

COUNCIL
28th February 2017

PRESENT – The Mayor; Councillors Baldwin, Carson, Copeland, Coultas, Crichlow, Crudass, Crumbie, Curry, Dixon, Donoghue, Harker, I. Haszeldine, L. Haszeldine, C. L. B. Hughes, Kane, Kelley, Kelly, Lee, Lyonette, McEwan, Mills, Newall, K. Nicholson, M. Nicholson, Nutt, Regan, E. A. Richmond, S. Richmond, A. J. Scott, Mrs. H. Scott, Storr, C. Taylor, J. Taylor, Tostevin and Wallis. (36)

APOLOGIES – Councillors Cossins, Mrs. Culley, Grundy, L. Hughes, Johnson, Mrs. D. Jones, Knowles, Lawton, Lister, Stenson and York. (11)

ABSENT – Councillors Cartwright, Galletley and Wright. (3)

53. DECLARATIONS OF INTEREST – There were no declarations of interest reported at the meeting.

54. PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT STRATEGY REPORT 2017/18 – The Director of Neighbourhood Services and Resources submitted a report (previously circulated) which requested that Council adopt the Prudential Indicators and Limits for 2017/18 to 2019/20 relating to capital expenditure and Treasury Management activity, a policy statement relating to the Minimum Revenue Provision, and the Treasury Management Strategy 2017/18, which included the Investment Strategy for 2017/18.

The submitted report outlined the Council's Prudential Indicators for 2017/18 – 2019/20, and set out the expected treasury operations for this period. It was stated that the report fulfilled key legislative and guidance requirements.

The information contained within the submitted report regarding the Council's capital expenditure plans, treasury management and prudential borrowing activities indicated that they were within the statutory framework and consistent with the relevant codes of practice, prudent, affordable and sustainable, and an integral part of the Council's Revenue and Capital Medium Term Financial Plans.

The submitted report outlined the consideration given to the Prudential Indicators and Treasury Management Strategy by the Audit Committee at its Special Meeting on 27 January 2017, and that the Audit Committee was satisfied with the Prudential Indicators and Treasury Management Strategy.

RESOLVED – (a) That the Prudential Indicators and limits for 2017/18 to 2019/20, summarised in Tables 1 and 2 of the submitted report, be approved and adopted.

(b) That the Minimum Revenue Provision (MRP) statement (paragraph 27), be approved and adopted.

(c) That the Treasury Management Strategy 2017/18 to 2019/20, as summarised in paragraphs 35 to 102 of the submitted report, be approved and adopted.

(d) That the Annual Investment Strategy 2017/18, contained in paragraphs 65 to 102 of the submitted report, be approved and adopted.

REASONS – (a) To comply with the Prudential code for Capital Finance in Local Authorities and the Department for Communities and Local Government (CLG) guidance on investments.

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

(c) To approve a framework for officers to work within when making investment decisions.

55. MEDIUM TERM FINANCIAL PLAN – The Chief Officers Executive submitted a report (previously circulated) to approve the 2017/18 to 2020/21 Revenue Medium Term Financial Plan (MTFP), which included setting a budget for 2017/18 along with the Council Tax, and a 2017/18 to 2020/21 Capital Programme.

The submitted report stated that the Council had faced unprecedented financial challenges between the financial years 2010/11 to 2016/17, following the introduction of significant public sector spending reductions. It was reported that, during the period to date, there had been an overall real terms decrease in government funding of £37.3m, which was anticipated to increase to £44.5m by 2020/21, and which had resulted in the Council agreeing reductions in planned expenditure of £46.6m, leading to a reduction of 698 in the Council's workforce.

The submitted report highlighted that, since the draft MTFP was published, the Local Government Finance Settlement had been received, with no indication that the austerity measures facing the Council would improve. It was reported that the Efficiency Statement the Council submitted guaranteed the Revenue Support Grant figures, as published, which gave certainty over a proportion of the Council's funding, however it was acknowledged that this was now a small and decreasing element of the Council's revenue stream.

The submitted report outlined that the Council had undertaken a significant consultation exercise in 2016, following an in-depth and detailed review of all services, which had resulted in the agreement of a Core Offer budget by Council on 29 June 2016.

In accordance with the requirements of the Budget and Policy Framework Rules a vote on the recommendation was taken of those Members present at the meeting and there appeared:-

For the Motion – The Mayor; Councillors Baldwin, Carson, Copeland, Coultas, Crichlow, Crudass, Crumbie, Curry, Dixon, Donoghue, Harker, I. Haszeldine, L. Haszeldine, C. L. B. Hughes, Kane, Kelley, Kelly, Lee, Lyonnelle, McEwan, Mills, Newall, K. Nicholson, M. Nicholson, Nutt, Regan, E. A. Richmond, S. Richmond, A. J. Scott, Mrs. H. Scott, Storr, C. Taylor, J. Taylor, L. Tostevin and Wallis. (36)

Against the Motion – None.

(0)

Motion Carried.

RESOLVED – (a) That the Revenue MTFP, as set out in Appendix 7 and including the following, be approved:-

(i) Council Tax increase of 1.99% plus the 3% social care levy to help fund the Adult Social Care for 2017/18.

(ii) Schedule of charges as set out in Appendix 3 of the submitted report.

(iii) Use of capital receipts to assist in funding the MTFP.

(b) That a delegation for Cabinet to vary the Revenue Budget for 2017/18 by up to £0.5m without further Council approval, be approved.

(c) That the Capital Medium Term Financial Plan, as summarised in Appendix 9, be approved.

