

**MINUTES OF A MEETING OF THE SUSTAINABLE GROWTH SCRUTINY COMMITTEE  
HELD AT THE BOURGES/VIERSEN ROOM - TOWN HALL  
ON 10 JANUARY 2012**

- Present:** Councillors C Burton (Chairman), S Allen (Vice Chairman), N Arculus, D Day, J Peach, E Murphy, N Sandford
- Also Present:** Jeffrey Pusey, Youth Council  
Peter Godly, Youth Council
- Officers Present:** Paul Phillipson, Executive Director – Operations  
Simon Machen, Head of Planning, Transport and Engineering Services  
Anne Keogh, Housing Strategy Manager  
Mike Kealey, Acting Head of HR  
Mike George, HR Analyst  
Carrie Denness, Principle Solicitor  
Dania Castagliuolo, Governance Officer  
Paulina Ford, Senior Governance Officer, Scrutiny

**1. Apologies for Absence**

No apologies were received.

**2. Declarations of Interest and Whipping Declarations**

Agenda item 5 - Public Consultation Response to the Draft Peterborough Housing Strategy 2011-15

Councillor Murphy declared a personal interest in that he was part of the 'Can Do' operation in Millfield which was mentioned in the Draft Housing Strategy.

Agenda item 7 - Forward Plan

Councillor Murphy declared a personal interest in that he lived near Vawser Lodge.

**3. Minutes of meetings held on:**

- 13 October 2011
- 18 October 2011
- 8 November 2011

The minutes of the meetings held on the above dates were all approved and an accurate record.

**4. Call in of any Cabinet, Cabinet Member or Key Officer Decisions**

There were no requests for call-in to consider.

**5. Public Consultation Response to the Draft Peterborough Housing Strategy 2011-15**

The purpose of the report was to seek comments from the Committee on the draft consultation report that set out the comments received and responses proposed to key

issues which had arisen from the public consultation on the draft Peterborough Housing Strategy 2011-15 (incorporating the Peterborough Strategic Tenancy Policy). The Strategy set out the council's policies, commitments and programme for the period 2011-2015 for a wide range of housing matters. There were four headline priority areas within the Strategy:

- supporting the delivery of substantial yet sustainable growth;
- securing the regeneration and improvements to Peterborough's housing stock;
- meeting existing and future housing needs; and
- encouraging the development of mixed and sustainable communities

The Housing Strategy Manager and the Head of Planning, Transport and Engineering Services went through the Strategy and highlighted any changes that had been made to the Strategy as a result of the consultation.

Questions and observations were made around the following areas:

### **Draft Housing Policy**

#### **Policy HS6 – Use of city council land to delivery housing growth**

- Members noted that HS6 Policy was to be changed to make provision to allow the council to dispose of land by something other than best value. Members were concerned that when it came to the disposal of land not enough was being done to advertise the disposal and that disposal of land may be at under value. *Members were advised that the disposal of property at less than best value had always been an option providing the reasons were clear, transparent and justifiable. The Councils policy was always to obtain the best value for the asset for which it disposes unless it was for social good and a rational or reason of why it was being disposed of for less than good value would have to be given. The decision would have to go through a Cabinet Member decision notice which would clearly state the reasons why the asset was being sold for less than best value. It would then allow challenge to the decision.*
- When does the Committee have an opportunity to scrutinise the Capital Asset Disposal Policy. *The Principal Solicitor advised Members that there was no actual Capital Asset Disposal Policy per se but a disposal strategy, disposal of assets are dealt with via the Medium Term Financial Plan and therefore Members can scrutinise the proposals via the Plan. Members were also advised that the disposal of land by the Council was governed by section 123 of the Local Government Act 1972 as such any disposal of land must accord with the legislative provisions. The Act clearly set out how and when the Authority could dispose of land and that market value / best value for the land should always be sought unless other issues dictated otherwise.*

#### **Policy HS 35 – Managing the growth of the Housing in Multiple Occupation (HMO) sector.**

- In the wording of Policy HS35 there is a suggestion of adding the wording 'exploring the use of a 'selective licensing scheme' for rented accommodation in the 'Operation Can Do' area. Could you consider firming this up by changing the wording. Members were informed that there were various groups looking into this but nothing had been confirmed yet. The wording could be refined to say 'fully investigate' rather than explore.

