

OVERVIEW & SCRUTINY PANEL

Minutes of the meeting held on 19 January 2021 at 5.30 pm via online viewing only.

Present: Councillor Robert W Bayford (Chairman); Councillors Ara, Boyd, Coleman-Cooke, Currie, Hopkinson, Keen, Moore, Paul Moore, L Piper, Roper, Rusiecki and Scott

In Attendance: Councillors Cllr Everitt and Whitehead

270. APOLOGIES FOR ABSENCE

Apologies were received from the following Members:

Councillor Campbell, substituted by Councillor Currie;
Councillor Huxley, substituted by Councillor Ara.

271. DECLARATION OF INTERESTS

There were no declarations made at the meeting.

272. MINUTES OF PREVIOUS MEETING

Councillor Paul Moore proposed, Councillor Coleman-Cooke seconded and Members agreed the minutes as a correct record of the Panel meeting held on 24 November 2020.

273. 2021-22 BUDGET

Tim Willis, Deputy Chief Executive & S151 Officer introduced the report and made the following points:

- The proposed budget was drafted in the context of significant changes on local government financing;
- Covid-19 had forced local authorities to focus on short term issues. This had drained the council reserves, council finances and council staff reserves;
- The budget gap in the proposals was largely due to factors internal to the council like pay and contractual inflation and an increase in cost of waste disposal;
- There were some projected reductions in government grants;
- Any Panel recommendations to amend the budget that have a cost or reduced income would need to be matched with an identified funding source;
- A correction to paragraph 13.6.1 to the cabinet report – the increase in average rent between this year and next year is £1.98 not £1.89 as reported.

Members made comments and asked questions as follows:

- Members thanked Mr Willis and his finance team for the work done particularly the hosting of briefing sessions for Members;
- 57% of the residents surveyed were surprised at the amount of money that went to the council of the council tax;
- At paragraph 13.7 there were adjustments made for the HRA between the accounting basis and funding basis there is a difference of nearly half a million. What was the basis for that and was there material impact from it?
- At paragraph 11.7 (HRA – Major Repairs Reserve); the table indicates that it was £15.5 million as at 31 March 2020, but will be drawn down to leave £384k by 31 March 2022. Was it a prudent decision to reduce the reserves and was it also prudent to leave such a small amount in the reserves?

- In the same table there was also a movement in 2021/22 of £7.676million, but at Annex 3 it was suggested that £11.986million will be used from the Major Repairs Reserve. Could this be clarified?
- S151 Officer's view is reported as taking the middle position regarding the budget position to take. What would have the budget looked like had the S151 Officer taken a pessimistic view?
- Why was it that in paragraph 16 Table 9, one bedroom social rent average was indicated as being higher than affordable rent?
- Can the council not use the £3million in the reserves to offset loss in income for not increasing the rent?

Mr Willis responded as follows:

- This adjustment of £479K was required in order to show the complete picture within the HRA. This was to reflect different valuations of assets within the HRA;
- This adjustment did not have a material impact on the overall bottom line as to what rent income required;
- A more comprehensive explanation would be provided after the meeting;
- The council was using a substantial amount of the Major Repairs Reserve to fund the significant investment plan for the HRA stock, in particular the refurbishment of the tower blocks. There will be also be slippages of the capital works as well to consider;
- A combination of bringing East Kent Housing in house, the condition of the housing stock and discovery of a number of aspects of the single system had necessitated the use of HRA reserves;
- The discrepancy question would be responded to after the meeting as more time was required to check the breakdown figures;
- The pessimistic view would have been a view that uptake of the covid vaccine would be slow, and maybe some people decide not to take it up, which would mean further local outbreaks of covid. The wider macro economic impact of covid is really significant. There would be a big impact on unemployment and business failures in Thanet. This would have a consequential impact on the business rates collection;
- The impact would also increase the council tax support payments and reduce income generated from business rates, council tax and fees and charges;
- The other pessimistic view would be that there wasn't an increase in visitor numbers to Thanet in the summer season of 2021/22 and that the figures would be as low as they were in 2020;
- If all of those factors came true, there would be an expectation of more government funding to support mitigate the impact of covid;
- However government had already announced the level of support to local councils and there was no indication that this level could be increased;
- Some of the £3million reserves set aside this year for the covid impact that would have been used for the budget gap could be used next year;
- This might also call for an emergency budget to find additional funding if those reserves were diminishing during 2021/22;
- This was the pessimistic view. However S151 was more optimistic because the covid vaccination programme was being rolled out and the level of infection was falling. The situation was likely to improve in 2021/22. This was the indication coming from government;
- Thanet has not been hit as hard as some local authorities that rely on huge town centre car parks income;
- Thanet chose not to invest in commercial ventures and did not incur any income loss as a result of covid;
- S151 Officer was hopeful that as travel restrictions were eased during the course of the year domestic tourism would increase. This would lead to an increase in visitor numbers to Thanet;

- Thanet economy would benefit from a significant uptake in staycations;
- Officers would check the difference in rent averages between social rented properties and affordable renting as reported in paragraph 16 Table 9 and give an update to Members after the meeting;
- The reserves are held as a protection in case the financial situation got worse. The £3million reserves were in the General Reserves not HRA and rents fall under HRA. Not increasing rents would have a long term impact on the HRA.

