

COUNCIL
19th July 2012

PRESENT – The Mayor; Councillors Carson, Cartwright, Cossins, Coultas, Crudass, Curry, Dixon, Francis, Galletley, Harker, Harman, I. Haszeldine, L. Hughes, Hutchinson, B. Jones, Mrs. D. Jones, Kelley, Knowles, Landers, Lawton, Lewis, Long, D. A. Lyonette, J. M. Lyonette, Macnab, Maddison, McEwan, Newall, Regan, E. A. Richmond, S. Richmond, Mrs. H. Scott, Stenson, Swainston, C. Taylor, J. Taylor, Thistlethwaite, Wallis and York. (40)

APOLOGIES – Councillors Copeland, Donoghue, Grundy, L. Haszeldine, C. L. B. Hughes, Johnson, Lee, Lister, Nutt, A. J. Scott, J. Vasey, L. Vasey and Wright. (13)

11. MINUTES – Submitted – The Minutes (previously circulated) of the meetings of this Council held on 10th, 17th and 31st May 2012.

RESOLVED – That the Minutes be approved as correct records.

12. DECLARATIONS OF INTEREST – Councillor Mrs. H. Scott declared a personal and non-prejudicial interest in Minutes 16 (1) and 17 below, as a Director of the Education Village. Councillor Lewis declared a personal and non-prejudicial interest in Minute 16 (1), as a School Governor at Mowden Junior School. Councillor Macnab declared a personal and non-prejudicial interest in Minute 16 (1), as a School Governor at Longfield Academy of Sport. Councillor Cossins declared a personal and non-prejudicial interest in Minute 16 (1), as a School Governor at both the Darlington School of Mathematics and Science and West Park Academy. Councillor Coultas declared a personal and non-prejudicial interest in Minute 16 (1), as a Director of Hummersknott Academy. Councillor Maddison declared a personal and non-prejudicial interest in Minute 16 (1), as a School Governor at Dodmire Primary School. Councillor J. M. Lyonette declared a personal and non-prejudicial interest in Minute 16 (1), as a School Governor at Skerne Park Primary School. Councillor Regan declared a personal and non-prejudicial interest in Minute 16 (1), as a School Governor at the Darlington School of Mathematics and Science. Councillor Knowles declared a personal and non-prejudicial interest in Minute 16 (1), as a School Governor at Skerne Park Primary School.

13. ORDER OF SEALING DOCUMENTS – Presented – The Register showing the documents which had been sealed since the last meeting of Council.

14. ANNOUNCEMENTS – There were no announcements made at the meeting.

15. QUESTIONS – TO ANSWER QUESTIONS (WHERE NOTICE HAS BEEN GIVEN) FROM – (1) The Public – There were no questions from members of the public.

(2) Members to Cabinet/Chairs – There were no questions from Members, where notice had been given, for the Mayor, Members of the Cabinet, or the Chairs of the Scrutiny Committees.

(3) Members to the Nominated Member of the Police Authority in accordance with Section 20 of the Police Act 1996 – There were no questions from Members, where notice had been given, to the nominated Member of the Police Authority, in accordance with Section 20 of the Police Act 1996.

16. COUNCIL REPORTS – (1) Academies – Pension Arrangements – The Director of Resources submitted a report (previously circulated) on the current treatment of academy schools within the Local Government Pension Scheme (LGPS), and to advise of the Government’s proposed method of dealing with Academy School participation in the LGPS.

The submitted report stated that the Government had written to all local authorities and expressed a preference that Academies should be allowed to be pooled with their former local authority for LGPS purposes. It was acknowledged that, whilst there was no statutory power to impose a pooled solution, Ministers could consider regulatory changes at a later date if deemed necessary.

The submitted report outlined the advantages and risks to academies and local authorities in allowing pooling arrangements, and advised that the Durham Pension Fund Committee had agreed pooling arrangements could be established between Darlington Borough Council and an Academy, providing that both parties had agreed to the arrangement.

RESOLVED – (a) That non profit making Academy Trusts in Darlington be allowed to pool their pension liabilities with Darlington Borough Council liabilities, once suitable arrangements have been made with the LGPS administrator.

(b) That Darlington Academies that have already been established be allowed the opportunity to pool their pension liabilities with Darlington Borough Council.

REASONS – (a) The Government have given local authorities a clear steer that this is the preferred approach.

(b) Pooling arrangements may reduce Darlington Borough Councils deficit contributions.

(2) Armed Forces Community Covenant – The Director of People submitted a report (previously circulated) on a draft Community Covenant between the armed forces, Darlington Borough Council, and representatives of the voluntary community sectors and the civilian community of Darlington, for endorsement, the agreement of signatories and proposals for a signing ceremony.

