

DARTFORD BOROUGH COUNCIL

GENERAL ASSEMBLY OF THE COUNCIL

MINUTES of the proceedings of the meeting of the General Assembly of the Council held on Monday 18 March 2013.

PRESENT:

The Mayor

Councillor Mrs A D Allen

The Deputy Mayor

Councillor Mrs P A Thurlow

Councillor J P Adams

Councillor A R Lloyd

Councillor I D Armitt JP

Councillor A R Martin

Councillor A Bardoe

Councillor D J Mote

Councillor L J Bobby

Councillor Mrs A Muckle

Councillor S H Brown

Councillor J I Muckle

Councillor R Bryant

Councillor J M Ozog

Councillor J Burrell

Councillor R S L Perfitt

Councillor P J Cannon

Councillor M I Peters

Councillor P F Coleman

Councillor G T Prout

Councillor P Cutler

Councillor B E Read

Councillor M J Davis

Councillor Mrs J A Rickwood

Councillor D A Hammock

Councillor A S Sandhu, MBE

Councillor J S Hawkes

Councillor Mrs R L Shanks

Councillor J A Hayes

Councillor C J Shippam

Councillor D E Hunnisett

Councillor M J Street

Councillor K M Kelly

Councillor D Swinerd

Councillor P Kelly

Councillor A Wells

Councillor J A Kite, MBE

Councillor R J Wells

Councillor E J Lampkin

Councillor Mrs N C Wightman

ABSENT:

Councillor M J Bryant

Councillor Mrs S P Butterfill

Councillor T A Maddison

Councillor G Reynolds

75. PRAYERS: FATHER ZAMMIT

The Mayor invited Father Zammitt to say prayers.

76. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors; M J Bryant, Butterfill, Maddison and Reynolds.

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77. DECLARATIONS OF INTEREST

There were no declarations of interest.

78. MINUTES

RESOLVED:

That the minutes of the meeting of the General Assembly of the Council held on 17 December 2012 and 25 February 2013 be confirmed as accurate.

79. MAYOR'S ANNOUNCEMENTS

The Mayor made one announcement:

- **Fighting Chance**

The Mayor informed Members that the 'Fighting Chance' judo project run by the Dartford Community Safety Unit (CSU), had won 1st place in Category B of the National Crimebeat Awards 2013. It was particularly gratifying that a local Dartford scheme should be recognised with a national award from the High Sheriff's Association for England and Wales.

The Mayor advised that Paul Squire and Lorraine Silvester from Dartford CSU deserved particular praise for their efforts on behalf of Dartford youngsters participating in the project, which aimed to build self-confidence in vulnerable and bullied youngsters and help prevent bullying, youth crime and anti-social behaviour (ASB).

80. LEADER'S ANNOUNCEMENTS

- **Fighting Chance**

The Leader echoed the Mayor's comments in offering his own congratulations to the 'Fighting Chance' project on their national award. He emphasised the home-grown nature of the scheme, nurtured in Dartford through the particular efforts of dedicated CSU officers Paul Squire and Lorraine Silvester. He advised that some 19 certificates had been awarded to date under the judo-based scheme which taught vulnerable and disadvantaged children self-respect and awareness, in addition to preventing bullying.

He advised that the targeting of disaffected youth to join the scheme; who had previously come to the attention of the Police for low-level crime and/or anti-social behaviour (ASB); was particularly noteworthy and productive in terms of improving community cohesion.

- **Dartfordian Awards**

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The second awards ceremony had recently taken place, recognising further unsung heroes from the local Dartford community.

81. QUESTIONS FROM POLITICAL GROUP LEADERS

Councillor Prout put the following question to the Leader of the Council of which he had given notice under Standing Order 14:

“Why has the Council chosen not to join the Local Authority Mortgage Scheme (LAMS), as Labour would, given its proven success across the country?”

The Leader of the Council replied to the question. In accordance with Standing Order 14(5) a copy of the question, supplementary question and answers will be deposited in the Member’s Room.

82. MOTIONS

Councillor G T Prout sought the Mayor’s permission to move a motion of which he had not given prior notice.

