



# MINUTES

## COUNCIL

THURSDAY, 30 NOVEMBER 2006  
2.00 PM

### PRESENT

Councillor G. Taylor (Chairman)

Councillor Auger	Councillor Kirkman
Councillor Bisnauthsing	Councillor Lovelock M.B.E.
Councillor Mrs. Bosworth	Councillor Moore
Councillor Brailsford	Councillor Nicholson
Councillor Bryant	Councillor O'Hare
Councillor Carpenter	Councillor Radley
Councillor Mrs Cartwright	Councillor Mrs Radley
Councillor Channell	Councillor Selby
Councillor Chivers	Councillor Shorrock
Councillor Conboy	Councillor Mrs Smith
Councillor Craft	Councillor John Smith
Councillor Exton	Councillor Steptoe
Councillor Fines	Councillor M. Taylor (Vice-Chairman)
Councillor Mrs. Gaffigan	Councillor Thompson
Councillor Gibbins	Councillor Turner
Councillor Howard	Councillor Wheat
Councillor J. Hurst	Councillor M. Williams
Councillor F. Hurst	Councillor A. Williams
Councillor Mrs. Jalili	Councillor Wood
Councillor Joynson	Councillor Mrs. Woods
Councillor Mrs. Kaberry-Brown	

### OFFICERS

Chief Executive  
Strategic Director  
Director of Tenancy Services  
Corporate Head, Finance & Resources  
(S.151 Officer)  
Service Manager, Legal Services (Monitoring Officer)

### OFFICERS

Service Manager, Tenancy and Neighbourhood Services  
Scrutiny Officer  
Elections Assistant  
Scrutiny Support Officer  
Democratic Support Officer  
Public Relations Officer

### 91. APOLOGIES FOR ABSENCE.

Apologies for absence were received from Councillors Mrs Dexter, Fisher, Kerr, Martin-Mayhew, Mrs. Neal, Pease, Mrs. Percival, Sandall, Stokes, Webster and Mrs. Wheat.

## **92. DECLARATIONS OF INTEREST.**

Councillors Kirkman, Thompson, Turner and Williams declared a personal interest in agenda item 3 on Large Scale Voluntary Transfer, consideration of the result of the LSVT ballot of tenants on account of their membership of the shadow board for Lincolnshire Homes, which had not been dissolved.

## **93. LARGE SCALE VOLUNTARY TRANSFER - TO CONSIDER THE RESULT OF THE LSVT BALLOT OF TENANTS.**

### ***DECISION:***

- 1. That the Council receives and notes the result of the tenants' ballot.***
- 2. That the Council requests the Government to reform the housing subsidy system to enable all of the money raised locally to be retained locally, thus enabling the expressed wishes of our tenants to be delivered in the long term.***
- 3. That in partnership with the Tenants Working Group and the existing staff focus group, a working party of the Community Development and Scrutiny Panel advise the Cabinet on the potential for exploring more innovative options for the management of the Council's housing stock.***

The Council had before them report number CEX361 by the Chief Executive on the outcome of the ballot of tenants on Large Scale Voluntary Transfer (LSVT). The report followed the ballot where 73.2% of the District Council's tenants voted against the transfer of the housing stock to South Lincolnshire Homes, which was created as the proposed Registered Social Landlord (RSL). The report explained the Council's position following the ballot and provided projected figures for the cost of required improvements to the housing stock.

The Organisational Development and Housing Services Portfolio Holder moved the recommendations in report CEX361 and stated that she was pleased with the turnout for the ballot. She considered that the high turnout proved that tenants had been fully engaged. There had been some disappointment among staff members in Housing Services, who recognised that the transfer could have provided better service for tenants. The motion was seconded.

An amendment to 2.3 was proposed and seconded:

***"That in partnership with the Tenants' Working Group and the existing staff focus group a working party of substantive members of the Community Development and Scrutiny Panel (DSP) advise the Cabinet on the potential for exploring more innovative options for the management of the Council's housing stock."***

At the meeting of the Community DSP held on 22<sup>nd</sup> November 2006, a working group was provisionally appointed. One member appointed to the working group had sat on the DSP as a substitute member. It was suggested that there would be greater accountability if members appointed to the working group were substantive members of the DSP.

