



## Overview and Scrutiny Committee

Notice of a Meeting, to be held in the Council Chamber, Civic Centre, Tannery Lane,  
Ashford, Kent TN23 1PL on Tuesday 20<sup>th</sup> August 2013 at 7.00 pm.

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The Members of this Committee are:-

Cllr Adby (Chairman);  
Cllr Chilton (Vice-Chairman);  
Cllrs. Apps, Bartlett, Bennett, Burgess, Davison, Feacey, Hodgkinson, Mrs Hutchinson,  
Link, Miss Martin, Mrs Martin, Mortimer, Smith, Yeo.

### Agenda

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| 1. <b>Apologies/Substitutes</b> – To receive Notification of Substitutes in accordance with Procedure Rule 1.2(iii)                             |                      |
| 2. <b>Declarations of Interest:-</b> To declare any interests which fall under the following categories, as explained on the attached document: | (i)                  |
| a) Disclosable Pecuniary Interests (DPI)  |                      |
| b) Other Significant Interests (OSI)  |                      |
| c) Voluntary Announcements of Other Interests   |                      |
| See Agenda Item 2 for further details   |                      |
| 3. Minutes – to approve the Minutes of the Meetings of this Committee held on the 25 <sup>th</sup> June and 9 <sup>th</sup> July 2013           |                      |

### **Part I – Matters Referred to the Committee in Relation to Call-In of a Decision made by the Cabinet**

None for this meeting

### **Part II – Responses of the Cabinet to Reports of the Overview and Scrutiny Committee**

None for this Meeting

### **Part III – Ordinary Decision Items**

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|-------------------------------|-------|
| 4. Budget Scrutiny Task Group | 1 - 3 |
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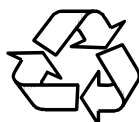
## Part IV – Information/Monitoring Items

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| 5. | Update on Best Services Resources Allow. | 5      |
| 6. | Future reviews and report tracker.       | 7 - 11 |
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JV/VS  
12 August 2013

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Queries concerning this agenda? Please contact Kirsty Liddell:  
Telephone: 01233 330499 Email: [kirsty.liddell@ashford.gov.uk](mailto:kirsty.liddell@ashford.gov.uk)  
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**Declarations of Interest (see also “Advice to Members” below)**

- (a) **Disclosable Pecuniary Interests (DPI)** under the Localism Act 2011, relating to items on this agenda. The nature as well as the existence of any such interest must be declared, and the agenda item(s) to which it relates must be stated.

A Member who declares a DPI in relation to any item will need to leave the meeting for that item (unless a relevant Dispensation has been granted).

- (b) **Other Significant Interests (OSI)** under the Kent Code of Conduct as adopted by the Council on 19 July 2012, relating to items on this agenda. The nature as well as the existence of any such interest must be declared, and the agenda item(s) to which it relates must be stated.

A Member who declares an OSI in relation to any item will need to leave the meeting before the debate and vote on that item (unless a relevant Dispensation has been granted). However, prior to leaving, the Member may address the Committee in the same way that a member of the public may do so.

- (c) **Voluntary Announcements of Other Interests** not required to be disclosed under (a) and (b), i.e. announcements made for transparency reasons alone, such as:

- Membership of outside bodies that have made representations on agenda items, or
- Where a Member knows a person involved, but does not have a close association with that person, or
- Where an item would affect the well-being of a Member, relative, close associate, employer, etc. but not his/her financial position.

[Note: an effect on the financial position of a Member, relative, close associate, employer, etc; OR an application made by a Member, relative, close associate, employer, etc, would both probably constitute either an OSI or in some cases a DPI].

**Advice to Members on Declarations of Interest:**

- (a) Government Guidance on DPI is available in DCLG’s Guide for Councillors, at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/5962/2193362.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5962/2193362.pdf) plus the link sent out to Members at part of the Weekly Update email on the 3<sup>rd</sup> May 2013.
- (b) The Kent Code of Conduct was adopted by the Full Council on 19 July 2012, and a copy can be found in the Constitution at <http://www.ashford.gov.uk/part-5---codes-and-protocols>
- (c) If any Councillor has any doubt about the existence or nature of any DPI or OSI which he/she may have in any item on this agenda, he/she should seek advice from the Head of Legal and Democratic Services and Monitoring Officer or from other Solicitors in Legal and Democratic Services as early as possible, and in advance of the Meeting.

## Overview and Scrutiny Committee

Minutes of a Meeting of the Overview and Scrutiny Committee held in the Council Chamber, Civic Centre, Tannery Lane, Ashford on the **25<sup>th</sup> June 2013**.

