

Local Government Act 1972

Borough of North Tyneside

15 February 2012

At the Reconvened meeting of the Council of the Borough of North Tyneside duly convened and held on Wednesday 15 February 2012 at 6.00pm in the Chamber at Quadrant at which a quorum of members were present, that is to say:

Present

Councillor J J Stirling (In the Chair)
Mrs L Arkley (Elected Mayor)

Councillor J M Allan	Councillor D W Lilly
Councillor A Arkle	Councillor F Lott
Councillor Mrs G Barrie	Councillor D McGarr
Councillor K Barrie	Councillor M McIntyre
Councillor L Birkenfield	Councillor Mrs P McIntyre
Councillor G Brett	Councillor J McLaughlin
Councillor P Brooks	Councillor D McLellan
Councillor B Burdis	Councillor M L Madden
Councillor W Caithness	Councillor P Mason
Councillor K A Conroy	Councillor L J Miller
Councillor D E Corkey	Councillor Mrs S E Mortimer
Councillor A Cowie	Councillor T Mulvenna
Councillor S Cox	Councillor A Normand
Councillor C Croft	Councillor D Ord
Councillor E N Darke	Councillor K Osborne
Councillor L Darke	Councillor J O'Shea
Councillor S Day	Councillor G Partis
Councillor M A Finlay	Councillor Mrs N Peggs
Councillor C A Gambling	Councillor C B Pickard
Councillor R Glindon	Councillor M G Rankin
Councillor I Grayson	Councillor N Redfearn
Councillor M A Green	Councillor J Rutherford
Councillor J L L Harrison	Councillor D Sarin
Councillor S Hill	Councillor L A Spillard
Councillor E F J Hodson	Councillor Mrs B E Stevens
Councillor Janet Hunter	Councillor A Waggott-Fairley
Councillor John Hunter	Councillor J I Walker
Councillor M Huscroft	Councillor Mrs J A Wallace
Councillor M J Huscroft	Councillor G C Westwater

C126/02/12 Apologies

Apologies for absence were received from Councillor Mrs J M Bell.

C127/02/12 Declarations of Interest

Further to Minute No. C114/02/12 (Declarations of Interest), of the meeting held on 2 February 2012, the following additional declaration of interest was made:

Item 3: 2012-2015 Council Strategic Plan and Budget Setting Process: 2012/13 Budget Submission to the Authority (incorporating the Housing Revenue Account and associated Business Plan)

Councillor S Hill – personal interest – now employed by Stefan Cross Solicitors.

C128/02/12 2012-2015 Council Strategic Plan and Budget Setting Process: 2012/13 Budget Submission to the Authority (incorporating the Housing Revenue Account and associated Business Plan)

The Chair announced that the purpose of the meeting tonight was to consider the business on the Housing Revenue Account and associated Business Plan 2012-2015, adjourned from the Council meeting held on 2 February 2012.

The Chair invited questions from Members in relation to the motion had had been moved by Councillor Mason and seconded by Councillor M McIntyre on 2 February 2012.

An amendment was moved by Councillor M J Huscroft and seconded by Councillor C Croft as follows:

To add the following:

“The recommended Housing Revenue Account budget of the Council as set down in Annex 1, Section 10 and Appendix N (i) and N (ii) of the report to Council on 2 February 2012, together with the associated Business Plan be amended as follows:

‘ That this Council requests the Elected Mayor to make representations to HM Government, in light of the present economic climate, and the proposed changes in the welfare system, to allow for relaxation of the convergence criteria cap, to allow councils to vary rent increases to enable the Business Plan to balance over a 30 year period’.”

The mover of the amendment indicated that he would agree to accept a merger of the amendment and the following amendment, notice of which had been given by the Labour Group:

“Rent increase and Service Charges

We demand that the Mayor and Cabinet make urgent arrangements to facilitate an all party delegation to meet Grant Shapps at the earliest opportunity. This will enable the Council to present a case for reducing the financial pressures facing us at the present time. Until this takes place we are faced with no other alternatives in terms of council

housing rent increases. We have explored all possibilities with officers and can find no sensible financial solution to this Government's attack on our weakest communities."

