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## SCRUTINY COMMITTEE

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**MINUTES** of the Meeting held in the Council Chamber, Swale House, East Street, Sittingbourne, Kent, ME10 3HT on Wednesday, 11 November 2015 from 7.00 - 10.29 pm.

**PRESENT:** Councillors Mike Baldock, Andy Booth (Chairman), Lloyd Bowen (Vice-Chairman), Derek Conway, Mike Dendor, Mick Galvin, Mike Henderson, Ken Ingleton, Samuel Koffie-Williams, Peter Marchington, Ben Stokes and Roger Truelove.

**OFFICERS PRESENT:** Keith Alabaster, Katherine Bescoby, David Clifford, Abdool Kara, Jo Millard and Bob Pullen.

**ALSO IN ATTENDANCE:** Councillors Harrison and Ghlin Whelan and Eileen Martin and Neil Tickle (AmicusHorizon).

**APOLOGY:** Councillor Prescott.

### 327 MINUTES

The Minutes of the Meeting held on 14 October 2015 (Minute Nos. 264 – 275) were taken as read, approved and signed by the Chairman as a correct record.

A Member asked for updated information on a Revised Phasing Plan on Sittingbourne Town Centre Regeneration and the Policy and Performance Officer advised this information would be provided shortly.

### 328 DECLARATIONS OF INTEREST

No interests were declared.

### 329 REVIEW OF HOUSING SERVICES

The Chairman welcomed Eileen Martin (Regional Director) and Neill Tickle (Development Director) from AmicusHorizon (AH) to the meeting.

The Regional Director and Development Director described their roles in the organisation and explained that AH owned 28,000 homes in the south east; 7,383 homes in Swale, 343 of which were shared or leasehold. It was explained that 520 new homes had been built by AH from 2011-2015, and should the proposed merger with Viridian, a housing association primarily based in London, go ahead, the merged organisation would own 44,000 homes.

The Chairman referred to the topics and questions already provided to AH prior to the meeting and the Development Director outlined the following issues faced by AH in providing more social housing provision:

- 3-5% rise in build costs
- Rise in annual inflation (12-18% in last two years)

- Reduction in Government subsidies and grants
- Changes to Government Legislation and Policies
- Costs of building housing in deprived areas is roughly equal to non-deprived areas but rent charged is less
- Possible introduction of Right to Buy scheme for all social housing tenants and its implications
- Classification of affordable housing being extended to starter homes
- Introduction of cost to value being considered as a measure for rental homes to monitor spend
- Borrowing against asset base – merger with Viridian could enable increased borrowing

In answer to questions from Members regarding the proposed merger with Viridian, the Development Director and Regional Director of AH advised that Viridian had similar focus and principles to AH; were based in and owned property mostly in London; owned 16,000 properties; were considered to be a good partner for AH; could facilitate savings; could facilitate higher borrowing against higher value London-based properties; and the name of the organisation could change if they merged.

The Development Director further clarified that due to the Government's proposed reduction in funding social rents by 1%, a £40million loss in income was expected up to 2020, but the actual total was likely to be £60million loss due to a lower base line rent.

In response to a question from a Member regarding residents from outside Swale moving into properties within Swale, the Regional Director advised that tenants were housed directly from Swale's Housing Register and must meet the criteria which included a five-year residential qualification, although a very small proportion of residents had mutually exchanged from out of the area. The Chairman encouraged Members to share this information as public perception was sometimes incorrect.

The Development Director spoke of the cost implications in building larger homes and the knock-on effect of unaffordable higher rents, and advised that in order to house tenants in larger, more expensive properties, AH's policy had changed to include tenants with their own income.

A Member asked what plans there were to build more housing in rural areas and what difficulties there were in obtaining planning permission for housing in rural areas? The Development Director advised that land for housing was continually sought, AH had a 71% success rate of securing land they required, and they projected to double the number of houses in Swale post-merger.

