



OVERVIEW AND SCRUTINY COMMITTEE (REGENERATION AND SKILLS)

**MEETING HELD AT THE BIRKDALE ROOM, TOWN HALL,
SOUTHPORT
ON TUESDAY 19TH SEPTEMBER, 2017**

PRESENT: Councillor Sayers (in the Chair)
Councillors Bliss, Carragher, Keith, Dan T. Lewis,
Roche, Weavers, Webster and Bill Welsh

ALSO PRESENT: Cllr Atkinson

13. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Michael O'Brien (and his Substitute Councillor Murphy) and Pullin.

14. DECLARATIONS OF INTEREST

No declarations of disclosable pecuniary interest were received.

15. MINUTES OF THE PREVIOUS MEETING

RESOLVED:

That the Minutes of the Overview and Scrutiny Committee (Regeneration and Skills) held on 4 July and 7 September 2017 be confirmed as a correct record.

16. LEASEHOLD HOUSE SALES

Further to Minute No. 74 of the meeting of the Council held on 26 January 2017 the Committee considered the report of the Head of Regeneration and Housing on leasehold house sales.

The report indicated that at the meeting of the Council held on 26 January 2017 the Council resolved that the following Motion be referred to the Overview and Scrutiny Committee (Regeneration and Skills) for consideration:

"This Council is concerned about the alarming rise in the number of new houses sold as leasehold, the time period of the lease and the details of service charges being levied.

This is against a background of more new build properties being sold as leasehold with duration of the leases averaging 150 years, just three generations. This means that unless the lease is purchased at an unknown sum it will then revert to the owners. Buyers in this situation are purchasing a house but with rental conditions.

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This Council notes:

1. the overwhelming preference which most purchasers have for freehold houses rather than leasehold;
2. that leasehold properties can carry with them long-term associated costs and charges which are not made sufficiently apparent at point of sale; and
3. domestic leases are often as short as 150 years and mortgage lenders are usually unwilling to lend on properties where a lease has fewer than 50 years remaining.

This Council believes:

1. all immediate and lifetime fees and charges associated with leasehold properties should always be made much clearer in promotional material; and
2. short lease properties can present individuals with significant impediments to enjoying their own home and transferring such homes to future generations.

This Council resolves:

1. to write to the Secretary of State for Communities and Local Government expressing concern about the alarmingly rapid rise in new build houses sold as leasehold and the duration and costs associated with the terms of the lease, including service charges;
2. to promote information and guidance to leaseholders, including to buy or extend their freehold; the existence of the Leasehold Valuation Tribunal and the right to manage;
3. information and guidance relative to this point should be promoted through the Councils associated strategies and plans including the Council's Welfare Reform Anti-Poverty Action Plan; and
4. to request the Head of Housing and Regeneration to investigate the rise in the number of new houses offered as leasehold, the time period of the lease and the details of the associated service charges and submit a report to the Cabinet Member – Communities and Housing”

and that in respect of 4 above the Cabinet Member - Communities and Housing subsequently agreed that the above report should be considered by this Committee.

The report provided information on leasehold ownership; the levels of leasehold ownership in Sefton and that the proportion of newly built houses in Sefton (excluding flats/apartments and maisonettes), sold as

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leasehold rather than freehold tenure had increased significantly within the last decade from 14.8% in 2007/08 to 92.7% in 2016/17; the time period of leases and the associated service charges; the Housing White Paper (2017) which included proposals for reforms affecting leasehold; that regarding existing legislation the Council did not have any legal powers, such as Planning powers, which could make developers sell on a freehold basis; and the market reaction to leasehold sales by mortgage lenders and housebuilders.

The report concluded that on the Head of Regeneration and Skills, on behalf of Cabinet Member - Communities and Housing, would write to the Secretary of State for Communities and Local Government expressing concern about the alarmingly rapid rise in new build houses sold as leasehold and the duration and costs associated with the terms of the lease, including service charges.

