



## EAST KENT (JOINT SCRUTINY) COMMITTEE

White Cliffs Business Park, Dover, Kent CT16 3PJ  
01304 821199

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**Tuesday, 5 October 2010**

Dear Councillor

NOTICE IS HEREBY GIVEN THAT a meeting of the **EAST KENT (JOINT SCRUTINY) COMMITTEE** will be held in the **Council Chamber, Dover District Council Wednesday, 13th October, 2010, at 9.30 am** when the following business will be transacted.

Members of the public who require further information are asked to contact **Adam Webb 01622 694764/ adam.webb@kent.gov.uk..**

### East Kent (Joint Scrutiny) Committee:

Mr M Vye	(Chairman)	(Kent County Council)
Mr D Brazier		(Kent County Council)
Councillor M D Conolly		(Dover District Council)
Councillor H Cragg		(Canterbury City Council)
Councillor C Goddard		(Shepway District Council)
Councillor M Harrison		(Thanet District Council)
Councillor J Holben		(Shepway District Council)
Councillor D R Lloyd-Jones		(Dover District Council)
Mr R F Manning		(Kent County Council)
Councillor K Mills		(Dover District Council)
Councillor A Perkins		(Canterbury City Council)
Councillor T Prater		(Shepway District Council)
Councillor J Roberts		(Thanet District Council)
Councillor B Rogers		(Thanet District Council)
Councillor J Samper		(Canterbury City Council)

## AGENDA

### EAST KENT (JOINT SCRUTINY) COMMITTEE

Wednesday, 13th October, 2010, at 9.30 am

Ask for: Adam Webb

Council Chamber, Dover District Council

Telephone 01622 694764/  
adam.webb@kent.gov.  
uk

1. APOLOGIES
2. APPOINTMENT OF SUBSTITUTE MEMBERS  
To note the appointment of Substitute Members in accordance with the agreed procedure.
3. DECLARATIONS OF INTEREST
4. MINUTES (Pages 1 - 4)  
To confirm the attached Minutes of the meeting of the East Kent (Joint Scrutiny) Committee held on 30 June 2010.
5. OPERATING ARRANGEMENTS (Pages 5 - 12)  
The Operating Arrangements for the East Kent (Joint Scrutiny) Committee are attached for information,
6. ISSUES REFERRED TO THE COMMITTEE BY THE EAST KENT (JOINT ARRANGEMENTS) COMMITTEE  
The scheduled meeting of the East Kent (Joint Arrangements) Committee on 22 September was cancelled, and there are therefore no referred items.
7. ITEMS PLACED ON THE AGENDA BY A MEMBER OF THE COMMITTEE  
In accordance with Paragraph 7.1 of the Operating Arrangements any Member of the Committee may require that an item be placed for consideration on the agenda of the next available meeting.  
  
There are no items for consideration.
8. EAST KENT SHARED LANDLORD SERVICES (Pages 13 - 26)
  - a) Results of consultation on proposed ALMO
  - b) Next steps

TO CONSIDER the report of the Director of Community Services, Canterbury City Council

In attendance for this item will be Brendan Ryan, Director of Community Services at Canterbury City Council, Donna Reed, Director of Shared Services, David Reed,

Director of Environment at Canterbury City Council and David Willis, Director of Business and Community Transformation at Dover District Council.

9. EAST KENT SHARED SERVICES (Pages 27 - 64)

- a) Operations
- b) Business cases for proposed shared services
- c) Project plan

TO CONSIDER the report of the Director of Shared Services - *a presentation will be provided*

In attendance for this item will be Donna Reed, Director of Shared Services, David Reed, Director of Environment at Canterbury City Council and David Willis, Director of Business and Community Transformation at Dover District Council.

10. ITEMS FOR FUTURE SCRUTINY

TO DISCUSS

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**KENT COUNTY COUNCIL**

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**EAST KENT (JOINT SCRUTINY) COMMITTEE**

MINUTES of a meeting of the East Kent (Joint Scrutiny) Committee held in the Council Chamber, Dover District Council on Wednesday, 30 June 2010.

PRESENT: Mr M Vye (Chairman) (Kent County Council); Mr D Brazier (Kent County Council), Councillor M D Conolly (Dover District Council), Councillor H Cragg (Canterbury City Council), Councillor C Goddard (Shepway District Council), Councillor A Friend (Dover District Council), Councillor M Harrison (Thanet District Council), Councillor J Holben (Shepway District Council), Mr R F Manning (Kent County Council), Councillor K Mills (Dover District Council), Councillor J Roberts (Thanet District Council), Councillor B Rogers (Thanet District Council), Councillor J Samper (Canterbury City Council)

ALSO PRESENT: Research Officer to Cabinet Scrutiny Committee (Kent County Council)

**UNRESTRICTED ITEMS**

**25. APOLOGIES**

*(Item 1)*

Apologies for absence were received from Councillors A Perkins, D Lloyd-Jones, T Prater and the Head of Legal and Democratic Services (Canterbury).

**26. APPOINTMENT OF SUBSTITUTE MEMBERS**

*(Item 2)*

It was noted that in accordance with the Operating Arrangements, Councillor A Friend had been appointed as a substitute for Councillor D Lloyd-Jones.

**27. DECLARATIONS OF INTEREST**

*(Item 3)*

There were no declarations of interest.

