

Overview and Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Minutes of a meeting of the **Overview and Scrutiny Committee** held on **Wednesday 7 March 2018** at **4.00 pm** in **Conference Chamber West, West Suffolk House, Western Way, Bury St Edmunds IP33 3YU**

Present: **Councillors**

Chairman Diane Hind

Vice Chairman Susan Glossop

John Burns
Mike Chester
Patrick Chung
Margaret Marks

Andrew Speed
Clive Springett
Jim Thorndyke

Substitutes attending:

David Roach

Patricia Warby

By Invitation:

Ian Houlder, Cabinet Member for Resources and Performance
Sara Mildmay-White, Cabinet Member for Housing
Peter Stevens, Cabinet Member for Operations

Also in attendance:

Aidan Dunn, Assistant Director Strategic Finance and Head of Procurement (Suffolk County Council)
Davina Howes, Barley Homes Director (St Edmundsbury B.C.)
Duncan Johnson, Barley Homes Director (Suffolk County Council)
Simon Phelan, Barley Homes Director (Forest Heath District Council)

203. **Substitutes**

The following substitutions were declared:

Councillor David Roach for Councillor Simon Brown.
Councillor Patricia Warby for Councillor Frank Warby.

204. **Apologies for Absence**

Apologies for absence were received from Councillors Simon Brown, Paula Fox, Paul Hopfensperger, Richard Rout, Sarah Stamp, Frank Warby and Anthony Williams.

205. Minutes

The minutes of the meeting held on 10 January 2018, were confirmed as an accurate record and signed by the Chairman.

206. Public Participation

There were no questions/statements from members of the public.

207. Announcements from the Chairman regarding responses of the Cabinet to reports of the Overview and Scrutiny Committee

The Chairman advised that she attended Cabinet on 6 February 2018 and presented the Committee's report on items it considered on 10 January 2018, which was noted.

208. Barley Homes Group Limited Annual Report 2018

Prior to the report being presented to the Committee, the Chairman, Councillor Diane Hind, welcomed Councillor Sara Mildmay-White, Cabinet Member for Housing, who was also a representative for St Edmundsbury Borough Council on the Barley Homes Shareholder Advisory Group (SAG) and three of the Directors from Barley Homes, Davina Howes and Simon Phelan for the West Suffolk Councils and Duncan Johnson, Chairman of the Board of Directors for Suffolk County Council, who was accompanied by Aidan Dunn, Assistant Director (Strategic Finance) and Head of Procurement at Suffolk County Council (SCC) who supported SCC in operating Barley Homes.

Councillor Sara Mildmay-White then presented Report No: OAS/SE/18/004 to the Committee, which provided the opportunity for Members to note the Barley Homes' Annual Report 2018 and the SAG's view and recommendations, and to provide any additional comments to inform the preparation of Barley Homes next Business Plan, which would be brought to the Overview and Scrutiny Committee in the summer.

Attached at Appendix A to the report was the Annual Report of Barley Homes (Group) Limited, the company established jointly with Forest Heath District Council (FHDC), St Edmundsbury Borough Council (SEBC) and Suffolk County Council (SCC) to build open market housing for sale, housing for private rent and affordable housing. The Annual Report (Appendix A) presented the position from a Barley Homes perspective, and the covering report provided the perspective from both FHDC and SEBC's viewpoint, as joint owners (shareholders) of Barley Homes.

The covering report also included information on the current progress made against the agreed Barley Homes Business Plan; key challenges and achievements; and a number of recommendations on the way forward, which the Overview and Scrutiny were asked to consider, such as:

- SAG welcomed any feedback from the Scrutiny Committee on how to improve communications so as to keep all members better informed moving forward.

The Committee strongly expressed their concerns regarding the deliverability of the Barley Homes five-year business plan, given one of the four initial development sites had been removed from the business plan, (Wamil Court, Mildenhall), because Suffolk County Council (SCC), a shareholder in Barley Homes took the decision to sell the site on the open market, securing a higher price. Although the property had been offered to Barley Homes, the offer they were able to make based on the assessed future development was not acceptable to SCC. It was concerned that if SCC had done this once, what was stopping them from doing it again?

Some members also felt that the cost of the preparatory work carried out by Barley Homes (approximately £6,500) in assessing and progressing Wamil Court, Mildenhall should be paid back by SCC from the sale proceeds it achieved on the sale of the land.