He advised Members of the recent sad death from motor neuron disease of a former colleague from the teaching profession, Mr John Mason. He believed Mr Mason was known to many Members in the Chamber and asked that the Council recognise Mr Mason’s contribution to education in Kent as a Head Teacher and innovator, primarily in the Bromley area.

The Mayor noted Councillor Prout’s request and offered to write to Mr Mason’s family conveying the Council’s condolences and recognising his contribution to the field of education in Kent, if Councillor Prout could provide the appropriate details.

Councillor G T Prout then moved the following motion, notice of which had been given in accordance with Standing Order 10:

“That this Council:

Notes and welcomes the UK-wide campaign to end ‘legal loan sharking’.

Believes that the lack of access to affordable credit is socially and economically damaging. Unaffordable credit is causing a myriad of unwanted effects such as poorer diets, colder homes, rent, council tax and utility arrears, depression (which impacts on job seeking behaviour) and poor health.

Believes it is the responsibility of all levels of government to try to ensure affordable credit for all, and therefore pledges to use best practice to promote financial literacy and affordable lending. This will help to ensure that wealth stays in the local economy.

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Pledges to promote credit unions in Dartford, community based organisations offering access to affordable credit and promoting saving.

Welcomes recent legislation which will give powers to introduce caps on the total lending rates that can be charged for providing credit.

Urges the government, ahead of the FCA taking over these matters, to take urgent action to cap the costs of credit so that people do not get into debt in the first place.

Calls on the government to give local authorities the power to veto licences for high street credit agencies where they could have negative economic or social impacts on communities”.

Councillor Prout made the following initial comments in support of his motion.

He advised Members that in the absence of main stream lenders some 3-4 million people were now forced to take ‘pay-day loans’. Research showed that the vast majority of applicants were in the £15K [and below] pay band. The ‘pay-day loan’ market had grown by some 90% in the last 7 years dispersing over £2Billion worth of loans. The sector was dominated by 6 companies who, in the absence of competition, were able to demand extortionate rates of 400%. Rates rose to between 4 - 5,000% when clients fell into arrears. Statistics showed that some 50% of borrowers were unable to repay original loans with 57% of borrowers defaulting at any given time during the loan process. Debt charities advised that loans were used for pay for everyday basics such as food and transport. He advocated greater powers for Local Authorities to combat the activities of ‘pay-day loan’ companies and referred Members to the recent ‘damning’ report by the Office of Fair Trading.

The Mayor requested that the motion be formally seconded in accordance with Standing Orders, before Councillor Prout continued his presentation.

The motion was dually seconded by Councillor J S Hawkes who reserved his right to speak in favour of the motion.

Councillor Prout concluded presentation of his motion by further advising Members of the need for tougher measures to control legal loan-sharking; the crucial factor played by the extortionate interest rates employed by the companies in question - condemned by Labour Peers and the Archbishop of Canterbury elect during the passing of the Bill [Financial Services Act 2012].

He advocated immediate Government action to cap the ‘usury’ interest rates employed by the pay-day loan companies to prevent more people falling into debt, prior to the Financial Conduct Authority (FCA) taking up its powers on 1 April 2014. In this respect he cited research undertaken in Japan, where Government intervention to cap rates in the loan market in that country had proved successful.

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The Mayor advised Members that the Leader of the Council had submitted an Amendment to the motion in accordance with Standing Order 10 and invited him to move his Amendment.

The Leader of the Council, Councillor J A Kite MBE, moved the following amendment under Standing Order 10 [to be inserted after the second substantive paragraph of the original motion]:

“Congratulates Dartford's Members of Kent County Council, Mrs Ann Allen, Mrs Penny Cole, Mr Jeremy Kite, Mr Richard Lees, Mr Jan Ozog and Mr Avtar Sandhu MBE for their continuing support of Kent Savers, a county-wide credit union funded by Kent County Council which offers the county's 1.6 million residents access to affordable and fair lending, and pledges to promote credit unions in Dartford, community based organisations offering access to affordable credit and promoting saving.”

