

FULL COUNCIL ON 21 APRIL 2009 – ITEM 8(i)

2009 Rent Setting – to ratify the resolution of the Finance and Administration Committee meeting on 26 March 2009 as set out in full in the Minute extract below.

FA57 **2009/10 RENT SETTING**

The Committee considered the report of the Chief Finance Officer to the Community and Housing Committee and the Finance and Administration Committee, with the notice of motion (set out in Minute C66 of the Community and Housing Committee's meeting held on 19 March 2009) recommended to them by the Community and Housing Committee concerning rescission of the Council's decision on rent setting in January 2009.

The Chairman reminded the Finance and Administration Committee that the Community and Housing Committee Members had thought (Minute C66 refers) due to the incomplete information from the Government that a cash limit should be placed on the financial risk to be undertaken by the Council. They had agreed that "subject to there being no significant adverse financial implications" in the motion should be understood to mean "subject to there being no greater than £20,000 adverse financial effect" and the motion amended accordingly.

Members of that Committee had been mindful of the invidious situation presented by the Government's tardiness in releasing details of the funding to be made available and the revised negative housing subsidy payment, which information ought to have been informing the Council's urgently required decision on rent setting. The Chief Finance Officer had confirmed at the meeting on 19 March that there was as yet no confirmation that the Government would compensate the Council for expenditure made in reliance upon the Government press release.

The Chairman of the Finance and Administration Committee was now pleased to inform Members that the Chief Finance Officer had received, three hours ago, the draft terms in question and it appeared from an initial examination of them that the net cost to the Council would be less than £20,000.

Councillor Clover pointed out a figure error in the report in as much as £330,000 should read £334,000.

Councillors Chambers and Ketteridge gave a detailed account of their recent meeting with the Minister of Housing and Local Government when they had expressed the Council's views about Negative Housing Subsidy and other issues.

RESOLVED to agree in principle to

1. amending the 2009/10 rent increase in line with the revised guideline rent increase, subject to there being no

adverse financial effect on the Housing Revenue Account greater than £20,000

2. delegate authority to the Chief Finance Officer in consultation with the Head of Housing Services to finalise and implement the revised 2009/10 rent increase in accordance with the above principle.
3. delegate authority to the Chief Finance Officer to make the necessary budgetary adjustments within the Housing Revenue Account.
4. approve the action set out in the notice of motion placed before the Community and Housing Committee on 19 March 2009, as amended by that Committee.
5. at the appropriate time make vigorous representations to the DCLG about the inconsiderate timing of its announcement halving the guideline rent increase.
6. to report these matters to the next meeting of the Full Council.