#### **Policy HS6 – Use of city council land to delivery housing growth.**

- Does it mean that if co-operatives want to make use of land to build their own homes they could. *As part of the disposal strategy that would be one option.*

### **Strategic Tenancy Policy**

- Will the Strategic Tenancy Document be a separate policy when it is finally published? *Members were informed that it would be published as a separate document and as an appendix to the Peterborough Housing Strategy 2011-15.*
- If people have a secure tenure they should be able to trade down their property and still retain their tenure. This would encourage people to change houses that are no longer suitable for them. The wording in the document indicates that you are only expecting people to trade down. Could people move in to a larger property when circumstances

change and still retain their secure tenure? *There was a choice base letting system in operation therefore people had to check what was available through the weekly allocations addition. Housing Associations may try to encourage someone to downsize so that they could gain a four bed house if they were able to find a two bed house for that person and they would therefore retain their secure tenure. If someone up sizes because they are over crowded in their current accommodation then it is likely they would take their secure tenancy with them. If they want a particular property in a particular area and it was at an affordable rent then they would have to make the choice to give up their secure tenure. The point of the strategic tenancy policy was not to dictate to the Housing Associations it was meant to be a headline overarching policy to which they have due regard when formulating their own individual policy. It was a guide to offer flexibility.*

### **General Comments**

- Have we ever achieved the 1,420 homes per annum target and if not should we be looking at revising the target. *The Housing Strategy can not change the housing allocation in the City that is the function of the Local Development Framework. The core strategy was only adopted last year. There had been the lowest rates of house building in 70 years in this country and it was unlikely to change in the near future.*
- Are we still committed to becoming the Environment Capital? It does not appear to be reflected in the Housing Strategy that we are. *There was a commitment to achieving the Environment Capital. The core strategy set out the environmental performance standard requirements for new developments in the city and there were imposed planning conditions to achieve that. The final document would stress that the council's agenda was to become the Environment Capital.*
- How many comments were received on the Housing Strategy? *There were various ways that people could comment by writing, emailing, or responding via a portal on the website. People responding via the portal had the opportunity to go straight to the text they wished to comment on and submit their comments for that section only. The number of comments in the document were not a reflection of the number of consultation responses. Some people would have made numerous comments. Similar comments had been grouped. Sixteen responses had been received which included numerous housing associations, two developers, Stuart Jackson MP and the Police.*
- Homeless presentations and homelessness were increasing dramatically. The latest figures on affordable completions and starts were down to single figures. Does this therefore mean that the Housing Strategy will not deliver 1400 homes and any significant number of affordable homes in the near future? *Because of significant changes in government funding around affordable housing most registered providers had been stock taking and looking at what their options were for the future and this had impacted on the short term for delivery. The Housing Strategy therefore had to be flexible in how it provided, facilitated and delivered affordable housing. There was a finite amount of money in the stock transfer pot to invest in affordable housing. We need to ensure that there is a mechanism through offsite contributions to keep creating more money for the authority to invest in affordable housing.*
- How have the changes in the draft Housing Strategy taken into account the rising number of homelessness? *Housing Needs have changed their focus to homelessness prevention to try and avoid people getting to the situation where they had to present as homeless.*

### **RECOMMENDATIONS**

The Committee noted the report and recommends that all comments made at this meeting to be forwarded to the Cabinet for consideration.

