

---

## SCRUTINY COMMITTEE

---

**MINUTES** of the Meeting held in the Council Chamber, Swale House, East Street, Sittingbourne, Kent, ME10 3HT on Wednesday, 31 August 2016 from 7.00pm - 10.36 pm.

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

**OFFICERS PRESENT:** Peter Binnie, David Clifford, Abdool Kara, Jo Millard, Bob Pullen, John Scarborough and Emma Wiggins.

**ALSO IN ATTENDANCE:** Councillors Cameron Beart, Tina Booth, Bowles (Leader), Adrian Crowther, Duncan Dewar-Whalley (Cabinet Member for Finance and Performance), Paul Fleming, Nicholas Hampshire, Alan Horton (Cabinet Member for Safer Families and Communities), James Hunt (Deputy Cabinet Member for Regeneration), Roger Truelove, Ghlin Whelan, Ted Wilcox (Deputy Cabinet Member for Finance and Performance) and John Wright.

### 838 FIRE EVACUATION PROCEDURE

The Chairman outlined the fire evacuation procedure.

### 839 MINUTES

The Minutes of the Meeting held on 20 July 2016 (Minutes Nos. 727 - 735) were taken as read, approved and signed by the Chairman as a correct record.

### 840 CHANGE TO THE ORDER OF BUSINESS

The Chairman advised of a change to the running order of the meeting, to bring forward item 6 Performance Monitoring Report 2015/16 Quarter 4. Items 7, 8, 9 and 10 were deferred to the next meeting.

### 841 DECLARATIONS OF INTEREST

No interests were declared.

### 842 PERFORMANCE MONITORING REPORT 2015/16 QUARTER 4

The Chairman welcomed the Cabinet Member for Finance and Performance, the Deputy Cabinet Member for Finance and Performance, and the Policy and Performance Manager to the meeting. The Deputy Cabinet Member for Finance and Performance introduced the quarterly portfolio-based balanced scorecards reports for the final quarter of 2015/16 (January – March 2016). He explained that the structure of the report was changing and this was the last time Members would see the information in its current format.

The Policy and Performance Manager referred to the Corporate Overview balanced scorecard and highlighted that there continued to be no poor or weak adverse audit opinions, and that the short and long-term sickness figures were low in comparison with the national average. He further highlighted that 96% of complaints were responded to within ten working days.

A Member asked what measures were in place to reduce the strategic risks? The Policy and Performance Manager advised that there were action plans in place.

A Member referred to the adverse audit opinions and asked whether the best practice report that was suggested as part of the peer challenge earlier in 2016, had been received? The Policy and Performance Manager agreed to find out.

In response to questions from Members relating to long and short-term sickness levels, the Chief Executive explained that there was not a strong connection between long and short-term sickness. He explained that the figures were still collectively low and within the target for the performance indicator, and that the Council was less able to control long-term sickness. He went on to advise that regarding the risk management data, the information was a snapshot of that period of time, it was right that some risks would always remain significant risks, and there were plans in place to manage the risks. He stated that mitigation actions were available to the Scrutiny Committee should they wish to see them.

The Policy and Performance Manager agreed to meet with a Member to clarify how the figures were reached.

Members considered the Community Safety and Health balanced scorecard report for (2015/16) Quarter Four. A Member sought confirmation on the nature of the crimes which occurred within the Sheppey prisons, referred to in the summary.

Members considered the Environment and Rural Affairs balanced scorecard report for 2015/16 Quarter Four. A Member highlighted the Local Area Perception Survey (LAPS) targets and asked what action was being taken to address the missed targets? A discussion ensued and the Chief Executive explained that the survey was annual so the figures only changed once a year, and the next survey was about to commence again. He explained that for street cleansing, there was continuous objective monitoring of levels of detritus, which showed good performance. The Chief Executive advised that an annual briefing note was produced explaining the responses and sample sizes for the LAPS once the results were in, and the Policy and Performance Manager confirmed that there were a large number of responses on this particular survey.