The amended motion was seconded by Councillor A R Martin who reserved his right to speak in support of the motion [as amended].

Upon being seconded, the full text of the amended motion was distributed to all Members present in the Chamber.

The Mayor invited the Leader of the Council to address Members as the mover of the Amendment.

The Leader of the Council expressed his general support for the original motion aimed at ending ‘legal loan sharking’. However, he noted that the proposals outlined in the Shadow Leader’s motion had their origin in the ‘Movement for Change’ campaign launched in July 2012. He advised Members that the ‘Movement for Change’ was a Labour Movement body aimed at community organisation and that the original motion [as set out in the agenda papers] was in fact a generic ‘pro-forma’ document drawn up by the ‘Movement for Change’ for presentation at Council meetings as part of a nation-wide campaign.

He further noted that the Shadow Leader’s motion made no mention of Kent Savers Credit Union, founded in 2009 from KCC seed funding monies allocated in the KCC Budget of 19 February 2009. In addition to allocating £250K to Kent Savers, KCC had allocated a further £250K to Kent Citizens Advice Bureau (CAB). Kent CAB played an increasingly crucial role in providing debt advice to residents across Kent. He added that the record showed that Labour Group Members of KCC had not voted in favour of these proposals in 2009.

Councillor J S Hawkes noted the Leader’s amendment and welcomed the position of the Conservative Group in addressing the issue of “legal loan sharking”. However, he maintained his Group’s stance that immediate Government action was required to cap ‘pay day loan’ rates. He advised Members that the primary strategy of ‘pay-day loan’ companies was the provision of top-up loans to pay the original borrowing. Interest rates for

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subsequent loans were ratcheted-up in an ever-increasing spiral, with more than a third of all monies borrowed used to pay the original sum.

The Deputy Leader, Councillor A R Martin, spoke in support of the amended motion. He advised Members that in fact the FCA commenced its regulatory duties under the new Act on 1 April 2013, not April 2014 as advised by the Shadow Leader. He further advised that there was good cross-party support in the House for the measures proposed under the Act and for the role of the FCA. He noted in this context that 'pay-day loan' companies had been excluded from regulatory control by the former Business Secretary, Lord Mandelson, under the previous Government.

He praised the effective role played by Kent Savers in providing credit for county residents and of the efforts of Kent CAB in helping those residents who had fallen into debt. Financial education was particularly important for the younger generation, many of whom had no experience of budgeting and were able to benefit from CAB advice.

The Shadow Leader responded on behalf of his Group. He welcomed the Leader's proposed amendment, recognised the valuable role played by Kent Savers in providing credit for all sections of the community and praised the efforts of the Councillors listed in the amendment in support of Kent Savers.

The Leader of the Council asked that a recorded vote be taken on the motion as amended. Upon being put to the vote the motion, as amended, was passed unanimously by all Members present in the Chamber as listed below:

For the Motion

Councillor Mrs A D Allen (Mayor)
Councillor Mrs P A Thurlow (Deputy Mayor)
Councillor J P Adams
Councillor I D Armitt JP
Councillor A Bardoe
Councillor L J Bobby
Councillor S H Brown
Councillor R Bryant
Councillor J Burrell
Councillor P J Cannon
Councillor P F Coleman
Councillor P Cutler
Councillor M J Davis
Councillor D A Hammock
Councillor J S Hawkes
Councillor J A Hayes
Councillor D E Hunnisett
Councillor K M Kelly
Councillor P Kelly
Councillor J A Kite, MBE
Councillor E J Lampkin

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Councillor A R Lloyd
Councillor A R Martin
Councillor D J Mote
Councillor Mrs A Muckle
Councillor J I Muckle
Councillor J M Ozog
Councillor R S L Perfitt
Councillor M I Peters
Councillor G T Prout
Councillor B E Read
Councillor Mrs J A Rickwood
Councillor A S Sandhu, MBE
Councillor Mrs R L Shanks
Councillor C J Shippam
Councillor M J Street
Councillor D Swinerd
Councillor A Wells
Councillor R J Wells
Councillor Mrs N C Wightman

Against the Motion

None

83. URGENT ITEMS

There were no urgent items.

