

## SCRUTINY COMMITTEE

Minutes of the meeting held on 5 July 2016 commencing at 7.00 pm

Present: Cllr. London (Chairman)

Cllrs. Ball, Clack, Hogg, Kitchener, McArthur, Purves and Reay

Apologies for absence were received from Cllrs. Brookbank, Brown and Lindsay

Cllrs. Hogarth and Searles were also present.

1. Minutes

Resolved: That the minutes of the meeting of the Scrutiny Committee held on 3 May 2016 be approved and signed by the Chairman as a correct record.

2. Declarations of Interest

No additional declarations were made.

3. Responses of the Cabinet to reports of the Scrutiny Committee

The response from Cabinet was noted.

4. Actions from the last meeting of the Committee

There were none.

5. Moat and West Kent Housing Association - Provision of Housing

The Chairman welcomed Elizabeth Austerberry, Chief Executive of Moat and Deborah White, Housing Director of West Kent Housing to the meeting who gave [presentations](#) on the provision of housing in the district, the impact of the Voluntary Right to Buy, assistance to the “squeezed middle” and the challenges ahead.

Questions were asked to the representatives of Moat and West Kent Housing Association.

The Chairman sought clarification on the level of rent Housing Associations charged and whether Local Housing Allowance would cover them. Elizabeth Austerberry explained that whereas Social Rents were set centrally, Affordable Rent was set at 80% of the open market rate. The Homes & Communities Agency regulator sought that Registered Providers move to higher rents so that they would not be so dependent upon grants for development. There was likely to be a growing disparity

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between rent charged and the level of Local Housing Allowance, with Moat already carrying 5% arrears. However Housing Associations gave financial advice to tenants and tried to prevent evictions. Deborah White added that the Kent Housing Group was seeking solutions when an applicant could not afford social housing.

In response to a question, the representative from West Kent Housing Association explained that they were reminding tenants of the tenants' responsibilities under their leases. West Kent could find efficiencies by no longer carrying out works which should have been carried out by capable tenants. Elizabeth Austerberry advised that when Associations became involved in anti-social behaviour matters it was perceived as confrontational and made the problem worse in 30% of cases.

A Member asked about the impact of the removal of the Spare Room Subsidy. West Kent advised that they had been successful in working with the Council on the Small is Beautiful scheme to address under-occupancy in 15 of 30 cases focussed on. The Association was preparing for further reductions due in October 2016 and was already working with tenants who would be affected.

Another Member enquired about West Kent's approach to house building in the District outside of Sevenoaks. West Kent had a 5 year focus on Swanley, which would then move to Edenbridge and then to Sevenoaks. They were seeking to redevelop a majority of their garage sites in Swanley, a site in Otford and Ash Close, Edenbridge was being converted to 9 units for disabled people. Affordable Housing in Penshurst was still being sought.

Asked about the ending of life-term tenancies, West Kent did not have plans to adopt fixed-term tenancies but noted they would create a greater throughput of properties. Elizabeth Austerberry advised that Moat had adopted fixed-term tenancies, with a presumption residents would be allowed to remain, but to allow removal of troublesome tenants.

A Member asked whether West Kent was taking account of tenants' working hours, given the rise in those who worked but required social housing. Deborah White stated that they did offer Saturday morning appointments and 8am weekday appointments, but tenants often got their own workmen. West Kent workmen had begun carrying out "housing MOTs" to allow more repairs to be carried in each visit.

The Chairman thanked Elizabeth Austerberry and Deborah White for their attendance.

### 6. Performance Monitoring

The Chief Officer Corporate Services introduced a report which summarised performance across the Council to the end of April 2016. Members were asked to consider four performance indicators which were performing 10% or more below their target with a commentary from Officers explaining the reasons and detailing any plans to improve performance. If actions taken were not deemed sufficient, the report recommended referring those indicators to Cabinet for further

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assessment. The report also provided key performance indicators relating to the Portfolio Holders invited to the Scrutiny Committee meeting.

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That the contents of the report be noted.