#### **6. Human Resources Monitoring Report**

The Acting Head of HR presented the report which informed the Committee of HR developments, updates and priorities over the past year. This included:

- Training and development
- Organisational development
- Employee Relations
- HR Team Service Delivery

Also included was a People Report which provided key workforce statistics as at December 2011.

Members wanted to know what had been the key challenges and key achievements over the past year. The Acting Head of HR informed Members that key challenges had been supporting the organisation to achieve the outcomes of the Medium Term Financial Strategy and in particular the head count reductions and changes in the terms and conditions.

In the last twelve months HR had:

1. Managed over 180 redundancies resulting in no employee litigation against the council or any employee tribunals.
2. Engaged with the Unions to reach an agreement for ways to save money through changing terms and conditions.
3. Managed two major TUPE transfers to Enterprise and Serco.
4. Addressed the attendance issues to reduce absenteeism from 5% to 3%.
5. Achieved the Bronze Investors in People Standard and was now working towards the Silver award.
6. Embedded the Performance Review Process.

Questions and observations were made around the following areas:

- The Chair commented that the People Management Report contained too much information at a lower level and suggested that in future a more simplified report be provided. The Chair suggested that before the next report that officers attend a Group Representatives meeting to discuss the presentation of the data.
- The report states that only 68% of all employees have had an annual Performance and Development Review (PDR). Was it envisaged that all employees would eventually have a PDR. *The goal had been to have almost 100% of employees having had a PDR, there would never be a 100% completion as there would always be some staff on maternity leave or long term sick. 98% would be a realistic target. There was a continual push from HR to Managers to try and achieve this.*
- What happened to employees who exceeded expectations and got either a grade 4 or grade 5 in their review? Did they receive a financial reward? Was there a way of incentivising people to exceed expectations? *No formal recognition scheme was in place. There were mechanisms in place to award honorariums and it was also taken into account when people were promoted.*
- Do you keep track of any redundancies that are made at our outsourcing partners Serco and Enterprise? *The only linkage the Council had was through the Trade Unions. The Client Manager would manage the contract.*
- Have any payments been made above the statutory redundancy payments either for Payment in Lieu of Notice or for no publicity clauses and what did they add up to and does this include legal costs. *All of the redundancy payments were in line with the Councils redundancy policy. The Councils redundancy terms were better than the statutory payment. The cost to the Council for voluntary redundancy and compulsory redundancy was exactly the same. The employee who takes voluntary redundancy benefits from not having to work their notice period which was Pay in Lieu of Notice would receive a tax free payment for the notice period. Those taking voluntary redundancy would have to sign a compromise agreement which helped to protect the Council from litigation. Legal fees for solicitors to facilitate the compromise agreement cost £200 plus VAT. The amount paid out in redundancy was well below the amount that they could potentially receive had they decided to go to a tribunal.*