84. COUNCIL IN COMMITTEE

It was moved by Councillor J A Kite, seconded by Councillor A R Martin and

RESOLVED:

That in accordance with Standing Order 11 (13) the General Assembly of the Council go into Committee and the rules of Procedures for Committees do apply.

THE LEADER, COUNCILLOR J A KITE IN THE CHAIR

85. REFERENCES FROM OTHER COMMITTEES (IF ANY)

There were no references from other Committees.

86. DRAFT TENANCY POLICY, ALLOCATIONS POLICY AND FLEXIBLE TENANCY AGREEMENT

The Leader invited the Regeneration Director to present the report.

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Members were reminded that the Localism Act 2011 placed a requirement on local authorities to produce both a Tenancy Strategy and a Tenancy Policy. The General Assembly had adopted the Council's new Tenancy Strategy at its meeting on 17 December 2012 [Minute No. 68] including several new key features: the replacement of lifetime tenancies with flexible 2 and 5 year tenancies; a provision for existing tenants to retain their current tenancy terms; extending preference to certain categories of applicant who contributed to the local community (including ex-armed forces personnel); new eligibility criteria including an income and saving threshold and a local connection to Dartford.

Members were further advised that Cabinet had approved a draft Tenancy Policy and Allocations Policy for wider consultation purposes at its meeting on 6 December 2012 [Minute No. 102] and had noted the new Tenancy Agreement for Flexible tenancies. Following that wider consultation exercise Cabinet had endorsed the draft Tenancy and Allocations policies and Flexible Tenancy Agreement at its meeting on 3 March 2013 [Minute No. 150] with two minor amendments:

- Draft Tenancy Policy 2013 - para 4.1 (agenda page 36), the Council would now 'Commit' to review tenancies 9 months prior to them ending;
- Draft Housing Allocations Policy 2013 – para 6.8 (agenda page 62) the reference to 'releasable equity' to be changed to 'net equity'.

The Leader thanked the Regeneration Director for updating Members and added his own endorsement of the policies before the General Assembly for the provision of social housing in Dartford in the current social and economic climate. He advised that the Council had an obligation to the Dartford community and those associated with it first and foremost. But in return, Council tenants had an equal obligation to take responsibility for their allocated properties and their behaviour during their tenancies. He commended the pro-active work of the Dartford Tenant's Forum in this respect and their contribution of straight forward advice concerning the Tenancy Policy and Allocations Policy and Flexible Tenancy Agreement documents, which he deemed to be fair, equitable and appropriate.

Councillor P F Coleman [Cabinet Member for Housing] praised the Head of Housing Services and his policy team for producing a significant body of work. In commending both the Tenancy and Allocations Policies to the General Assembly, Councillor Coleman reminded Members that both were 'working' documents which could be amended in the future in the light of experience and changing circumstances.

Councillor J I Muckle, speaking as a Council tenant of long standing and a former local authority Housing officer; supported the Leader's views concerning the responsibilities of Council tenants to pay their rents, maintain their properties and behave in a manner conducive to good community cohesion.

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However, he expressed a continuing concern over income threshold levels as set out in the draft Tenancy Policy and their application after the initial 5 years of a flexible tenancy, when the Council was considering a lease renewal. He believed the income contribution set for the principal tenant and spouse/partner were achievable, even where less than the average wage was being earned. His concern was over the contribution being made by siblings and lodgers/sub-letters to a household's income and the implications for a flexible tenancy renewal where siblings or lodgers left a household or their earning capacity declined.

Councillor J P Adams echoed Councillor Muckle's concerns over income threshold levels and added his own concerns over the threshold set for combined household earnings which, if exceeded, precluded a further flexible tenancy being offered by the Council. He feared that the threshold could act as a disincentive to tenants to seek better paid employment and improve their economic circumstances.