A Member asked how the current 75 homeless families in Swale could be reduced, and sought clarification on the proposed introduction of the Right to Buy scheme for social housing tenants. The Regional Director and Development Director advised that AH had assisted the Council in housing 36 homeless families in AH housing being used as temporary accommodation, and were open to ideas to assist in the future. Further detail on the Right to Buy scheme was expected but it was likely the

scheme would be phased to avoid loss of housing, and replacement homes were likely to be shared ownership due to cost implications.

In response to a question from a Member concerning funding from private developers and savings on buildings costs, and the differing housing issues in London where Viridian were based, the Development Director advised that there was provision in Section 106 Agreements to provide a proportion of social housing in new developments. The typical cost was 60-70% of market value and to keep costs down the design of, for example, types of kitchen were regularly reviewed. There were housing needs in all geographical areas, and post-merger there would be £300million in total to spend; however, the proportion of the split may change and AH may receive a smaller proportion of a bigger number. Up to 2,000 homes per annum were projected to be built within the merged organisation.

The Regional Director spoke of efficiency savings and of the disposal programme to offload unaffordable housing, and a Member raised concerns that shared ownership schemes would affect poorer tenants, pushing them into expensive private rented accommodation. The Development Director agreed that this was a risk, but AH would work with Government initiatives and proposed Rent Policy Changes.

A Member asked how developing specialist care housing was calculated and whether the 'pay to stay' scheme was advantageous to AH? The Development Director advised there was a mixed programme of homes, and gave the recent Development at Regis Gate as an example of an extra care scheme. He advised that costs were scrutinised; it was more expensive to deliver specialist care housing and AH worked with local authorities to assist in their biggest needs, such as tenants with learning disabilities and victims of domestic violence. He further explained that as part of the Spending Review, grant funding could provide supported homes. The Regional Director added that AH was actively pursuing Health funding, and the 'pay to stay' scheme was advantageous to AH as more money could be collected, but further details were required on the scheme.

A Member suggested a proactive policy for families living in especially adapted properties, or larger properties for larger families where families should vacate a property when the need was no longer required, and highlighted the shortage of those types of properties. She further suggested a proactive management policy for residents to downsize, and felt that properties should be better managed in this regard. The Regional Director advised that most families living in adapted properties moved on when the property was no longer required, and advised that lifetime tenancies no longer existed; tenancies were fixed for five years then reviewed. Specialist properties were expensive to build, and AH were waiting for clarification on whether these properties would be exempt in the right to buy scheme.

In response to further questions about the proposed merger, the Regional Director and Development Director advised that AmicusHorizon had learned from the previous merger, the regulatory rating for Viridian was very positive, and the merger issue was going back to the Board in January 2016 following further due diligence.

A Member suggested AH could consider Residential Home Parks like Beckenham Park in Upchurch for housing, and was advised by the Development Director that

whilst not currently under consideration, this option would not be dismissed. The same Member referred to no provision of affordable homes on Sheppey in the Local Plan. He was advised by the Regional Director that the next four years had to be financially viable; affordable homes were currently being built on Sheppey, and the merger may bring more capacity to build more homes. The Regional Director added that AH were currently building on land they own and generally they bought larger sites.

A Member sought clarification on how the proposed merger would impact on residents and how the operation would be managed. The Regional Director advised that the current strategic plan would end in March 2016 and was on track to achieve its targets, and there would be a budget set for 2016/17. She further advised that residents' satisfaction was very high, so service quality could be reduced but would still be high, and customers had been asked what service levels they would expect. The Regional Director advised there would be a one year strategic plan in future with Viridian, efficiency savings were being unlocked, and whilst she did not know where the housing association would be based in the future, it would be cheaper to be based in Kent. She further advised that the merged housing association would take the best practices from each other.

The Chairman asked what the alternative would be if the merger did not take place, and was advised by the Regional Director and the Development Manager that the housing association would be moving to open market sales; continuing with efficiency savings; and responding and acting on residents' requests. A Member supported that approach and asked whether there were any other funding opportunities AH could explore? The Development Manager advised that funding opportunities could be explored as accounting rules were changing, but AH would not commit to large scale debt as investors wanted. He further advised that Kent County Council (KCC) had bridged funding, there had been joint ventures with Swale Borough Council (SBC) and, although there were limited land holdings, AH welcomed more joint ventures with SBC.

