
SCRUTINY COMMITTEE

MINUTES of the Meeting held in the Council Chamber, Swale House, East Street, Sittingbourne, Kent, ME10 3HT on Wednesday, 5 July 2017 from 7.00pm - 10.14 pm.

PRESENT: Councillors Andy Booth (Chairman), Cameron Beart (substitute for Councillor Lloyd Bowen), Derek Conway, Mike Dendor, Mick Galvin, Mike Henderson, Lesley Ingham, Ken Ingleton, Nigel Kay, Samuel Koffie-Williams and Ben Stokes.

OFFICERS PRESENT: Peter Binnie, Martyn Cassell, David Clifford, Bob Pullen, Nick Vickers and Emma Wiggins.

ALSO IN ATTENDANCE: Councillor Mike Cosgrove (Cabinet Member for Regeneration), Councillor Duncan Dewar-Whalley (Cabinet Member for Finance and Performance), Councillor Alan Horton (Cabinet Member for Safer Families and Communities), Councillor Ted Wilcox (Deputy Cabinet Member for Finance and Performance), Huw Evans (Quinn Estates), Chris Hall (Quinn Estates), Geraint Jones (Connects), Kevin McEveer (Lowick) and Mark Williams (Erith).

APOLOGIES: Councillors Lloyd Bowen and June Garrad.

90 FIRE EVACUATION PROCEDURE

The Chairman drew attention to the Fire Evacuation Procedure.

91 MINUTES

The Minutes of the Meeting held on 23 March 2017 (Minute Nos. 1255 – 1265) were taken as read, approved and signed by the Chairman as a correct record.

92 DECLARATIONS OF INTEREST

During discussion in the meeting, Councillor Mike Henderson disclosed a non-pecuniary interest in Faversham Swimming Pool as he was a trustee and Oare Gunpowder Works as he sat on the Steering Group.

93 SITTINGBOURNE TOWN CENTRE REGENERATION UPDATE

The Chairman welcomed everyone to the meeting and invited all Members, Officers and Visitors to introduce themselves.

The Cabinet Member for Regeneration introduced the report which gave an update on the progress of the Sittingbourne Town Centre Regeneration scheme. He highlighted that highway works were upcoming and invited questions from Members.

In response to a question from a Member, Huw Evans from Quinn Estates clarified that as the market had changed, the focus had shifted from the residential part of the scheme to Leisure and Big Box retail, and that the residential scheme was now being considered again but would not be rushed.

A Member sought clarification on where diversions would be whilst work was being carried out and raised concern at the impact this would have on vehicle movements. The Interim Director of Regeneration advised that UK Power Network along with Kent County Council (KCC) were administering the diversion and that diversion notices would be displayed within the next week. Later in the meeting, Kevin McEveer from Lowick (communications consultancy) advised that information on the diversion could be viewed on the roadworks.org or the KCC website. The Chairman advised that the public would expect and recognise traffic delays as a sign that the project was moving forward.

A Member asked why it was necessary for the Development Agreements to be unconditional site-by-site? The Cabinet Member for Regeneration responded that this was because it was such a large scheme, work would be carried out in phases to avoid any delays that any minor issues might cause. The Senior Projects Advisor added that progress would have been halted and delays created by statutory approvals meant that dates within the Development Agreement may not have been met. He stated that the Development Agreement still required the whole scheme to be delivered. The Chief Financial Officer added that it was more financially workable to separate the Retail and Leisure Units.

There was a discussion which centred on the risk around the cinema and a Member drew attention to the recent reduction in profit by the Odeon Cinema chain due to a reduction in footfall. The Cabinet Member for Regeneration responded that the Odeon Cinema was one of the oldest of the main cinema operators and their issues were a lack of maintenance, renewal and repair of their cinemas. He added that the Light Cinema chain now had seven cinemas in the United Kingdom with plans for a further 13 cinemas, and the new cinema and related restaurants would generate footfall during the day and night, increasing consumer spend in Sittingbourne. The Cabinet Member for Regeneration considered that the Light Cinema were an expanding major player. After further discussion, the Chairman asked if there was a Risk Assessment on the cinema, which could be viewed by Members? The Chief Financial Officer agreed to circulate an updated Risk Assessment after the meeting.

In response to a question from a Member, the Interim Director of Regeneration clarified that the role of Scheme Manager (recently advertised) would be working closely on the Development Agreement conditions and compliance, and communications liaison to engage more effectively with the public. The Chief Financial Officer added that there were aspects of the role that required procurement skills, for example when the Council needed to procure staff such as managing agents.