**28. MINUTES**

*(Item 4)*

The Chairman confirmed that if an authority was not participating in a service then the representative Members from that authority would not be entitled to vote on the service.

The minutes of the meeting of the Committee held on 14 January 2010 were approved as a correct record.

**29. OPERATING ARRANGEMENTS**

*(Item 5)*

Point 4 of the Terms of Reference of the East Kent (Joint Scrutiny) Committee (EKJSC) set out in Schedule 1 of the Operating Arrangements stated that “Propose an annual budget for the EKJSC in accordance with the requirements of the parties”. Members confirmed that at present the work of the EKJSC was resourced within each host authority’s budget.

**30. ISSUES REFERRED TO THE COMMITTEE BY THE EAST KENT (JOINT ARRANGEMENTS) COMMITTEE**  
*(Item 6)*

There were no items for consideration.

**31. ITEMS PLACED ON THE AGENDA BY A MEMBER OF THE COMMITTEE**  
*(Item 7)*

There were no items for consideration.

**32. APPOINTMENT OF HOST AUTHORITY, DELEGATION OF POWERS FOR THE PROPOSED THANET, DOVER AND CANTERBURY SHARED SERVICES AND LOCATION OF STAFF**  
*(Item 8)*

The Chairman conveyed the regret of the Head of Legal and Democratic Services (Canterbury) that he was unable to attend the EKJSC meeting.

Members raised concerns that the opposition groups were not represented in the appointment of the Director of Shared Services and Members expressed their disappointment that there was not greater Member involvement in the process. The Chairman suggested that Members report their concerns back to their own Councils.

Members queried the use of [E/C] within the report. POST MEETING NOTE: [E/C] distinguishes between Executive and Council functions as per the functions and responsibilities regulations – some may be joint functions.

**33. REVIEW OF ADMINISTRATIVE ARRANGEMENTS FOR THE EAST KENT (JOINT ARRANGEMENTS) COMMITTEE AND THE EAST KENT (JOINT SCRUTINY) COMMITTEE**  
*(Item 9)*

The Chairman referred Members to recommendation 4 of the report, which set out the matters to be kept under review in relation to the operating arrangements of both the East Kent (Joint Arrangements) Committee (EKJAC) and the East Kent (Joint Scrutiny) Committee (EKJSC).

Members expressed their concern about Member involvement in issues relating to the preparation of a Service Level Agreement to describe the role of the administrative host authority for the EKJAC.

Members were aware that the EKJSC had the power to call-in any decision made by EKJAC, a sub-committee of EKJAC, or any member of officer with delegated authority from EKJAC, however this power was not regularly used.

Mr R Manning stated that the Committee should be focussing on scrutinising in a positive way, the operating framework had been set up and it was down to Members to use it effectively. Councillor J Samper explained that the EKJSC existed to hold the EKJAC to account. The Chairman asked Members whether it was their wish that he contact the Chairmen of Scrutiny Committees across Kent to discuss the process with them, the protocol regulating the relationship between EKJSC and the individual Council Overview and Scrutiny Committee had been parked and this was perhaps an issue worth exploring.

Councillor M Conolly stated that he would seek to facilitate the sharing of services as soon and quickly as reasonably possible without holding up the process.

At the last meeting of the EKJSC there had been a discussion about the Chairman's casting vote, the recommendations of the report stated:

*That the East Kent (Joint Scrutiny) Committee operating arrangements be amended as follows:*

*To add at the end of 11.1 "In the event of an equality of votes the chairman may have a second or casting vote unless his council is not participating in the shared service concerned".*

The Committee agreed that this was an appropriate amendment.

### **34. ANY OTHER BUSINESS**

*(Item )*

The Chairman referred Members to the Terms of Reference of the EKJSC set out in Schedule 1 of the Operating Arrangements. The Committee had a role in preparing reports and recommendations on the performance and delivery of the shared services provided by the EKJAC. This would become more important as more services became shared across Kent.

Members questioned the role of the Committee in shaping the work of the Director of Shared Services; Members of EKJSC asked that the newly appointed Director of Shared Services be invited to their next meeting to discuss her role and how it was progressing.

Councillor M Conolly explained that the first tranche of shared services had been proposed and it was understood that the Director of Shared Services would be working closely with these projects, with the support of dedicated implementation managers. Members were keen to see the best value out of the money allocated for these roles.

Members raised concerns about duplication of work; the Chairman explained that as set out in the Terms of Reference part of the remit of the EKJSC was to monitor the performance and delivery of shared services. Members briefly discussed the use of

pre-scrutiny and post-scrutiny; however this was something that could be discussed in the future. Decisions taken by the EKJAC required ratification by the individual Council's Executives and the relevant Overview and Scrutiny Committees could call those decisions in.

Members requested sight of the forward plan of work for the EKJAC and a timetable for the shared services programme. The Chairman expressed the view that where EKJAC was giving permission to Councils to go ahead with shared services it was appropriate to invite the relevant Chief Executives to EKJSC to explain their decisions.

Councillor M Harrison expressed concern about the future workload of the EKJSC as the number of shared services increased.

The Chairman said that at the end of his year in office he would present a review of the Committee's work, to help the Committee evaluate its effectiveness; and would consider drawing up a draft future work plan for presentation to the Committee.

