

**COMMUNITY SERVICES STANDING SCRUTINY PANEL.**

Minutes of meeting in County Buildings, Wellington Square, Ayr,  
7th May 2014 at 10.00 a.m.

Present: Councillors Ian Cavana (Chair), Peter Convery, Kirsty Darwent, William J. Grant, Hugh Hunter and Brian McGinley.

Apologies: Councillors John Hampton and Corri Wilson

Attending: V. Andrews, Executive Director – Resources, Governance and Organisation; Housing; H. Carswell, Head of Children’s Services; C. Monaghan, Head of Policy, Community Planning and Public Affairs; D. Gillies, Head of Corporate Resources; D. Burns, Strategic Service Planning Manager; C. Gardner, Senior Strategic Planning and Performance Management Officer; N. Hunter (Manager) Inspection and Insurance; and A. Gerrish, Committee Services Officer.

Also Attending: Councillors Philip Saxton and (Portfolio-holders); and Councillors Douglas Campbell and Alex Clark.

**1. Variation in order of business.**

In terms of Council Standing Order No.13.2, the Panel agreed to vary the order of business as hereinafter minuted.

**2. Declarations of Interest.**

There were no declarations of interest by Members in terms of Council Standing Order No. 17 and the Councillors’ Code of Conduct.

**3. Minutes of previous meeting.**

The Minutes of the previous meeting of 26th March 2014 (issued) ([link attached](#)) were submitted and approved.

**4. Item for Call-in – Demolition of McConnell Square Sheltered Housing Complex.**

Reference was made to the Minutes of the Leadership Panel of 29th April 2014 (Page 7, paragraph 11) when that Panel, having considered a joint report of 31st March 2014 by Executive Director – Care, Learning and Wellbeing and Executive Director – Resources, Governance and Organisation, had decided to agree

- (1) to the demolition of McConnell Square sheltered housing complex in Girvan by March 2015; and
- (2) to the site being land banked potentially for housing, pending a longer term consultation with the Girvan community over its use.

The Panel was advised that the report had been the subject of a call-in (issued) ([link attached](#)) details which, together with the written responses had been circulated in advance of the meeting were outlined below.

“To challenge the decision to demolish, based on the demand for one bedroom properties or units and to ask that a survey of the property is carried out to establish the condition of the building; and a business case is brought forward to see if there are financial grounds to make investment in and renting out of the units. A viable option given that circumstances have now changed because of the over occupancy change.”

- The Panel noted that McConnell Square consisted of 28 properties, 3 x 1 bedroom and 25 x bedside accommodation, none met the Scottish Housing Quality Standard.
- an external survey of the property had been carried out in 2012/13 and had indicated no major concerns with regard to the fabric of the building, however, the external render needed replacing in areas;
- demand in the Girvan area had demonstrated that there was no appetite for bedsit accommodation within McConnell Square, either as sheltered or mainstream housing and therefore, the properties would need to undergo reconfiguration to create 1 bedroom accommodation;
- consultation with Officers and the Council’s Property and Design team had indicated that reconfiguration of a building of this nature to 1 bedroom accommodation could be similar in cost to demolition and replacement with new build housing. This was due to the need to comply with 2013 building regulations. Furthermore, life cycle costing was likely to be greater on a renovated project due to a need to renew components sooner than with a new build.
- of the 756 Council houses within the town of Girvan, 150 of those were 1 bedroom properties (20%) and that on average, 90 properties per year become vacant in Girvan;
- there were a total of 95 live housing applications from people who had expressed an interest in 1 bedroom accommodation in Girvan and of the 95 applicants:-
  - 22 were seeking ground level accommodation (there are 83 x 1 bedroom bungalows);
  - 30 were seeking sheltered accommodation (there are 51 sheltered properties between Boyle Court and the Trust Housing Association facility at Old street); and
  - the remaining 43 applicants would be considered for bungalows or flats with the Girvan area; and
- The table below provided a comparison on the number of live housing applications for each of the area in South Ayrshire:-

Local Plan Area	Total
Ayr	1062
Prestwick	788
Rural North	705
Troon	395
Maybole	189

Rural South	123
Girvan	95
Grand Total	3357

The Chair invited Councillor Clark to explain his reasons for the call-in and the Panel heard him advise that when the Leadership Panel first considered this matter in 2011 he was not a member of the Council and he had felt that there had not been enough consideration given to alternative options and therefore requested a Feasibility Study of the premises be carried out together with a business case being submitted for consideration. He also informed the Panel that his research indicated there was a need for one bedroom properties in Girvan.

The Strategic Service Planning Manager informed members that the report to Leadership Panel had not detailed all of the options that had been considered, as some had been discounted early in considerations and outlined the work that had been undertaken to reach the decision contained in the report.