(d) That a delegation for Cabinet to vary the Capital Budget for 2017/18 by up to £0.5m without further Council approval.

REASONS – (a) To set the 2017/18 budget and Council Tax in compliance with statutory requirements and the Council's Constitution.

(b) To enable the Council to continue to plan services and finances over the medium term.

(c) To ensure decisions can be made in a timely manner.

56. SETTING THE COUNCIL TAX FOR 2017/18 – The Director of Neighbourhood Services and Resources submitted a report (previously circulated) requesting that consideration be given to setting this Council's Council Tax for 2017/2018, which was required to be set before 11th March 2017.

For the Motion – The Mayor; Councillors Baldwin, Carson, Copeland, Coultas, Crichlow, Crudass, Crumbie, Curry, Dixon, Donoghue, Harker, I. Haszeldine, L. Haszeldine, C. L. B. Hughes, Kane, Kelley, Kelly, Lee, Lyonette, McEwan, Mills, Newall, K. Nicholson, M. Nicholson, Nutt, Regan, E. A. Richmond, S. Richmond, A. J. Scott, Mrs. H. Scott, Storr, C. Taylor, J. Taylor, L. Tostevin and Wallis. (36)

Against the Motion – None.

(0)

Motion Carried.

RESOLVED – (a) That the following amounts be calculated by the Council for 2017/18, in accordance with sections 31 to 36 of the Act and relevant regulations:-

(i)	the aggregate of the amount which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils, which is its expenditure	£214,125,300
(ii)	the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act, which is its income	£169,846,000
(iii)	the amount by which (i) exceeds (ii) calculated by the Council for the year in accordance with Section 31A(4) of the Act as its Council Tax Requirement	£44,279,300
(iv)	The amount at item 5(iii) above, divided by the council tax base in paragraph 13 below, calculated by the Council in accordance with Section 31B of the Act as the basic amount of its Council Tax for the year (including Parish Precepts)	£1,384.19
(v)	the aggregate of all special items (Parish Precepts) referred to in Section 34(1) of the Act as in the attached Appendix 1	£156,300
(vi)	the amount at 5(iv) above less the result given by dividing the amount at 5(v) above by the amount at paragraph 13 below, calculated by the Council in accordance with Section 34(2) of the Act as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish Precept relates	£1,379.30
(vii)	That the basic council tax for 2017/18 calculated for dwellings in those areas that have parish precepts be as set out in Appendix 1, column 5	
(viii)	That the Council, in accordance with Sections 30 and 36 of the Act, hereby sets the aggregate amounts shown in Appendix 2 as the amount of Council Tax for 2017/18 for each part of its area and for each of the categories of dwellings	

- (b) That it be noted that for the year 2017/18 The Office of the Durham Police, Crime and Victims' Commissioner has stated the following amounts in the precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown : -

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Police Authority	112.83	131.63	150.44	169.24	206.85	244.46	282.07	338.48

- (c) That it be noted that for the year 2017/18 County Durham and Darlington Fire and Rescue Service has stated the following amounts in the precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown: -

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Fire Authority	65.10	75.95	86.80	97.65	119.35	141.05	162.75	195.30

- (d) That the Council, in accordance with Section 30(2) of the Act hereby sets the amounts set out in Appendix 3 of the submitted report, as the amounts of council tax for 2017/18 for each of the categories of dwellings.

REASON - To set the Council Tax for the Council's area in accordance with statutory requirements.

57. HOUSING REVENUE ACCOUNT – MTFP 2017/18 TO 2021/22 – The Director of Neighbourhood Services and Resources submitted a report (previously circulated) requesting that consideration be given to proposals for the revenue budget, rent levels and service charges for the Council's Housing Revenue Account (HRA) for the financial year 2017/18 in the context of the HRA Medium Term Financial Plan to 2021/22, and the 30 year business plan.

The submitted report stated that the Government had introduced a compulsory 1% reduction in social and affordable rents through the Welfare Reform and Work Bill 2015, and that therefore all Council tenants would receive an average 68p reduction in weekly rent in 2017/18. The submitted report stated that an Equality Impact Assessment had been undertaken to enable Members to understand the full impact of the proposed rent and service charges, and that this was attached at Appendix 1. It was reported that the proposals included within the report had been considered and supported by the Customer Panel and Housing Executive.

RESOLVED – (a) That the Equalities Impact Assessment at Appendix 1 be given full consideration.

(b) That an average weekly social rent reduction of 1% for 2017/18 be implemented, giving an average rent of £71.49.

(c) That garage rents and services charges be increased as shown in Table 3 of the submitted report.

(d) That the budget as shown in Appendix 2 of the submitted report be approved.

(e) That the Housing Business Plan shown in Appendix 3 of the submitted report be agreed.

REASONS – (a) To enable the Council to deliver an appropriate level of service to tenants to meet housing need and to support the economic growth of the Borough through housing development.

(b) To allow the results of consultation to be considered before final decisions are made.

58. TEES VALLEY COMBINED AUTHORITY MAYORAL ELECTION –

APPOINTMENT OF LOCAL RETURNING OFFICER – The Director of Neighbourhood Services and Resources submitted a report (previously circulated) to appoint the Chief Executive as the Local Returning Officer for the Tees Valley Combined Authority Mayoral Election.

RESOLVED – That Ada Burns, Chief Executive, be formally appointed as the Returning Officer for the Tees Valley Combined Authority Mayoral Election.

REASON - To ensure a formal appointment is made in accordance with legislative requirements.