

THE DISTRICT COUNCIL OF CHESTER-LE-STREET

Report of the Special Meeting of Council held in the Council Chamber, Civic Centre, Newcastle Road, Chester-le-Street, Co Durham, DH3 3UT on Friday, 21 December 2007 at 5.00 pm

PRESENT:

Councillor A Humes (Chairman)

Councillors

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| G Armstrong | W Laverick |
| L Armstrong | M D May |
| S Barr | P H May |
| G K Davidson | P B Nathan |
| L Ebbatson | D L Robson |
| M Gollan | M Sekowski |
| S Greatwich | J Shiell |
| S A Henig | T J Smith |
| D M Holding | D Thompson |
| C J Jukes | S C L Westrip |

Officers: R Templeman (Chief Executive), S Cooke (Senior Human Resources Officer), L Dawson (Acting Manager for Regeneration), L Hall (Housing Strategy and Business Manager), I Herberson (Head of Corporate Finance), J McConnell (Head of Internal Audit), C Potter (Head of Legal and Democratic Services) and C Turnbull (Democratic Services Officer)

Also in attendance were Sarah Lines (Pinsent Mason), Nigel Page (Price Waterhouse Coopers) and 2 members of the public.

Prior to commencement of the meeting the Chairman declared a personal and prejudicial interest and left the meeting.

121. APPOINTMENT OF CHAIRMAN

Councillor G Armstrong proposed, seconded by Councillor S Barr, that Councillor GK Davidson be appointed Chairman for the meeting.

The Council RESOLVED:

“That Councillor GK Davidson be appointed Chairman for the meeting.”

Councillor GK Davidson took the Chair.

122. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors JW Barrett, R Court, TH Harland, R Harrison, AK Holden, JM Proud, A Turner, A Willis and F Wilkinson.

123. TO RECEIVE DECLARATIONS OF INTEREST FROM MEMBERS

Councillors M Gollan and D Robson declared personal and prejudicial interests in the following item on the agenda and left the meeting.

124. APPROVAL OF STOCK TRANSFER

Consideration was given to a report from the Chief Executive recommending final approval of the transfer of the Council's housing stock, related assets and staff to Cestria Community Housing Association.

The Leader advised that the report was the end result of a lot of time, effort, research and negotiation on the part of the Council and paragraph 2 in the report listed the benefits of concluding that process. She added that if Members were not to approve the report, the risks would be stark:

- No decent homes standard
- No additional funding beyond what the Council could provide.
- A negative response to the clearly stated needs and aspirations of tenants.

In her view to follow that road would be foolish and irresponsible.

The Leader said that the report amply demonstrated that the Council, had been diligent, conscientious and considerate of the whole community in Chester le Street. The proposed transfer was cost neutral to the Council (only 20% of tax payers are Council tenants – we have a duty to protect the interests of the other 80%). The proposed transfer provided the promised investment in the housing stock (£67m). The proposed transfer would attract £300m into the area over the next 30 years with an associated beneficial impact on the local economy. In addition, the proposed transfer specifically helped the most vulnerable in our community by setting aside £1.5m for aids and adaptations.

The decision to be made would have the power to radically alter people's lives for the better. Few councillors have the opportunity in their political lives to make such a momentous decision for the place where they live and the people they represent.

The Leader suggested Members seize that opportunity with both hands and give the people of Chester le Street a Christmas present to be proud of.

Councillor PH May advised he was fully in agreement with the Leader adding that the proposed stock transfer was the best thing the Council had done. He thanked former Councillor and Portfolio Holder Isabel Smith for her support for the transfer whilst she was in office.

Councillor CJ Jukes expressed full support to the comments made and endorsed the acknowledgement to Isabel Smith. He thanked everyone who had been involved in the process.

Councillor W Laverick commented it was a joyous occasion and a great deal for tenants but in some ways sad that the Council was not able to provide social housing.

Councillor SCL Westrip concurred with the earlier comments adding that following the transfer the standard of housing and carbon footprint would improve.

Councillor S Barr echoed the comments of others in support of the transfer. He said it would be a wonderful Christmas present for tenants and allow for improvements to peoples homes in the future.

Councillor SA Henig stated that the transfer was the best and only way to improve the housing stock. He concurred with the financial implications and value for money statement detailed in the report. He thanked the officers concerned for their hard work in the process.

Councillor P Nathan advised he would support the transfer that would unlock benefits to tenants.

The Chief Executive expressed his thanks for the hard work done by the officer team and advisers. He advised that Cestria would be taking on the grounds maintenance over the following 12-14 months. Post Christmas, Working Groups would be set up to facilitate a smooth transition. He added that Cestria had been through some validation and would be registered as a Housing Association at the point of transfer. He expressed thanks to those Members involved in the process.

Councillor L Ebbatson proposed, seconded by Councillor CJ Jukes, that the recommendations in the report be approved.

The Council RESOLVED:

“1. That the Transfer be completed once the consent from the Department of Communities and Local Government is obtained.

2. That the terms of the Transfer Agreement and Development Agreement be approved.

3. That delegated authority be granted to the Chief Executive in consultation with the Leader to resolve outstanding matters.

4. That the Head of Legal and Democratic Services be authorised to sign and deliver the Legal Opinion.

5. That the Chief Executive and Leader be authorised to witness the sealing of the Transfer Agreement, Development Agreement (VAT structure and contractual arrangements), the TP3 (conveyancing legal document) and other deeds that need sealing; and to sign any ancillary documentation on behalf of the Council; and to do whatever else is necessary or expedient to complete the Transfer.”

The Chief Executive advised that Jackie McConnell, Head of Internal Audit, was attending her last meeting before leaving the Council to take up alternative employment. He thanked her for her work on audit with the Council and wished her well for the future.

The meeting terminated at 5.20 pm