RESOLVED: that the East Kent (Joint Scrutiny Committee):

1. Invite the Director of Shared Services to the next meeting in October to discuss her role and how it was evolving

The meeting ended at 11.20am.

## **East Kent (Joint Scrutiny) Committee – Operating Arrangements**

**Canterbury City Council**

**Dover District Council**

**[Kent County Council]**

**Shepway District Council**

**Thanet District Council**

together referred to as 'the Parties'

### **1. Key Principles for the Operation of the East Kent (Joint Scrutiny) Committee (EKJSC)**

- 1.1 The members of the EKJSC will work together to maximise the exchange of information and views, to minimize bureaucracy and make best use of the time of members and officers of local and other authorities.
- 1.2 The guiding principle for the work of EKJSC is that it should be consensual and positive. The emphasis of the work should be on making proactive contribution to the development of policy and the discharge of EKJAC's functions. This is best achieved by an inclusive process covering members, the parties' partners, service users and officers.
- 1.3 The process of joint scrutiny will be open and transparent, designed to engage the parties, their residents and other stakeholders.

### **2. Objectives**

- 2.1 The EKJSC is established under section 101 and 102 Local Government Act 1972 and Section 2 Local Government Act 2000 with the objective of acting as the single Scrutiny Committee for the monitoring, review and scrutiny of the East Kent (Joint Arrangements) Committee (EKJAC).

### **3. Terms of Reference**

- 3.1 The terms of reference of the EKJSC are as set out in Schedule 1.
- 3.2 These arrangements will be reviewed regularly. No proposed amendments to these arrangements will take effect until they have been agreed and endorsed by each of the parties.

### **4. Call-In**

- 4.1 The arrangements for the operation of call-in by the EKJSC shall be as set out in Schedule 2. The EKJSC shall have power to call-in any decision made by EKJAC, a sub-committee of EKJAC, or any member or officer with delegated authority from EKJAC. The EKJSC will not have the power to call-in any decision of the Executive of any of the Parties.

- 4.2 Where there is a call-in by a statutory scrutiny committee of any of the Parties of any decision of the EKJAC, each of the other Parties will be notified forthwith. The call-in shall be heard by the call-in Party's statutory scrutiny committee in accordance with the call-in Party's own arrangements. Where there is more than one call-in on the same subject the parties shall endeavour to ensure that they are heard together at the same time and place.
- 4.3 The call-in procedure set out in clauses 4.1 and 4.2 above shall not apply where the decision being taken by or on behalf EKJAC is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the interests of any of the Parties or the public interest. The record of the decision and notice by which it is made public shall state whether, in the opinion of the decision maker, the decision is an urgent one and therefore not subject to call-in. The Chairman and the members of each of the Parties affected by the decision must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. In the absence of the Chairman, the consent of the Vice-Chairman shall be required. In the absence of both the Chairman and Vice-Chairman, the consent of the Head of Paid Service of that Party (or his/her nominee) shall be required. Decisions taken as a matter of urgency must be reported to the next available full Council meetings of each of the Parties, together with the reasons for urgency.

## **5. Membership and Terms of Office**

- 5.1 The EKJSC will comprise three non-executive councillors from each of the Parties.
- 5.2 Each appointing Party shall appoint its three members on the basis of its overall political proportionality.
- 5.3 Members of the EKJSC shall be appointed by the Parties at their annual meetings of their respective Council and shall hold office until:
- (a) the next annual meeting of the Party that appointed them, save that the Party that appointed them may remove them from office, either individually or collectively, at an earlier date in the event of a change in political control of that Party; or
  - (b) they resign from office; or
  - (c) they are suspended from being councillors under Part III of the Local Government Act 2000 (although they may resume office at the end of the period of suspension)
- 5.4 Each Party may appoint substitutes to represent their authority in the absence of the appointed councillors. Nominated substitutes will be non-executive councillors and will be able to attend any meeting of EKJSC in order to familiarise themselves with the issues involved, but will not be able to participate in debate or vote unless they are formally acting as a substitute member.
- 5.5 Non-voting members may be co-opted onto the EKJSC from any or all of the Parties or from other public sector partner organisations as the EKJSC may unanimously decide. Co-optees may participate in the debate but may not vote.

## **6. Frequency of Meetings**

- 6.1 The EKJSC will meet quarterly, but may change the frequency of meetings and call additional meetings as required.

## **7. Agenda Setting and Access to Meetings and Information**

- 7.1 The agenda for the EKJSC shall be agreed by the chairman following a briefing by relevant officers. Any member of the EKJSC may require that an item be placed for consideration on the agenda of the next available meeting.
- 7.2 There will be a standing item on the agenda of each meeting of the EKJSC for matters referred by the EKJAC.
- 7.3 Notice of meetings and access to agendas and reports will be in accordance with sections 100A-K and Schedule 12A of the Local Government Act 1972.

## **8. Sub-Committees**

- 8.1 The EKJSC may establish sub-committees as it may determine by unanimous agreement of the EKJSC.
- 8.2 When establishing a sub-committee the EKJSC will agree the:
- (a) terms of reference for the sub-committee
  - (b) size and membership of the sub-committee including co-optees
  - (c) period for which the sub-committee will remain constituted
  - (d) chairman of the sub-committee or will delegate this decision to the sub-committee
  - (e) mechanism for hosting the sub-committee and sharing the cost amongst the relevant Parties, as appropriate

## **9. Delegation to Sub-Committees**

- 9.1 The EKJSC may arrange for the discharge of any of its functions by a sub-committee of the EKJSC.