A Member put forward a proposal for the Scrutiny Committee to appoint a Task and Finish Group for the Sittingbourne Town Centre Regeneration scheme for monitoring, but the proposal was not seconded. The Chairman considered it was not necessary to appoint a Task and Finish Group, as the whole of the Scrutiny

Committee should be involved, but agreed that the Scrutiny Committee may consider this option in the future.

A Member highlighted individual Committee Members' experience in financial analysis and asked if more information could be provided within reports, in the standard style of other Committee reports? The Interim Director of Regeneration stated that no feedback had been received from the previous work programme provided and advised that the Gantt chart was managed by Spirit of Sittingbourne.

The Chief Financial Officer advised that SBC had signed up to the scheme for a fixed price and that the Spirit of Sittingbourne consortium would take on any additional risk. He added that SBC's strategy of transferring the risk meant that SBC were not involved in the detail. Huw Evans, the Sittingbourne Town Centre Consultant (Quinn Estates), added that correct processes have been followed, the monitoring surveyor could produce a detailed report and that Officers had put rigid processes in place. He reminded Members that staff involved in the project had responsibility to their own Board.

A Member praised staff for improved communications but suggested a critical path analysis should be provided so that Members were better informed to advise their residents. He added that date accuracies were less important than explanations of why progress may have stalled. The same Member asked if the start date of the highways works of 1 August 2017 was realistic? In response, Huw Evans advised that it was difficult to produce an accurate critical path analysis because of the large, complex nature of the development and referred to the recent presentation on the highways aspect of the scheme.

A Member praised the Regeneration Team on the progress made and asked that future progress should be monitored and reported back quickly. In response, the Cabinet Member for Regeneration advised that there would be a joined-up approach between SBC Communications Team and Lowick. The Interim Director of Regeneration said that start dates and phases would be monitored, referred to the Member bulletin circulated at the recent Highway presentation to Members, and said there was due to be an update on St. Michaels Road Car Park, Sittingbourne which affected SBC staff. Kevin McEveer added that his core objective was to coordinate and improve communication which would be achieved through the local media, leaflets, social media and updates on the Spirit of Sittingbourne website (sos.com).

A Member sought clarification on the role of the new scheme manager post and asked whether Planning Conditions on the Planning Approval would be monitored?

A Member agreed that recent update information and documents received had been more helpful and suggested an updated copy of the Gantt chart be provided. He added that all press releases on updates should be sent to Members first.

In response to a Member, the Interim Director of Regeneration advised that the email address spirit@swale.gov.uk was a generic email address for a point of contact.

The Interim Director of Regeneration advised that the Spirit of Sittingbourne Partner consortium met bi-monthly, and there were monthly, individual meetings of the STC Board, High Level Officers Group, Key Delivery Officers Group and the Internal Officers Group. Additionally, the Interim Director of Regeneration reported monthly updates to the Strategic Management Team at SBC.

In response to a question from a Member on how exchange rates may affect the delivery of the multi-storey car park by a German company, Huber, the Chief Financial Officer advised that whilst there had been a sterling depreciation, the cost of £3.5million still represented excellent value for money and Huber had been very accommodating in the delay. A Member added that, even if the scheme was carried out by a British Company, it would still be subject to exchange rate fluctuations due to the cost of importing materials.

Geraint Jones (Connects) advised that Officers at KCC were working hard to ensure a start date of the highway works of 1 August 2017 and Mark Williams (Erith Contractors) added that he was confident that Erith Contractors would be commencing work on site on that date. In response to a question from a Member, Geraint Jones confirmed that the diversion being administered by UK Power Networks would commence on 24 July 2017 and all traffic would be diverted onto the A2.

The Cabinet Member for Regeneration thanked Members of the Scrutiny Committee for their fair and open questions.

The Chairman thanked the Cabinet Member for Regeneration, the Interim Director of Regeneration, the Special Projects Manager and the Partners of the Sittingbourne Town Centre Regeneration scheme for their attendance at the meeting.

94 FINANCIAL MANAGEMENT REPORT

The Chairman welcomed the Cabinet Member for Finance and Performance and the Chief Financial Officer to the meeting, and invited them to introduce the report which would be considered by the Cabinet the following week. The Cabinet Member for Finance and Performance drew attention to the Growth Revenue underspend on services and highlighted the larger than expected increase in Planning Fees income which was welcome additional revenue for 2016/17. He considered that finances had been managed very well in 2016/17 and it was good news for SBC.