### 7. Questions to the Portfolio Holder for Economic & Community Development

The Portfolio Holder for Economic & Community Development presented a report updating the Committee on recent achievements within his portfolio. The Portfolio Holder responded to Members' questions.

The Chairman asked what the Portfolio Holder's primary concerns were. He responded firstly that the decision for the UK to leave the EU would affect those projects which depended on EU funding and could create a slow down in economic development during the period of uncertainty. Secondly he sought an improvement of the RealBusiness newsletter but some improvements had been held back until the Council's new website was launched. Thirdly he would keep a close eye on Community Safety indicators, which were beginning to rise from a very low baseline. He noted that the new Police and Crime Commissioner (PCC) was aiming to address the 25-33% of Police time spent dealing with people with mental health issues.

In response to a question about anti-social behaviour in Swanley, the Portfolio Holder explained that the multi-agency Community Safety Partnership had been very successful and the PCC had rated it as one of the top 3 in the county.

A Member asked why the Council had focussed on a multi-story car park at Buckhurst 2 in Sevenoaks town centre when the trend was for greater home working, internet shopping and the conversion of offices to residential use. In response, the Portfolio Holder said that the trend towards leisure use in the town was to be encouraged but that a lack of parking was a factor in deterring customers. The conversion of retail to residential was steady but small and most closures were on trading estates.

The Portfolio Holder was asked about the level of parking provision from the decking of the Bradbourne car park. He advised that there had to be some capacity above what was required by the proposed hotel and it was unlikely hotel customers would leave before commuters arrived. The number of spaces needed by the hotel was still to be confirmed, but it was hoped many users would arrive by train.

Asked about Kent County Council's progress in delivering broadband, the Portfolio Holder reported that he had been asking KCC for progress. He hoped that joint ventures would be successful in reaching difficult areas and discussions would take place with those residents who were most isolated.

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A Member asked at what stage the Council's plans were for the former Swanley Working Man's Club site. The Portfolio Holder updated the Committee that plans were still in the early stages. Bevan Place had also been demolished. The Council was considering pictures and words about Swanley to put on hoardings. An architect was not yet appointed for the redevelopment as they did not want to pre-empt the Swanley Masterplan.

### 8. Questions to the Portfolio Holder for Finance

The Portfolio Holder for Finance updated the Committee on recent achievements within his portfolio and recent challenges faced. He updated the Committee that, since the publication of the report, the Council's accounts had been successfully completed by 30 June, Internal Audit's "Team Mate" software had since been successfully introduced, the Council's Council Tax Reduction Scheme was due to be considered by Cabinet on 14 July and the number of Universal Credit claimants in the District had risen to 26. The Portfolio Holder responded to Members' questions.

The Chairman asked the Portfolio Holder's three greatest concerns. He explained that the first was the appointment of a Principal Accountant, where a number of applicants had dropped out at the last moment. Secondly there was the rise in the number of Universal Credit claimants and thirdly the time to process new applications for and changes to Housing Benefit claims had both been rising.

A Member asked about the Council's expenditure on costs for the pool at the White Oak Leisure Centre, Swanley. The Portfolio Holder explained that although £90,000 had recently been paid on maintenance for the pool, it was beyond its 50-year life-span and he did not want the Council to incur further similar costs.

Another Member enquired about the level of funding received for the stabilisation of Otford Palace Tower. The Portfolio Holder confirmed that the Council had received £136,000 from Historic England.

In response to questions concerning the Council's property investment strategy, the Portfolio Holder advised that the 10 year balanced budget would not be affected by delays in development at Swanley. The Council had the services of its Regeneration Advisor for an indefinite period. There were no contingencies regarding the UK leaving the EU, but the Portfolio Holder advised that leases were with blue-chip and well-know companies. No concerns had been raised by Reef concerning the development of the hotel since the referendum to leave the EU.

The Portfolio Holder was asked whether there was undercapacity of the Argyle Road offices and whether there were plans to move in the very near future. He explained that there was not much space in the offices and there were no such plans to move.