## **10. Meetings and Procedure**

- 10.1 The Chairman and Vice Chairman will be appointed by the EKJSC on the basis of the position being rotated annually, as follows, and repeated each five years:

	<b>Chairman and Scrutiny Host Authority</b>	<b>Vice-Chairman</b>
2008-9	Shepway	Dover
2009-10	Dover	Kent
2010-11	Kent	Canterbury
2011-12	Canterbury	Thanet
2012-13	Thanet	Shepway

- 10.2 The Chairman and Vice Chairman of EKJSC shall be drawn from any political group not forming part of the administration of the appointing Council.
- 10.3 In the absence of the chairman and the vice chairman at a meeting, the meeting will elect a chairman for that meeting.

- 10.4 The quorum of the EKJSC will be five with at least one member present from four of the five Parties.
- 10.5 The EKJSC may approve rules for meetings and procedure from time to time.
- 10.6 The EKJSC may ask organisations, individuals or groups to assist it from time to time and may ask independent professionals to advise it during the course of reviews. Such individuals or groups will not be able to vote.
- 10.7 The EKJSC may request the attendance of officers employed by the participating authorities to answer questions and give evidence to the committee. Such requests must be made via the Chief Executive of the relevant participating authority.
- 10.8 The EKJSC may invite any other person to attend its meetings to answer questions or give evidence; however, attendance by such persons cannot be mandatory.

## **11. Decision Making**

- 11.1 Decisions of the EKJSC will normally be made by consensus. A vote shall be taken where the chairman or any Voting Member requests that a vote be taken. The vote will be by way of a show of hands. A simple majority shall be required.
- 11.2 Where a minimum number of two members express an alternative to the majority view, they will be permitted to produce a minority report.

## **12. Scrutiny Host Authorities and Allocation of Roles**

- 12.1 In order to achieve the objectives of the EKJSC, the Parties will appoint a Scrutiny Host Authority which is for the time being the Authority shown as the Chairman and Scrutiny Host Authority in the table at clause 10.1.
- 12.2 Staff from the Scrutiny Host Authority who are commissioned to provide services, advice and support to the EKJSC will continue to be employees of the relevant Scrutiny Host Authority.
- 12.3 Responsibility for the following support services to the EKJSC will be allocated to the Scrutiny Host Authority:
  - (a) the provision of legal advice and services
  - (b) the provision of financial advice and services
  - (c) secretariat support and services
  - (d) communications support and services
  - (e) data protection, freedom of information, information sharing and confidentiality issues in accordance with clause 17
  - (f) research
- 12.4 The cost of the services and advice set out in this section will be paid for by the Scrutiny Host Authority.

## **13. Amendments to these Arrangements**

- 13.1 These arrangements may be amended by the unanimous agreement of the EKJSC following a recommendation approved by the full Council of each of the Parties.

#### **14. New Membership and Cessation of Membership**

- 14.1 New Parties may join the EKJSC provided that they are also a party to EKJAC and the full council of the joining Party(ies) and of all the Parties to these arrangements for the time being so resolve.
- 14.2 A Party ceases to be a member of these arrangements when it ceases to be a party to EKJAC.
- 14.3 Termination of these arrangements may occur by agreement of all the Parties.

#### **15. Claims and Liabilities**

- 15.1 The purpose of these arrangements and any actions taken under them is to assist all of the Parties. The Parties therefore have agreed that:
  - (a) where one of the Parties nominated by the EKJSC to act as Scrutiny Host Authority undertakes actions or incurs liabilities in that respect then it shall be entitled to be indemnified by the other Parties for the appropriate proportion of all its costs and liabilities incurred in good faith
  - (b) a Party carrying out actions in good faith on behalf of the EKJSC shall not (other than in the case of fraud and/or clear bad faith) be liable to claims from the other Parties (and there shall be no right of set-off against any claim for indemnity under (b) and/or (c) above) on the grounds that the actions that were taken were not the proper actions carried out properly or that the costs and liabilities incurred were not reasonably and properly incurred (as long as they were in fact incurred)
- 15.2 Each of the Parties shall at all times take all reasonable steps within its power to minimise and mitigate any loss for which it is seeking reimbursement from any of the other Parties.

#### **16. Administration**

- 16.1 The decisions and recommendations of the EKJSC will be communicated to EKJAC and the participating councils as soon as possible after the resolution of the committee.
- 16.2 Where working on forthcoming decisions of the EKJAC, the EKJSC will endeavour to carry out its functions as part of the EKJAC's process in order to ensure that its findings and recommendations can influence the final decision.
- 16.3 When considering items before it, the EKJSC will take account of whether an issue could more appropriately be dealt with by one of the Parties or elsewhere.

#### **17. Data Protection, Freedom of Information, Information Sharing & Confidentiality**

- 17.1 Subject to the specific requirements of this clause, each of the Parties shall comply with its legal requirements under data protection legislation, freedom of information and associated legislation, and the law relating to confidentiality.
- 17.2 A Party will be appointed as a Host Authority for the purposes of ensuring compliance with any legislative or legal requirements relating to these issues should

they arise directly in relation to the EKJAC (as compared to information held by the Parties to these arrangements).