The Chief Financial Officer advised that the Interim Head of Commissioning and Customer Contact was in attendance to answer any questions in his service area and drew Members' attention to the late receipt of Appendix I Financial Outturn Report 2016/17. The Chairman asked Members if they wished to defer discussion of the item in view of the late receipt of the report but Members declined.

A Member raised a number of issues of clarification of figures and other discrepancies within the report and the Chief Financial Officer agreed to go through the report in detail with the Member after the meeting, and circulate an update to Scrutiny Committee Members*

A Member stated that there had been a large excess of budget income over the last 4 or 5 years and a more accurate budget was required in the future. He highlighted the additional costs to the Homelessness service caused by extra bed and breakfast requirements and the additional planning fee income. The Chief Financial Officer advised that there had been a large spike in the number of residents that required bed and breakfast accommodation in January/February 2017 and Internal Audit had been commissioned to investigate the reasons for this.

There was a discussion around the £25k underspend on Member Grants and the Cabinet Member for Finance and Performance agreed to write to all Members in December of each year, suggesting ways of redistributing any left-over funds to causes highlighted by Members.

A Member asked if families housed in temporary accommodation were eligible for housing benefit? The Chief Financial Officer agreed to report back with this information.

A Member asked why there had been a £10k saving from the Alexander Centre, Faversham? The Chief Financial Officer advised that, under the transfer agreement, there was no liability and so this was a saving in next year's budget. The same Member referred to page 15 of Appendix I and asked whether £3,500 from the Verge Maintenance fund was enough to cover the additional planting in Swale? The Interim Head of Commissioning and Customer Contact advised that a bigger budget for additional planting was available and £3,500 was the rollover amount from Verge Maintenance. The Interim Head of Commissioning and Customer Contact referred to page 19 on Appendix I and advised that a mixture of ordinary litter bins and dog litter bins was provided, and users could utilise either.

There was a discussion on spending on IT Improvements and a Member stressed the importance of receiving value for money. The Chief Financial Officer advised that the website was being re-designed and in response to a question from a Member, advised that SKYPE for business was being funded from grant money, as part of the Transformation Project. The Head of Commissioning and Customer Contact advised that the aim was for the public to self-help on line.

In response to a Member, the Chief Financial Officer agreed to clarify whether the Sheerness Strategic Regeneration Framework included West Sheppey.

**POST MEETING NOTE: Updated information and responses to questions was provided by the Chief Financial Officer and circulated to Members of the Scrutiny Committee the day after the meeting.*

Resolved:

(1) That the gross revenue underspend on services of £1,419,100 (including £1,272,000 additional income) be noted.

(2) That the revenue service rollovers of £494,290, (including £241,390 due to roll forward of external funding, grants and use of additional income from 2016/17), and the setting up of new reserves as set out in Table 3 Appendix I be noted.

(3) That the revenue service bids of £248,100 as set out in Table 4 Appendix I be noted.

(4) That the delegation to the Chief Financial Officer to allocate uncommitted underspends to reserve funds be noted.

(5) That the capital rollovers of £1,875,853 as detailed in Table 9 Appendix I be noted.

95 PERFORMANCE MONITORING REPORT

The Chairman welcomed the Deputy Cabinet Member for Finance and the Performance and Policy and Performance Manager to the meeting for this item.

The Deputy Cabinet Member for Finance and Performance introduced the report and gave an overview of the quarterly portfolio-based balanced scorecard performance reports for the third quarter of 2016/17. He highlighted that complaint levels were at their lowest for two years, but that the proportion of corporate indicators meeting performance target had declined.

The Deputy Cabinet Member for Finance and Performance stated that sickness levels had increased and highlighted that the increase in the level of long-term sickness may be caused by just one or two individual members of staff. He added that whilst the homelessness score in Corporate Risk Management had reduced slightly, it remained a serious risk.

In response to a question from a Member, the Policy and Performance Manager advised that it would be difficult to show individual sickness on a graph. The same Member praised the Housing Services team but raised concerns that the homelessness figure had increased significantly.

96 DRAFT OVERVIEW AND SCRUTINY ANNUAL REPORT

The Policy and Performance Officer introduced the report which set out the draft Overview and Scrutiny Annual Report 2016/17. He explained that the committee was required by its terms of reference to report annually to Full Council on its work, and outlined the Committee's powers and terms of reference. The Policy and Performance Officer referred to the schedule at Appendix I on page 47 of the report and highlighted the Committee's strengths and weaknesses. He suggested that Scrutiny Committee Members may wish to review how it operated in the future.

