

# **Minutes of a meeting of the Scrutiny Committee held on 18<sup>th</sup> October 2016 at Pippbrook, Dorking from 7.00pm to 8.45pm**

Present: Councillors David Draper (Chairman), Tim Ashton, Stephen Cooksey, Simon Edge, David Hawsworth, Mary Huggins, Malcolm Ladell, Paul Potter and Sarah Seed.

Also present: Councillors Margaret Cooksey, Duncan Irvine, Vivienne Michael and Michelle Watson.

## **28. Minutes**

The minutes of the Scrutiny Committee meeting held on 13<sup>th</sup> September 2016 were agreed as a correct record and signed by the Chairman.

## **29. Apologies for Absence**

Apologies for absence were received from Councillors Jatin Patel and Patricia Wiltshire.

## **30. Disclosure of Interests**

None.

## **31. Restricting Office-to-Residential Permitted Development Rights**

The Committee received a report which proposed the approval of the use of Article 4 directions on targeted sites to restrict permitted development rights.

The Executive Member for Planning introduced the report, and explained that the proposals sought to enable permitted development rights to be withdrawn 12 months from service of an Article 4 direction, after a period of consultation. The non-immediate direction option had been selected in order to ensure that the Council did not expose itself to potentially significant financial liability. Whilst targeted sites would be identified by Officers in consultation with the Executive Member for Planning, the Committee were assured that the relevant ward member(s) would be able to comment on any proposed directions to be served in their area. The implementation of the proposals would be phased, so as to allow priority to be given to those sites where leases might be expiring soon.

In general the recommendations within the report were welcomed by the Committee, though some Members felt that the proposals could have been brought forward at an earlier stage which might have prevented the loss of some offices already in the process of being converted. A Member of the Committee suggested that the Council should have been more vociferous in its opposition to the government's policy enabling such conversions to take place, perhaps by introducing a blanket Article 4 direction as proposed at the July Council meeting. In response to these concerns, the Executive Member suggested that the blanket direction proposed at the July meeting had been unworkable, and there were limits as to what the Council could do under the constraints of national policy. The Executive Member stressed that the actions recommended in the report were proportionate and workable, as they did not expose the Council to significant financial risks whilst at the same time targeted important strategic locations in the District in order to safeguard local jobs. A Member of the Committee expressed concern that by opting for the non-immediate 12 month notice period, this would simply encourage developers to accelerate their pursuit of existing sites in the District before permitted development rights were withdrawn. The Executive Member acknowledged this concern but reiterated that there was no realistic alternative, as the financial risks attached to immediate serving immediate directions were too great.

A range of views were expressed regarding whether permitted development rights and the resulting increase in housing supply from office conversions had been a good thing for the District. Some Members felt that the release of some redundant office space to create badly needed housing supply had been a good thing, with the addition of 190 homes making a significant contribution to meeting the Council's five year housing supply target. It was also suggested that many of these new conversions were more affordable than other types of new-build property recently added to the market. Other Members however felt that some of the offices already converted under permitted development rights represented a loss to local communities which could not be replaced. Other Members meanwhile suggested that the Council should let market forces dictate whether the

existing supply of office floorspace within the District was adequate or not. It was explained that broadly speaking, the current ratio of income generated by business rates on occupied offices compared to Council Tax collected from residential properties was around 10:1 in favour of business rates, although this was likely to shift in the future due to proposed government policy changes. In any event, the Executive Member explained that the purpose behind the recommendations was to prevent an adverse effect on strategic employment sites, rather than to maximise any financial benefits.

A Member of the Committee expressed disappointment that the proposed measures only made a commitment to consult relevant ward member(s), as it was felt that some sites were important to the towns of Dorking and Leatherhead as a whole and should therefore be open to all Members who represent those settlements to comment on. Another Member of the Committee also expressed a fear that the measures would ultimately prove to be a blunt tool, as many conversions would still take place either through submission of a successful planning application, or through a successful appeal to the Planning Inspectorate. The Leader of the Council acknowledged that the Council's powers to act were somewhat limited, but stressed that these measures at least offered a statement of intent to safeguard local interests. Furthermore, it was stressed that a large proportion of proposed permitted development schemes in the District have never ended up happening.