The Leader advised that those tenants who could afford private sector accommodation should do so. This would allow those in less favourable circumstances and who met the criteria, to access Council accommodation. The salary levels set in the income thresholds were not arbitrary: they were based on affordability criteria taking into account local private sector rental levels and had been received positively by the Dartford Tenants Forum. A mechanism to calculate income threshold was a necessary requirement of the new policies.

The Regeneration Director further advised that, whilst non-dependent [sibling] income was taken into account when reviewing a tenancy renewal, only a small portion of it was included in the calculation, following the same criteria for the calculation of housing benefit. Moreover, household income was averaged out over the final 3 years of an existing tenancy; it was not a sharp-edge calculation. A further safe-guard was that the assessment of a tenancy began 9 months before its conclusion, allowing the tenant(s) time to prepare for changes in a household's circumstances.

RESOLVED:

That the General Assembly of the Council adopts the draft Tenancy Policy, Allocations Policy and Flexible Tenancy Agreement as the Council's framework for the allocation and management of future tenancies.

87. GAC TO RECONVENE

It was moved by Councillor J A Kite, seconded by Councillor Martin and

RESOLVED:

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That in accordance with Standing Order 11 (14) the General Assembly of the Council now re-convene.

THE MAYOR, COUNCILLOR MRS A D ALLEN IN THE CHAIR

88. RESERVED MINUTES

The Shadow Leader of the Council explained that he had reserved Cabinet Minute No. 142 – Benefits and Welfare Reform – for discussion because of a number of areas of concern contained in the original report to Cabinet.

He welcomed the recorded improvement in performance with Sevenoaks Council over joint working practices [para 3.4]; but the remainder of the Cabinet report summarising the welfare reforms being introduced by the Government and their impact on the work of the Council and the impact on Council tenants, was a source of real concern in his view.

He regarded the Government proposals for welfare reform as a shambles, unworkable, unfair and a burden for 3,000 households in Dartford. Changes to the Council Tax and Benefits system provision by central government would result in a significant reduction in funding to local authorities. He expressed particular concern and reservations over the implementation of the ‘bedroom standards’ measures which would affect 300 Dartford Council tenants. The Government’s recent adjustments to exclude foster carers, siblings serving in the Armed Forces and families with disabled children from the ‘bedroom standards’ provisions whilst welcome; were further evidence of poorly conceived Government policy. He noted that divorcees and grandparents were not excluded from the provisions of the ‘bedroom standards’ measures and he feared this would impact on their ability to contribute to extended family life. An additional concern was the downsizing of the Department for Work and Pensions and the inevitable impact of reduced services for those in need. He felt that an increase in the Housing Benefit bill was inevitable in the wake of the Government’s proposals and that local authorities would have to shoulder an increasing share of that fiscal burden, he calculated by some 14%.

The Deputy Leader responded on behalf of the Administration. He advised that the Government proposals for Benefits and Welfare reform were essential given the huge cost imposed by existing arrangements inherited from the previous Government and the lack of subsidy in the private sector. The ‘benefits culture’ that had grown under the previous Government was unaffordable and legislative changes had to be made to combat it in the continuing financial and economic climate.

Councillor D A Hammock [Lead Member for Enforcement] asked that his thanks and those of Members be recorded, for the excellent work being undertaken by the Council’s joint Benefits Section team based in Sevenoaks.

The Leader of the Council concluded the debate. He advised that solutions rather than rhetoric were required. The new Government provisions for

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Benefits and Welfare reform were necessary and continued the reforms of benefits proposed and executed by the previous Government. He believed applicants on the Council's Housing List would benefit from the 'bedroom standards' measures proposed. Government had recognised the special case for returning Services personnel and those with disability. The policies were open to discussion and revision as appropriate.

89. MAYOR'S THANKS

The Mayor reminded Members that she was presiding over her last General Assembly of the Council in the current cycle. Councillor Allen thanked Members for their support during her latest term as Mayor and offered her particular thanks to Councillor Mrs Patsy Thurlow for her support during the municipal year.

Members were invited to join the Mayor in the Parlour for refreshments.

The meeting closed at 8.35 pm

MAYOR