Aidan Dunn, Assistant Director (Strategic Finance) and Head of Procurement, explained in detail the history behind Wamil Court, Mildenhall, which went back to the original business plan and the Care UK's contract for the renewal of the care home, and the need for SCC to maximise the cash receipt for the site when Care UK returned it back to SCC in 2014. Barley Homes was asked to provide their best market value price for the site, however SCC found a buyer who were prepared to pay three times more than what Barley Homes could offer. Following concerns being raised about this sale by the West Suffolk partners, SCC had taken stock of the situation and was now looking at what it wanted as a partner of Barley Homes and stated that SCC was now much more open minded to the bigger picture and not just focused on maximising profits and land receipt sales. All partners were now looking at the original assumption in the original business plan when Barley Homes was established, as these were considered to be too restrictive, and it had become apparent that further work was required with Barley Homes to establish new assumptions and greater flexibilities.

In response, the Assistant Director (Resources and Performance) noted that there was a lot of emotion around the sale of the Mildenhall site, which was understandable, and officers would progress the principle question of the £6,500 being recouped. She explained that market valuation was a subjective issue, depending on the intentions of the purchaser. Members raised concern that the price paid for Wamil Court could ultimately result in a housing application coming forward that could not achieve development management policy compliance.

The Committee questioned whether St Edmundsbury Borough Council would have gone ahead with the Joint Venture in the first place with just three sites, instead of the four; and whether Barley Homes would still be able to deliver the homes it had originally set out to achieve in the first business plan, and sought reassurances from SCC that they would not sell their other two sites on the open market, without first giving Barley Homes the opportunity to buy the sites first.

In response, Aidan Dunn informed members that SCC wanted houses to be built on the two sites it owned as set out in the Business Plan and it would offer the sites to Barley Homes in the first instance. However, if the sites

were not viable for Barley Homes, then SCC would consider selling those sites to another buyer.

Some members accepted that there would be teething problems, but questioned whether this was a joint venture that the council should realistically be pursuing. If the councils involved had differing perspectives, then there should be a point set when Barley Homes was fully reviewed and a decision made as to whether it was still viable to continue or to dissolve Barley Homes and simply sell potential development sites on the open market, as members did not want to have the same problem in 12 months.

The Committee was informed that Barley Homes was currently working hard to progress the three remaining sites set out in the current business plan to ensure that they worked and delivered against the timeline set out in Appendix A. Officers reiterated that all council leaders were fully committed and wanted Barley Homes to be a success. Conditions in the housing market had changed since the original business plan was prepared, and given the desires to maintain schemes that were policy compliant, a revised business plan would need to be brought forward that still achieved a profitable outcome for the business.

In response to a question raised regarding how members were kept informed about Barley Homes, Councillor Mildmay-White identified that this had been raised within the Leaders Statement to Council, and it was always intended that Barley Homes annual reports would be presented to the Overview and Scrutiny Committee.

In response to a question raised, the Committee was informed that the figures set out in Appendix 2 of the Annual Report were a snapshot in time up to the end of January 2018, and the full set of accounts would be available at the end of the financial year.

Discussions were also held on the appointment of non-executive directors; the Westfield site in Haverhill and parking issues at Castle Hill, Haverhill, to which responses were provided.

Aidan Dunn reiterated that SCC wanted the joint venture to work and the SCC Leader was committed to Barley Homes.

The Chairman of the Committee summed up by stating that the message coming out of the meeting was that members were concerned about Barley Homes and about the delivery of housing going forward and suggested that the revised Business Plan be brought back to the Committee in July/September 2018 to enable members to further assess progress.

Councillor Diane Hind moved the recommendations, these were duly seconded by Councillor Andrew Speed and with the vote being unanimous, it was:

RESOLVED: That

- 1) The Annual Report 2018 for Barley Homes (Group) Limited, attached as Appendix A to Report No: OAS/SE/18/04, and the progress made to date be noted.
- 2) The Barley Homes Shareholder Advisory Group's views and recommendations set out in Report No: OAS/SE/18/004, to address the current challenges, be noted.
- 3) The Barley Homes Revised Business Plan be referred back to the Overview and Scrutiny Committee in July/September 2018, along with the full year-end set of accounts to enable the Committee to assess further progress being made.

209. Lettings Policy

The Cabinet Member for Housing, Councillor Sara Mildmay-White presented Report No: OAS/SE/18/005, which advised the Scrutiny Committee on proposed revisions to the Lettings Policy. Revisions were required as a result of recent case law and to ensure that the Lettings Policy was compliant with the requirements of the Homelessness Reduction Act 2017 which comes into force on 3 April 2018.

This was a revised interim policy to ensure the Council was legally compliant and that a full review of the Lettings Policy would be carried out later in the year and brought back to the Committee for further scrutiny. Attached at Appendix 1 to the report was the revised Lettings Policy, which included the proposed changes, and was also summarised in paragraph 1.1.8 of the covering report.

The Committee scrutinised the report in detail and asked questions to which responses were provided.

In response to a question raised regarding Housing Associations and whether they had their own policies or similar template to the attached draft lettings policy, members were informed that Housing Associations across the sub-region worked with the same lettings policy document.