### Present:

Cllr. Chilton (Vice-Chairman in the Chair);

Cllrs. Apps, Bartlett, Bennett, Davison, Mrs Hutchinson, Link, Miss Martin, Mrs Martin, Mortimer, Smith, Yeo.

### Apologies:

Cllrs. Adby, Burgess, Feacey, Hodgkinson.

### Also Present:

Cllr. Galpin.

Head of Personnel and Development, Policy Manager, Principal Policy Planner, Senior Scrutiny Officer, Member Services & Scrutiny Support Officer.

## 49 Declarations of Interest

Councillor	Interest	Minute No.
Davison	Announced an 'Other Interest' as a Member of the Conningbrook Working Group.	53
Mrs Martin	Announced an 'Other Interest' as a Member of the Conningbrook Working Group.	53
Mortimer	Announced an 'Other Interest' as a Member of the Conningbrook Working Group.	53
Smith	Announced an 'Other Interest' as a Member of the Conningbrook Working Group.	53
Yeo	Announced an 'Other Interest' as a Member of the Conningbrook Working Group.	53

## 50 Minutes

### Resolved:

**That the Minutes of the Meeting of this Committee held on the 21<sup>st</sup> May 2013 be approved and confirmed as a correct record.**

## 51 Sickness Absence 2012/13

The Head of Personnel and Development introduced the item. She advised the Committee that the report was an annual report detailing the sickness and absenteeism data for employees of the Council for the year 2012/13. The total days lost over this period were 7.03 days per Full Time Employee (FTE). This was an increase on the previous year's figure of 5 days per FTE. Whilst this increase may initially cause some concern, it should be noted that there had been a national increase in both influenza and the norovirus during the winter months. She drew Members' attention to the reasons for sickness and the data for long term sickness and absence. The financial cost of sickness was highlighted which included the cost of overtime and agency workers. Comparative data for neighbouring Authorities was also provided in the report. The Council also operated an Employee Assistance programme.

During the discussion, the following issues were raised:

- There were concerns over the number of staff who had been off work on long-term sickness with stress. Members questioned whether the employees affected were from one particular service? They also questioned whether the cause of the stress was work related or if it was resulting from issues at home. The Head of Personnel and Development advised that they looked carefully at the causes of long-term sickness. Those employees absent due to stress were not limited to one Department, and there had been no trends identified. The majority of cases of stress were caused by factors at home, although there had been some instances of work related stress.
- Members requested that the Head of Personnel and Development contacted Gravesham Council to see how they had achieved such a low figure in relation to days off sick per FTE. The Head of Personnel and Development advised that there were changes afoot at Gravesham and it may be that there was an element of under reporting; however she would contact her counterpart to see how this figure had been achieved.
- In response to questions from Members the Head of Personnel and Development advised that the Council employed 368.91 FTE. The Council took its responsibility towards its employees seriously. In the event an employee was signed off due to stress they would be provided with support through the Active Care Service from the first day of their absence. Allegations of workplace bullying were dealt with through the Council's bullying and harassment policy. There had only been one reported case of bullying during the previous 12 months, this had not been upheld.

- Members raised concerns regarding the number of days employees could be off sick before having to provide a doctor's certificate. The Head of Personnel and Development advised that the Council followed Government guidance and legislation in relation to self certification and doctor's certificates. Employees could self certify for the first seven consecutive days of an illness, after this time they would need to provide a doctor's certificate. Requests for a doctor's certificate made during the first seven days of illness would result in a charge being levied by the issuing Doctor. If there were concerns regarding a short term absence for an employee the Council could insist on a doctor's certificate, the cost of which would be reimbursed by the Council.
- The Head of Personnel and Development stated that the Council had a written procedure for dealing with persistent short term absence. Cases were dealt with on a case by case basis. She explained that two of the Team were fully CIPD qualified, with another two partly CIPD qualified. The whole of the Team were able to provide advice to employees and managers, however only those with full CIPD qualifications provided advice on complex matters.
- Managers had been invited to attend training sessions on performance and sickness management during the past year. This had provided managers with improved capability for dealing with these issues. A new HR system had been rolled out across the Council at the beginning of the financial year; this ensured that managers had easy access to sickness and absence records. Improvements had also been made to the way 'return to work discussions' were carried out, this was something that may have been overlooked previously. Quarterly statistics were received from Health Assured; the provider of the Council's Employee Assistance Programme (EAP), this service was well used. Referrals to Occupational Health were monitored by the HR Team as referrals were made by the Council rather than through the EAP.