Members of the Committee asked questions/raised matters on the following issues:-

- the report was very informative and dealt with complex matters in an easy to read manner
- concerns were raised regarding home owners having to pay large fees simply to obtain permission from the developer for extensions/home improvements
- could information be placed on the Council's website offering guidance on leasehold sales
- the potential use of planning legislation to restrict leasehold sales
- could recommendation (3) within the report be tightened to ensure that developers cannot avoid the requirement to sell houses on a freehold basis by disposing of the land to another company

RESOLVED: That

- (1) the report on leasehold house sales be noted;
- (2) a response by the Cabinet Member – Communities and Housing to the Government's consultation on measures to tackle unfair practices in the leasehold market be supported;
- (3) the Cabinet Member – Regulatory, Compliance and Corporate Services be recommended to amend the Council's Asset Disposal Policy so that when the Council sells its own land for residential development it considers including provisions that require developers to sell houses on a freehold basis and that this provision should still apply if the developer subsequently disposes of the land to another company;
- (4) the Head of Regeneration and Housing in consultation with the Head of Regulation and Compliance be requested to investigate whether information can be placed on the Council's website offering guidance on leasehold sales, including a "jargon buster", to

help raise the awareness of the issues of leasehold sales; and

- (5) the Head of Regeneration and Housing be requested to report back to the Committee on the outcome of the Government's consultation on measures to tackle unfair practices in the leasehold market.

17. REFUSE COLLECTION, RECYCLING & FOOD WASTE UPDATE

The Committee considered the report of the Head of Locality Services – Provision that updated on refuse collection, recycling and food waste collections during 2016 / 2017.

The report indicated that the waste collection operation within the Council's Cleansing Services Section effectively consisted of four strands of operation, namely:-

- Waste which cannot be recycled (collected via black sack or grey wheeled bin)
- Waste which can be recycled (collected via hessian sack or brown wheeled bin)
- Food waste (collected via a green caddy and compostable liner system)
- Green 'Garden' Waste (collected via green wheeled bin);

updated on the insourcing of the contract for dry recycling materials whereby the Council would undertake to deliver all dry recyclable material to the Merseyside Waste and Recycling Authority Materials Recycling Facility at Gilmoor and be a fully-fledged comingled Council in line with neighbouring Liverpool City Region Councils.

The report also indicated that the dry recycling performance across the Council had actually remained static at 39%; that the tonnage of collected food waste had reduced from approximately 2,700 tonnes per annum to around 1,800 tonnes, despite the availability of free compostable caddy liners and a free additional food waste storage bin if requested; that the Green (garden) waste service had improved dramatically over the last twelve months and that around 20,000 tonnes per year were now collected; and that the total of household waste collected in 2016/2017 increased over the previous twelve months by approximately 1,200 tonnes.

The report also highlighted current issues within the refuse, recycling and green waste services relating to problems occurring with the "clear all" policy in sack collection areas and that a review would be undertaken to combat problems being experienced; and the additional pressure being experienced by refuse collection operatives due to the 2,700 additional properties that had been built in the borough since 2014 that had required refuse collection services and that by 2019 it was expected that some 4,000 additional houses/properties would have been built/developed within

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the Borough which equated to one new collection crew and vehicle being required.

The report concluded that any reduction in budget across the service had effectively been found via efficiencies as the Council was still required to collect refuse or empty bins from every property across the Borough; zonal arrangements, extended working week, vehicle and route optimisation and varying shift patterns were some of the strategies utilised in order to maintain the required level of service against the backdrop of reducing budgetary provision; and that officers would continue to seek ways to reduce expenditure and increase efficiencies across the Refuse Collection Service and as such welcomed observations, comments and suggestions from any interested parties.