In response to a question raised regarding "refusing an offer of accommodation", members were informed that officers did everything they could by working with applicants sensitively, and housing providers, to offer support/assistance and to verify their circumstances as to why an offer of accommodation is not deemed suitable.

The Committee also discussed Armed Forces Personnel and questioned whether the emergency services could also be included. Officers advised that the additional priority for UK Armed Forces Personnel was more of a reflection that they moved around frequently in their line of work, which was not the case with emergency services personnel. However, a full review of the lettings policy would be carried out later in the year.

The Vice-Chairman of the Committee wished to thank the Assistant Director (Families and Communities) and her housing team for all the work they do, which was appreciated.

Councillor John Burns moved the recommendation, this was duly seconded by Councillor Patricia Warby and with the vote being unanimous, it was:

RECOMMENDED

That the Revised Lettings Policy, attached as Appendix 1 to Report No: OAS/SE/18/005, be approved.

210. Car Parking Update

[Councillor Andrew Speed left the meeting at 5.32pm prior to the consideration of this item]

Prior to the report being presented to the Committee Councillor Peter Stevens, Cabinet Member for Operations wished to thank officers for the car parking figures and asked the Committee to note that infrastructure development would be coming forward to support car parking provision.

The Committee received Report No: OAS/SE/18/006, which provided members with an update on the car parking service across 2017, off-street parking outcomes and work priorities. The report included information on transactions and usage, issue of fines, car park improvements (credit card enabled pay machines and RingGo cashless payments, electric charging points, Park Mark, Disabled Parking Accreditation and Vinery Road car park); planning for future car parking provision, Civil Parking Enforcement, and future work streams.

The Committee considered the report in detail and asked a number of questions to which comprehensive responses were provided. In particular discussions were held on the drop in transactions made in 2017 compared to 2016 and the reasons behind the drop; what the cost was to the council in using RingGo compared to other parking providers, to which comprehensive responses were provided.

In response to a question raised regarding electric charging points and whether the council received a grant for installing them, members were informed that the council funded the replacement of the two existing charging points and made a contribution to the new charging points at a cost of £20,000 with Suffolk County Council funding the remainder.

In response to a question raised, officers agreed to provide members with data on the usage of electric charging points.

The Committee discussed the number of discounted weekly tickets sold in Bury St Edmunds and noted there was no mention of discounted weekly tickets for Haverhill in the report. Officers agreed to provide members with the data for Haverhill.

Discussions were also held on the Car Parking Account actual budget spend for 2016-2017 and the various areas where surplus funds were spent, which included Street Cleansing, District Highways, Street Furniture and CCTV.

There being no decision required, the Committee **noted** the contents of the report.

211. **Annual Presentation by the Cabinet Member for Resources and Performance**

The Committee was reminded that on 15 March 2017, it had received a presentation from the Cabinet Member for Resources and Performance, setting out responsibilities covered under his portfolio.

At this meeting, the Cabinet Member had been invited back to provide his annual update, and Report No: OAS/SE/18/007 set out the focus of the update.

The Cabinet Member was also provided in advance of the meeting with some key questions identified by Scrutiny members on areas they wished to be appraised on during the annual update, which were included in the report along with responses, specifically:

- 1) Procurement of contracts:** After a contract had been awarded to a company/business, how does the Council then ensure fair treatment and good practice was being adhered too in treating the public and employees ethically?
- 2) Procurement of contracts:** What penalties were there when contracts were not delivered on time? (Example: play equipment contracts).
- 3) Procurement of contracts:** Who reviews the performance of contracts awarded by the Council?
- 4) Equal gender pay:** As a Council do we operate an equal gender pay scheme, for example, if two people are doing the same job, with the same experience, same qualifications are they receiving the same pay irrelevant of gender or disability?
- 5) Harassment:** Given all the publicity in recent months, does the Council have anyone making any sexual harassment claims, male or female?

Councillor Ian Houlder opened his presentation by thanking the Committee for the invitation to address them on progress made within his Portfolio since March 2017.

The Committee asked a number of follow-up questions relating to procurement, which included the preferred list of suppliers and how local/small businesses could get onto the councils list of suppliers; what percentage of suppliers were renewed; and whether procurement rules applied when employing consultants, to which comprehensive responses were provided.

A member queried the purpose of the Workforce Strategy 2018-2020. It was confirmed that the Council was increasing its workforce, and continuing to develop its staff through the comprehensive training programme, that would be reflected in the strategy.

The Chairman on behalf of Members wished to thank the Cabinet Member for Resources and Performance and officers for their attendance and **noted** the update.

212. West Suffolk Information Framework - Report from the Joint Task and Finish Group

[Councillors Jim Thorndyke and Patricia Warby left the meeting at 6.18pm prior to the discussion of this item and subsequent voting]

Councillor John Burns presented Report No: OAS/SE/18/008, which updated members on the work carried out by the Joint Scrutiny Task and Finish Group with Forest Heath District Council in developing a proposed West Suffolk Information Framework.