17.3 Each of the each Parties shall:

- (a) treat as confidential all information relating to:
  - (i) the business and operations of the other Parties and/or
  - (ii) the business or affairs of any legal or natural person in relation to which or to whom confidential information is held by that Party("Confidential Information") and
- (b) not disclose the Confidential Information of any other of the Parties without the owner's prior written consent

17.4 Clause 17.3 shall not apply to the extent that:

- (a) such information was in the possession of the party making the disclosure, without obligation of confidentiality, prior to its disclosure or
- (b) such information was obtained from a third party without obligation of confidentiality or
- (c) such information was already in the public domain at the time of disclosure otherwise than through a breach of these arrangements or
- (d) disclosure is required by law (including under Data Protection Legislation, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004) or disclosure is permitted by the Human Rights Act 1998

17.5 The Parties may only disclose Confidential Information of another of the Parties to staff who need to know by reason of their work. Each of the Parties shall ensure that such staff are aware of, and comply with, these confidentiality obligations and that such information is not used other than for the purposes of the EKJSC.

17.6 If any of the Parties receives a request for information under the Freedom of Information Act 2000 and/or the Environmental Information Regulations 2004 then the other Parties shall (at their own expense) assist and co-operate to enable the request to be dealt with.

17.7 If a request for information is received then the Party receiving it shall copy it to the other Parties and consider when making its decisions any views of the other Parties.

17.8 Notwithstanding the provisions of 17.6 and 17.7 it shall be the Party receiving the request that is responsible for determining at its absolute discretion how to reply to the request.

## **18. Exercise of Statutory Authority**

18.1 Without prejudice to these arrangements, nothing in these arrangements shall be construed as a fetter or restriction on the exercise by any of the parties of their statutory functions.

## **Schedule 1**

### **TERMS OF REFERENCE of the EAST KENT (JOINT SCRUTINY) COMMITTEE**

1. Monitor review and scrutinise the actions and decision of the EKJAC.
2. Make recommendations for reconsideration of any decisions made or actions taken and to make recommendations for improvement and/or changes in responsibilities and functions of the EKJAC.
3. Prepare reports and recommendations to the parties on the performance and delivery of the shared services provided by the EKJAC.
4. Propose an annual budget for the EKJSC in accordance with the requirements of the parties.
5. Prepare an annual report to the parties on the performance of these arrangements.
6. Facilitate the exchange of information about the work of the EKJSC and to share information and outcomes from reviews.

## Schedule 2

### ARRANGEMENTS FOR THE OPERATION OF CALL-IN by the EKJSC

1. When a decision is made by EKJAC, a sub-committee of EKJAC or an individual member with delegated authority from EKJAC, or a key decision is made by an officer with delegated authority from EKJAC, the decision shall be published, including where possible by electronic means, and shall be available at the main offices of each of the Parties normally within two days of being made. The Chairman of the EKJSC (and all other members of each of the Parties) will be sent copies of the records of all such decisions within the same timescale, by the person responsible for publishing the decision.
2. That notice will bear the date on which it is published and will specify that the decision will come into force, and may then be implemented at 12.00 noon, on the fourth working day after the publication of the decision, unless it is called-in.
3. By 10.00 am on the fourth working day after publication of the decision, the proper officer of the Scrutiny Host Authority shall call-in a decision for scrutiny by the EKJSC if so requested by any member of the EKJSC, and shall then notify the decision maker of the call-in. A meeting of the EKJSC shall then be held within 15 working days of the decision to call-in. Reasons for calling-in a decision should be given and recorded in the agenda.
4. If, having considered the decision, the EKJSC is still concerned about it, then it may refer it back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns or refer the matter to the full Council of all or any of the Parties. If referred to the decision maker they shall then reconsider within a further 10 working days, amending the decision or not, before adopting a final decision.
5. If, following an objection to the decision, the EKJSC does not meet in the period set out above, or does meet but does not refer the matter back to the decision making person or body, the decision shall take effect on the date of the EKJSC meeting, or the expiry of that further 10 working day period, whichever is the earlier.
6. If the matter was referred to full Council of any of the Parties and the Council does not object to a decision which has been made, then no further action is necessary and the decision will be effective in accordance with the provision below. However, if the Council does object, it has no locus to make decisions in respect of an executive decision unless it is contrary to the policy framework, or contrary to or not wholly consistent with the budget. Unless that is the case, the Council will refer any decision to which it objects back to the decision maker, together with Council's views on the decision. That decision maker shall choose whether to amend the decision or not before reaching a final decision and implementing it. Where the decision was taken by EKJAC as a whole or a committee of it, a meeting will be convened to reconsider within 10 working days of the Council request. Where the decision was made by an individual, the individual will reconsider within 10 working days of the Council request.
7. If the Council of any of the Parties to whom the matter has been referred does not meet, or if it does but does not refer the decision back to the decision maker, the decision will become effective on the date of the Council meeting or expiry of the period in which the Council meeting should have been held, whichever is the earlier.