There was no discussion on the Finance and Performance combined balanced scorecard report for 2015/16 Quarter Four.

Members considered the Housing balanced scorecard report for 2015/16 Quarter Four.

A Member sought clarification on the upward trend on the number of households in temporary accommodation and new prevention cases opened. The Chief Executive explained that changes in Welfare Reform had added to the complexity

of cases, and increasing use of temporary accommodation was a challenge to the budget. It was also highlighted that there was often a seasonal increase in the number of cases after Christmas.

A Member congratulated the staff in Housing Options for the sharp increase in the number of households prevented from becoming homeless. The Leader added his praise of the Team and suggested that all Councils were dealing with similar pressures.

A Member asked to what extent the solution to the Housing issues could be resolved by Swale Borough Council (SBC)? A discussion ensued and the Chief Executive made the following points:

- the subject was so complex it required a dedicated session;
- thanked the Committee for recognising it was not a performance issue;
- advised that numbers were increasing due in part by welfare reform;
- availability of temporary accommodation was not in SBC's control;
- there was a lack of accommodation to move households from temporary accommodation;
- numbers of available housing could drop significantly further as there was a lack of viability locally to deliver socially affordable housing and the forthcoming introduction of right to buy for housing association tenants; and
- in conclusion, there was little within SBC's control.

The Chairman reminded the Committee that a task and finish group was currently reviewing Housing Services, and the Policy and Performance Officer agreed to provide updated figures for empty homes.

There was no discussion on the Localism, Culture, Heritage and Sport balanced scorecard report for 2015/16 Quarter Four.

Members considered the Planning balanced scorecard report for 2015/16 Quarter Four.

In response to a question from a Member on the likely impact the suspension of Pre-Planning Advice would have on the incoming fees, the Chief Executive advised that the Financial Management Report for the first quarter would be presented to the Cabinet Meeting on 7 September 2016.

A Member referred to the List of Exceptions and disagreed that the percentage of delegated decisions should be considered the 'worst' as he regarded it best practice that members of the Planning Committee should make planning decisions on the bigger and more complex applications. He referred to the proportion of major planning applications overturned on appeal. The Chief Executive advised that the indicators, including their polarity, were set nationally by Central Government, and were important to be able to compare performance.

Another Member highlighted that the measurement in satisfaction with Planning by service users could not be measured correctly unless information regarding the

success of their planning application was known. A Member drew attention to the improvement in customer feedback.

Members considered the Regeneration balanced scorecard report for 2015/16 Quarter Four.

In response to a question from a Member regarding budget figures within departments, the Chief Executive explained that Portfolios were not necessarily the same as Council departments. He went on to advise that details of complaints would be within the Annual Complaints Report which was due to be published.

A Member referred to the Swale Skills Profile and its importance in achieving economic growth. The Chief Executive agreed, but also advised that despite this, SBC were driving economic growth faster than any other authority in Kent.

The Chairman thanked the Cabinet Member for Finance and Performance, the Deputy Cabinet Member for Finance and Performance and the Policy and Performance Manager for their attendance.

#### **843 UPDATE ON SITTINGBOURNE TOWN CENTRE REGENERATION**

The Chairman welcomed the Deputy Cabinet Member for Regeneration, the Chief Executive, the Interim Director of Regeneration, the Regeneration Project Support Officer, and the Head of Legal Partnership to the meeting.

The Chairman asked Officers and the Deputy Cabinet Member for Regeneration to give an overview of the original scheme and the current position.

The Chief Executive gave a short history and outlined that in 2012 SBC went to market with a combination of its own and Kent County Council land in the Town Centre, and a consortium of Cathedral Group, Altyon Partners and Essential Land, called the Spirit of Sittingbourne, won the procurement exercise. A Development Agreement was agreed, which set out what partners were trying to achieve. There have been various take-overs and changes to the consortium since then, and it currently consists of the Quinn Group, U and I, and Essential Land. The consortium, supported by the Council were also successful in its bid for Local Growth Fund (LGF) money, receiving an allocation of £2.5million.