A Member of the Committee suggested that they would welcome a review of the progress made in relation to the service of Article 4 directions in a year's time.

### **32. Joint Waste Contract Award**

The Executive Member for Environment introduced the report which proposed that 'Bidder A' be awarded the Joint Waste Collection contract with service delivery in Mole Valley commencing from 5<sup>th</sup> August 2018 for waste collection services and from 1<sup>st</sup> April 2019 for street cleaning services. The proposed term of the contract was up to and including 5<sup>th</sup> June 2027, with the option for participating authorities and the contractor to agree to extend the Joint Contract by one or more successive periods until 2<sup>nd</sup> June 2041.

The report received a generally positive response from the Committee, with particular satisfaction expressed regarding the significant estimated savings that would be made. A Member of the Committee asked what further savings could be achieved if, as it was hoped, other Surrey authorities decided to enter the partnership in the future, but Officers explained that it was impossible to predict such figures at this stage.

Some Members stated that they were pleased to see that the balance on price versus quality during the procurement process had been set at 50:50, as it was felt that previously negotiated contracts had focussed too greatly on cost implications, leading to an overall reduction in service quality. It was noted that current satisfaction levels with the Council's waste collection service were around 90%, and the Committee strongly expressed its desire to see these levels at the very least sustained, if not improved upon, under the new contract. The Executive Member assured the Committee that a number of innovations were included in the new arrangement which would enhance the overall customer experience.

The Committee raised a number of questions in relation to what safeguards had been negotiated into the contract to protect Mole Valley District Council's interests. One area of concern was that the contract as presented was contingent on all four authorities agreeing at their respective full Council meetings to commit formally to the partnership, and Members enquired what would happen in the event that any of the authorities involved failed to reach agreement at local level. Officers explained that it was anticipated that all four authorities would manage to secure the necessary agreement; Elmbridge Borough Council had already done so, whilst Woking Borough Council were due to pass a decision on 19<sup>th</sup> October with Surrey Heath Borough Council following suit on 9<sup>th</sup> November. On that basis, it was hoped that the contract would move forward from 10<sup>th</sup> November onwards. In the event that one or more authorities failed to reach local agreement, it was explained that the contract could not progress in its current form, but assurance was given that there would be sufficient time for the remaining authorities to put together a revised agreement.

Members raised a concern regarding what action would be taken in the event that the contractor failed to deliver a satisfactory level of performance. Officers explained that there were a number of possible outcomes should this happen, ranging from possible financial penalties to a worst-case-scenario option of termination if the quality of service became intolerable. It was explained that a significant amount of work will be taking place in order to ensure that adequate IT infrastructure to support the efficient delivery of the service will be in place, and it was confirmed that all four authorities would be involved in the recruitment process for a single Authorised Officer to oversee the delivery of the contract.

The Chairman and the Committee expressed their thanks to all of the Officers involved in the procurement of the contract.

### **33. Future Surrey Waste Partnership**

The Executive Member for Environment introduced the report which proposed an extension of the Inter Authority Agreement to include Waste Disposal Authority functions that currently reside with the County Council, on the basis that this would not affect how decisions related to the Joint Waste Collection Contract are made, nor have any negative financial implications for the Council.

The Committee welcomed the proposals and did not raise any concerns in relation to their implementation.

It was noted that further integration of services was a more complex issue and would carry more significant risks, therefore work remained ongoing in this area. The Committee were advised that a report on the progress of this work was likely to follow in approximately a year's time.

### **34. Scrutiny Panel Updates**

The Committee noted that:

The Tourist Information Panel had met on 19<sup>th</sup> September 2016 and would be holding its next meeting on 7<sup>th</sup> November 2016 before producing a final report for the Scrutiny Committee meeting on 24<sup>th</sup> January 2017.

The Planning Enforcement Panel had met on 26<sup>th</sup> September 2016 and would be holding its next meeting on 31<sup>st</sup> October before producing a final report for the Scrutiny Committee meeting on 24<sup>th</sup> January 2017.