**Meeting:** East Kent Joint Scrutiny Committee  
**Date:** 13<sup>th</sup> October 2010  
**Title:** East Kent ALMO- Progress Report  
**Author:** Brendan Ryan

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## 1. Background

On 18<sup>th</sup> December 2009, EKJAC approved the business case for setting up a shared services vehicle to manage council housing in the four east Kent authorities. It was also agreed that the delivery vehicle should be an arms length management organisation (ALMO) similar to the model used by a number of other councils. The recommendation for EKJAC was adopted by subsequent meetings of the four councils in January/February 2010 and a programme of consultation to ascertain the level of support from tenants and leaseholders for a shared housing service was agreed.

The consultation concluded in mid August and the results were reported to the cabinets/executives of the four councils in September. At the same time authority was sought to make an application to the Tenants Services Authority (TSA) under section 27 of the Housing Act 1985 for authority to delegate the management of council housing in the four authorities to the ALMO.

Work has also started to develop the legal documentation to form the company/ALMO to prepare for registration of the ALMO and the recruitment of the shadow board.

The ALMO will manage on behalf of the councils around 18,000 homes and will employ around 200 staff

## 2. Consultation results

Details of the consultation programme are set out in the reports that went to the Cabinets/Executives of the four councils. The programme was developed in conjunction with tenant representatives from all four areas through the Joint tenants and Leaseholders Group. The main features of the programme were:

- In line with good practice
- Independent tenants advisers appointed ( by the tenant representatives) to provide impartial advice and support to the tenants through the consultation process
- A wide variety of methods were used to try and give the widest possible exposure and response
- A guide was sent to every tenant and leaseholder on what was being proposed. The content of the guide was agreed with the JTLG and their

independent advisors. This was followed up with a special newsletter mid way through the process

- Road shows took place across all four districts to give tenants an opportunity to discuss the proposal face to face
- Two postal surveys were sent to every household with questions about their support or otherwise for the ALMO proposal
- Telephone surveys were undertaken by an independent company of 14% of all tenants & leaseholders

The response rate to the consultation was:

Canterbury 48.74% of tenants and leaseholders, Dover 51.73%, Shepway 62.53%, Thanet 47.68%. This compared favourably with the level so of engagement that other councils have experienced in similar exercises.

The results were:

<b>Do you think it is a good idea for your council to work with other local councils in East Kent to run your council housing services?</b>						
	<b>Yes</b>	<b>%</b>	<b>No</b>	<b>%</b>	<b>Not sure</b>	<b>%</b>
Canterbury	1634	68.54	291	12.21	459	19.25
Dover	1594	71.48	221	9.91	415	18.61
Shepway	1444	71.10	184	9.06	403	19.84
Thanet	966	63.72	190	12.53	360	23.75
Total	5638	69.17	886	10.87	1627	19.96

<b>Would you support the proposal for your council joining the other three East Kent councils to form an arm's length management organisation to run your council housing services?</b>						
	<b>Yes</b>	<b>%</b>	<b>No</b>	<b>%</b>	<b>Not sure</b>	<b>%</b>
Canterbury	1605	68.36	344	14.65	399	16.99
Dover	1589	72.00	244	11.05	374	16.95
Shepway	1439	71.84	207	10.34	357	17.82
Thanet	943	62.49	235	15.57	331	21.94

Total	5566	69.08	1030	12.79	1461	18.13
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### 3. Delegated functions

A schedule of function to be delegated to the ALMO was agreed by EKJAC and the four councils in December 2009/Jan 2010. In essence they are all the activities associated with the management, repair and improvement of the council's housing stock. The schedule is reproduced here in Annex one.

### 4. Board member recruitment

The next stage of the project is the recruitment of the shadow board. The board has three constituencies, local authority members, tenants/leaseholders and independent members. Annexes two and three set out the roles of board members, the skills profile of the board and the board recruitment policy. This draft documentation is based on good practice taken from the National Housing Federation's "Excellence in Governance". The principles of governance have been considered in depth by tenants on the JTLG's Governance Group.

### 5. Background papers

Cabinet reports September 2010

<http://www2.canterbury.gov.uk/committee/mgConvert2PDF.aspx?ID=6957&T=10>

[http://www.doverdc.co.uk/councillors/council\\_meetings/update/docs/agendacabinet060910b.pdf](http://www.doverdc.co.uk/councillors/council_meetings/update/docs/agendacabinet060910b.pdf)

<http://www.shepway.gov.uk/webapp/cads/?committee=cabinet&limit=50>

[http://tdc-mg-dmz.thanet.gov.uk/Published/C00000151/M00001941/AI00006857/\\$Cabinetreportshareservicesreportv5.docA.ps.pdf](http://tdc-mg-dmz.thanet.gov.uk/Published/C00000151/M00001941/AI00006857/$Cabinetreportshareservicesreportv5.docA.ps.pdf)

East Kent Joint Arrangement Committee Report 18<sup>th</sup> Dec 2009

[http://democracy.kent.gov.uk/Published/C00000472/M00003153/\\$\\$ADocPackPublic.pdf](http://democracy.kent.gov.uk/Published/C00000472/M00003153/$$ADocPackPublic.pdf)