Members felt that there was no need for such a detailed report to be put before the Committee next year, unless there had been a significant change in the figures. It was also suggested that a graph be included in the report to show trends over the past four to five years.

**Resolved:**

- That (i) An information report be presented to the Overview and Scrutiny Committee on annual basis to include a graph to show trends over a four to five year period, if there were any significant changes in the figures then a full report would be welcomed.**
- (ii) The report be received and noted.**

## **52 Communication and Consultation Strategy for the Core Strategy Review**

The Vice-Chairman in the Chair reminded the Committee that this report dealt with the communication and consultation strategy for the Core Strategy Review. The Core Strategy Review itself was not relevant to this Meeting.

The Policy Manager introduced the report and highlighted the challenges faced in plan making. It was apparent that reaction to planning applications was more significant than to plan making. Plan making was usually for a longer period of time and there was always the possibility that development may not happen. When site specific allocations were being considered this needed to be communicated to residents and it was vital that a range of methods were used and people were encouraged to get involved at an early stage rather than waiting until a planning application had been submitted.

The Principal Policy Planner advised Members that they had started the Core Strategy Review consultation process using an awarding winning model developed by Winchester City Council. 'Plan-It Ashford' encouraged all communities to think about their future needs and the needs of others. To date 26 sessions had been carried out with Parish Councils, Community Forums and Community Groups. These sessions had enabled groups to discuss issues pertinent to them, what they liked or disliked about development in the Borough and how they saw Ashford developing in the future. The process had been well received. This was just the first stage in the process; they would continue to consult with the community during each stage.

During the discussion, the following issues were raised:

- The Policy Manager advised that the Duty to Co-operate legislation had been bought in to ensure that Councils consulted with neighbouring Authorities during the plan making process to ensure that plans were cohesive and that Authorities did not operate in isolation from each other. Ashford had a good track record of consulting with neighbouring Authorities throughout the plan making process.
- Members questioned how involved Parish Councils had been in the process, had there been any that had not been forthcoming? The Policy Manager advised that involvement in the process was voluntary and drew attention to appendix 1 of the report which detailed all those groups that had taken part in the process.
- When site specific allocations were proposed this invariably indicated to residents that there was a possibility that something may happen. The communications strategy at this stage was vital. There would be difficult decisions to make at the site allocation stage and ensuring that all of the necessary information was available was important. During the plan making process for the Urban Sites Development Plan Document (DPD) a number of events had taken place during the consultation process and it had become apparent that there was a lot of local feeling regarding two of the proposed site allocations, which resulted in neither site being included within the DPD.
- A Member suggested that a plan be produced and be made available for residents to view that showed the borough as it was, as it is now and how it could look in the future. The Policy Manager said they were always looking for new and innovative ways of communicating and consulting with residents and he encouraged Members to put forward ideas.

- A Member felt that the questions posed through 'Plan-It Ashford' were leading and it was not an easy system to use. The Policy Manager advised that they had not received feedback of that nature to date; in fact feedback had been positive. The questions provided respondents with an opportunity to say what they would like to happen in the Borough.
- Members were disappointed that the Portfolio Holder had not attended the meeting to support the report. The Vice-Chairman in the Chair advised that he would speak to the Chairman regarding this and look at ways of encouraging Portfolio Holders to attend Meetings of the Overview and Scrutiny Committee.

**Resolved:**

**That the report be received and noted.**

## **53 Future Reviews and Report Tracker**

The Vice-Chairman in the Chair advised Members' of the recent meeting between the Chairman of the Committee and the Chairman of the Audit Committee regarding the respective committees' roles in supporting the Council's strategic objectives.

At the Meeting of the Council on 16<sup>th</sup> May 2013 it had been agreed that the Committee would review the Energy Saving Budget and proposal for the Civic Centre (to improve lighting in the Civic Centre), this had been added to the future reviews and report tracker.

The Vice-Chairman in the Chair advised the Committee that a number of items had been put forward for inclusion on the future reviews and report tracker. He suggested that the Committee considered each proposed review individually, and highlighted the Chairman's recommendation for each review.

### **KCC Shared Space Contract**

The Member who proposed the review be included on the tracker advised Members that he felt that there were fundamental questions that needed to be answered following the completion of the contract. The contract had gone significantly over budget with a number of errors having been made. He felt it was vital to review the process as the maintenance of the Shared Space would be shortly handed over to the Borough Council.

A Member felt that the review being undertaken on behalf of KCC should be received prior to the Committee reviewing the matter.

