

COMMUNITY SERVICES
STANDING SCRUTINY PANEL

Minutes of meeting in County Buildings, Wellington Square, Ayr,
on 3rd November 2010 at 10.00 a.m.

Present: Councillors John Allan (Chair), Ian Douglas, Ann Galbraith, Bill Grant, Hugh Hunter, Elaine Little, Alec Oattes and Philip Saxton.

Attending: H. Garland, Executive Director – Children and Community; V. Andrews, Head of Legal and Administration; K. Leinster, Head of Community Care and Housing; D. Burns, Manager (Housing Policy and Strategy); C. Cox, Planning Manager; W. Gray, Property and Asset Manager; and A. Gerrish, Committee Administrative Officer.

Also attending: Councillors Douglas Campbell (Portfolio-holder), John McDowall and Helen Moonie.

1. Variation in order of business.

In terms of Council Standing Order No. 10, the Panel agreed to vary the order of business as hereinafter minuted.

2. Minutes of previous meeting.

The Minutes of the previous meeting of 22nd September 2010 (issued) were submitted and noted.

3. Item for Call-in – Strategic Housing Investment Plan.

Reference was made to the Minutes of the Leadership Panel of 26th October 2010 (Page 544, paragraph 1) when that Panel, having considered a report (issued) of 6th October 2010 by the Executive Director – Children and Community, decided to approve the Strategic Housing Investment Plan for 2011/12 to 2015/16, as detailed in Appendices 1 and 2 of the report, to be submitted to the Scottish Government by 30th November 2010.

The Panel was advised that the report had been the subject of a call-in for the following reasons:-

- (1) what is meant by Review of “Housing Policy Tenure”?;
- (2) explanation of “Anticipated Annual Income”;
- (3) further details of sites which are currently programmed for site start; and
- (4) for a legal view on various comments within the document and implications which may arise from these.

The Chair invited Councillors McDowall and Moonie to explain their reasons for the call-in and, thereafter, the Panel heard them enquire

Question 1

Is it this Council's intention to follow a similar route of that proposed by the coalition government in England in relation to the tenure of social affordable housing?

Answer 1

The Head of Community Care and Housing and the Manager (Housing Policy and Strategy) advised that Scotland had different policies to that of England, that the Scottish Government had issued a number of Planning Advice Notes in this respect highlighting various options for social housing to help to resolve housing issues and that currently the five year tenancy proposed as English policy was not being considered in Scotland.

Question 2

How did the Council arrive at the figure of £100,000 for the anticipated annual income for commuted sums, was this a target and is it legal's view that the affordable housing policy in terms of commuted sums was legal and could it be challenged?

Answer 2

The Head of Community Care and Housing advised that this was an estimated amount which reflected what had historically had been paid over the last few years. The Head of Legal and Administration advised that in terms of legality of obtaining commuted sums the conditions and restrictions on this are set out in both the National Planning Policy and Local Planning Policy, and that in relation to it being challenged, she was not aware of any potential challenge, but that it was always open to anyone to challenge any decision and we could not prevent that.

Question 3

Given that the Council have a target of 200 new build houses per year, how is it going to achieve this total for 2010/11, given there is currently only 39 identified in the Appendix of the report?

Answer 3

The Portfolio Holder explained that the Council had set a target of 200 new build houses and that the Planning Section were currently working on the Main Issues Report which would seek to identify available land supply for affordable houses and also that it was the responsibility of the Scottish Government to apportion monies to Councils for housing needs.

Question 4

When is the Council reviewing its Affordable Housing Policy in line with Pan 2/2010 guidelines and what is Pan 2/2010?

In relation to paragraph 12.1 of the report it states that South Ayrshire Council exceeded its target of 200 affordable homes in 2009/10 by delivering 232 and was this statement correct, as 100 of these houses had been replacement homes?

Answer 4

The Head of Legal and Administration and Planning Manager advised

- the Pan 2/2010 guideline was a Planning Advice document issued by Government to determine planning applications;
- that a report would be submitted to the Council in February in relation to the Affordable Housing Policy; and
- that it was a matter of interpretation whether or not these 100 replacement houses were included in the total figure.

Following a full discussion various questions and comments were raised by Councillors McDowall, Moonie and Members of the Panel in relation to:- unviable sites, planning gain, land banking, social affordable housing and Housing Association builds and the appropriate Officers responded accordingly.

Decided: following review, that this matter should be referred back to the Leadership Panel on 23rd November 2010 to reflect the wording regarding the 100 replacement houses within the total of 232 as detailed in the report and as contained within the Single Outcome Agreement.

4. Item for Call-in – Housing Capital Investment Programme.

Reference was made to the Minutes of the Leadership Panel of 26th October 2010 (Page 547, paragraph 3) when that Panel, having considered a report (issued) of 15th October 2010 by the Executive Director – Children and Community, decided

- (1) to note the progress made on projects to 31st August 2010, as highlighted in Appendix 1 of the report;
- (2) to approve the adjustments requested in Section 4 of the report; and
- (3) to agree that the Executive Director – Development and Environment be authorised to enter into negotiations with the company currently employed on Council re-roofing works, to extend their current contract to include work to a further thirty two houses, in accordance with the provisions of the Standing Orders Relating to Contracts, as proposed in Section 5 of the report.

The Panel was advised that the report had been the subject of a call-in for the following reasons:-

- (a) what are the implications arising from the additional funding required?
- (b) what are the implications for the tendering process of the remaining nine blocks in order to remain within the original project budget? and
- (c) what benefit, if any, may be gained from re-evaluation of the project?

The Chair invited Councillors McDowall and Moonie to explain their reasons for the call-in and, thereafter, the Panel heard them enquire

Question 1 Given that similar problems could be encountered in the remaining 9 blocks of flats at a similar cost – what work would not be completed compared to the original design for modernisation to keep it in line with the budget?

Answer 1 The Property and Asset Manager advised

- as work progressed in block two of the flats, a number of unforeseen issues had arisen, such as substantial rot works in kitchens and bathrooms which had only been discovered when flats became empty;
- the report indicated that in terms of work required overall for the three blocks of flats, an additional £410,000 from the approved budget was required to complete the 1st Phase;

- he did not expect to have the same problems with other blocks as some investigative work had already taken place in empty flats and that he was confident the project could be delivered within budget;
- in order to comply with the Council's updated Standing Orders Relating to Contracts, a new tendering process would be entered into which would give an opportunity to appoint a new design team; and
- that there was a potential for significant savings due to the current low prices being received from construction companies for works contracts, and because he was examining ways to review the original design specification.

Question 2 Can clarification be given on what the total budget for this project is?

Answer 2 The Property and Asset Manager advised that £5.5m had been approved from the Housing Revenue Reserve Fund, £1m from the Core Capital Programme and contributions from owners/occupiers giving a total of £6.750m for the project

Question 3 What was the contingency amount for this budget and how had it been used?

Answer 3 The Property and Asset Manager advised that approximately £83,000 had been included within the contract sum for contingency and this had been used partly to repair significant vandalism contained within the flats and various other issues.

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

The meeting ended at 11.15 a.m.