The Chairman invited Members to ask questions and the following issues were raised:

- clarification on the delay in highways realignment and changes to the station forecourt, and whether the LGF money would be reclaimed if the works were not carried out by the end of the financial year?;
- was the project built around the sale of properties, and what was Plan B if the current approach failed?;
- confirmation of who sat on the Strategic and Operational Boards;
- what was the benefit of the Travel Lodge Hotel planning application recently submitted?;

- had the 0.6m parking space provision for each unit at the two-bedroomed flats at Cockleshell Walk Car Park site changed, and where would service vehicles and visitors park?;
- would the drop-off and pick-up area around the train station be enhanced?; and
- concern over the lack of connectivity between the High Street and the development site.

The Regeneration Project Support Officer explained that the highways and Network Rail issues were complicated because it was the main A2 and needed to provide pedestrian, taxi and bus access. He advised that the plans were at a very advanced stage, and he would be meeting with Network Rail and Kent Highways soon.

The Chief Executive advised that it was envisaged from the start that the development would go to the market for funding, and that it was never the case that the sale of the residential properties would be enough to fund the whole scheme. The Chief Executive also advised that a list of who sat on the Strategic and Operational Boards could be provided but stressed that neither were decision-making boards and they did not have delegated powers.

The Deputy Cabinet Member for Regeneration considered the interest by Travel Lodge Hotel a positive development, and the Chief Executive added that the Travel Lodge Hotel would be a positive signal to the market. The Regeneration Project Support Officer advised that the design of the Travel Lodge Hotel would compliment the cinema.

The Regeneration Project Support Officer also confirmed that the development at the Cockleshell Walk site had already been through the planning process, and there had been no changes to the 0.6m parking space provision. He advised that the anticipation was that the flats would be bought by the commuter market.

The Regeneration Project Support Officer added that that the design of the scheme around the station allowed for remedial works for drop-off and pick-up, and consideration was being given to an additional pedestrian link to the High Street, as well as the two links already planned.

A Member raised concern about the scheme's project management and the lack of information that had been available to Members. The Regeneration Project Support Officer advised that the scheme was not a defined project being managed by SBC, it was a development scheme, with the developers project managing and investing their own money. This Council had no direct project management responsibilities and their involvement was limited to overview and the progressing of Cabinet or delegated approval for details and proposals, as provided for in the Development Agreement. The Chief Executive added that SBC had some assets involved and could hold the developers to account in terms of the meeting the terms of the Development Agreement. He explained that there was some commercial confidentiality within the development but relevant Officers and Members were happy to attend Scrutiny Committee or meet on a regular basis. A Member considered that the size and importance of the project would warrant the Scrutiny Committee's own steering group.

In response to a question from a Member on the levels of risk to the Council at the current time, the Chief Executive advised that non-completion of the scheme could lead to a risk of reputational damage, but there were options for delivering and all efforts were being made to achieve completion. He stressed that the only financial risk if the scheme did not go ahead was the abortive costs of Officer time and legal advice already undertaken. The Leader added that the risk of non-delivery of the scheme was at the lowest it had been.

In response to questions from a Member, the Regeneration Project Support Officer confirmed there were 63 rooms in the proposed Travel Lodge hotel; the former underground subway that linked the train station to the Forum was unusable as it had been filled with concrete; and that guests of the Travel Lodge hotel would be able to use the SBC-managed car parks at a special 24-hour rate, or free after 6pm. He also confirmed that Huber Car Park Systems had submitted detailed drawings which were now being considered, and that work was continuing to market the four other restaurant units. The Deputy Cabinet Member for Regeneration added that the restaurants that had already signed their leases were national chains, and reminded Members that Marks and Spencer Food, Costa Coffee and Starbucks had all recently signed leases in Sittingbourne, which was a positive signal.