- Are honorarium payments being made and if so how much has been paid out. *Approximately £10,000 in a twelve month period had been paid out in honorarium payments. There was a strict honorarium policy stating how much could be paid to ensure one person did not get £10,000.*
- The BME employee numbers had gone down. What was being done to address this? *The BME employee numbers had gone down and this was partly due to outsourcing to Enterprise. This was currently being looked at to see what action could be taken to encourage more BME applications.*
- What was the council doing to help disabled people in applying for jobs? *The council operate the positive symbol which guarantees that any disabled person would get a job interview and the council was audited annually on this.*
- How many people were employed from within the City and how many were employed from outside the city boundaries. *The HR Analyst informed Members that there were statistics to show this information but that he did not have them with him and would provide them after the meeting.*
- Members were advised that pay rates had been set at a National Level and there would be a third year at which these would be frozen for most staff. Pay would also be frozen for a fourth year for those who were on the HAY Pay scale which was for management. Staff were able to move up the scale incrementally which was related to their service. Once at the maximum of the scale they would remain there without a pay increase. Terms and Conditions were continually being looked at to see where additional savings could be made. In the past year there had been a reduction in mileage rates and the introduction of payment by staff for parking in council car parks.
- In the report there was a table which gave statistics of sickness occasions by category. One category was 'No Reason Given'. Can you advise why this is? *The sickness policy states that an employee who had been off sick must provide a reason. HR would seek to review and follow up any cases where a reason had not been given to ensure it was completed.*
- What comes under the sickness category "Other"? *Members were advised that "other" was not just something that was put down with no genuine reason there was a list of criteria which fell underneath the category 'Other'.*
- The report states that *"the percentage of sickness that is long term is above the mean average but below the middle (median) value"*. What justification do you have for adopting the median value? *Members were informed that benchmarking clubs use the median average and the quartiles to give more of an idea of where each authority was placed.*
- *Members were informed that Trade Union (TU) representatives that had been employed in roles within the council and had now been outsourced to Enterprise and Serco meant that there had been a reduction in the number of TU Representatives working for the council. It was important that there was a strong relationship of working with Trade Unions as it helped provide a significant reduction in litigation. To engage with trade unions on changes in Terms and Conditions was much better than trying to deal with every employee. Working closely with Trade Unions could benefit a company greatly.*
- What advantages does PCC gain from having the Bronze Investor in People award? Did it give a higher profile to the City and what plans were in place to achieve the higher level awards. *There were three main benefits for having the Investors in People award:*
  - *By going for the Bronze and bringing all of the registrations in to one there was a saving of approximately £15K a year for the Investors in People costs.*
  - *Attractiveness as an employer which helps attract the best people*
  - *It acts as a health check on how good the HR systems and processes, people development, recruitment and succession planning are doing. It gives an external audit on how good the people management processes and policies are.*

*PCC were currently working towards the silver award and would then go for the gold award.*

- A number of the statistics in the report show that Children's Services are underperforming in terms of PDR's and sickness. Was this a priority for the new Interim Director of Children's Services to investigate? *The statistics show the current general state of Children's Services. HR had been doing their part to help improve the situation in line with the Ofsted report. A team of four additional HR resources had been diverted to provide dedicated support to Children's Services. Additionally the HR tool called the HR Review Process which had been recognised by Ofsted was now being used in some areas of Children's services to look at a range of issues like the bottom 10% performers, succession planning and what the structure of the organisation should be going forward. As the improvement comes through the amount of HR support would be reduced.*
- What consideration was given in the reduction of working hours or career breaks to mitigate the need for redundancies. *Members were advised that everything was done to reduce compulsory redundancies like redeployment of staff, voluntary redundancies and changes in terms and conditions. In addition to this an email address was set up called reduceyourhours.com which invited every member of staff to put forward suggestions for reducing working hours but there was little response.*

### **ACTION AGREED**

The committee noted the report and requested that:

1. The HR Analyst provide the Committee with statistics showing how many employees of the Council live within the City and how many live outside the city boundaries.
2. That the Acting Head of HR report back to the Committee in six months time with a progress report containing comparison data against the last six months. HR Analyst and the Director of HR to attend a Group representatives meeting prior to the formal meeting to agree how the information should be presented.

### **7. Forward Plan of Key Decisions**

The Committee received the latest version of the Council's Forward Plan, containing key decisions that the Leader of the Council anticipated the Cabinet or individual Cabinet Members would make during the course of the following four months. Members were invited to comment on the Plan and, where appropriate, identify any relevant areas for inclusion in the Committee's work programme.

### **ACTION AGREED**

To note the latest version of the Forward Plan.

### **8. Work Programme**

Members considered the Committee's Work Programme for 2011/12 and discussed possible items for inclusion.

### **ACTION AGREED**

To confirm the work programme for 2011/12 and the Scrutiny Officer to include any additional items as requested during the meeting.

### **9. Date of Next Meeting**

Tuesday 6 March 2012

CHAIRMAN 7.00 - 9.35 pm

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