The Member who suggested the review proposed that the review be added to the tracker and the review take place after the receipt of the results of the AMEY report on the Shared Space. This was seconded.



### **Drover's Roundabout**

Members felt that they should wait until the update report was received in September before including this on the tracker.

### **Sevington Development Project**

The Member who proposed the review be included on the tracker advised why he had requested the review take place, however he wished to amend his proposal and requested that the capacity at Junction 10 be reviewed with a revised South Ashford Transport Study (SATS) being commissioned.

The Vice-Chairman in the Chair advised that the Senior Scrutiny Officer would need to investigate when the first SATS had taken place and who would be responsible for this function. This would be reported back to the Committee in due course.

### **Conningbrook Project**

The Member who proposed the review be included on the tracker felt that this was an exceptional opportunity and that it was important that the project was undertaken correctly. His particular concern was for the management and integration of the water sports on the site and emphasised the importance of knowledgeable people to be in management.

A Member, who had no objection to the proposal, questioned the need for boats at the Lakes.

### **Fly Posting/Graffiti in the Borough**

Members felt that the prevalence of fly posting/graffiti in the Borough needed to be addressed.

The Portfolio Holder for the Town Centre and the Urban Economy agreed that this needed to be looked at. He advised there were some occurrences of this happening on private land so this could create delays in the removal of posters/graffiti. He further advised of the creation of Town Centre Action Team which would assist with the removal of posters/graffiti in the Town Centre in addition to the work undertaken through the Street Cleansing Contract.

### **Resolved:**

- That**
- (i) The following reviews be added to the Future Reviews and Report Tracker; KCC Shared Space Contract, Conningbrook Project, Fly Posting/Graffiti in the Borough**
  - (ii) The Future Reviews and Report Tracker be noted.**

## **54 Hayley Curd**

The Committee wished to express its thanks and well wishes to Hayley Curd, who had administered the Meetings of the Committee for several years and would be shortly leaving the Council for pastures new.

## **55 Proposed Call-In**

A Member questioned when a discussion would take place regarding the request for the Call-In of a Cabinet Decision that had been submitted.

The Vice-Chairman in the Chair advised that the formal request had been received prior to the commencement of the Meeting that evening. The Meeting to discuss the Call-In would be held shortly. Arrangements for the Meeting would be circulated to Members in due course.

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Queries concerning these Minutes? Please contact Kirsty Liddell:  
Telephone: 01233 330499 Email: [kirsty.liddell@ashford.gov.uk](mailto:kirsty.liddell@ashford.gov.uk)  
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## Overview and Scrutiny Committee

Minutes of a Meeting of the Overview and Scrutiny Committee held in the Council Chamber, Civic Centre, Tannery Lane, Ashford on the **9<sup>th</sup> July 2013**.

### Present:

Cllr. Chilton (Vice-Chairman in the Chair);

Cllrs. Apps, Bartlett, Bennett, Burgess, Clokie, Davidson, Davison, Feacey, Mrs Hutchinson, Link, Miss Martin, Mrs Martin, Mortimer, Smith, Yeo.

In accordance with Procedure Rule 1.2 (iii) Councillors Clokie and Davidson attended as Substitute Members for Councillors Hodgkinson and Adby respectively.

### Apologies:

Cllrs. Adby, Hodgkinson.

### Also Present:

Cllrs. Mrs Bell, Britcher, Clarkson, Hicks, Shorter.

Deputy Chief Executive, Finance Manager, Principal Accountant, Business Manager and Head of Building Control, Head of Customers, Homes and Property, Strategic Housing and Property Manager, Customer Service Manager/Joint Operations Manager Gateway, Head of Property and Community Projects, Senior Scrutiny Officer, Member Services & Scrutiny Support Officer.

Prior to the commencement of the meeting the Vice-Chairman in the Chair advised that a paper containing responses to questions put forward by Members of the Committee had been circulated and the meeting was adjourned for 10 minutes to allow all those present to read this paper.

## 69 Call-In of Cabinet Minute No: 33 – Trading Companies

In accordance with Overview and Scrutiny Procedure Rule 15 five Members of the Overview and Scrutiny Committee had requested that the decision of the Cabinet taken at the meeting on the 13<sup>th</sup> June 2013 concerning Trading Companies (Minute No 33 refers) be called in for scrutiny.

The Vice-Chairman in the Chair welcomed everyone present and outlined the procedure to be followed at the meeting. He advised the Committee that Officers would be able to answer any questions the Committee had pertaining to the Trading Companies. He did not propose to go through the agenda papers page by page and advised that the Leader wished to make a statement on the matter.