The Chairman congratulated the Policy and Performance Officer, paying particular attention to the Task and Finish programme.

A Member referred to page 42 of the report and suggested that further details on membership attendance could be included, as was contained in the Audit Annual report.

A Member suggested that there should be more emphasis on the difficulties encountered by the Scrutiny Committee in the on-going Sittingbourne Town Centre

Regeneration Scheme review. The Policy and Performance Officer agreed to expand the wording in the report to reflect this.

There was a discussion amongst Members on whether Deputy Cabinet Members should be excluded from sitting on the Scrutiny Committee. The Policy and Performance Officer suggested that this was a matter for the General Purposes Committee and the Chairman added that no Deputy Cabinet Members sat on the Scrutiny Committee.

A Member referred to paragraph 4.5 on page 45 of the report and advised that Scrutiny training would be discussed at the next Member Working Development Group meeting on 18 September 2017.

Resolved:

(1) That the draft Overview and Scrutiny Annual Report 2016/17 be agreed subject to the amendments agreed and submitted to Full Council for consideration.

97 COMMITTEE WORK PROGRAMME

The Policy and Performance Officer introduced the Work Programme 2017/18. He advised that the purpose of the report was to enable the Committee to decide whether to instigate any more reviews this municipal year and he drew Members' attention to Appendix II on page 55 of the report which outlined the stages that each review was at. The following topics were suggested to review in the future:

- CCTV
- Planning Enforcement
- ICT
- Regeneration projects (excluding Sittingbourne Town Centre)

A Member suggested that Planning Enforcement should be reviewed urgently as proposals to restructure the team and provide more resources were currently being considered.

There was a discussion on the frequency of attendance at Scrutiny Committee by Officers and the Cabinet Member for Regeneration to give updates on the Sittingbourne Town Centre Regeneration scheme, but it was agreed that attendance at alternate Committees with an alternate written update was sufficient. It was further agreed that this would be kept under review.

98 REVIEWS AT FOLLOW-UP STAGE AND LOG OF RECOMMENDATIONS

The Policy and Performance Officer introduced the report. There was no discussion.

99 OTHER REVIEW PROGRESS REPORTS

Housing Services

A Member of the Task and Finish Group introduced the report, praised the hard work of Housing Officers, and thanked the Policy and Performance Officer for his assistance.

The Chairman congratulated the Housing Task and Finish Group for producing a well written report.

A Member of the Task and Finish Group highlighted some of the issues, which included SBC's responsibility to statutory homeless. Another Member of the Task and Finish Group raised concern at the impact the merger of Amicus (now Optivo) would have in Swale.

A Member raised issues around the definition of 'Affordable Housing' and had serious concerns that private landlords did not accept the deposit bond scheme and refused to rent to benefit claimants. A discussion ensued and the Task and Finish Group agreed to discuss whether these issues should be included in the recommendations of the report.

Councillor Mike Henderson stated that homelessness was a serious problem throughout the whole country, and said that mental health issues and the change in benefit rules had added to the problem. He proposed the following motion:

"That Cabinet be encouraged to write to the Secretary of State for Communities and Local Government drawing attention to the severe pressures Swale was facing in housing homeless families."

The motion was seconded and on being put to the vote, the motion was agreed.

Resolved:

(1) That Cabinet be encouraged to write to the Secretary of State for Communities and Local Government drawing attention to the severe pressures Swale was facing in housing homeless families.

Development Management

The Chairman was disappointed at the lack of progress on the Development Management review. A Member highlighted that the visits to other Councils' Planning Committees, as part of the review, was very worthwhile.

100 CABINET FORWARD PLAN

The Policy and Performance Officer advised that the Forward Plan had been updated and republished since the Scrutiny Agenda had been produced. He advised that the Visitor Economy Strategy and Discretionary Business Rate Relief items were now scheduled to be discussed at the Cabinet Meeting on 6 September 2017.

101 URGENT BUSINESS REQUESTS

There were no urgent business requests.

102 SUSPENSION OF STANDING ORDERS

At 10pm Members agreed to the suspension of Standing Orders in order that the Committee could complete its business.

Chairman

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All Minutes are draft until agreed at the next meeting of the Committee/Panel