When asked whether the planning process was a barrier to AH, the Development Director advised that AH worked proactively with planners for a positive outcome, and he was not aware of any issues with SBC in this regard.

A Member congratulated and noted the good relationship AH had with their tenants. The Chief Executive spoke of the benefits of SBC relinquishing the housing stock since under the current legislative plans, local authorities would have to pay extra money back to the Treasury under the 'pay to stay' scheme, and pay further money in advance to the Treasury from high value right to buy properties. He also highlighted the decrease in levels of home ownership and the legal challenges of changes in regulations.

The Chairman thanked the representatives from AmicusHorizon for their contributions.

### **330 REVIEW OF 2015 ELECTIONS**

The Chairman welcomed the Chief Executive in his capacity as Returning Officer, the Democratic and Electoral Services Manager and the Electoral Services Officer to the meeting.

The Returning Officer presented the report and gave an overview of the complex and unique circumstances of the Parliamentary/Borough and Parish/Town elections on 7 May 2015 which included:

- New borough ward boundaries
- New parish boundaries
- Cross boundary arrangements with the Faversham and Mid Kent parliamentary constituency
- New legislative requirements, in particular the introduction of Individual Electoral Registration
- Largest volume of postal votes
- Tight resources

The Returning Officer praised the dedication and thanked the elections staff for their efforts in the organising of the election. He stated that accuracy was the most important factor and apart from the issue with Tunstall Urban Ward of Tunstall Parish this had been achieved.

Members of the Scrutiny Committee were invited to ask questions on the report and the appendix.

A Member referred to the wording on page 4 of the report regarding 'down time' as to what this meant. The Returning Officer explained that counters on tables could not move to the next process until verification clearance had been given, and there was sometimes a queue at the central table whilst table supervisors waited for clearance before they could start the next process.

A Member thanked the Returning Officer for the full report and asked what progress had been made in improving the situation in future, and what provision had been made for the health and wellbeing of staff?

The Returning Officer advised that the central table was necessary to control the process and to ensure an accurate count was conducted. Whilst one additional count team may have helped, the addition of further count tables was not practical due to the size of the room. The Returning Officer also advised that some processes were not within the control of Swale, for example concerning the Faversham and Mid-Kent Constituency. The majority of polling and counting staff had mostly worked in specific shifts to cover the process, however, it had not been possible for all staff to have breaks, particularly the central team. The Returning Officer advised that the elections team had worked full days, weekends and Bank Holidays for around six weeks prior to the Election day because the expertise was contained within a small number of people.

In response to a question, the Democratic and Electoral Services Manager clarified the 'giving away' process as referred to in the report at 2.7 and advised that a

Parliamentary Boundary Review was due to commence after the electoral register was published on 1 December 2015.

A Member advised that other boroughs had faced similar issues, but had published their electoral register on new boundaries earlier than Swale. He considered that the Polling Review had been carried out late, and sought confirmation of the date of the European Parliamentary Elections. He also made reference to incidents of the late arrival of postal votes.

The Returning Officer advised that whilst other boroughs may have experienced a similar combination of factors that Swale had, other boroughs had also experienced similar problems. Swale also had a stream-lined Elections Team when compared with other authorities. The Democratic and Electoral Services Manager outlined the process of sending out postal votes, and explained that a lot of voters had applied close to the deadline which had caused the second batch of postal votes to go out a day later than planned in the Sittingbourne and Sheppey constituency. Due to the national demand for postal votes it had been difficult for printers to cope with demand. The Returning Officer added that there was a limited number of printers nationally available able to carry out the work, and emphasized that Swale would have liked more control over the postal voting system for electors in the Faversham and Mid-Kent constituency.

