

Overview & Scrutiny Committee – Meeting held on Thursday, 7th February, 2008.

Present:- Councillors Swindlehurst (Chair), Anderson, Arnold, P Choudhry, Coad, Dhillon, Shine and Small.

PART I

65. Declarations of Interest

Councillor Small declared a personal interest in agenda item 4 as she was a Member of the Board of People 1st (Slough) Ltd.

66. Minutes of Scrutiny Panels

The minutes of the following meetings of Scrutiny Panels were noted and received:-

Education and Children's Services of 23rd October, 2007.
Green and Built Environment of 25th October, 2007.
Health of 29th October, 2007.
Community and Cultural Services of 30th October, 2007.
Joint Green and Built Environment and Health of 13th November, 2007.
Education and Children's Services of 29th November, 2007.
Green and Built Environment of 5th December, 2007.
Health of 6th December, 2007.

67. Former Arbour Vale School Site – Future Use and Disposal

The Committee received a comprehensive presentation on a proposal from Slough Town Football Club (STFC) for the use of the former Arbour Vale School site. The Club and their professional representatives outlined a proposal for a new football stadium with a 3,000 seat capacity, associated leisure/sporting facilities as well as an hotel and housing. Officers noted that the stadium was being funded from the capital receipt for the sale of housing land and that, in effect, the Council was indirectly funding the football ground. According, if land values fell or costs increased, then the Council's capital receipt would be reduced and the authority was therefore carrying a risk over which it had little control.

On completion of the presentation, Members raised the following issues:-

- A Member asked whether the anticipated capital receipt of £3.5m was a reasonable one. Ms Bradbury on behalf of the Club and the Council Officer, confirmed that this valuation was within the range if the site was simply sold for housing. However, the Officer stressed that there was an inherent risk in this proposed arrangement as against the simple disposal of the land for housing.

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- A Member asked whether the scheme could work if the hotel proposal did not go ahead and whether there was a minimum occupancy rate in the hotel for it to provide sufficient income. The future of the West Wing was also queried. Ms Bradbury commented that the proposal was that there would be an hotel of between 90 and 100 rooms and the profit derived would subsidise the sporting facilities over a period of 25 years. The proposal was that funding would be passed to a Community Trust which would manage the football club and associated sporting facilities. The Officer commented that the financial impact of there being no hotel within the scheme would be in effect that the proposal would be a non-starter as it showed both the Trust and the Club running at substantial deficits.

Ms Bradbury confirmed that the proposal would be to accommodate the West Wing within the development proposals. She also commented that another key element of the proposals would be to seek FA chartered status which would free up additional grant contributions to the football club. Whilst these had not yet been confirmed, she was confident that such grants would be forthcoming.

- In response to a question, Ms Bradbury stated that much of the hotel demand would be generated from the site itself and that the hotel would not be in competition with other hotel facilities in the area.
- Members referred to the Green Belt issue and asked whether the developers had taken into account the fact that it may be difficult to provide an hotel of the size required given the constraints. Ms Bradbury commented that they were well aware of the potential difficulties but they believed that they could come up with a scheme which would meet the Green Belt requirements.
- It was also confirmed that some 65 units of housing would be provided. It was recognised that family houses were in short supply and that these were envisaged although the final mix would be decided in consultation with the Housing Authority.
- Similarly, it was noted that the parking and transport links to the stadium would be agreed in consultation with the planners and the Highway Authority.
- With respect to the future management of the football club and associated facilities, it was explained that the Community Trust, which the Council would be invited to take part in, would manage the facility with some 60% of the original site being within the Trust's control.
- A Member asked for clarification of the position if the hotel failed or some other unforeseen issue arose. The Officer commented that any commercial venture of this nature carried an inherent risk and that, whilst safeguards could be put in place, it was not possible to eliminate all elements of risk.