## Annex one – schedule of delegations to the ALMO

### Functions to be delegated to the SSV Landlord Service

<b>Co-ordination with corporate policy in relation to housing element of:</b>	<b><u>Council</u></b>	<b><u>ALMO</u></b>	<b><u>Both</u></b>
Community Safety	X		
Neighbourhood Renewal	X		
Regeneration	X		
Housing and Health	X		
Supporting People	X		
Sustainable Development	X		
Social exclusion	X		
Equalities and Diversity	X		
<b>New tenancies</b>			
Administration of Housing Register/Choice Based Lettings	X		
Housing allocations policy for Council housing	X		
Selection of tenants for vacant props	X		
Transfer list management	X		
Granting of new tenancies		X	
Successions		X	
Mutual exchange management		X	
<b>Repairs and Maintenance</b>			
Stock condition survey local authority housing		X	
Response repairs		X	
Contract and Planned Maintenance and Refurbishment Programmes		X	

Modernisation and Improvements		X	
Energy and efficiency		X	
Develops a business plan for investment in housing stock		X	
Implementation of annual investment programme: monitors delivery, manages programme		X	
<b>Void and Empty Property Management</b>			
Terminations		X	
Inspection		X	
Repairs		X	
<b>Sustainable Communities</b>			
Neighbourhood and Estate Management		X	
Enforcement of conditions of tenancy		X	
Evictions and court action to support enforcement		X	
Alterations to conditions of tenancy		X	
Illegal occupation		X	
Development of ASBO policy	X		
Responsibility for legal process to obtain Anti-Social Behaviour Orders		X	
Administering application prior to legal action for ASBO		X	
Regeneration and estate development			X
<b>Estate Management</b>			
Care taking on housing schemes		X	
Environmental Services		X	
Grass cutting/Ground maintenance		X	
<b>Supported Housing</b>			
Manage supporting people policy			X
Sheltered Housing Schemes		X	

Life Link Care line	X		
Supported Housing Schemes		X	
Refugees	X	X	
Homelessness Accommodation	X		
Temporary Accommodation	X		
Gypsies	X		
Medical adaptations		X	
<b>Right to Buy</b>			
Valuations	X		
Administration and calculation of discount		X	
Approvals	X		
<b>Leasehold Management</b>			
<b>Finance</b>			
Rent setting/service charges	X		
Rent accounting		X	
Recovery of Rent Arrears		X	
Recovery of other charges		X	
Financial Returns, Subsidy Returns	X	X	
Insurance of property and land	X	X	
Insurance claims		X	
Management of HRA capital resources			X
Preparation of HRA budgets	X		
Annual determination of SSV fee			X
<b>Procurement</b>			
Policy	X		
Letting of contracts in relation to delegated activities		X	
<b>Tenant involvement in Housing Strategy</b>			

Tenant participation		X	
Tenant consultation			X
Information to tenants		X	
Reports to tenants		X	
<b>Other Assets (including lettings and management)</b>			
Garages		X	
Shops and Buildings		X	
Estate offices		X	
Tenant Resource Centres or Tenant Offices		X	
Community Centres	X		
<b>Clearance and disposal and dwellings</b>			
Sale of dwellings	X		
Clearance and disposal of dwellings	X		
Compensation	X		
Decanting tenants			X
<b>Housing Benefit and Council Tax Benefit administration</b>	X		
<b>Programme of Service Reviews</b>	X		
<b>Preparation of Business Plan for Housing Revenue Account</b>	X		
<b>Preparation of Delivery Plan</b>		X	
<b>Preparation of Service Plan</b>		X	
<b>Bidding for Capital Resources</b>	X		
<b>Monitoring Arrangements with the SSV</b>			X
Developing and agreeing the annual delivery plan		X	
Monitoring the delivery plan achievement			X
Liaison with SSV on Housing Service Standards and Inspectorate requirements			X



## **Annex two: Board members roles and skills requirements**

### **Good practice and guidelines for the selection of board members**

#### **1. Role description and responsibilities of board members**

All board members are required to sign a formal agreement upon appointment acknowledging their role and responsibilities

##### **General principles**

All board members:

- share the same legal status and have equal responsibility for decisions taken by the board;
- must act only in the interests of the organisation and not on behalf of any constituency or interest group;
- must ensure that the interests of the organisation are placed before any personal interests;
- should uphold the values, objectives and policies of the organisation;
- should adhere to the code of conduct for members;
- must uphold the highest standards of probity and integrity at all times;
- must adhere to the standing orders and financial regulations of the organisation.

##### **Supporting the main functions of the board**

All board members:

- contribute to the board's role in setting the strategic direction and key objectives of the organisation
- monitor the organisations performance to ensure that it meets its objectives and provides the best possible service to the councils and their tenants
- ensure that the board has appropriate systems of control to maintain the financial integrity of the organisation and to manage risk effectively

##### **Duties**

Board members are expected to:

- attend board meetings having done the appropriate preparation (reading agenda papers)
- participate in and contribute to discussions and decisions at board meetings
- participate as required in sub committees of the board
- represent the board on area boards as required
- take steps to become familiar with the organisation and its activities
- participate in training provided for board members

- declare any interests that might conflict or be seen to conflict with decisions of the organisation
- attend meetings, training sessions and other events
- attend and participate in meetings to review individual performance
- respect confidentiality of information

## **2. Skills profile/requirements of board members**

Basic skills and aptitude required of all board members

- An ability to participate in and contribute positively to meetings
- Open minded and impartial
- An ability to work as part of a team
- An ability to represent the organisation in a professional manner
- An ability to respect the confidentiality of information
- An understanding of the constitutional and legislative framework that applies to the organisation
- An understanding of equalities and diversity issues

Knowledge and experience of Board members

Each board member will be able to use their specialist knowledge or experience to contribute to the work and decisions of the board. No board member will have knowledge or experience in all the areas outlined below. In recruiting new members, the board should be mindful of the need to have a balanced and complementary range of knowledge and experience to ensure that the board can effectively steer and manage the organisation.