The Leader felt that the Overview and Scrutiny Committee was important to the Council and its Constitution. He fully understood their wish to have all of the facts before them for consideration. It was usual for the Committee to scrutinise matters

referred to them, however they had the ability to Call-In decisions and had exercised this right. He advised that the Property Company had been under consideration within the Council for the past two years, an options paper had been presented to the Cabinet in December 2012 regarding the potential creation of both companies. Following this it had been suggested by a Member that there should be provision for independent members on the Board of each company. A shadow board had met on the 22 March 2013 following on from which all Members had been invited to attend a presentation on the proposals on 22 May. Paper versions of the presentation were distributed to Members who had been unable to attend with an invitation to discuss any issues with the Officers concerned. The Cabinet report on the formation of the Companies was presented on the 13 June and made provision for up to two independent members on each Board.

The Leader advised that there had been 16 completions under the Right to Buy (RTB) scheme in 2012/13, 11 in 2011/12 and 4 in 2010/11. The number of residents on the housing register was approximately 1,400 and the 2010 Housing Need Survey had identified a shortfall of homes of 450 per year. 78 homes had been built through the Housing Revenue Account (HRA) over the past two years with 59 new homes and 100 new homes at Farrow Court to be delivered over the next three years via a Homes and Communities grant and the borrowing capacity within the HRA. All new general needs homes were subject to the RTB. The Housing Company rent levels were likely to be set at Local Housing Allowance (LHA) levels. Properties built by the company would be subject to differing tenures dependant on the viability of each site. The Council was considering the Local Authority Mortgage Scheme which assisted purchasers onto the housing ladder who were having problems raising deposits. A number of Local Authorities had signed up already. It should be noted that the Property Company would not be a social housing provider. It would provide for those people who could not access home ownership and who may not have sufficient need to be able to access the Housing Register but needed accommodation.

The Portfolio Holder for Housing and Customer Services was concerned about the number of people currently on the Housing Register. The proposed creation of the Property Company was borne out of two priorities; to increase the revenue to the General Fund (GF) at a time when government grants had been reduced and to deliver more housing for the residents of Ashford. The Council had embraced an entrepreneurial approach. The Property Company would borrow money from the Council who would have secured funding from the Public Works Loan Board at a low rate of interest and would charge a higher rate of interest to the Company to provide the GF with a source of income and this would avoid the need for state aid implications. Delivering housing had always been a priority for the Council. New builds within the HRA were not viable due to the debt cap and the reduced availability of grant funding. Through the Company purchasing properties the assets of the Council would increase. She felt that supporting the report would give a message to the residents of Ashford that the Council cared about providing homes within the Borough at a realistic financial cost.

During the discussion, the following responses were given to questions from the Committee:

- The financial modelling had been based on a tax rate of 23%. It should be noted that there were some items that were not tax deductible. Taxation advisors had been consulted regarding this.
- The Companies would be wholly owned by the Council. The Council would be the only member and shareholder, this ensured absolute control. The shareholder agreements would require the Companies to gain permission from the Council to act in certain circumstances. Both Companies would be Limited Liability Companies which would mean that creditors would be unable to chase the Council for the payment of any debt that either Company had. The governance arrangements had been put in place to protect the Council's reputation and its finances.
- In accordance with The Localism Act 2011 the Companies had to be set up as Limited Liability Companies. The Directors of each Company would run the affairs of the respective Companies in line with the agreed business plan. The Companies would be required to abide by the shareholder agreement and would be unable to do certain things without obtaining the permission of the shareholder.
- It was proposed to draw down the funding to the Property Company in tranches of £2m. Properties would then be purchased on the open market. The Council had a good track record of renting properties and they would use the knowledge and expertise at hand.
- The Property Company would let properties via different tenures to those provided by the Council. Rents would be set around LHA levels; this would mean that housing benefit would be able to cover the rent of the property. This was an opportunity to provide a different type of service to the residents of the Borough. There had been an increase in the termination of rental contracts by private sector landlords which had resulted in an increase in people presenting as homeless.
- It would be illegal for either of the Companies to pay any Councillor that was a Director, although it would be possible for payments to be made to other Directors. The Head of Property and Community Projects advised that the governance arrangements could be amended to state that no Director shall be paid by the Company. There was broad support for this suggestion from Members.

