

Sunderland City Council

At a meeting of SUNDERLAND CITY COUNCIL held in the CIVIC CENTRE on WEDNESDAY, 3RD MARCH, 2010 at 2.00 p.m.

Present: The Mayor (Councillor D Richardson) in the Chair
The Deputy Mayor (Councillor T Martin)

Councillors	Allan	P. Gibson	D. Smith	Vardy
	Anderson	Gofton	M. Smith	Wakefield
	Bell	A. Hall	P. Smith	Walker
	Blackburn	Heron	Snowdon	P. Watson
	Charlton	Peter Maddison	Speding	S. Watson
	Copeland	L. Martin	Stephenson	Whalen
	Ellis	Morrissey	Symonds	A. Wilson
	Fletcher	Old	Tate	D. Wilson
	D. Forbes	Rolph	Timmins	N. Wright
	M. Forbes	J. Scott	Trueman	T. Wright
	E. Gibson	Shattock		

The Notice convening the meeting was read.

Minutes

RESOLVED that, subject to the amendment of a typographical error in the Mayor's Announcements, the minutes of the last ordinary meeting of the Council held on 27th January, 2010 (copy circulated) be confirmed as a correct record.

Declarations of Interest

The following Councillors declared personal interests in the following items in the Cabinet report in respect of the interests respectively indicated:-

Item 6(ii) – Report of the Cabinet - Capital Programme 2010/2011 Including Prudential Indicators and Treasury Management Strategy	Councillor Allan	Governor of Secondary Schools in the BSF Programme, Governor of Primary Schools – Primary Strategy for Change Programme.
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Councillor Anderson	Grandchildren attend Hetton Comprehensive School – in BSF Programme, Governor of Primary Schools – Primary Strategy for Change Programme, South Tyne and Wear Waste Management Joint Executive Committee (substitute). Member – Hetton Town Council.
Councillor Bell	Member – Tyne and Wear Archives and Museums Joint Committee.
Councillor Blackburn	Grandchildren attend Hetton Comprehensive School in BSF Programme, Tyne and Wear Integrated Transport Authority/Nexus, Governor Primary Schools – Primary Strategy for Change Programme, South Tyne and Wear Waste Management Joint Executive Committee, Member – Hetton Town Council.
Councillor Charlton	Governor of Secondary Schools in the BSF Programme, Sunniside Partnership.
Councillor D. Forbes	Governor of Secondary Schools in BSF Programme and Primary Schools.
Councillor M. Forbes	Member – Tyne and Wear Fire and Rescue Authority. Governor of a Secondary School in the BSF Programme.
Councillor Gofton	Governor of Secondary Schools in the BSF Programme, Director of Sunderland Empire Theatre Trust, Tyne and Wear Archives and Museums Joint Committee, Governor Primary Schools – Primary Strategy for Change Programme,

	Early Years and Childcare Strategic Partnership.
Councillor E. Gibson	Grandson attends St. Aidan's School, Family member employed by Primary Care Trust.
Councillor P. Gibson	Grandson attends St. Aidan's School, Chairman of Governors – Farringdon School, Family member employed by Primary Care Trust.
Councillor A. Hall	Governor – New Penshaw Primary School, Member – Friends of Herrington Country Park.
Councillor T. Martin	Governor – Southmoor and Valley Road Community Primary School.
Councillor D. Richardson	Governor – Dubmire Primary School and Burnside Primary School.
Councillor Rolph	Tyne and Wear Museums Joint Committee, Governor – Houghton Kepier School.
Councillor J. Scott	Director of Sunderland Empire Theatre Trust, Member – Tyne and Wear Integrated Transport Authority.
Councillor P. Smith	Governor Primary Schools – Primary Strategy for Change Programme, Early Years and Childcare Strategic Partnership.
Councillor Snowdon	Columbia Community Association, Governor – John F. Kennedy Primary School.