The submitted report asserted that an important relationship existed between Darlington and serving members and veterans of the armed forces, and presented a Community Covenant designed to form an agreement between key partners to ensure that, in Darlington, veterans would not face barriers in accessing support required after coming out of the armed services.

RESOLVED – (a) That the draft Community Covenant, as appended to the submitted report, be endorsed.

(b) That senior management responsibility for the covenant be allocated to the Chief Executive.

REASONS – (a) To provide appropriate support to armed forces members and veterans in Darlington.

(b) To support the regional programme of adoption of local covenants in all local authority areas during the summer of 2012.

(3) Hundens Depot Relocation - The Director of Place and the Director of Resources submitted a report (previously circulated) seeking approval to use the £1.2 million loan from the Growing Places Fund as soon as it became available to expedite progress with relocation of the operational aspects of the Council Depot and to remove the constraint on progress of the Central Park Development.

The submitted report outlined that the Council had secured a £1.2 million loan from the Growing Places Fund, and that Cabinet had approved the release of £400,000 of the Housing Growth Point Fund as a contingency, to go towards the relocation of the operational aspects of the Depot at Hundens Lane. It was highlighted that the Central Park Development was a key regeneration site for the Council and that it was important to relocate the Depot at the earliest possible opportunity to enable the Central Park Development to progress.

The submitted report stated that in order to move forward with the relocation of the Depot, and commit the required finance prior to the final deed of variation being signed off by CKY, the Council would have to underwrite the £1.2 million loan which would be paid back to Tees Valley Unlimited (TVU) in three years time.

RESOLVED – That the Council agreed to underwrite the £1.2 million loan from the Growing Places Fund, and use that funding as soon as it was allocated by Tees Valley Unlimited for the relocation of the operational aspects of the Depot.

REASON – To enable the Council to relocate the existing operational aspects of the Depot from Hundens Lane to a suitable site(s) from which to operate operational services for Place.

(4) Police and Crime Panel Arrangements – The Chief Executive submitted a report (previously circulated) on the need to appoint a Police and Crime Panel (PCP) and the purpose and composition of the PCP, to appoint Members to the panel, and approve the panel arrangements.

The submitted report stated that the Police Reform and Social Responsibility Act 2011 introduced new arrangements for policing and police accountability. It was highlighted that the principal change was the election of Police and Crime Commissioners, which would be taking place on 15th November 2012, however it was also reported that the legislation required the creation of Police and Crime Panels (PCPs) to carry out statutory functions specified within the legislation. The submitted report stated that, as the force area covered the areas of two councils, County Durham and Darlington, the Police and Crime Panel would be a formal joint committee of the two authorities, and that the first meeting of the PCP would take place in August.

RESOLVED – (a) That the Police and Crime Panel arrangements be approved.

(b) That Councillors Harker, I. Haszeldine and B. Jones be appointed to the Police and Crime Panel.

(c) That the Panel sit in shadow form in order to carry out the preparatory work referred to in paragraph 30 of the submitted report.

REASONS – (a) To comply with legislative requirements.

(b) To ensure that Members of Darlington Borough Council are able to take up their roles on the proposed PCP for the Durham and Darlington police area.

17. CABINET REPORTS – (1) Overview Reports of Cabinet Members – The Leader and Cabinet Members each gave a report (previously circulated) on the main areas of work undertaken under their relevant portfolio during the previous cycle of meetings.

Cabinet Members answered questions on their portfolios.

(2) Treasury Management and Prudential Indicators Outturn Report 2011/12 – The Director of Resources submitted a report (previously circulated) which provided information in relation to the regulation and management of the Council's borrowing, investments and cash-flow. The submitted report also sought approval of the Prudential Indicators results for 2011/2012, in accordance with the Prudential Code.

The submitted report outlined the exceptional circumstances with regard to treasury management for 2011/2012, and the implications that these circumstances had had on the Council. It was reported that continued uncertainty in the aftermath of the 2008 financial crisis prolonged the extremely cautious approach, with investments made only where there was low counterparty risk. The submitted report stated that the Council had complied with its legislative and regulatory requirements, and that the need for borrowing was only increased for capital purposes.

The submitted report stated that at 31st March 2012, the Council's external debt was £112.161m, with which included £33.3m borrowed for Housing Self-Financing. It was reported that the average interest rate of 3.22% paid on this debt remained the same as the previous year, and that investments totalled £11.095m at 31st March 2012, in comparison to £19.390m at 31st March 2011, earning interest of 0.77% on short term investments, and 1.74% on longer term investments.

RESOLVED – (a) That the outturn 2011/12 Prudential Indicators within the submitted report, and those in Appendix 1 of the submitted report, be noted.

(b) That the Treasury Management Annual Report for 2011/12 be noted.

REASONS – (a) In order to comply with the Prudential Code for Capital Finance in Local Authorities.

(b) To inform Members of the Performance of the Treasury Management function.