In seconding the amendment, it was suggested that the working group should be cross-party and new groups of tenants should be considered. There were concerns that the tenants who had been part of the Stock Option Appraisal and LSVT process were not wholly representative and had pre-determined conceptions.

Debate ensued over the right of the Council to prescribe who sat on DSP working groups. Under scrutiny arrangements any member was entitled to sit on a working group, even if they were not a substantive member of the DSP. As there was a lack of volunteers from the Community DSP,

several Members agreed that the place on the working group could be filled by any councillor prepared to attend. A number of members concurred that the Council should not be prescriptive over the membership of the working group; they believed that the Council should focus on broader issues.

The amendment was then put to the vote and lost.

A further amendment was proposed, which saw an addition to 2.3:

*"A standing tenants conference should be held in the Spring of 2007 to which tenants and their representatives are invited to explore options for the future and elect a tenants' panel to shape the housing service."*

This was duly seconded.

In speaking to the amendment, the mover emphasised the democratic outcome of the ballot but questioned the expenditure. Despite requests, he did not consider he had received a sufficient financial breakdown. He envisaged a new deal for housing based on public involvement and innovative thinking. Those who supported the amendment were concerned that tenants did not feel that they had been listened to.

Speakers against the amendment recognised the expenditure and ballot that arose from the stock option appraisal process as necessary. Trying to repeal the housing subsidy system was considered to be of greater importance. The relationship between the District Council and the tenants' compacts had developed and improved as a result of the process and the importance of the continued involvement of tenants was encompassed in the original motion.

2:35pm        *At the sounding of the fire alarm, the Chairman adjourned the meeting for the building to be evacuated.*

2:47pm        *Meeting recommenced.*

A desire to look to the future in conjunction with the wishes of tenants was expressed, particularly on ways to alleviate the financial situation caused by the ballot and projected costs for the future maintenance of the stock. With the transfer of the housing stock by other authorities, one member suggested that any subsidy should logically be reduced.

It was suggested that the specific enumeration of methods for tenant engagement could preclude the working group from making their own suggestions.

Lack of representative tenant involvement was refuted. At the start of the stock option appraisal process, a letter was sent to all tenants, which invited them to submit their names for membership on working groups. The Council had done what was required of it and the impartiality of the stock option appraisal process had withstood robust scrutiny. Tenants had been empowered to make a decision on the future of their home and the Council had listened to their wishes by accepting the result of the ballot.

The mover of the original motion spoke against the amendment. Tenants involved in the process had been trained and developed and a full scrutiny exercise had been carried out.

A vote was taken on the amendment, which was lost.

It was moved that an addition should be made to 2.2:

*"The Council fully supports the national campaign for the 'fourth option' on council*

*housing to change the restrictions on councils to allow full investment of rents and right to buy receipts in developing new council stock and raising the standard of all council stock. To achieve this, the council will work with like-minded councils and organisations and will affiliate to the association for councils with retained housing and Defend Council Housing Campaign.”*

This amendment was seconded.

Some members of the Council did not feel able to duly consider the amendment because they were not fully cognisant of the ‘Fourth Option’. No literature had been circulated to all Members so they could not make an informed decision.

While it was suggested that the amendment removed scope from the original motion, other members felt that adding parameters was appropriate. It was suggested that working with other councils in a similar position to South Kesteven would be of merit and would help the Council quickly demonstrate positive outcomes of the ballot.

In speaking against the amendment, one member reminded the Council that the government had provided five options: stock retention, private finance initiatives, arms length management organisations, large scale voluntary transfer and partial/mixed options. There was no opportunity for the Council to pursue the ‘Fourth Option’. Additionally, the Council faced sanctions if the stock option appraisal process was not carried out.

If it deemed it appropriate, the Community DSP working group could encompass the amendment in its recommendation while it retained the liberty to investigate other approaches. The Organisational Development and Housing Services Portfolio Holder urged members to vote against the amendment.

A recorded vote on the amendment was requested in accordance with Council Procedure Rule 16.4. This was supported by more than ten members.