	Councillor Speding	Member of Football Association Ltd.
	Councillor Tate	Governor – Hetton School, Director of Sunderland Empire Theatre Trust. Member – Hetton Town Council.
	Councillor Trueman	Governor of Primary Schools – Primary Strategy for Change Programme, South Tyne and Wear Waste Management Joint Executive Committee.
	Councillor Walker	Director of Sunderland Empire Theatre Trust, Governor – Albany Village Primary School.
	Councillor P. Watson	Learning and Skills Council.
	Councillor D. Wilson	Director of Sunderland Empire Theatre Trust.
	Councillor N. Wright	Governor of Primary Schools – Primary Strategy for Change Programme.
Item 6(iii) – Report of the Cabinet – Revenue Budget 2010/2011	Councillor Allan	Member of GMB and Unison (in relation to Single Status and Equal Pay, Local Government Pension Scheme, Governor of Secondary Schools in the BSF Programme.
	Councillor Anderson	Newcastle International Airport Ltd Holding Company, Sunderland Partnership, Children’s Trust, Sunderland Arc (substitute), Member of Hetton Town Council, South Tyne and Wear Waste Management Joint Executive Committee (substitute), Member of GMB (in relation to Single Status and Equal Pay),

	Local Government Pension Scheme, Grandchildren attend Hetton Comprehensive School – in BSF Programme.
Councillor Bell	Member of North Eastern Sea Fisheries Committee.
Councillor Blackburn	Member of Hetton Town Council, Tyne and Wear Integrated Transport Authority, South Tyne and Wear Waste Management Joint Executive Committee, Member of GMB (in relation to Single Status and Equal Pay), Tyne and Wear Integrated Transport Authority, Grandchildren attend Hetton Comprehensive School – in BSF Programme.
Councillor Charlton	Member of GMB and Unison (in relation to Single Status and Equal Pay), Local Government Pension Scheme, Governor of Secondary Schools in the BSF Programme.
Councillor D. Forbes	Member of Unite Single Status Equal Pay.
Councillor M. Forbes	Member – Tyne and Wear Fire and Rescue Authority. Governor of a Secondary School in the BSF Programme.
Councillor Gofton	Local Government Pension Scheme, Tyne and Wear Archives and Museums Joint Committee, Director of Sunderland Empire Theatre Trust, Early Years Foundation Stage, Governor of Secondary Schools in the BSF Programme.

Councillor L. Martin	Member of Local Government Pension Scheme.
Councillor T. Martin	Governor – Southmoor and Valley Road Community Primary School.
Councillor D. Richardson	Dubmire Primary School/ Monument Consortium, Burnside Primary School.
Councillor Rolph	Member – Tyne and Wear Archives and Museums Joint Committee, Member of Unison, Member of Local Government Pension Scheme.
Councillor J. Scott	Director of Sunderland Empire Theatre Trust, Member – Tyne and Wear Integrated Transport Authority.
Councillor P. Smith	Member of GMB (in relation to Single Status and Equal Pay), Member – Children’s Trust, Member of the Local Government Pension Scheme, Chair of Early Years and Childcare Strategic Partnership.
Councillor Speding	Member of Football Association Ltd.
Councillor Tate	Member of Hetton Town Council, Director of Newcastle International Airport Local Authority Holding Company, Spouse employed at Easington Lane School, Chair of Hetton Home Care Services – Voluntary Management Committee, Director – Sunderland Empire Theatre Trust, Member of GMB, Member of Local Government Pension Scheme, Easington Lane Access Point.

Councillor Timmins	GMBTU Member, Member of GMB, Member of Local Government Pension Scheme.
Councillor Trueman	South Tyne and Wear Waste Management Joint Executive Committee, Local Government Pension Scheme.
Councillor Walker	Unison Member, Director – Sunderland Empire Theatre Trust.
Councillor P. Watson	Newcastle International Airport Ltd, Sunderland Partnership, Children's Trust, Sunderland Arc, Safer Sunderland Partnership, Member of GMB, Newcastle International Airport Ltd, Newcastle International Airport Local Authority Holding Company (Appendix F).
Councillor D. Wilson	Safer Sunderland Partnership, Director of Sunderland Empire Theatre Trust, Museums, Libraries, Archives.
Councillor N. Wright	Member of GMB (in relation to Single Status and Equal Pay).