- The Trading and Enterprise Board (TEB) had been set up as a Committee of the Cabinet. This was in accordance with the governance arrangements of the Council. All Members of the Council were entitled to attend meetings of the TEB. There was no requirement in law for companies to hold AGMs; however should the Committee feel it appropriate provision for each Company to hold an AGM could be enforced through the shareholder agreement. It should be noted that whilst Members of the Council could attend the AGMs, they would not have voting rights.
- The TEB would approve the appointment of Directors to the respective Companies. This would ensure that the Council retained control over both Companies.
- In respect of potential conflicts of interest it was envisaged that the arrangements put in place would help to minimise and manage these. For example, the Deputy Chief Executive was to be appointed to be a Director of the Property Company and so could not provide the Council with financial advice in respect of that Company. Chinese walls would be in place to ensure that the potential for conflicts of interest were minimised.
- If the Property Company were to make a planning application to the Local Authority they would have a right to appeal the decision. This would not be in the best interests of the Council and so it could be proposed that a provision be placed in the shareholder agreement that the Company could not appeal any planning decision.
- There were two options for dealing with any profit made by the Property Company; the Company could declare dividends and pay these to the Council as sole shareholder or the profit could be reinvested. It should be noted that the payment of Dividends may not be tax efficient.
- The RTB would not apply to properties purchased and managed by the Property Company. RTB only applied to houses when the Council was the Landlord. Alternative tenures would be available through the Property Company, including options for shared ownership and staircasing.
- All properties or land purchased by the Property Company would be on the open market. The Company could not use compulsory purchase orders, only the Council could do that.

During the discussion a Member advised that he was 100% behind the Building Control Company. He felt that there was a need to start up the Company and there was a real possibility that it would be financially viable.

Members then indicated that they wished to discuss the exempt papers in relation to this item.

## **70 Exclusion of the Public**

### **Resolved:**

**That pursuant to Section 100A(4) of the Local Government Act 1972, as amended, the public be excluded from the meeting during consideration of the item, as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the public were present there would be disclosure of exempt information hereinafter specified by reference to paragraph 3 of Schedule 12A of the Act.**

The Committee considered the exempt papers in relation to the proposed creation of the Trading Companies.

Following considerable discussion and questions from Members, the Committee moved back into public session.

## **71 Call-In of Cabinet Minute No: 33 – Trading Companies**

Members felt that the Council should have more control on when the tranches of money were released to the Property Company. It was proposed that the requests for tranches be put before the Full Council for endorsement.

Concerns were also raised regarding the payment of honorariums to Officers that would undertake work for the respective Companies. Some Members felt that Officers should be remunerated in the usual manner, however they could be paid overtime if they were contractually entitled. The Portfolio Holder for Resource Management and Control urged Members not to eliminate the possibility of being able to acknowledge the efforts of Officers further down the line. It was important to remember that Officers skills and expertise would grow and they would become even greater assets to the Council.

The Head of Property and Community Projects advised that it was necessary to appoint Directors at this stage to assist with the start up of the Companies. In time it may become apparent that there were people more suited to the role of Director of one the Companies, in which case changes could be made.

### **Recommended:**

- That**
- (i) No payment will be made to any Director/Officer other than expenses and no Officer should be paid other than contractual overtime.**
  - (ii) Each company will hold an AGM and all Councillors will be invited to attend (but not to have any voting rights)**
  - (iii) Not to appeal against council planning decisions.**
  - (iv) The Council to have an independent review of the financial model to include an opinion on being a going concern.**

- (v) That the Section 151 Officer should not be a Director of either company.**
- (vi) In respect of the Property Company - should consider options to support home ownership models, including staircasing.**
- (vii) that the release of each tranche of the £10M be subject to the approval of Council**



**Agenda Item No:** 4  
**Report To:** Overview and Scrutiny Committee  
**Date:** 20 August 2013  
**Report Title:** Budget Scrutiny Task Group  
**Report Author:** Senior Scrutiny Officer



<b>Summary:</b>	The O&S Committee is asked to agree the set up and membership of a Budget Scrutiny Task Group which will scrutinise the Council's draft 2014/15 budget and report its findings and recommendations to the O&S Committee. The O&S Committee would then report to Cabinet on the soundness of the budget.
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**Key Decision:** NO

**Affected Wards:** None

**Recommendations:** **The O&S Committee to agree the set up and membership of a Budget Scrutiny Task Group.**

**Policy Overview:** The Overview and Scrutiny Committee has a duty to scrutinise the Council's draft Capital and Revenue budget.