(c) To comply with the requirements of the Local Government Act 2003.

(3) Cabinet Urgent Decisions – The Corporate Management Team submitted a report (previously circulated) detailing a decision taken by Cabinet as a matter of urgency and to which the procedure for call-in could not be applied.

The submitted report outlined the procedures to be followed if a decision was taken under the Urgency Rule and the Special Urgency Rule.

RESOLVED – That the urgent decision taken by Cabinet be noted.

REASON – To comply with the Council's Constitution.

18. SCRUTINY REPORTS – OVERVIEW REPORTS – The five Scrutiny Committee Chairs each submitted a report (previously circulated) on the main areas of work undertaken by their relevant Scrutiny Committee during the last cycle of Committee meetings.

19. NOTICES OF MOTIONS – (1) Regional and Local Public Sector Pay - The following Motion was moved by Councillor L. Hughes, and seconded by Councillor I. Haszeldine:

(a) That this Council notes that:-

(i) The Chancellor of the Exchequer announced in the 2012 Budget the Government's desire to introduce 'more market facing' public sector pay. This could mean regional or local public sector pay;

(ii) This recommendation has come in advance of the Pay Review Bodies reporting on the issue in July and September 2012; and

(iii) There has been no independent assessment of the impact and consequences this policy could have for public services or the economies of low pay regions.

(b) That this Council believes that:-

(i) The Government's case is based on the claim that public sector pay is 'crowding out' the private sector and this is not supported by evidence, particularly at a time of high unemployment and there are currently 8 JSA claimants for every job vacancy across Darlington;

(ii) This approach also ignores the real reasons for the differences between public and private sector pay, for instance, there are more high skilled workers in the public sector (such as teachers and nurses), and a smaller pay gap between top and bottom earners and a smaller gender pay gap.

(iii) Public sector employers already have some flexibility to adjust pay in response to local conditions, and higher rates are paid in London and the South East;

(iv) All other English regions and devolved nations stand to be affected by this, with the possibility of years of pay falling behind the cost of living;

(v) Workers in Darlington are paid £73 less per week than the British average; and

(vi) 65% of public sector workers are female.

(c) That this Council further believes that:-

(i) Regional or local public sector pay would have a harmful effect across the North East;

(ii) It will make it harder for schools and other public services to recruit and retain good quality professionals who could earn more for doing the same job elsewhere;

(iii) There are 13,900 public sector workers in Darlington and reducing their real terms pay each and every year will dramatically reduce spending power and have a negative impact on the private sector;

(iv) This policy will not improve the pay of private sector workers but instead could encourage further depression of wages in all sectors;

(v) We do not want to be forever defined as a ‘low pay’ region; and

(vi) This policy is therefore counter to our Borough’s vision and ambitions for the future.

(d) That, in view of the above, this Council:-

(i) Write to the Chancellor of the Exchequer and Chief Secretary to the Treasury stating this Council’s opposition to plans for regional and localised public sector pay;

(ii) Write to all local MPs within the next month outlining concerns about the impact that this policy would have on services and the local economy; and

(iii) Sign up to the Pay Fair campaign and raise awareness of the implications and risks of this policy locally, regionally and nationally.

The Motion was thereupon put to the meeting and carried.

NOTE – A vote on the Motion was taken by a call of names of the Members present and there appeared:-

For the Motion –

The Mayor; Councillors Carson, Cossins, Curry, Dixon, Francis, Harker, Harman, Haszeldine, L. Hughes, Hutchinson, Knowles, Landers, Lawton, Long, D. A. Lyonette, J. M. Lyonette, Macnab, Maddison, McEwan, Newall, Regan, S. Richmond, C. Taylor, J. Taylor, Thistlethwaite and Wallis. (27)

Against the Motion – None. (0)

Abstentions –

Councillors Crudass, Galletley, B. Jones, Mrs. D. Jones, Lewis, E. A. Richmond, Mrs. H. Scott, Stenson and York. (9)

(NOTE – Councillors Cartwright, Coultas, Kelley and Swainston were not present at the meeting when the vote was taken.)

(2) Play Areas and Open Spaces in Middleton St. George - The following Motion was moved by Councillor Mrs. D. Jones, and seconded by Councillor York:

That this Council provides and supports the same level of care and provision to play areas and open spaces in the rural village of Middleton St George as it does in the urban areas of the Borough

The following amendment to the Motion was moved by Councillor Wallis and seconded by Councillor Harker:

That the Motion as printed be deleted and the following be substituted:

That, in light of the cuts agenda being pursued by Central Government, uncosted additional liabilities as far as parish play areas be not adopted at this time, and write to the Parish Council to explain the position.

Amendment Carried.

The Amendment then became the Substantive Motion and was put to the meeting and carried.

20. MEMBERSHIP CHANGES – There were no membership changes reported at the meeting.