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillors Arnott, Ball, Barkess, Cuthbert, M. Dixon, P. Dixon, Errington, Fairs, Foster, Francis, Howe, Kelly, Paul Maddison, Mordey, O'Connor, Scaplehorn, J.B. Scott, Stewart, Tye, Wake, Wares and Wood.

The Cabinet reported as follows:-

That they had referred the initial proposals on these matters to the Management Scrutiny Committee which supported the recommendations set out in the report to Cabinet dated 13th January 2010.

That they had also subsequently, on 10th February 2010, submitted the attached report numbered 2 to the meeting of the Audit and Governance Committee on 15th February, 2010 and also the reports numbered 1, 2, 3 and 4 to the Management Scrutiny Committee on 18th February, 2010.

The Management Scrutiny Committee had noted that notwithstanding the difficult economic outlook and the restrictions this presented, the Cabinet had still managed to bring forward a progressive proposed budget for 2010/2011, which would result in a low council tax. The Committee had thanked the Cabinet, the Director of Financial Resources and his team and the Service Directorates for being able to formulate a budget to allow the Council to achieve its aims.

Subsequently the precept figures of the Tyne and Wear Fire and Rescue Authority had been confirmed as those set out in the report to Cabinet on 10th February 2010. However the Northumbria Police Authority had notified the Council of an amendment to the Band B precept originally reported as £65.09 and which had been amended to £65.08 in the final notification received by the Council. All other banding figures were as those reported to Cabinet on 10th February 2010 and this minor amendment was now included at Item 4.

The Cabinet's recommendations were as follows:-

1. Draft Council Tax Leaflet 2010/2011

That they had given consideration to the report relating to the Draft Council Tax Leaflet 2010/2011 document and recommend that the final version be circulated with Council Tax Bills. The latest outline version of the Council Tax Leaflet 2010/2011 was tabled at the meeting.

2. Capital Programme 2010/2011 Including Prudential Indicators and Treasury Management Strategy

That they had given consideration to the joint report of the Chief Executive and the Director of Financial Resources and had recommended that approval be given to:

- (i) the proposed Capital Programme for 2010/2011;
- (ii) the Prudential Indicators and revisions to the operational limit for 2009/2010;
- (iii) the Annual Minimum Revenue Provision Statement for 2010/2011 and adjustments to 2009/2010;
- (iv) the Annual Treasury Management Strategy including specifically the Annual Borrowing and Investment Strategies;
- (v) the adoption of the revised CIPFA Treasury Management Code of Practice 2009; and

- (vi) the Treasury Management Policy Statement.

The Audit and Governance Committee had been consulted specifically on the Treasury Management Strategy and Policy for 2010/2011 and had received clarification on the criteria and limits set for lenders on the approved lending list and noted the scrutiny and consideration given to all potential lenders when consideration was being given as to inclusion on the list or not. The Committee had obtained further explanation of the basis for the figures included for future years in relation to the capital programme and received an explanation of the Council's 'LOBO' (Lenders Option, Borrowers Option) loans.

The Committee had been informed that 'prudential' borrowing was undertaken either to fund invest to save schemes that would generate income or savings, or fund long term strategic asset acquisitions, upon which a return could be expected at some time in the future.

The Committee had congratulated the Officers involved for their anticipation of the requirements of the Treasury Management Code of Practice in early 2009 and having scrutinised the report had concluded that the arrangements for Treasury Management were in an excellent position for the next and future years, and had resolved that the Council be advised accordingly.

3. Revenue Budget 2010/2011

That they had given consideration to the joint report of the Chief Executive and the Director of Financial Resources on:

- the overall revenue budget position for 2010/2011;
- the projected balances position as at 31st March, 2010 and 31st March, 2011 and advice on their level;
- a risk analysis of the Revenue Budget 2010/2011;
- a summary of the emerging medium term financial position facing the Council from 2011/2012 to 2013/2014; and
- views received from the North East Chamber of Commerce and Trade Unions.

