

# STEVENAGE BOROUGH COUNCIL

## COUNCIL MINUTES

**Date: Wednesday 28 January 2009**

**Time: 7.00 p.m.**

**Place: Council Chamber**

**Present:** The Mayor (Councillor M Patston), the Deputy Mayor (Councillor J Lloyd CC) and Councillors S Batson MBE CC, H Burrell, M Cherney-Craw, L Chester, D Clark, R Clark, G Clark, D Cullen CC, M Downing CC, J Fraser, P Gallagher, J Gardner, L Harrington, J Hollywell, M Hurst, B Jackson, P D Kissane, L Knight, C Latif, Mrs J Lloyd, L Martin-Haugh, M Mason, S Myson, M Notley, R Parker CC, J Pickersgill, R Raynor, G Snell, S Speller, L Strange, P Stuart, S Taylor CC, J Thomas, B Underwood, V Warwick, A Webb

Agenda Item: **3**

**In Attendance:**

**Start/End Time:** Start Time: 7.00 p.m.  
End Time: 7.25p.m.

### **1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

The Mayor reported that apologies for absence had been received from Councillor L Strange, who was currently in hospital. The Council joined the Mayor in offering best wishes to Councillor Strange for a full recovery.

Councillors L Knight, J Lloyd CC, C Latif and B Underwood all declared personal and prejudicial interests in item 2 on the agenda (Housing Revenue Account (HRA) Rent Increase and Budget Setting Proposals for 2009/10) as members of the Stevenage Homes Limited board.

The Mayor reported the sad news of the death of Honorary Alderman Bill Lawrence. The Leader of the Council spoke in memory of former Councillor Lawrence. Councillors R Parker and G Clark also spoke in memory of Bill Lawrence on behalf of the Liberal Democrat group and the Conservative group, respectively.

Bill Lawrence had given many years of loyal service to Stevenage, since moving to the town in 1953. He had become a Member of the former Urban District Council (UDC) in 1961, and had been a Member of the Borough Council from its inception until 1999. He had held many positions including Chair of the UDC, Chair of the Leisure and Sports Trust and Mayor of Stevenage (from 1981-82 and from 1998-99). In recognition of this service, he had been conferred as Honorary Alderman in

July 2008. Bill had been a loyal man dedicated to his beliefs and to his family, and the Council's thoughts were with his wife Hilda.

The Council stood for one minute's silence in remembrance of Bill Lawrence.

## **2 MATTER REFERRED FROM THE EXECUTIVE - HOUSING REVENUE ACCOUNT (HRA) RENT INCREASE AND BUDGET SETTING PROPOSALS FOR 2009/10**

Having declared personal and prejudicial interests on this item, Councillors L Knight, J Lloyd CC, C Latif and B Underwood all left the meeting for the duration of this item.

The report had been circulated with the main agenda, and the recommendations of the Executive had been circulated in a supplementary agenda on 23 January 2009. A typographical error was noted in paragraph 4.2.5 of the report, where the figure for Temporary Accommodation should have read "£50,000", not "£950,000".

In moving the recommendations, the Portfolio Holder for Housing commented that the proposed rent increase had been subject to consultation with Resident Associations, Tenants' Groups, and the Federation of Stevenage Tenants Associations (FOSTA).

The recommendations of the Executive were moved and seconded and it was **RESOLVED:**

1. That the projected 2008/09 and the 2009/10 HRA budget (a net deficit of £1,295,080 and £1,046,370 respectively) be approved, with the following amendments:
  - a. the efficiencies of £290,000 identified by Stevenage Homes Limited (SHL) be deducted from the efficiency target and taken from the 2009/10 Management Fee of £14,370,010 (see SHL report Appendix G);
  - b. the surplus of £250,000 identified by SHL as being returned to the HRA, be deducted from the efficiency target and taken from the 2009/10 Management Fee of £14,370,010 (see SHL report Appendix G);
  - c. a further £234,000 of surpluses be returned to the HRA by SHL and deducted from the efficiency target in the HRA and taken from the 2009/10 Management Fee of £14,370,010;
  - d. SHL continue to work to identify efficiency savings to fund any future HRA budget shortfalls and report back to the Executive at a later date;
  - e. the increase from 8% to 10% in the HRA Capital Programme Management Fee of £135,000 be noted and final approval of the Fee be delegated to the Portfolio Holders for Resources and Housing;
  - f. the Short Steep Climb Programme of £343,000, (see SHL report Appendix F) be noted and final approval of the programme be delegated to the Portfolio Holders for Resources and Housing;
  - g. a 2009/10 Management Fee of £12,918,010 be approved which excludes the efficiencies and return of surpluses to the HRA, the Short Steep Climb Programme, the HRA capital programme fee increase and the allowance for growth;
  - h. delegated authority be given to Strategic Director responsible for

- Housing to agree the Delivery Plan 2009-2012, in consultation with the Leader of the Council and the Portfolio Holder for Housing; and
- i. the growth of £200,000 included in the Management Fee be noted and final approval of the growth be delegated to the Portfolio Holders for Housing and Resources.
2. That the following draft proposals, as detailed in the SHL report, be approved, as amended in resolution 1 above:
- a. the rents of HRA dwellings be increased, with effect from the week commencing 6 April 2009 by 5.5% and increased or decreased by the Rent Restructuring figure determined for each dwelling in accordance with the Government's Revised National Rent Restructuring Formula, subject to the Government's caps and limits applicable to each property; and the Government's Cap on the combined increase in rent and un-pooled Service Charges for an individual property be applied;
  - b. the increases in ancillary fees and charges, with effect from 6 April 2009, as detailed in Appendix E of the SHL report, be approved;
  - c. a contingency sum for 2009/10 of £250,000 for the HRA is approved in line with the Council's Budget and Policy Framework;
  - d. the proposed Management Fee for 2009/10 of £14,370,010 be approved;
  - e. the efficiencies of £415,000 and return of surpluses of £250,000 be approved, totalling £665,000;
  - f. the Short Steep Climb and the Capital Management Fee be approved; and
  - g. the draft 2008/09 projected net deficit of £1,279,390 and 2009/10 HRA estimated net deficit of £1,046,870, (as detailed in Appendix A of the SHL report) be approved.

### **3 EXCLUSION OF THE PRESS AND PUBLIC**

It was **RESOLVED** that, under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as described in paragraphs 1-7 of Part 1 of Schedule 12A of the Act, as amended by SI2008 No.88.

In addition, due to the nature of the following item, the Mayor requested that all officers be asked to leave, with the exception of the Chief Executive and the Strategic Directors.

### **4 SENIOR MANAGEMENT REVIEW**

The Council considered a Part II report from the Chief Executive concerning the future management structure of the organisation.

It was moved, seconded and **RESOLVED** that the proposals for the future management structure be noted.