The Chair then invited the Portfolio Holder to comment on the issues raised and heard him advise that a comparison with the rest of South Ayrshire Council, the need for one bedroom houses in Girvan was minimal.

A full discussion took place and clarification and comments were raised by the Panel in relation to: why all the options had not been presented to Leadership Panel; financial costs relating to re-building; over occupancy and turnover of houses in Girvan; results of consultation and need for a strategic overview to be undertaken for all reports; and if demolition was to go ahead, what would become of the site and the Strategic Service Planning Manager clarified the position and the Executive Director – Resources, Governance and Organisation and Head of Children’s Services intimated they would pick up on consultation issues.

**Decided:** following review, that the decision of the Leadership Panel in respect of this matter be confirmed and implemented.

##### **5. Item for Call-in – Request to Dispose of HRA Flats at Templehill, Troon.**

Reference was made to the Minutes of the Leadership Panel of 29th April 2014 (Page 6, paragraph 10) when that Panel, having considered a joint report of 4th April 2014 by the Executive Director – Care, Learning and Wellbeing and Executive Director – Economy, Neighbourhood and Environment, had decided to agree

- (1) to the disposal of 18 flats at 30-54 Templehill, Troon as they became vacant, subject to Ministerial consent;
- (2) that the existing Council house tenants within the flatted accommodation at 30-54 Templehill, Troon be offered priority for alternative accommodation in line with the housing allocation policy;
- (3) to provide £300,000 from the HRA unallocated reserves to support acquisition of alternative accommodation in Troon, with this sum being repaid on sale of the flats; and
- (4) that any funds generated from the sale of these properties be reinvested in new Council house provision within the Troon area.

The Panel was advised that the report had been the subject of a call-in (issued) ([link attached](#)) details which, together with the written responses circulated in advance of the meeting are outlined below:-

### **Question 1**

The options presented in the report concentrate on resolving the SHQS compliant issue in relation to Council housing but not whether there may be an opportunity to repurchase the properties in the locality in order to acquire a site for demolition and rebuild. To ask why this option was not included?

### **Answer 1**

Scottish Government subsidy would not support acquisition for subsequent demolition. Acquisition alone of the 18 flats could therefore cost the HRA almost £1 million prior to homeless payments for all 36 residents, demolition and subsequent new build. Therefore, this does not represent best use of council resources. The flats are located within the conservation area of Troon and therefore, Historic Scotland would be a mandatory consultee over any plans for demolition.

### **Question 2**

In relation to the scoring the Appendix 2, the Officers advise that the options considered were then scored against factors. To ask the Officers for further detail on the scoring mechanism, for example how each of the factors have been weighted? In option six (sell as they become vacant) it is scored as minimal cost but excludes the cost of acquiring replacement properties.

### **Answer 2**

No weighting was applied to the various factors however, the approach was adopted across all options to provide consistency in the scoring process. Each of the options referred to the scoring process for achieving SHQS compliance. The individual scores by criteria are included within the considerations section of the Appendix.

### **Question 3**

The resource implications and the recommendations referred to the need to replace the homes sold. The estimated cost of purchasing one bedroom properties in the Troon area was estimated at £65,000 at today's prices. As the decision to sell and repurchase will take place a number of years and purchase prices may vary, to ask why this factor was not included when scoring the options?

### **Answer 3**

Officers would wish to progress acquisitions as quickly as possible hence, the request for short term access to unallocated HRA reserves. Although house prices fluctuate due to supply and demand and interest rates, the resale value of 1 bedroom accommodation (particularly ex local authority) does not tend to fluctuate as widely. Any potential increase in acquisition costs would likely be offset by higher sale values achieved for the flats at Templehill.

### **Question 4**

To ask Officers to describe the security of tenure that tenants have?

**Answer 4**

All tenants at Templehill have a Scottish Secure Tenancy. This means that the Local Authority cannot force the tenants to vacate the premises and any relocation would be with each tenant's agreement.

**Question 5**

To ask Officers what investigation there has been of the housing market in the Troon areas for the availability, condition, price and location of one bedroom properties?

**Answer 5**

Consideration has been give to available 1 bedroom properties advertised on the market. This week there are 21 properties with 1 bedroom available for purchase in Troon. Fourteen of these properties are available to £70,000 or less however, 3 of these are retirement homes that would be unsuitable for purchase.

**Question 6**

If approved, the Council will review the housing market and identify suitable one bedroom properties and acquire them prior to having consulted our tenants in the flats at Templehill, to ask Officers what consideration there has been should any remaining tenant(s) not wish to move to that newly acquired property?

**Answer 6**

Tenants within the Templehill flats have been advised of the proposal presented to Leadership Panel and full consultation would take place prior to progressing with any acquisitions. This will give the Council a clearer indication of the number of homes that need to be purchased to offset the loss in numbers at Templehill. Tenants would not be restricted to considering only newly acquired homes and could request alternative Council housing stock across South Ayrshire.