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- In response to a question, Ms Bradbury confirmed that all opportunities would be taken to engage local children in the activities taking place at the club. In addition, it was proposed to house the Boxing Club within the development site with a state of the art facility.
- The representatives of STFC were asked whether the club could continue to operate in the meantime whilst the development went forward. They confirmed that the club was managing within its very limited resources at the present time but was confident that, if the proposal went ahead, it could only be an extremely positive move for the club.
- With regard to the ownership of the land, the Officer confirmed that, apart from the housing site, the land for the hotel, stadium and car parking would be retained within the freehold ownership of the Council subject to a 125 year lease. The housing land would be within the ownership of Paradigm Housing. The Officer confirmed that there was no contractual liability on the Council if the Trust were to get into financial difficulties.
- Members asked how long the whole process would take and expressed some scepticism at the timescales shown in the report. The Officer confirmed his view that, given the possible difficulties with planning and Green Belt issues, the proposal was at least two years away.
- It was noted that negotiations had not yet started with the adjoining St Joseph's school in respect of the possible use of their pitches but that preliminary discussions had indicated that they were more than happy to co-operate.
- In response to a question, the Officer outlined the potential risks for the Authority in what was a speculative development. He confirmed that, wherever possible, such risks would be mitigated but it was impossible to remove all risk. There were however a number of real benefits for the town and for the football club if the scheme went ahead but he reiterated that if the hotel element failed, the scheme was not viable.
- A Member asked whether it would be feasible for the Council simply to undertake a scheme itself and this was confirmed.

Following further debate, the Committee felt on balance that the proposal was an exciting opportunity for the town which, as well as meeting the long term objective of providing a permanent home for STFC within the Borough would, through the associated sporting opportunities, have a substantial benefit to the community at large, not least the young and that it should be supported for this reason. The Committee was however concerned that given the fact that a commercial proposal of this nature always carried an element of risk for the authority, the Officers should be satisfied that adequate checks and balances were in place to protect the Council's financial position. The Committee also felt that, given that the whole reason for supporting such a proposal would be to provide a permanent home for the football club, any such development should be phased so that the football stadium was built first.

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Resolved - That the Cabinet be recommended to support the Slough Town Football Club proposals subject to:-

- (a) Officers being fully satisfied that sufficient checks and balances are in place to protect the interests of the Council and tax payers.
- (b) That the development is phased so that the football stadium is built first.

68. HRA Rent Setting and Budget 2008/09

The Committee considered two reports on the Housing Revenue Account (HRA) namely on the proposed rents to be set for 2008/09 and on the budget for the same year. The rent setting report set out the Government's advice on rent structuring and in accordance with the advice of the Department of Communities and Local Government proposed an increase of 3.9% plus ½% plus £2, an average rise of 6.22%. A rise of 3.9% was also proposed for garages and garage bases.

In respect of the budget, changes to the Government's housing subsidy system had adversely impacted upon the level of available resources and action was required to maintain a balanced HRA business plan over the medium term to enable continued delivery of the decent homes improvement programme. Accordingly, significant savings were having to be achieved in the next two financial years to ensure that the budget was balanced.

In response to Members' questions, Officers explained that the Government was requiring rents to be increased so that they eventually converged with the currently higher rents of Registered Social Landlords. Accordingly, whilst the current year's increase appeared high, the Council had little option but to meet the Government's requirements whilst mitigating the increase as far as possible.

The Committee sought information on the current occupancy level of garages and garage bases in the town. It was noted that only some 40% of Council garages were currently let and Members expressed the view that the proposed increase in garage rents of 3.9% was unlikely to enable the Council to let a larger proportion of them. Accordingly, it was suggested that the Cabinet should be requested to consider whether such an increase was appropriate, given a vacancy rate of 60%.

Resolved - That the reports be noted and that the Cabinet be advised of the Committee's views in respect of garage rents.

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69. Consideration of the Funding of a House Condition Stock and Houses in Multiple Occupation Survey of the Private Sector

The Cabinet on 21st January, 2008 had considered a motion referred from Council concerning houses in multiple occupation (HMOs). The Cabinet had resolved that costed options for a full house condition survey and an HMO survey should be reported back to this Committee and the Cabinet and Members considered the report. Members noted that the last full survey of housing conditions in the private sector had been carried out in 1998 and a survey of HMOs in 1997. Legislation had changed since that time with the Housing Act 2004 introducing the housing fitness standard with the health and housing rating system and also introducing a licensing scheme for HMOs of three or more storeys, with five or more people and an element of sharing facilities. Since 2002, local authorities had been working to ensure that at least 70% of vulnerable households in the private sector were in decent accommodation by 2010, rising to 75% by 2020. Currently however, the Council did not have any accurate baseline data to evidence any improvements.