Members of the Committee asked questions/raised matters on the following issues:-

- complimented the Head of Locality Services – Provision and his staff for the 99.98% of scheduled collections being met
- the cost savings achieved by bringing the dry recycling and food waste service in-house
- problems experienced in those areas of the borough that did not receive green waste collection services
- the impact of the Brexit vote on recycling collection targets
- composting of the waste collected via the green waste collection service
- had consideration been given to the use of “European style” communal bins in Sefton
- could Committee Members visit the Wilton incinerator site, Teeside
- the success of the Council’s refuse collection, recycling and food waste collections services should be publicised widely on the Council’s website and twitter
- the disposal of electrical equipment

RESOLVED: That

- (1) the report updating on refuse collection, recycling and food waste collections during 2016 / 2017 be noted;
- (2) the Head of Locality Services – Provision be requested to submit a further update report to the Committee in 2018/19;
- (3) the Head of Locality Services – Provision and his staff be congratulated on the excellent performance regarding the refuse collection, recycling and food waste collections services; and
- (4) the Head of Locality Services – Provision be requested to investigate, and if possible arrange, a site visit for Members of the Committee to the Wilton incinerator site, Teeside.

18. WINTER SERVICE POLICY AND OPERATIONAL PLAN

The Committee considered the report of the Head of Locality Services – Commissioned seeking views on the Winter Service Policy and Operational Plan (the Plan) and the submission of views thereon to the Cabinet Member – Locality Services.

The report indicated that the Head of Locality Services – Commissioned and his staff provided a Winter Service to the borough in accordance with the Plan; that Officers monitored the weather conditions 24 hours a day throughout the winter season and enacted the plan when weather conditions dictated; and detailed the duties placed on the Council arising from the Railways and Transport Safety Act 2003 (section 111), section (41(1A)) to the Highways Act 1980 and the Traffic Management Act 2004.

The Plan was subject to an annual review and reassessment and the report detailed the consultation process associated with the Plan which included, in accordance with Cabinet Member – Locality Services' wishes, a consultation letter being sent to every elected Member (a copy of the letter was attached as Annex A to the report); and consultation with Merseytravel to ensure that, in light of the major bus review, officers were aware of any changes to bus routes in the borough.

The report concluded that the Plan was based on guidance provided by the Government in a document entitled 'Well Maintained Highways – Code of Practice for Highway Maintenance Management; that Appendix H of that document referred specifically to Winter Service; that In October 2016 a new code of practice was published entitled 'Well Managed Highway Infrastructure which superseded all previous codes of practice and authorities had until October 2018 to adopt the code; that the Section relating to Winter Service had been delayed and had yet to be published; and that any revised guidance would be addressed when available and a report submitted to the Cabinet Member – Locality Services and this Committee.

A copy of the Plan was appended to the report.

Members of the Committee asked questions/raised matters on the following issues:-

- an error regarding a route taken by a gritting vehicle into Hesketh Road, Southport
- a request that Marine Drive to Argyle Road, Southport be included on a gritting route
- a compliment was made regarding the Winter Service
- the standard of highway repairs and the failure of road surfaces due to bad weather
- weather forecasting arrangements used to plan for services

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RESOLVED: That

- (1) the Winter Service Policy and Operational Plan be endorsed; and
- (2) the Head of Locality Services – Commissioned be requested to advise the Cabinet Member – Locality Services that it is the Committee’s view that the gritting operations contained in the Winter Service Policy and Operational Plan performed well.

19. SHALE GAS WORKING GROUP POSITION REPORT

Further to Minute No. 25 of 8 November 2016 the Committee considered the report of the Head of Regeneration and Housing that updated on the position with implementing the recommendations of the Shale Gas Working Group.

The report indicated that shale developments had regularly been in the regional and national news especially with respect to projects in Lancashire at the Cuadrilla sites where there had been well-reported legal challenges and direct action that however, during the intervening period there had been no formal inquiries to Sefton planning or Merseyside Environmental Advisory Service with regards to proposed shale oil and gas development in Sefton; and updated on actions relating to:-

- Action 1 - Cross-Regulator Working Group
- Action 2 – Good Practice and Expectations Document
- Action 3 - Local Validation List
- Action 4 - Sefton Council’s Statement of Community Involvement
- Action 8 – Resourcing Regulatory and Monitoring requirements

The report concluded by detailing target activity relating to actions associated with recommendations of the Working Group.