Set out below are some of the experience/knowledge that will contribute to the effective running of the business.

- Financial management and accountancy
- Business management
- Legal, especially housing, commercial, property or employment law
- Media, communications and marketing
- Housing management
- Property maintenance
- Human resources/Personnel
- Information technology
- Knowledge and understanding of needs and aspirations of tenants and leaseholders served by the organisation
- Equality and diversity
- Community development and engagement
- Social policy and welfare

Review

The Board will review from time to time the skills required by individual board members and by the board as a whole. Where appropriate, training will be arranged for individual board members or for the board as a whole. Recruitment of new board members should take into account any weaknesses in the board's set of skills.

## **Annex three: Board member recruitment**

### **1. Board recruitment policy**

The board has three different classifications of members. Although selected or nominated in different ways the processes of recruitment needs to be mindful of the skills, knowledge and experience required by the board to successfully manage the organisation

#### **4.1 Local Authority members**

Each of the partner local authorities will nominate one member to serve on the board. This will nominally be done in the Council's annual meeting at which all nominations to external bodies is agreed. The nominated councillor will take their place on the board at the following AGM of the ALMO.

Each council will be asked to consider the skills and duties required of board members when considering their nominee. If appropriate the chair of the board will discuss with the leader of the council the skills and experience that would benefit the board of the ALMO.

The local authority should not nominate to the board the portfolio members for housing or other members of the executive or cabinet. This will help avoid any conflicts of interest in the client/contractor relationship. The Tenant Participation Officer will support the tenants' group in this process.

#### **4.2 Tenant Board members**

A tenant board member will be selected from each of the four local authority areas. The process of selecting a tenant board member in each area will be set out in the Tenants Compact or in locally agreements with the appropriate consultative group or forum.

Tenant board members will be selected by the appropriate tenants' forum/board/consultative group in the area in question. The opportunity to be a tenant board member will be advertised to all tenants through the local media and tenants newsletter. A selection panel from the local forum supported by the Tenant Participation Officer, will interview the candidates and assess them against criteria based on the skills profile of board members.

To be eligible to stand as a board member tenants should be fully secure tenants or a leaseholder of the council in the area they wish to represent. Tenants will be ineligible to be a tenant board member if:

- they are subject to a possession order
- they are subject to an injunction or other order (ASBO) in respect of anti social behaviour

-they are subject to a demoted tenancy

Tenant board members that cease to be a secure tenant of the council in the area for which they were selected will be required to stand down from the board unless in exercising the right to buy they become a leaseholder of the council.

Leaseholders will be eligible to be selected as a tenant board member but there should be no more than one leaseholder on the board. A leaseholder cannot be nominated to the board if there is already a tenant board member that is a leaseholder. In the event of two or more leaseholders being nominated to the board at the same time, the board will draw lots to decide which area(s) will be asked to nominate an alternative tenant board member

Tenant board members will be selected or re-selected on different three yearly cycles to ensure that all tenant board members are not replaced at the same time and to ensure some continuity in representation. In the first two years until the cycle of nomination is established, the board will draw lots to determine which tenant board members will stand down and seek re-selection

The Tenant Participation Officer will support the tenants' group in this process.

#### **4.3 Independent members**

Independent members will be recruited through advertisements in the local press and appropriate trade journals (depending on which skills and experience the board seeks to attract at the time). A selection panel will be set up, comprising the board chair, another board member (nominated by the board) and the Managing Director. The East Kent HR team will support the recruitment process.

A slightly different approach will be taken to the recruitment of the first Board of the ALMO. At this time an officer panel will select a shortlist from which the shadow board will make a final decision.

The application form will require candidates to identify the skills and experience that they can offer the board and will ask them to demonstrate how they meet the competencies for board members.

The panel will short list suitable candidates and invite them for interview. The successful candidate will be invited to attend the next two meetings of the board as an observer, after which the Board will be asked to approve their co-option on to the board.

Co-opted members subject to the Board's approval will be invited to stand as full members at the next AGM of the ALMO

Potential candidates that have become known to the board outside the formal recruitment process will be invited to apply for the position and will be evaluated along with other candidates.

#### **4.4 Induction for new board members**

All new board members will be given a board members pack which will include:

- The constitution, standing orders and similar documents relating to the governance of the organisation
- The members code of conduct
- The latest annual report and accounts
- The current business plan
- The equal opportunities and diversity policy
- Details of the organisations staffing structure
- The meeting timetable
- The management agreement between the ALMO and the four councils

New board members will have:

- a familiarisation meetings with the chair and the Managing Director and members of the senior management team
- a tour of some of the offices and estates managed by the ALMO
- a mentor/coach from one of the existing board members to provide informal support and guidance

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Agenda Item 9

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