Since the last surveys, both housing legislation and the reporting required had changed significantly and the Council needed to do the surveys in order to demonstrate its commitment to improving housing conditions in the private sector and the way that it set policies and procedures was based on up to date information. Due to the problems of overcrowded HMOs in Slough, Officers were of the view that it was necessary to carry out a full HMO survey in addition to a housing condition survey. This would assist in correctly identifying problem areas, understand where resources needed to be targeted and help strengthen the case if opportunities for additional funding became available.

Members were strongly of the view that the Council had a duty to undertake the proposed surveys given that it was aware of a major problem in the town as regards overcrowded HMOs but did not have any accurate baseline data on the issue. It was also noted that, once the surveys were undertaken, it would then be essential for the Council to address the issues identified. Whilst it was noted that there would be substantial financial implications for the authority, the view was taken that the Council really had no option but to support the proposal.

The Committee agreed to recommend the Cabinet to support the proposed surveys and to request that on their completion, the outcomes would be reported back through the Committee prior to the Council deciding how the matter would be taken forward.

Resolved - That the Committee unanimously supports the undertaking of the proposed surveys and that the results be reported back in due course through the Overview and Scrutiny Committee prior to the authority deciding what further action to take in respect of the findings.

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70. Performance Monitoring 2007/08

The Director of Resources submitted a report highlighting the Council's overall performance from financial management to service and HR activities. The report focused on revenue monitoring and HRA, Best Value Performance Indicators and Human Resources statistics. It also drew particular attention to IT performance and IT access for Members, following consideration of a motion at an extraordinary meeting of the Council on 8th January, 2008.

Members gave detailed consideration to the issue of the provision of IT for elected Members and the Head of IT answered a number of questions of detail. In respect of likely costs, the Director confirmed that the costs previously supplied to Members were on the basis of a worse case scenario, assuming that no Members currently had any broadband connection or IT at home. However, it was clear that many Members already did and this would substantially reduce costs if they were happy for their home computers to be linked to the Council's network.

The Officer report proposed the undertaking of an audit of Members' current IT availability as a first step in taking the matter forward and this was supported. However, Members felt that, at the same time, the Cabinet should be recommended to ensure that sufficient funding was available in the 2008/09 budget to meet the costs of providing Member IT, given that the likely cost was now substantially lower than originally reported. It was suggested that the cost be funded from unallocated LABGI monies.

Members referred to the fact that the Council's procedure rules still prohibited the use of laptops at Council and Committee meetings and it was agreed that a recommendation should be made to the Member Panel on the Constitution to change what was now an outmoded procedure rule.

Members also asked a number of questions of detail about the loss of IT for a week in November, 2007 and were updated on the current position. Officers were currently working on two possible options with a view to ensuring that, should a future such incident arise, the Council's IT processes could continue to run from a separate site.

Resolved -

- (a) That the report be noted.
- (b) That the proposed audit of Members' IT equipment etc be undertaken as quickly as possible and that the Cabinet be strongly recommended to ensure that sufficient funding is put in place within the 2008/09 budget to ensure that all Members who wish to be are fully IT enabled within the next financial year, funding the costs as necessary from the currently unallocated LABGI monies.
- (c) That the Member Panel on the Constitution be recommended to review the current ban on the use of laptops at Committee meetings.

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71. Expansion of Heathrow Airport

The Head of Environmental Services and Quality reported that the Department for Transport (DfT) had recently published a consultation document entitled "Adding Capacity at Heathrow Airport" which sought views on further expansion of Heathrow Airport including a third runway. The report noted the Council's previous policy in respect of the Airport and the fact that the Council had generally been positive about expansion, given the attendant economic benefits for the town, provided that environmental impacts were sufficiently mitigated. However, following recent proposals, the Council was forming the basic view that the current expansion proposals were of great concern and that alternatives should be examined, including the development of other UK airports and high speed train links. The Council believed that the economic arguments had not been properly justified and that the rights of residents in the area should carry more weight than they appear to have been given under the current expansion proposals.

The Officer submitted a draft response to the consultation paper and sought the views of the Committee on his response.