**Financial Implications:** N/A

**Risk Assessment** No

**Equalities Impact Assessment** No

**Other Material Implications:** None

**Exemption Clauses:** N/A

**Background Papers:** None

**Contacts:** julia.vink@ashford.gov.uk – Tel: (01233) 330491

## Report Title: Budget Scrutiny Task Group

### Purpose of the Report

1. The purpose of this report is to propose the O&S committee agree to delegate the scrutiny of the Council's draft 2014/15 budget to a Task Group (the Budget Scrutiny Task Group) as it has done in the past. The Budget Scrutiny Task Group would report back to the main Committee.

### Background

2. As set out in the Council's constitution the Overview and Scrutiny Committee has a duty to scrutinise the Capital and Revenue budgets of the Council. In the past, the Budget Scrutiny Task Group has fulfilled this function by scrutinising the Council's draft Capital and Revenue budgets, making a judgement on them, and reporting back to the main O&S Committee.
3. After the successful scrutiny of the draft 2013/14 budget the Task Group was disbanded and so a new Task Group needs to be set up in preparation for the scrutiny of the draft 2014/15 budget. This also gives the opportunity for different members of O&S to be involved especially as the previous chairman is now a member of the Cabinet and so not eligible to be on the Task Group.
4. The report from the Task Group may make recommendations to both the O&S Committee itself and also to Cabinet. Once endorsed by the main Committee the report is then forwarded to Cabinet.

### Membership, Timetable and Meetings

5. The political make up of the Budget Scrutiny Task Group will be broadly politically balanced and comprise of five Members - three Conservative Members and two Members from the remaining groups on the Committee.
6. The provisional timetable for 2013/14 is as follows:-

Report on Draft Budget Proposals to Cabinet	5 Dec 2013
Budget Scrutiny Process	After 5 Dec 2013
Task Group to report back to O&S	28 Jan 2014
O&S Budget report to Cabinet	13 Feb 2014
Full Council – set council tax	20 Feb 2014

7. In 2012/13 the Budget Scrutiny Task Group met six times between 10 Dec 2012 and 11 Jan 2013, all the meetings took place during the day. Because of the Christmas break, this is quite an intense set of meetings. The Task Group reported back to the main O&S Committee on 22<sup>nd</sup> January 2013. The final report from O&S to Cabinet, making five recommendations, was agreed by Cabinet.

8. With the help of Finance officers, Heads of Service and other officers, the Task Group examines all the Service budgets and reports back any areas of concern.
9. Any risks identified are put into a 'risk matrix' to show the likely probability of an issue occurring and the material impact it would have on the Council's budget if it did occur.

## **Conclusion**

10. The O&S Committee is asked to agree to the setting up of a Task Group to scrutinise the Council's draft 2014/15 budget, and the following details of the Task Group :-
  - a. Membership to be broadly politically balanced (3 Conservative and 2 other), individual members of Task Group to be agreed
  - b. Substitutes be allowed
  - c. Other members of the Council may attend Task Group meetings and ask questions
  - d. The Task Group elects its own chairman
  - e. The Task Group may co-opt other Members (except members of the Cabinet) as non-voting members when it is considered appropriate
11. It is hoped that the membership of the Task Group can be decided at this meeting. To this end, if Members wish they may contact the Senior Scrutiny Officer/ Scrutiny Manager before the meeting to express their interest. (This would not mean that other Members would be unable to put themselves forward at the meeting itself.)

**Contact:** Julia Vink

**Email:** [julia.vink@ashford.gov.uk](mailto:julia.vink@ashford.gov.uk)

### **Best Services Resources Allow – an update from the Chief Executive.**

During the scrutiny of the Council's 2012/13 and 2013/14 budgets the Budget Scrutiny Task Group expressed some concern that officers were still keen to provide a 'Rolls Royce' service on a 'Mini' budget. The Task Group recommended that a review of the 'Best Services Resources Allow' activity be added to the Committee's forward plan, so that the Committee could be assured that the Council was not prejudicing its ability to deliver core services at an acceptable level.

Ashford has budgeted wisely and prepared well for the reductions in Government grant which have occurred since the last election. As a result of this very few staff have been made redundant. However, staff numbers have reduced through staff turnover (vacant posts not being refilled without clear justification) and reorganisation of the structure of Services.

In 2010, the people of Ashford were given the opportunity to take part in a SIMALTO survey in order to tell the Council where they would like Council resources to be focussed over the next 5 years. The results of this consultation exercise were fed into the 2011 – 2015 business plan.

One of the priorities that arose was 'best services resources allow' i.e. the Council could shift spending to priority areas but it was expected that essential Council business would still be maintained at a decent standard but modest cost.