The Democratic and Electoral Services Manager clarified that European Parliamentary Elections were due to be held in 2019, and that European elections were usually held on local boundaries, rather than parliamentary boundaries. She also referred to legislative changes which had allowed parish elections to be held on the same day as a parliamentary election. She further advised that the Polling District Review had started in February 2014; however due to the European Parliamentary elections and the introduction of Individual Electoral Registration (IER) it had not been possible to report back to the General Purposes Committee until October 2014. The General Purposes Committee had then requested additional changes which had not been suggested during the consultation period. In respect of the Meads Ward, it had not been possible to use the Community Centre as it had not been built as planned but the alternative arrangements had worked well. In response to a further question, the Democratic and Electoral Services Manager confirmed that Swale had not issued incorrect information to electors. She was aware of a difficulty in the Faversham and Mid-Kent Constituency for some candidates as their parties had provided them with elector numbers from a previous version of the register.

In answer to a question from a Member regarding the late receipt of postal votes in Sittingbourne and Sheppey, the Electoral Services Officer advised that he had immediately reissued the postal votes where valid requests had been received from postal voters, and he was not aware of any incidents where a postal vote had not been reissued.

A Member welcomed the report; thanked the staff; noted that all authorities had suffered delays in declaring results; and considered that there had been no fundamental errors. In response, the Returning Officer agreed that results across the County were generally declared much later than expected, however, there had been a fundamental error with the Tunstall Urban Ward of Tunstall Parish Council

which he fully accepted, and this had been documented by the Electoral Commission.

Another Member gave praise to the elections staff for their help in the run up to the election, but highlighted an issue with the allocation of voters to the new polling station in Vincent Gardens, Sheerness. The same Member questioned the response by Presiding Officers to the Survey and gave an example of a difficulty at a polling station where it had not been possible for the Presiding Officer to contact the Elections Team.

The Returning Officer thanked the Member for her positive comments and advised that there would be a general review of polling stations. He also advised that a high percentage of Presiding Officers did respond to the survey. He advised of the tendered vote procedure and that staff were asked to contact the Elections Team before issuing a tendered ballot paper. However, after 9pm staff had to relocate to the Sports Hall at the Swallows Leisure Centre in preparation for the receipt of ballot boxes from 10pm. The Democratic and Electoral Services Manager confirmed her mobile phone number was given to all Presiding Officers. She advised that there would be a polling district review after the elections in May 2016 which would also pick up the new boundary arrangements for Kent County Council which were expected in January 2016.

The Electoral Services Officer confirmed there had been 48 responses from Presiding Officers, mostly positive, and he was not aware of the issue raised but would investigate this and respond to the Member.

A Member spoke of the problems with postal votes within the Faversham and Mid-Kent boundary and sought clarification on which Borough wards had been affected by the error in the postal vote pack. He further stated that independent candidates had been disadvantaged by not being able to apply for the electoral register at the same time as political parties, and asked for this issue to be raised with the Electoral Commission, the Association of Electoral Administration, and the Local Government Association. The Returning Officer agreed to raise the issue and acknowledged the errors in sending out the postal votes for the Faversham and Mid-Kent constituency which he was surprised had not been reflected in the Electoral Commission's review of performance standards. The Democratic and Electoral Services Manager confirmed that the four wards affected were Abbey, Boughton and Courtenay, St. Ann's and Watling.

A Member thanked staff for their exceptionally hard work in a complex situation and highlighted the introduction of the IER before the general election and software changes at the wrong time. He suggested that more training was necessary for counters and table supervisors. The Returning Officer advised that there was no control over the introduction of the IER, and there were only a small number of electoral management software providers who had been given instructions by the Cabinet Office on how the IER system would work. He further advised that some processes in the count were deliberately not delegated as this required careful management, and to keep this task within a handful of key people was essential for accuracy. The Returning Officer also advised that there were always some new, inexperienced staff brought in for every election and that table supervisors

managed their team. It was noted that the speed of counters did vary and that there were fewer bank staff available to assist than in previous years.

A Member asked whether breaches of electoral law were a matter for the Police or the Returning Officer. The Returning Officer advised that generally depending on the issue, the party involved would be alerted, and asked to rectify the situation, but he would alert the Police to persistent offenders. There was a named single point of contact in the Police for election matters.

In response to a suggestion by a Member of changing the software to speed up the process at the count, the Returning Officer advised that it was not a software issue but some other methods in the process could be improved and this would be considered.