Members of the Committee asked questions/raised matters on the following issues:-

- the results of a recent seismic survey
- the significant costs that could be incurred by the Council in connection with planning applications and appeals associated with shale gas proposals

RESOLVED:

That the report updating on the position with implementing the recommendations of the Shale Gas Working Group be noted.

20. WORK PROGRAMME 2017/18, SCRUTINY REVIEW TOPICS AND KEY DECISION FORWARD PLAN

The Committee considered the report of the Head of Regulation and Compliance that updated on the draft Work Programme for 2017/18; topics for scrutiny reviews to be undertaken by a Working Group(s) appointed by the Committee; and seeking the identification of any items for pre-scrutiny from the Key Decision Forward Plan.

The report indicated that at its last meeting the Committee requested the Head of Regeneration and Housing in consultation with the Executive Director to draft a scoping document in relation to Economic Growth, to be circulated to all Members of the Committee in advance of this meeting; however, following investigation into this matter it was found that the Economic Strategy for Growth was about to be the subject of the Consultation and Engagement process and accordingly, this topic did not meet the criteria for selecting topics for review as it would shortly be looked at by another internal body; that therefore it was recommended that the topic of "Economic Growth" be not selected as a topic for review by a Working Group; and that an alternative topic be selected for review.

The report concluded by inviting the Committee to consider items for pre-scrutiny from the Key Decision Forward Plan as set out in Appendix 4 to the report.

RESOLVED: That

- (1) the Work Programme for 2017/18, as set out in Appendix 1 to the report, be approved;
- (2) the report on the Economic Strategy for Growth be submitted to the Committee on 23 January 2018 rather than 7 November 2017;
- (3) further to Minute No. 8 (3) of 4 July 2017 "Economic Growth" be not selected as a topic for review by a Working Group;
- (4) the alternative topic of "Housing Development Company" be selected as a Working Group review and Councillors Sayers and Welsh be selected to serve on the Working Group; and that the Head of Regulation and Compliance be requested to contact other Members of the Committee to ascertain their interest in serving on the Working Group; and
- (5) the Head of Regeneration and Housing be requested to produce a scoping document in relation to the Housing Development Company Working Group for consideration at the Working Group's first meeting.

21. CABINET MEMBER REPORT – JULY 2017 TO SEPTEMBER 2017

The Committee considered the report of the Head of Regulation and Compliance that included the most recent report from the Cabinet Members for Communities and Housing; Locality Services; Planning and Building Control; and Regeneration and Skills.

Councillor Atkinson, Cabinet Member – Regeneration and Skills was in attendance at the meeting and commended her report to Members.

Members of the Committee asked questions/raised matters on the following issues:-

- the positive news about the refurbishment of Southport Pier
- the omission from the Cabinet Member – Communities and Housing report of the provision of a defibrillator, funded from the Kew Ward devolved budget, at the Salvation Army Citadel, Shakespeare Street
- the lack of sites within Southport suitable for industrial/employment/business uses; and the potential use of the derelict industrial units on Crowland Street for such uses

RESOLVED: That

- (1) the update report from the Cabinet Members for Communities and Housing; Locality Services; Planning and Building Control; and Regeneration and Skills be noted; and
- (2) Councillor Atkinson be thanked for her attendance at the meeting.

22. PHIL CRESSWELL HEAD OF REGENERATION AND HOUSING

Councillor Atkinson, Cabinet Member – Regeneration and Skills indicated that this would be the last meeting of the Committee to be attended by Phil Cresswell, Head of Regeneration and Housing before he took up his new role as Director of Place with Stoke City Council.

Councillor Atkinson indicated that during his time with Sefton, Phil had led on a number of major regeneration and housing schemes and the production of key investment frameworks right across the borough. In addition he had supported the Council's Public Sector Reform programme.

RESOLVED:

That Phil Cresswell, Head of Regeneration and Housing be thanked for his services to Sefton and be wished every success for the future in his new role at Stoke City Council.