They had recommended that:

- (i) the Revenue Budget for 2010/2011 be approved; and,
- (ii) that the notes of the meetings with the North East Chamber of Commerce and the Trades Unions be noted.

4. Determination of Council Tax 2010/2011

That they had given consideration to a report of the Director of Financial Resources making, subject to the approval of the Revenue Budget 2010/2011, recommendations with respect to Council Tax levels for

2010/2011, and advising that the Council Tax had been calculated using the tax bases for the areas of the City Council and Hetton Town Council as approved by Council on 27th January, 2010, and setting out a number of resolutions required to be made to determine the Council Tax, including the confirmed precepts from the Major Precepting Authorities and the Parish of Hetton Town Council.

They had recommended that:

- (i) it be noted that, at its meeting on 27th January, 2010, the Council approved the following amounts for the year 2010/2011 in accordance with regulations made under Section 33 (5) of the Local Government Finance Act 1992:
 - (a) £80,260 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax Base for the year;
 - (b) £4,043 being the amount calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amount of its Council Tax Base for the year for dwellings in the area of the Parish of Hetton Town Council.

- (ii) the following amounts be now calculated by the Council for the year 2010/2011 in accordance with Sections 32 to 36 of the Local Government and Finance Act 1992:
 - (a) £784,067,244 being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a) to (e) of the Act.
 - (b) £531,317,271 being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (3) (a) to (c) of the Act.
 - (c) £252,749,973 being the amount by which the aggregate at (ii)(a) above, exceeds the aggregate at (ii)(b) above calculated by the Council, in accordance with Section 32 (4) of the Act, as its budget requirement for the year.
 - (d) £157,511,823 being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed Non-Domestic Rates, Revenue Support Grant, and the amount of the sum which the Council has estimated will be transferred from its Collection Fund to its

General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (Council Tax Surplus).

- (e) £1,186.6204 being the amount at (ii)(c) above, less the amount at (ii)(d) above, all divided by the amount at (i)(a) above, calculated by the Council, in accordance with Section 33 (1) of the Act, as the basic amount of its Council Tax for the year.
- (f) £53,000 being the precept notified by Hetton Town Council as a special item under Section 34 (1) of the Act.
- (g) £1,185.9600 being the amount at (ii)(e) above less the result given by dividing the amount at (ii)(f) above by the amount at (i)(a) above, 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 special item relates.
- (h) £1,199.0691 being the amount given by adding to the amount at (ii)(g) above, the amount (ii)(f) divided by the amount at (i)(b) above, calculated by the Council in accordance with Section 34 (3) of the Act as the basic amounts of its Council Tax for the year for dwellings in the area of the Parish of Hetton Town Council.

Parts of the Council's Area

(i)	Valuation Bands	Hetton Town Council	All other parts of the Council's area
	A	£ 799.38	£ 790.64
	B	£ 932.61	£ 922.41
	C	£1,065.84	£1,054.19
	D	£1,199.07	£1,185.96
	E	£1,465.53	£1,449.51
	F	£1,731.99	£1,713.05
	G	£1,998.45	£1,976.60
	H	£2,398.14	£2,371.92

being the amounts given by multiplying the amounts at (ii)(g) and (ii)(h) above, by the number which, in proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that

proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (iii) it be noted that for the year 2010/2011, the Tyne and Wear Fire and Rescue Authority and the Northumbria Police Authority have confirmed the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings as follows:

Valuation Bands	Precepting Authority	
	Northumbria Police Authority	Tyne & Wear Fire and Rescue Authority
A	£55.79	£48.77
B	£65.08	£56.90
C	£74.38	£65.03
D	£83.68	£73.16
E	£102.28	£89.42
F	£120.87	£105.68
G	£139.47	£121.93
H	£167.36	£146.32

- (iv) having calculated the aggregate in each case of the amounts of (ii)(i) and (iii) above, and having received confirmation of the precepts in paragraph (iii), the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2010/2011 for each of the categories of dwellings shown below:

Valuation Bands	Parts of the Council's Area	
	Hetton Town Council	All other parts of the Council's Area
A	£903.94	£895.20
B	£1,054.59	£1,044.39
C	£1,205.25	£1,193.60
D	£1,355.91	£1,342.80
E	£1,657.23	£1,641.21
F	£1,958.54	£1,939.60
G	£2,259.85	£2,238.00
H	£2,711.82	£2,685.60

It was then moved by Councillor P. Watson and seconded by Councillor Anderson that the report of the Cabinet be approved and adopted. Councillor Allan moved that the time limit for the Leader's speech to the motion be extended and upon being put to the meeting the procedural motion was agreed. For the purpose of the debate, the Mayor invited Councillor L. Martin to outline his Group's proposed three - part "Global" Amendment on the Revenue Budget 2010/2011 and Capital Programme 2009/2010 - 2013/14 following which he proposed that a vote would be taken on the "Global" Amendment.

The three - part Global Amendment was moved by Councillor L. Martin and seconded by Councillor Morrissey. The Council also agreed an extension of time for Councillor L. Martin's speech.

Global Amendment

1. Council Summons and Agenda:

Page 18, Section 4 (iv)

That the Valuation Band D figure for "Hetton Town Council" and "All other parts of the Council's Area" be amended to £1,338.48 and £1,325.72 respectively with all necessary and consequential amendments being made to the remainder of the resolution.

2. Revenue Budget 2010/2011

Overall (All Council) Amendment

Reductions

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Revenue Contribution to Capital Programme	- <u>£1,370,842</u>
	- <u>£1,370,842</u>
Effect on Local Council Tax Required	- <u>£1,370,842</u>

3. Revenue Budget 2010/2011 and Capital Programme 2009/2010 – 2013/2014

Council Resolves to instruct the Director of Financial Resources to review all Strategic Investment Reserve earmarked sums to effect savings of £1,370,842 to finance the shortfall in the Capital Programme.

A general discussion then ensued and upon being put to the vote, the Global Amendment was defeated with 4 Members voting in favour thereof, viz:-

Councillors M. Forbes L. Martin Morrissey D. Smith

And 2 Members abstaining, viz:-

Councillors Anderson Wakefield

And 35 Members voting against:-

The Deputy Mayor (Councillor T. Martin)

Councillors	Allan	P. Gibson	P. Smith	Walker
	Bell	Gofton	Snowdon	P. Watson
	Blackburn	A. Hall	Speding	S. Watson
	Charlton	Heron	J. Stephenson	Whalen
	Copeland	Old	Symonds	A. Wilson
	Ellis	Rolph	Tate	D. Wilson
	Fletcher	J. Scott	Timmins	N. Wright
	D. Forbes	Shattock	Trueman	T. Wright
	E. Gibson	M. Smith		

At this juncture, Councillor Anderson requested that it be noted that she had inadvertently voted to abstain when her intention had been to vote against the amendment.

The Global Amendment having been defeated, the substantive motion to approve and adopt the report of the Cabinet was then put to the meeting and, upon being put to the vote, the motion was carried with 37 Members voting in favour thereof, viz:-

The Deputy Mayor (Councillor T. Martin)

Councillors	Allan	P. Gibson	M. Smith	Wakefield
	Anderson	Gofton	P. Smith	Walker
	Bell	A. Hall	Snowdon	P. Watson
	Blackburn	Heron	Speding	S. Watson
	Charlton	Old	J. Stephenson	Whalen
	Copeland	Rolph	Symonds	A. Wilson
	Fletcher	J. Scott	Tate	D. Wilson
	D. Forbes	Shattock	Timmins	N. Wright
	E. Gibson	D. Smith	Trueman	T. Wright

And 1 Member abstaining, viz:-

Councillor Ellis

And 3 Members voting against, viz:-

Councillors M. Forbes L. Martin Morrissey

RESOLVED that the report of the Cabinet be approved and adopted.

(Signed) D. RICHARDSON,
Mayor.