On 19 April 2017, the Overview and Scrutiny Committee recommended that a West Suffolk Information Framework Joint Task and Finish Group (the Group) be set up to scrutinise and shape the development of an Information Strategy for West Suffolk Councils'. The Group included two members from both Forest Heath District Council (Councillors Simon Cole and Brian Harvey) and two from St Edmundsbury Borough Council (Councillors John Burns and Clive Springett).

In the early stages of the process the Group agreed that the document should become a Framework, rather than a Strategy, reflecting the focus on Data and Information and the councils Vision and Objectives regarding its usage, and that a subsequent ICT Strategy would focus on the delivery of the Technology Architecture to support the Framework.

Attached at Appendix A to the report was the Draft Information Framework, which sought the Committee's input following the work of the Group. The framework was a first for West Suffolk Councils and represented a revised approach to data and the way we use it. The framework provided a high level summary of the council's current position and proposed an approach that sought to maximise data assets through aligning data across West Suffolk Councils' and its partners to improve the services provided across the Councils'.

The Committee was advised that the draft document would be proof-read, formatted and designed, including the addition of photographs (where applicable) in advance of final publication.

The Committee considered the report and questioned whether we would be data compliant with regards to the General Data Protection Regulations (GDPR), to which officers advised that there was a wider project across the Council on GDPR which would feed into the West Suffolk Information Framework.

Councillor Diane Hind then moved the recommendation, this was duly seconded by Councillor Patrick Chung and with the vote being unanimous, it was:

RECOMMENDED:

That the Draft West Suffolk Information Framework, attached as Appendix A to Report No: OAS/SE/18/008, be approved.

213. Decisions Plan: March to May 2018

The Committee received Report No: OAS/SE/18/009, which requested that members peruse the Cabinet Decisions Plan for the period March 2018 to May 2018, for which it would like further information on or might benefit from the Committee's involvement.

The Committee considered the latest version of the Decisions Plan and asked questions on the "*Leisure Investment Fund: Consideration of Business Case for Investment in Haverhill Leisure Centre*", to which a response was provided.

The Committee requested further information on progress with the Western Way Development Programme, including how the expansion of West Suffolk College might impact on education in other parts of St Edmundsbury. It was agreed a written response would be provided.

The Committee also requested whether it would be possible for it to consider the Haverhill Research Park report and the proposed vision, prior to it being considered by Cabinet, as it was reported that local members had not yet been consulted on the proposed vision. Officers agreed to look into the timetabling of this item through the democratic process.

There being no decision required, the Committee **noted** the contents of the March to May 2018 Decisions Plan, subject to a written response being provided on the Western Way Development Programme and the timetabling of the Haverhill Research Park report to Cabinet.

214. Work Programme Update

The Committee received Report No: OAS/SE/18/010, which updated Members on the current status of its rolling work programme of items for scrutiny during 2018-2019 (Appendix 1).

The report also requested the Members identify questions they would like the Cabinet Member for Families and Communities to cover in his annual update to the Committee on 18 April 2018.

The Committee considered the report and came up with the following questions to be put to the Cabinet Member for Families and Communities at its April 2018 meeting:

- **Health:** How are Families and Communities working with the Clinical Commissioning Group (CCG) and other interested parties, to ensure the

needs of residents are being met in terms of health facilities (in all areas of the Borough) including ensuring that relevant S106 contributions from developers are not wasted because of a potential failure (or its partners/replacement) to follow-up on the need identified at the time of the agreement or lack of desire to provide such facilities.

- **Health:** Are S106 agreements, in the view of Families and Communities, sufficiently tight and legal enough to not allow any wriggle out room later including identifying alternative uses rather than returning funds/land back to the developer?
- **Customer services, access and engagement:** What is being proposed for communications when we move to one Council. As we move to a single council it will be inevitable that some people may have to travel further to engage with services, and if they do not have internet, or are not familiar with technology, or are without transport, what will they do?
- **Families and communities:** What sanctions and action can the Council take when a rough sleeper refuses all proper and appropriate help and support?
- **Customer services, access and engagement:** What are the reasons behind the delay in the Bury Bus Station building being occupied, and what is the current status regarding future occupancy?

Finally, the Democratic Services Officer (Scrutiny) informed the Committee the additional item on the Barley Homes Group Business Plan would be included in its work programme for July/September 2018.

There being no decisions required, the Committee **noted** the current status of its work programme, including the additional item on the Barley Homes Business Plan and had identified questions to be put to the Cabinet Member for Families and Communities.

The Meeting concluded at 6.40 pm

Signed by:

Chairman
