

Minutes of the meeting of the **EAST KENT (JOINT SCRUTINY) COMMITTEE** held at the Sandwich Town Council Offices, Sandwich on Monday 14 December 2009 at 9.30 am.

Present:

Chairman: Councillor G Cowan (Dover District Council)

Councillors: M D Conolly (Dover District Council)
C Goddard (Shepway District Council)
M Harrison (Thanet District Council)
A Perkins (Canterbury City Council)
T Prater (Shepway District Council)
J Roberts (Thanet District Council)
M J Roberts (Thanet District Council)
J Samper (Canterbury City Council)
I Thomas (Canterbury City Council)
M Vye (Kent County Council)

Also Present: Mr C Dallison (HQN Associate Member) (Item 18 only)

Officers: Head of Housing, Culture and Community Safety (Dover District Council) (Item 18 only)
Corporate Director – Neighbourhoods (Shepway District Council) (Item 18 only)
Head of Finance and ICT (Dover District Council)
Head of Legal and Democratic Services (Canterbury City Council)
Head of Policy and Improvement (Canterbury City Council)
Corporate Director (Shepway District Council)
Director of Customer Services and Business Transformation (Thanet District Council)
Principal Solicitor (Dover District Council)
Democratic Support Officer (Dover District Council)

Apologies for absence were received from Councillors A Clifton-Holt (Shepway District Council), D R Lloyd-Jones (Dover District Council), R F Manning (Kent County Council) and B Rogers (Thanet District Council).

13 APPOINTMENT OF SUBSTITUTE MEMBERS

It was noted that in accordance with the Operating Arrangements, Councillor M J Roberts had been appointed as substitute for Councillor B Rogers.

14 MINUTES

The Minutes of the meeting of the Committee held on 4 November 2009 were approved as a correct record and signed by the Chairman.

15 ISSUES REFERRED TO THE COMMITTEE BY THE EAST KENT (JOINT ARRANGEMENTS) COMMITTEE

There were no items for consideration.

16 ITEMS PLACED ON THE AGENDA BY A MEMBER OF THE COMMITTEE

There were no items for consideration.

17 MEMBERSHIP OF THE COMMITTEE

The Chairman informed the Committee that Ashford Borough Council had withdrawn from the East Kent Shared Housing Services Project.

RESOLVED: That the co-opted membership of the Committee of Ashford Borough Councillors M J C Burgess, R F Packham and R T Taylor be terminated with immediate effect.

18 EAST KENT SHARED HOUSING SERVICES PROJECT

The Head of Housing, Culture and Community Safety for Dover presented the report on the East Kent Shared Housing Landlord Services Project to the Committee for its consideration.

In response to requests for clarification from Members it was stated that the recommendations set out in the report would create an Arms Length Management Organisation (ALMO) as a company limited by guarantee. The resultant company would be responsible for the management arrangements of the housing stock but the individual Councils would still retain ownership and be the legal landlords of their housing stock.

Mr C Dallison informed the Committee that most of the three star housing authorities were ALMO's and that his experience had been that the switch to an ALMO led to improvements in the level of service received by tenants.

The Chairman stated that the previous recommendation of the East Kent (Joint Scrutiny) Committee for a ballot of all tenants was in addition to the cocktail of consultation measures being proposed and not instead of it as the report seemed to suggest. Councillor A Perkins emphasised the need to ensure that tenants were provided with a balanced set of the views in respect of the proposals for the HSSV and not just the view of the four District Councils.

The Head of Housing, Culture and Community Safety advised the Committee that TPAS (Tenant Participation Advisory Service) had been appointed to provide the tenant representatives with independent advice and would be providing a challenge to the view of the four District Councils at consultation events. It was agreed that details of the plans for consultation would be circulated to members of the East Kent (Joint Scrutiny) Committee.

RESOLVED: That it be recommended to the East Kent (Joint Arrangements) Committee:

- (a) That the recommendations of the East Kent (Joint Scrutiny) Committee made at its meeting held on 4 November 2009 be reaffirmed.
- (b) That the East Kent District Councils of Canterbury City Council, Dover District Council, The District Council of Shepway and Thanet District Council ("the East Kent Authorities") are recommended to merge the delivery of housing management landlord service between two or more of them through agreement of the following:
 - 1. That the arms length housing shared service option be confirmed as the preferred method for sharing landlord services in East Kent, *subject to final agreement by each individual Council after a ballot of all the tenants.*
 - 2. That any staff vacancies related to the housing management activities to be undertaken by the Housing Shared Service Vehicle be managed to minimise potential severance costs.
 - 3. That the housing management functions set out in Appendix A, Annex 2 are approved activities to be undertaken by the Housing Shared service Vehicle.
 - 4. That the housing shared service vehicle is set up as a company limited by guarantee.
 - 5. That the board of the company will comprise twelve people – four *elected* members nominated by the local authority, four independents and four tenant/leaseholder representatives.
 - 6. That Area Boards be set up in each participating Council area.
 - 7. That the draft Memorandum and Articles for the SSV company reflect the governance and legal issues set out in Appendix A, Annex 3, *subject to the addition of provisions for internal audit.*
 - 8. That each Council's Chief Executive be authorised to make any *minor* changes necessary to these proposals to pursue the project up to final council approval to join the Housing Shared Service Vehicle.

The Committee adjourned for ten minutes at 11.30 am.

19 EAST KENT JOINT SERVICES – STRATEGIC CASE

The Project Team presented the report on the East Kent Joint Services – Strategic Case to the Committee for its consideration. The report outlined the need for joint working solutions as a method of managing the expected reductions in public sector funding without reducing the quality of services offered.

The report proposed two blocks of service transfer from the individual authorities to the hosting arrangement under the Director of Shared Services. The first tranche would commence in April 2011 with the next two tranches in April 2012 and 2013. A small core of services would be retained by each authority as part of the 'democratic core' or for 'placing shaping' reasons. These included legal, elections, democratic services and some community and regeneration functions.

The Committee was advised that each service would be considered individually on the merits of the business case for it becoming a shared service, with a key objective being that a 10% target for savings could be achieved by doing so.

There were concerns expressed by members of the Committee that the proposals could lead to the creation of a democratic deficit in the future with the loss of accountability to elected Members. In addition, there were concerns that the transfer of staff to the hosting arrangement would make it impossible in practical terms for an authority to remove a service from the hosting arrangement should joint working fail to deliver the expected savings. While the Committee supported the principle of joint working, it expressed concerns that the timescale for the proposals was too short and that proposals for joint working should continue to be considered on an individual basis.

It was the consensus view of the Committee that the report needed further information on what would happen to the proceeds of any asset sales in the future.

RESOLVED: That the East Kent (Joint Arrangements) Committee be advised that the East Kent (Joint Scrutiny) Committee cannot support the recommendations set out in the report.

The meeting ended at 12.55 pm.