The proposal to merge the two amendments set out above, on being put to the meeting, was approved by 41 votes to 0 votes.

The following amendment, on being put to the meeting, was approved by 41 votes to 0 votes:

"To add the following:

'The recommended Housing Revenue Account budget of the Council as set down in Annex 1, Section 10 and Appendix N (i) and N (ii) of the report to Council on 2 February 2012, together with the associated Business Plan be amended as follows:

' That this Council requests the Elected Mayor to make representations to HM Government, in light of the present economic climate, and the proposed changes in the welfare system, to allow for relaxation of the convergence criteria cap, to allow councils to vary rent increases to enable the Business Plan to balance over a 30 year period'.

Rent increase and Service Charges

We demand that the Mayor and Cabinet make urgent arrangements to facilitate an all party delegation to meet Grant Shapps at the earliest opportunity. This will enable the Council to present a case for reducing the financial pressures facing us at the present time. Until this takes place we are faced with no other alternatives in terms of council housing rent increases. We have explored all possibilities with officers and can find no sensible financial solution to this Government's attack on our weakest communities."

A further amendment was moved by Councillor J M Allan and seconded by Councillor R Glindon as follows:

"Self-financing Settlement Budget

That the additional £65,000 included in the Mayor's Final Amendments Letter of 1 February 2012 proposal to increase revenue contributions to the Housing Capital Plan to fund Environmental Improvement works by £65,000 be deleted and replaced by the following proposal:

That a new ear-marked reserve, called the Housing Building Fund, be created for the specific purposes of building new Council housing and carrying out repairs and maintenance to fencing. This ear-marked reserve will be created by allocating the additional £65,000 of resources referred to in the Mayor's Final Amendments Letter of 1 February 2012, along with any monies accrued from any savings that may arise from the treasury management borrowing requirement in relation to the Housing Revenue Account Self-financing Settlement budget. Any savings above £65,000 are to be transferred to the Housing Building Fund as part of the year-end considerations, once the Statement of Accounts has been approved by external audit.

That the Reserves and Balances Policy be amended to reflect the following: That decisions on the use of this ear-marked reserve be determined by full Council, taking into account advice from the Council's Section 151 Officer, in accordance with the principles of good governance set down in the Reserves and Balances Policy."

The amendment, on being put to the meeting, was approved by 41 votes to 0 votes.

A further amendment was moved by Councillor J M Allan and seconded by Councillor R Glindon as follows:

HRA Recharges

“We propose that the £445,000 annual charge to the Housing Revenue Account (HRA) from Environmental Services be held and managed solely by North Tyneside Homes. These monies are to be used for grass cutting and tree maintenance within the curtilage of Council owned houses. Any underspend from the annual charge is to be transferred to the Housing Building Fund as part of the year-end considerations, once the Statement of Accounts has been approved by external audit.’

The amendment, on being put to the meeting, was approved by 54 votes to 1 vote.

The substantive motion, to read as follows, was then put to the vote:

“In relation to the Elected Mayor and Cabinet’s proposals for the Housing Revenue Account, Council:

- (1) (a) Agree the estimates of amounts in relation to the 2012/13 Housing Revenue Account budget proposals and associated Business Plan, including an assessment in relation to the current year’s budget monitoring information (2011/12) and note the Housing Revenue Account Chief Finance Officer’s statement to Council;
- (b) Increase individual Council rents as outlined in Section 10.0 of Annex 1 to meet the Government’s revised rent restructure formula requirements, following notification received by the Council of the final Housing Revenue Account Subsidy Determination, and in line with the national assumptions related to the move to self-funding;
- (c) Note the ongoing issues in relation to Housing Self Financing;
- (d) Increase Housing Garage Rents by 5.6%;
- (e) Increase Housing Service Charges by 5.6%, except for the Warden Services charge which needs to be amended to reflect the changing nature of service, from a social care role to a property orientated “landlord” service. This will result in the removal of the warden support service charge for all sheltered tenants i.e. a reduction of £9.44 per week, and a proposed increase in the landlord element charge from £4.12 to £9.00 per week. The net effect of this is a reduction of charge to £4.32. Those tenants in sheltered accommodation on housing benefit, which is approximately 80% would pay neither of these charges); and,
- (f) Agree the Housing (HRA) Capital Plan for 2012-2022 and associated prudential indicators.