To help implement this priority a series of staff/Member workshops were organised in May 2011 to enable ideas for taking this forward to be suggested. Of the many ideas that came from the workshops, seven were selected to be explored further:

- To improve the website
- To improve the intranet
- To explore the possibility of the Council setting up its own lettings company
- Using staff as inspectors to report problems e.g. broken manhole covers, fly tipping etc.
- Generic working – more joined up working across functions and services leading to less duplication
- Commercial charging – to explore charging for some services that were provided free of charge
- Printing – to see if there were opportunities to reduce the amount of printing we do

The Chief Executive will update the Committee on the achievements to date and how we are delivering essential Council services.

### **Future Reviews and Report Tracker**

September

- ABC Business Plan quarterly performance report

October

- 'Invest to Save' Civic Centre Lighting replacement project

December/January

- Budget scrutiny Task Group meetings

New items:-

Items agreed at the June meeting of this committee will come forward in due course.

Year Plan 2013/14

Month	items	Task Group
May	<ul style="list-style-type: none"> <li>• O&amp;S annual report.</li> <li>• ABC Business Plan quarterly performance report.</li> </ul>	
June	<ul style="list-style-type: none"> <li>• Sickness &amp; Absenteeism annual report.</li> <li>• Communication and Consultation Strategy re Planning Policy</li> </ul>	
July		
August	<ul style="list-style-type: none"> <li>• Review of Best Service Resources allow activity</li> <li>• Membership of Budget Scrutiny Task Group</li> </ul>	
September	<ul style="list-style-type: none"> <li>• ABC Business Plan quarterly performance report.</li> </ul>	
October	<ul style="list-style-type: none"> <li>• Review of 'Invest to save' Civic Centre lighting project</li> </ul>	
November	<ul style="list-style-type: none"> <li>• ABC Business Plan quarterly performance report.</li> </ul>	
December		<b>Scrutiny of Council's draft 2014/15 budget – Budget Scrutiny TG meetings</b>
January	<ul style="list-style-type: none"> <li>• Report of Budget Scrutiny Task Group</li> </ul>	<b>Budget Scrutiny TG meetings</b>
February	<ul style="list-style-type: none"> <li>• ABC Business Plan quarterly performance report.</li> </ul>	
March		
April	Community Safety Partnership – annual update	

## O&S Committee – Report Tracker – Current position

Minute No.	Report Title	Officer	Date due	Current position	Recommended action
299/10/06	Stour Centre	Head of Cultural & Project Services	TBC – after completion of claim work	Work ongoing	Await completion of claim work.
62/06/11	Housing Strategy Action Plan Monitoring Report	Head of Housing /Housing Strategy Officer		Housing Strategy under review. New Strategy/Action Plan not yet in place. Monitoring will recommence One year after adoption of new Strategy.	Timetable for one year after adoption of new Strategy.
432/03/11	Annual Review of Homelessness Strategy	Head of Housing		The Homelessness Strategy to be included in the Housing Strategy in future.	
51/06/13	Sickness and Absenteeism – annual report	Head of Personnel & development	June 2014		Timetable for June each year.
13/05/13	Overview and Scrutiny Annual Report	Senior Scrutiny Officer	May/June 2014		Timetable for May/June each year
142/09/12	3 year review of Mayoralty		Sept 2015		
312/01/12	Street Markets	TBA	TBA		
431/04/12	ABC Business Plan performance report – 2013/14	Policy & Performance Officer	May/Sept/ Nov/Feb		
62/06/12	Sports & Leisure		TBA		

303/01/13	Review of 'Best Services resources allow' activity	Chief Executive	August 2013		
398/03/13	Refurbishment of the Stour Centre	TBA	TBA	Final Report from Task Group to be presented to O&S	
418/04/13	Community Safety Partnership – annual update	Community Safety Service Manager	April 2014		
11/05/13	Review of 'Invest to save' Civic Centre lighting project	Housing ICT development Manager	Oct 2013		
53/06/13	KCC Shared Space Contract	TBA	After final report from AMEY		
53/06/13	Conningbrook project	Head of Culture and the Environment	TBA		
53/06/13	Fly posting & graffiti	TBA	TBA		



Low Priority & other proposed reports

	Report Title	Officer	Date due	Current position	Recommended action
57/06/08 199/10/11	Recycling and the Blue box scheme	Street Scene and Open Spaces Manager Services	TBC	To be considered when procurement process completed and new contract in operation.	
135/08/08	Cultural strategy.	Head of Cultural & Project Services			
291/12/08	The effectiveness of a single O&S committee		TBA		