Another Member considered that the new Polling Booths could lack privacy in some circumstances, and the Returning Officer agreed to highlight this issue in training with Presiding Officers.

In response to a question from a Member, the Electoral Services Officer clarified the difficulties there had been at the polling station at Minterne School, Sittingbourne on the day.

Members highlighted delays in the admission of candidates and agents to the count venue, and it was suggested that the doors should be opened earlier. The Returning Officer agreed to consider earlier entry, and the Electoral Services Officer advised that the sign-in process would be reviewed to make the process more efficient.

A Member commented on the poor sound system, and another Member asked that the press should wear ID. The Returning Officer advised that the press would not be allowed entry without ID and would be asked to wear it at all times, and the sound system would be investigated.

The Chairman thanked the Returning Officer, Democratic and Electoral Services Manager and Electoral Services Officer for attending the meeting.

**331 PERFORMANCE MONITORING QUARTERLY REPORT - 2015/16**

The Chairman invited the Policy and Performance Manager to introduce the report.

The Policy and Performance Manager went through the Corporate Health Scorecard and highlighted that there had been no adverse audit opinions, the long and short term sickness absence was improving, and the number of customer complaints had stabilised, with the proportion of complaints responded to within 10 working days now being the best it had ever been at 96%. The Policy and Performance Manager advised that the Local Area Perception Survey for 2015 was currently being undertaken and up-to-date figures would be available in the next quarterly report. He further advised that for those indicators for which national or other comparator data was available, Swale's performance compared favourably with other Councils.

The Chairman congratulated officers for the report and its positive outcomes.

The Chief Executive reminded Members that the continued improvement in Planning Support targets would reduce the red and amber on the scorecards in the future.

In response to a question from a Member, the Policy and Performance Manager clarified the meaning of the information on customer feedback, and agreed to forward to committee members a copy of the quarterly complaints report, which contained more detailed information.

A Member was disappointed with some of the figures in the Environmental and Rural Affairs portfolio and sought clarification and reassurance that action was being taken to improve performance. The Chief Executive explained that whilst there had been some teething issues with the implementation of the new waste contract, it was now performing well and continuing to deliver significant savings over the previous contract. As a result of unanticipated contract savings, funding was available for deep cleansing of specific roads. He welcomed suggestions for roads for deep cleansing. A Member suggested that the Cabinet Member for Environmental and Rural affairs should be invited to attend a future Scrutiny Committee, to which the Chairman agreed.

In respect of the Localism, Culture, Heritage and Sport Scorecard, clarification was sought by Members on volunteering and engagement indicators.

A Member sought clarification on the Planning Scorecard, and the Chief Executive explained that taking planning applications through to decisions that were then refused was a complete waste of resources – applicants should be advised early in the process on how to ensure that they would be passed.

### **332 REVIEWS AT FOLLOW-UP STAGE AND LOG OF RECOMMENDATIONS**

The Policy and Performance Officer introduced the report and advised that items were ongoing as items had been stripped out.

**Resolved:**

***(1) That this report be noted.***

### **333 REVIEW PLANS UPDATE**

**Resolved:**

***(1) That this report be noted.***

### **334 OTHER REVIEW PROGRESS REPORTS**

**Resolved:**

***(1) That this report be noted.***

### **335 COMMITTEE WORK PROGRAMME**

The Policy and Performance Officer introduced the report and reminded Members that there would be an extra Scrutiny Committee on Fees and Charges on 9 December 2015 at 5pm, and advised that the Cabinet Members for Finance and Environmental and Rural Affairs would be in attendance. The Chairman reminded Members to send substitutes if they were unable to attend the meeting.

**336 CABINET FORWARD PLAN**

A Member sought clarification on the item on page 2 – ‘New Road Industrial Estate-Claim for Dilapidations’, and the Policy and Performance Officer agreed to report back on this item.

***Resolved:***

***(1) That the forward plan be noted.***

**337 URGENT BUSINESS REQUESTS**

A Member suggested the Parking Enforcement Policy be considered for a future review.

Chairman

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