Scale Voluntary Transfer (LSVT)**

The Council considered a report from the Corporate Director of Resources which provided the up to date position in relation to the proposed transfer of Sedgefield Borough Council's housing stock to Sedgefield Borough Homes (for report see file of Minutes).

The Corporate Director of Resources advised Members that Sedgefield Borough Council were due to consider a report from their Chief Executive with regard to the transfer and negotiations were ongoing between Sedgefield Borough Council and Sedgefield Borough Homes which would inevitably result in some adjustments to the final detail of the transfer agreement.

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

#### **Resolved:**

That the Corporate Director of Resources be authorised to consider and agree final alterations to the transfer agreement as proposed by the Chief Executive of Sedgefield Borough Council.

#### **A7 Local Government Reorganisation (LGR) Update**

The Council noted a report from the Chief Executive which detailed the latest position regarding the LGR Programme (for report see file of Minutes).

This included the latest position regarding HR planning, re-branding, launch events for the Area Action Partnerships and the priorities for Vesting Day.

#### **A8. Interim Sustainable Community Strategy**

The Council considered a report from the Assistant Chief Executive which presented the County Durham Interim Sustainable Community Strategy (SCS) and outlined the next steps in finalising the Strategy (for copy see file of Minutes).

The report summarised how the Strategy had been developed with both Cabinet and Overview and Scrutiny contributing ideas and suggestions. The Assistant Chief Executive emphasised that the Strategy was interim and there would be sufficient time to engage with the newly formed Area Action Partnerships before its completion.

**Moved** by Councillor Robson, **Seconded** by Councillor Laing and

**Resolved:**

That the Council endorse the Interim Strategy and agree to the further review, refinement and consultation which would follow vesting day.

Councillor Wilkes requested that his vote against endorsement of the Interim Strategy be recorded in the Minutes.

**A9. Local Area Agreement (LAA) 2008-2011 – Review/Refresh**

The Council considered a report from the Assistant Chief Executive which sought the formal sign-off of the 2008-2011 LAA Refresh to enable the Council to meet its statutory obligations (for report see file of Minutes).

(NB. Updated LAA Indicators were tabled at the meeting)

It was clear that the new Council would be key in the development of the future strategy and its aspirations over the next year and would have a strong influence on the next LAA Review.

**Resolved:**

1. That the recommendations detailed in the report be approved.
2. That the Leader of the Council and Chief Executive be authorised to sign-off any data gaps.