**Question 7**

Mr Burns advised the meeting that flats in the Templehill area were being purchased in the region of £40,000 to £45,000 and indicated that purchase prices for a one bedroom property was in the region of £65,000. The report to the Leadership Panel indicated the cost to upgrade the existing properties to achieve SHQS compliance is approximately £22,000, with a further investment required for energy efficiency by 2020. Once the homeloss payment and reasonable removal costs are taken into account and any improvement/redcoration cost for the newly acquired property, it would appear that the net cost to the HRA would be equal. To ask how this financial calculation was considered during the scoring mechanism?

**Answer 7**

The scoring mechanism was in relation to the costs for the Templehill flats to be SHQS compliant. After this scoring was applied, the option to sell properties as they became vacant was the highest scorer. The net cost to the HRA as a result of this being the favoured proposals, including the potential income from sales, was not considered as part of the scoring exercise.

The Chair invited Councillor Douglas Campbell to explain his reasons for the call-in and the Panel heard him raise further questions in relation to, whether all options had been considered, the scoring mechanisms and the way the risks had been presented to Council.

The Strategic Service Planning Manager informed the Panel of the course of action that had been taken to reach the recommendations proposed in the report and explained in further detail how the scoring mechanism had been applied.

A discussion took place and clarification and comments were raised by the Panel in relation to:- the flats not meeting SHQS standards, options appraisal was not about every option being assessed, the need for local housing availability to be managed pro-actively, prioritising re-housing for residents; and the Strategic Service Planning Manager clarified the position and the Executive Director – Resources, Governance and Organisation suggested that a Workshop be organised for Elected Members on Options Appraisal.

**Decided:** following review, that the decision of the Leadership Panel in respect of this matter be confirmed and implemented.

### **Adjournment.**

The time being 11.15 a.m., it was agreed that the meeting be adjourned for ten minutes.

### **Resumption of Meeting.**

The meeting resumed at 11.25 a.m.

## **6. Service and Improvement Plans – 2014-17.**

With reference to the minutes of the Leadership Panel of 29th April 2014 (Page 11, paragraph 16), there was submitted a report (issued) ([link attached](#)) of 30th April 2014 by the Head of Policy, Community Planning and Public Affairs to allow the Panel to consider the first of three Service and Improvement Plans (SIPs) which have been remitted to them for consideration and revision as required, namely the Children Services Improvement Plan.

Introducing the Plan, the Head of Children Services highlighted three aspects that would be subject to further development:

- the performance indicators for educational attainment were still to populated to reflect the new examination that was currently being introduced;
- the acronyms used within the Plan would be replaced by their full text equivalents; and
- the references to ‘nationally agreed targets’ would change to spell out what those targets actually were (5 days for initial risk assessment and 15 days for core groups).

The Members of the Panel then scrutinised the Plan in detail, raising the following matters:-

- commented on the desirability of further disaggregation of budget information within the Plan;
- suggested that within the benchmarking information, where there was significant deviation from the Scottish average or the normal, a justification should be provided;
- recommended that the Performance Indicators should be more analytical, to help support the scrutiny process, relating resource allocations to outcomes;
- discussed the Council's commitment to the use of self evaluation, and the value of using external organisations for validation;
- requested that the base line / historic data for educational attainment be included alongside the performance indicators for the new exams;
- discussed how alongside the structured reporting against the commitments within the Plan, there could be scope for briefings on hot topics, e.g. new exams / curriculum for excellence and the state of preparedness;
- recommended that within the structured reporting, there should be a focus on those sub-actions that were expected to be completed within a six month timeframe, together with exception reporting on the other sub-actions, covering both slippage and advantageous performance, with explanations of how these are being progressed; and
- discussed the desirability of refined information on looked after children, capturing the interaction between cost and quality of care, such as breakdown rates in relation to fostering placements.

The Executive Director - Resources, Governance and Organisation thanked the Scrutiny Panel for their input and informed them that the Leadership Panel had agreed that Portfolio-holders should forward any comments on the SIPs to the Chief Executive so that these comments could be submitted for discussion by the relevant Standing Scrutiny Panel as these were very much Draft Service Improvement Plans until approved by the Council on 3rd July 2014. If Members had further suggestions/comments to make regarding these plans, they should inform herself or the Head of Policy, Community Planning and Public Affairs for inclusion before the Plan was submitted for approval.

**Decided:** having reviewed the [Children Services Improvement Plan](#), requested that the Chief Executive make recommendations to the Council on 3rd July 2014 in line with the discussion of the Panel, to assist in finalisation of the Service and Improvement Plans.

**Councillor McGinley left the meeting during consideration of the above item.**

The meeting ended at 12.20 p.m.