(2)The recommended Housing Revenue Account budget of the Council as set down in Annex 1, Section 10 and Appendix N (i) and N (ii) of the report to Council on 2 February 2012, together with the associated Business Plan be amended as follows:

‘ That this Council requests the Elected Mayor to make representations to HM

Government, in light of the present economic climate, and the proposed changes in the welfare system, to allow for relaxation of the convergence criteria cap, to allow councils to vary rent increases to enable the Business Plan to balance over a 30 year period'.

Rent increase and Service Charges

We demand that the Mayor and Cabinet make urgent arrangements to facilitate an all party delegation to meet Grant Shapps at the earliest opportunity. This will enable the Council to present a case for reducing the financial pressures facing us at the present time. Until this takes place we are faced with no other alternatives in terms of council housing rent increases. We have explored all possibilities with officers and can find no sensible financial solution to this Government's attack on our weakest communities.

(3) in relation to the Self-financing Settlement Budget

That the additional £65,000 included in the Mayor's Final Amendments Letter of 1 February 2012 proposal to increase revenue contributions to the Housing Capital Plan to fund Environmental Improvement works by £65,000 be deleted and replaced by the following proposal:

That a new ear-marked reserve, called the Housing Building Fund, be created for the specific purposes of building new Council housing and carrying out repairs and maintenance to fencing. This ear-marked reserve will be created by allocating the additional £65,000 of resources referred to in the Mayor's Final Amendments Letter of 1 February 2012, along with any monies accrued from any savings that may arise from the treasury management borrowing requirement in relation to the Housing Revenue Account Self-financing Settlement budget. Any savings above £65,000 are to be transferred to the Housing Building Fund as part of the year-end considerations, once the Statement of Accounts has been approved by external audit.

That the Reserves and Balances Policy be amended to reflect the following: That decisions on the use of this ear-marked reserve be determined by full Council, taking into account advice from the Council's Section 151 Officer, in accordance with the principles of good governance set down in the Reserves and Balances Policy.

(4) in relation to HRA Charges

We propose that the £445,000 annual charge to the Housing Revenue Account (HRA) from Environmental Services be held and managed solely by North Tyneside Homes. These monies are to be used for grass cutting and tree maintenance within the curtilage of Council owned houses. Any underspend from the annual charge is to be transferred to the Housing Building Fund as part of the year-end considerations, once the Statement of Accounts has been approved by external audit."

Two Members present requested a recorded vote on the substantive motion in accordance with Council Procedure Rule 13 (5).

Votes for the substantive motion

Mrs L Arkley, Elected Mayor, Councillors Mrs G Barrie, K Barrie, L Birkenfield, E F J Hodson, D W Lilly, M McIntyre, Mrs P McIntyre, Mrs J McLaughlin, D McLellan, P Mason, L J Miller, Mrs S E Mortimer, G Partis, N Peggs, D Sarin, Mrs B Stevens, Mrs J A Wallace and G C Westwater.

Votes against the substantive motion

Councillors G Brett, C Croft, M A Finlay, M Huscroft, M J Huscroft and D Ord.

Abstentions

Councillors J M Allan, A Arkle, P Brooks, B Burdis, W Caithness, K Conroy, D E Corkey, A Cowie, S L Cox, E N Darke, L Darke, S Day, C A Gambling, R Glindon, I Grayson, M A Green, J L L Harrison, S Hill, Janet Hunter, John Hunter, F Lott, D McGarr, M L Madden, T Mulvenna, A Normand, K Osborne, J O'Shea, C B Pickard, M Rankin, N Redfearn, J Rutherford, L A Spillard, J J Stirling, A Waggott-Fairley and J Walker.

The substantive motion, on being put to the meeting, was approved by 19 votes to 6 votes, with 35 abstentions.

C129/02/12 Common Seal

Resolved that the Common Seal be affixed to all deeds and documents required for carrying into effect the various decisions of the Council made since its last meeting.