The Chief Executive explained that if any of the £2.5million from the SE LEP Growth Fund was not spent by the end of this financial year, it could be clawed back. The Leader added that it was in the interests of the private sector partners to keep to the deadline.

A Member was disappointed in the lack of detail in the report, suggested wider engagement with Members and sought more information on the governance of the project. A discussion ensued and the Chief Executive clarified that the current arrangements were within the Council's Constitution.

In response to further questions, the Chief Executive advised that some financial issues could not be discussed in open session, and the scheme depended on cross-subsidy from the more profitable elements to the less profitable elements. Whilst there had been some hold-ups in the scheme, for example, Spirit's attention was diverted during the take-over and rebranding of the Cathedral Group, the single biggest issue that outweighed all other considerations was the viability of the scheme, made more challenging as build costs had increased more than expected, so the Council and Spirit were fighting against market economics, and dealing with small investment margins.

A Member spoke of residents' concerns on the proposed road layout and the implication on roads in the surrounding area, and asked if traffic modelling on the current plans could be made available? The Regeneration Project Support Officer advised that traffic modelling was complex, and whilst information could be provided it would not give detailed, usable information such as routes taken to the cinema.

Members discussed the issue of communication and the following points were raised:

- there needed to be a better communication system to Members and the wider community;
- individual Members were responsible for finding out information and relaying back to their Groups and wards;
- Officers and Cabinet Members were willing to share information;
- communication should be honest;
- too much negativity from the press; and
- more regular updates required and explanations when timelines changed.

In response to a question from a Member on expected progress over the next three to six months, the Interim Director of Regeneration advised that her focus would be on the matters set out in the report for the Scrutiny Committee, along with coordinating communication with Spirit on progress in delivery.

The Regeneration Project Support Officer advised that a presentation for Members on the residential site was planned by the proposed purchasers.

The Regeneration Project Support Officer also advised that Essential Land had agreed to transfer two parcels of land on the Mill Site very shortly and one parcel would be drawn down in the near future when work would commence on the Dolphin Barge Museum. The Interim Director of Regeneration added that there were on-going positive discussions on the Skate Park to be located on the second parcel of land.

The Chairman and other Members thanked the Deputy Cabinet Member for Regeneration, the Chief Executive and Officers for their attendance and their important contribution to the meeting.

***Recommendations:***

- (i) That Cabinet considers appointing a Scrutiny Committee representative to sit on the Strategic Board to feed into the meeting and ensure that the Scrutiny Committee discipline is recognised.***
- (ii) That for the next twelve months, there be an update directly from a representative of the Strategic Board at each Scrutiny Committee.***
- (iii) That a monthly update to questions, in a format to be agreed in conjunction with the Scrutiny Committee Chairman and Policy and Performance Officer, be provided by the Cabinet Member for Regeneration to all Members in the form of a bulletin.***

**844 REVIEWS AT FOLLOW-UP STAGE AND LOG OF RECOMMENDATIONS**

This item was deferred to the next Scrutiny Committee Meeting on 12 October 2016.

**845 OTHER REVIEW PROGRESS REPORTS**

This item was deferred to the next Scrutiny Committee Meeting on 12 October 2016.

**846 WORK PROGRAMME 2016/17**

This item was deferred to the next Scrutiny Committee Meeting on 12 October 2016.

**847 CABINET FORWARD PLAN**

This item was deferred to the next Scrutiny Committee Meeting on 12 October 2016.

**848 URGENT BUSINESS REPORTS**

There were no urgent business reports.

**849 SUSPENSION OF STANDING ORDERS**

At 10pm and 10.30pm Members agreed to the suspension of Standing Orders in order that the Committee could complete its business.

Chairman

Copies of this document are available on the Council website <http://www.swale.gov.uk/dso/>. If you would like hard copies or alternative versions (i.e. large print, audio, different language) we will do our best to accommodate your request please contact Swale Borough Council at Swale House, East Street, Sittingbourne, Kent, ME10 3HT or telephone the Customer Service Centre 01795 417850.

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