The vote on the amendment was as follows:

<u>FOR</u>	<u>AGAINST</u>	<u>ABSTAIN</u>
Councillor Bisnauthsing	Councillor Auger	Councillor G. Taylor
Councillor Mrs. Gaffigan	Councillor Mrs. Bosworth	
Councillor Gibbins	Councillor Brailsford	
Councillor Howard	Councillor Bryant	
Councillor F. Hurst	Councillor Carpenter	
Councillor J. Hurst	Councillor Mrs. Cartwright	
Councillor Mrs. Jalili	Councillor Miss Channell	
Councillor Joynson	Councillor Chivers	
Councillor O’Hare	Councillor Conboy	
Councillor Selby	Councillor Craft	
Councillor Shorrock	Councillor Exton	
Councillor Steptoe	Councillor Fines	
Councillor Thompson	Councillor Mrs. Kaberry-Brown	
Councillor A. Williams	Councillor Kirkman	
Councillor M. Williams	Councillor Lovelock	
Councillor Wood	Councillor Moore	
Councillor Mrs. Woods	Councillor Nicholson	
	Councillor Mrs. Radley	
	Councillor N. Radley	
	Councillor John Smith	

Councillor Mrs. Smith  
Councillor M. Taylor  
Councillor Turner  
Councillor G. Wheat

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The amendment was lost.

An addition to 2.3 was moved:

*"A full investigation is carried out into the failure of the stock transfer process and a full report for council is produced on how much it has cost the council in cash, resources and staff time, the impact it has had on relationships with tenants, and lessons that can be learned for the future."*

Speaking to the amendment, the mover stated that there should be a full inquiry into financial elements of the process and whether the composition of the tenants' working group was representative. The amendment was seconded. Some members who supported the amendment suggested that the Council's tenants felt betrayed. To increase accountability, a full break-down of expenditure was requested.

Members speaking against the amendment stipulated that the Council fully complied with government guidelines on the stock option appraisal and LSVT processes for which finance was accordingly allotted.

The Corporate Head of Finance and Resources stated that a full breakdown of expenditure would be produced as part of the close-down of accounts. An itemised document would be made publicly available and subject to scrutiny and audit. She reminded Members that no budgetary provision had been made in the event an independent inquiry was called. The Chief Executive estimated that the cost for inquiries to cover expenditure and the impact on the Council's relationship with tenants could cost £20,000. If the amendment was carried, Members would need to identify from whence funding for independent inquiries would come.

There was apprehension that an inquiry would require further investment of time and money. The Member who proposed the amendment stated that the investigation should be internal but independent in spirit.

The Portfolio Holder for Organisational Development and Housing Services asked Members to vote against the amendment. She believed that the process had been fully democratic and consultative and carried out within the guidelines produced by the government.

A recorded vote on the amendment was requested in accordance with Council Procedure Rule 16.4. This was supported by more than ten members.

The vote on the amendment was as follows:

<u>FOR</u>	<u>AGAINST</u>	<u>ABSTAIN</u>
Councillor Bisnauthsing	Councillor Auger	
Councillor Miss Channell	Councillor Mrs. Bosworth	
Councillor Mrs. Gaffigan	Councillor Brailsford	
Councillor Gibbins	Councillor Bryant	
Councillor Howard	Councillor Carpenter	
Councillor F. Hurst	Councillor Mrs. Cartwright	

Councillor J. Hurst	Councillor Chivers
Councillor Mrs. Jalili	Councillor Conboy
Councillor Joynson	Councillor Craft
Councillor O'Hare	Councillor Exton
Councillor Selby	Councillor Fines
Councillor Shorrock	Councillor Mrs. Kaberry-Brown
Councillor Steptoe	Councillor Kirkman
Councillor Wood	Councillor Lovelock
Councillor Mrs. Woods	Councillor Moore
	Councillor Nicholson
	Councillor Mrs. Radley
	Councillor N. Radley
	Councillor John Smith
	Councillor Mrs. Smith
	Councillor G. Taylor
	Councillor M. Taylor
	Councillor Thompson
	Councillor Turner
	Councillor G. Wheat
	Councillor A. Williams
	Councillor M. Williams

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The amendment was lost.

In accordance with Council Procedure Rule 14.11(ii) it was moved and seconded that “the question be now put”. A recorded vote on the motion was requested in accordance with Council Procedure Rule 16.4. This was not supported by ten members. A vote on the motion was taken and it was carried that “the question be now put”.

The Council voted on the motion that was moved by the Organisational Development and Housing Services Portfolio Holder. The motion was carried.

#### **94. CLOSE OF MEETING**

The meeting was closed at 16:04.