The Chairman asked what was being done with the Council's historic information. The Chief Officer Corporate Services stated that the Council would comply with its record retention guidelines. If documents needed to be kept then the first step was to consider whether they were required in paper or could be scanned. This

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was an ongoing programme which had continued for a year. Archives had been offered documents where appropriate, such as old maps.

### 9. Establishment of a Property Investment Strategy Member Working Group

The Chairman introduced a report which explained that at the meeting of the Committee on 3 May 2016 Officers had been asked to draft terms of reference for an In-depth Scrutiny Working Group into the Council's Property Investment Strategy and whether its benefits outweighed its risks.

Members discussed the draft terms of reference and agreed that it would include consideration of the Council's trading company in its property investment role.

Resolved: That

- a) the terms of reference of the Property Investment Strategy In-Depth Scrutiny Working Group be the examination of the Council's Property Investment Strategy and whether the benefits outweighed the risks;
- b) Cllrs. Clack, Hogg, Kitchener and Purves be appointed members of the Working Group;
- c) Cllr. Clack be appointed Chairman of the Working Group; and
- d) the Working Group provide its final report back to the meeting of the Committee in March 2017.

### 10. Work Plan

Members noted that the In-Depth Scrutiny Working Group on Property Investment would provide updates at its meetings in November 2016 and February 2017, with its final report in March 2017. Members indicated that a further in-depth scrutiny on housing accommodation for vulnerable people could begin once the Property Investment Strategy Working Group had concluded. The updated workplan was noted.

Resolved: That "Housing - Welfare Reform" be removed from the workplan as an area of possible in-depth scrutiny.

### 11. Report of the Leisure In-Depth Scrutiny Working Group

Councillor Ball presented the report of the Leisure In-Depth Scrutiny Working Group that assessed the value for money provided to the Council by Sencio Community Leisure. The report considered the lease arrangements between the Council and Sencio, the support provided by the Council, the financial position of Sencio and recent investments and improvements made by the leisure provider. The Group had considered the performance of Sencio against leisure providers for other Kent local authorities in the context of value for money for the local authority. The report recommended that Cabinet be asked to review the payment of management and asset maintenance fees to Sencio. It also recommended that

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Cabinet be asked to consider whether it would be more effective for the Council's Health & Housing Team to undertake the outreach aspect of the Sports Development function, previously transferred to Sencio, while retaining part of the management fee. Members confirmed that they had considered the confidential appendices to the report but that they would not discuss that confidential information.

Jane Parish, Chief Executive of Sencio, addressed the Committee and explained that the loss in 2015/16 had been due partly to the closure of the Wildernesse site, while still incurring staffing costs from the relocation and also due to accounts taking staff leave accrual into consideration. In 2015 Sencio had increased the level of maintenance carried out in areas the Council was responsible for under the lease.

Members discussed the level of fees paid by the Council to Sencio since its establishment in 2004. Members noted that the management fee had decreased while the number of customers had increased. However Sencio had shown a loss in the last financial year and members of the Group suggested that more could be done when compared to other local authority operators.

Members considered the recent investments and improvements made by Sencio, which included the purchase of 12 power-assisted exercise machines at White Oak Leisure, an updated Front of House system which would help increase online bookings, email renewal letters, website links to external partners (bringing commission to Sencio), an upgrade to the finance and payroll system and continued innovation to customers including "Smash Up" badminton and archery taster sessions. They noted that Sencio had made changes to drive up memberships and maximise income while reducing head office and other costs.

Resolved: That

- a) the conclusions of the Working Group that Sencio did not offer value for money to the Council at this time, be noted, while noting the trend of improvement;
- b) Cabinet be recommended to
  - i) review the management and asset management fees paid to Sencio; and
  - ii) consider whether the Council could more effectively carry out the outreach element of the Sports Development function while retaining part of the management fee.

and in its consideration Cabinet be advised that it may wish to take account of the further investment that Sencio had been taking forward.

THE MEETING WAS CONCLUDED AT 9.14 PM

CHAIRMAN