



Leicester  
City Council

EXTRACT

Minutes of the Meeting of the  
OVERVIEW AND SCRUTINY MANAGEMENT BOARD

Held: THURSDAY, 22 JANUARY 2008 at 5.30pm

P R E S E N T :

Councillor Westley – Vice-Chair (In the Chair)  
Councillor Mugglestone

Councillor Corral	Councillor Hall
Councillor Hunt (for Cllr Suleman)	Councillor Joshi
Councillor Naylor	Councillor Russell

Co-opted Members

Mr Edward Hayes – Church of England Diocese

Standing Invitees

Rebecca Barrow	Youth Representative
Jess Evans	Youth Representative

Also In Attendance

Councillor Dempster	Cabinet Lead Member for Children, and Schools.
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**304. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors J. Blackmore and Follett, Cem Turhan and Edward Hayes.

**305. DECLARATIONS OF INTEREST**

Members were asked to declare any interests they may have in the business on the agenda, and/or indicate that Section 106 of the Local Government Finance Act 1992 applies to them.

Councillor Corral declared a personal interest in Appendix B, 'Housing Revenue Account – Budget 2009/10' and Appendix C 'Housing Capital Programme 2008/09 and 2009/14' as he had relatives who were Council tenants.

Councillor Westley declared a personal interest in Appendix B, 'Housing Revenue Account – Budget 2009/10' and Appendix C 'Housing Capital Programme 2008/09 and 2009/14' as he was a Council tenant.

### **311. HOUSING REVENUE ACCOUNT - BUDGET 2009/10**

The Interim Corporate Director of Adults and Housing and the Chief Finance Officer submit a report that summarises the final position of the Housing Revenue Account (HRA) for 2008/09 and 2009/10.

The Service Director, Housing Improvement and Repairs introduced the report. He stated that all rents were set by a Government formula. It was explained that even with the extended convergence period until 2024/25 and the 7% cap on individual rent increases, the average rent for 2009/10 would increase by 5.9%.

A member of the Board stated that as part of the Equality Impact Assessment, significant work needed to be undertaken on economic deprivation and felt that it was imperative to ensure that people did not enter the 'benefit trap'. The Service Director, Housing Improvement and Repairs explained that such work had been initiated, and that the authority attempted to encourage people to apply for benefits, and tried to tackle the perception of benefits being seen as charity, rather than a right.

In response to a question by a Member of the Board, it was confirmed that of the 5.9% increase, roughly the Council would provide 2% with the remainder returned to the Government under negative subsidy.

Several Members of the Board made comments around the 76% increase in district heating charges, and felt that coupled with the increase in rent, tenants would find it increasingly demanding to pay bills. It was also mentioned that the Environment and Sustainability Task Group was currently carrying out an investigation into Combined Heat and Power, specifically looking at how the authority can control the prices paid by tenants. The Service Director, Housing Improvement and Repairs said that the Council was looking at prices in the market place with the aim of taking advantage of recent reductions where possible.

Councillor Westley, seconded by Councillor Hunt moved that a report on setting the revised level of charge for district heating when a new contract was negotiated by brought to the Overview and Scrutiny Management board, prior to a decision being taken by Cabinet. Upon being put to the vote the motion was carried.

RESOLVED:

- (1) that the report be noted; and

- (2) that a report on setting the revised level of charge for district heating when a new contract was negotiated by brought to the Overview and Scrutiny Management board, prior to a decision being taken by Cabinet.