Whilst generally supporting the response, Members felt that the responses in respect of question 3 needed to be more robust to stress the following points:-

- Drawing attention to the continuing poor transport links to the Airport, particularly from Slough and west and the urgent need for substantial rail improvements. In reaching this conclusion, the Committee noted that even with the increased use of trains and the underground it was anticipated a doubling of the road traffic to the Airport and this was considered by the Committee to be completely unsustainable both in terms of congestion, increased pollution, etc which would impact seriously on Slough.
- In this regard the Committee also felt that there should be a recommendation that, like the other major airport hubs in Western Europe, Heathrow should be linked to the high speed rail network.
- The complete inadequacy of the current rail system servicing Heathrow was noted with concern.
- Members were concerned that the addition of a third runway would lead to further areas of Slough being overflowed by aircraft including parts of Langley which were not seriously affected at the moment. Whilst noting the Government's assertion about aircraft becoming even quieter, local Councillors expressed concern at this development.
- The general view of the Committee was that, whilst accepting the large economic benefits to the town of the Airport, the point was not rapidly being reached where these benefits were being outweighed by the significant disadvantages of increased disturbance, pollution and transport infrastructure problems.

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The Committee also noted and endorsed the wording of a motion referred to it by the Council from its meeting on 11th December, 2007.

Resolved - That the unanimous views of the Committee on this matter be referred to the Cabinet for consideration.

72. Review of Council Property Investment Portfolio (Phase II)

The Assistant Director, Property Services submitted a report concerning a proposal to declare a number of properties within the Council's commercial property investment portfolio surplus to requirements and seeking the Committee's comments before the Cabinet was recommended to dispose of them. The Committee had no objection to the disposal of the three public houses, the restaurant and the driving test centre. With regard to the local shops in Long Furlong Drive and Minster Way, Members had serious concerns about the potential loss of these local facilities, particularly in the case of Minster Way as the shop provided a very valuable facility to the local community. Following discussion, it was suggested that, rather than simply disposing of the freehold of the shops, they should be disposed of on a long lease so that the Council continued to have a measure of control on their future use. The Officer undertook to look into this possibility, whilst noting that this would have an effect on the disposal value.

With regard to the three properties in Windsor Road, Members expressed the view that this was a prime location and, if all three properties were sold together as a development site, the Council may achieve a higher value rather than by selling them in a piecemeal fashion. The Officer undertook to revisit the options in respect of these properties and submitted a report back through the Overview and Scrutiny Committee.

Resolved - That the report be noted and that the views of the Committee on the proposals be passed to the Cabinet.

73. Office Accommodation Strategy - Next Steps

The Assistant Director, Property Services provided an update report on the financial, logistical and planning implications of the sale of the Town Hall site and the progress made in relation to the procurement of alternative, town centre accommodation. The Cabinet was being requested to consider whether any sale of the site should require the retention of the core of the old Town Hall building or whether the site should simply be disposed of and the building demolished entirely. The Officer reported that an independent architectural advisor had been commissioned to report on the merits of the old Town Hall and had concluded that it had little architectural merit. For this reason, and to ensure that the maximum income was achieved by the Council, the Officer recommendation was that the site should be disposed of without any requirement to retain the core of the old Town Hall.

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The view of the Committee was that its previous comments should be reiterated, namely that the core of the old Town Hall should be retained if at all possible, whether in its entirety or at least the frontage. It was felt that, notwithstanding any lack of architectural merit, the Town Hall was a landmark in the town and there were few others in the Borough.

In addition, the Committee again expressed the strong view that the Town Hall site, along with the adjoining leisure sites in Montem Lane, should be viewed in an holistic manner and an overall master plan or vision formed for the future of the site, particularly as it was likely that the Montem Sports Centre would need to be replaced in the very near future. The Committee expressed the view that it was inappropriate to deal with each of these areas in a piecemeal fashion as was now being proposed.

Resolved - That the Cabinet be advised of the views of the Committee as follows:-

- (a) That the core of the old Town Hall building should be retained if at all possible, whether in its entirety or at least the frontage.
- (b) That the Town Hall, along with the adjoining leisure sites in Montem Lane, should be viewed in an holistic manner and an overall master plan or vision formed for the future of the overall site.

74. Budget Strategy 2008/09 and Future Years

In noting the report, the Committee expressed disappointment at the late circulation of the document. It also reiterated its previous concern that there had not been much earlier consultation on the budget strategy.

Resolved - That the report be noted.

75. Forward Agenda Plan

The Committee noted its forward agenda plan. Officers were asked, if at all possible, to submit an update report to the meeting on 10th April, 2008 on the Haymill and Thames Valley Community Centres.

Resolved - That the report be noted.

76. Date of Next Meeting

Thursday, 28th February, 2008.

Chair

(Note: The Meeting opened at 6.30 p.m. and closed at 10.58 p.m.)