Members noted the report.

274. CORPORATE PERFORMANCE REPORT Q1 AND Q2 2020/21

Hannah Thorpe, Director of Communications led the discussion with a slides presentation and made the following comments:

- The Corporate Performance report was due to be refreshed in 2020-21 to link in with the council's new Corporate Statement. Due to significant pressures on the team to support the council's response to the coronavirus pandemic, a new approach to corporate performance and new indicators would now be implemented from 1 April 2021;
- As a result, the council's corporate performance for 2020-21 is to be measured in line with the former Corporate Plan (using the existing indicators and targets);
- There is evidence of council performance being impacted as a result of the pandemic and having to redirect resources - green measures have fallen by two and red measures have risen by 2. In the current context however this is not as significant as it potentially could have been and is testament to the hard work of the council in very challenging times;
- Within the covering report, a commentary has been provided for each indicator which is below target (red), as these are the areas which require focus;
- Ms Thorpe provided a summary of the results by each priority area; a clean and welcoming environment, supporting neighbourhoods, promoting inward investment and job creation and statistical information;
- Ms Thorpe apologised for an error in the statistical information section regarding the number of starters and leavers, confirming the figures should state there had been 50 starters and 31 leavers, which would mean a net increase of 19 staff;
- Ms Thorpe drew the panel's attention to the improved performance of the council regarding its response time to FOIs which has moved from significantly below target to within reach of the target and also to the homelessness indicators which have continued to be met despite significant pressure on the team.

Members made comments and asked questions as follows:

- Missed bin collections showing as red – under current circumstances (with covid) a missed collection rate of 0.34% would be unfair to record it as red. It was actually quite good performance;
- Incidents of dumped rubbish on council land had gone up from 134 to 234. Was that due to KCC charging the type of waste being dumped?
- Action to improve living conditions was low. What were the prospects for that figure being improved in the future?
- The time taken to reduce homelessness was impressive;
- On the target regarding the number of people in employment – When was that measured and how soon would the Panel get the next figures for that indicator, would help the Panel understand the full impact of covid?
- Who sets the target for recycling? Was it the government or TDC? Given the current worries particularly about plastic recycling, could the target be raised?
- How many respondents would be in the residents' survey and how were they selected?

- Had the response rate increased in the lockdown and what were the main areas of concern registered by residents?

In response, Ms Thorpe, Mr Bob Porter, Director of Housing & Planning and Mike Humber, Director of responded as follows:

- The target set for waste collection is ambitious and deliberately so. Officers were looking to coming up with a more effective way of setting those targets in the new performance monitoring approach;
- This year has been particularly hard on the waste collection teams, especially considering that agency staff had to be contracted as some permanent staff had to shield or self isolating due to the pandemic;
- As many more people were working from home, the vehicles have experienced significant issues passing through certain areas where cars were parked on either side of the roads;
- Despite all those challenges, senior management was proud of the achievements of the waste collection teams;
- In order to ease the number of crew in the waste collection vehicle cabs, food waste was collected separately. This had created more work for the crews;
- With regards to dumped rubbish, a more comprehensive response would be given to Members after the meeting, after consultation with the enforcement team;
- The amount of residual waste was significantly higher this year. This was largely due to the number of people being at home most of the time due to the national lockdowns;
- With regards to the improving living conditions target – Officers anticipated this indicator to go down slightly. This was because the government funding for the Rogue Landlords Project had finished and as the current Selective licensing scheme ends in April this year, so there was projected to be less activity. The teams have also been affected by the lockdown restrictions. However the licence was valid for 5 years which means the council would still be able to enforce the conditions of the previous scheme;
- Officers had been looking at what the new selective licensing designation could look like. The Housing CAG was looking into this and the council had held early discussions with MHCLG and they had been supportive and were open to hearing what the proposals looked like. It was therefore reasonable to be optimistic about the options for the council to designate a new area of selective licensing and use that as a tool for improving living conditions in private rented housing;
- Employment data was provided quarterly by NOMIS;
- Recycle targets were set by TDC and was benchmarked against other local authorities;
- The Residents' survey will be issued at the end of January. It will be a random selection of 6,000 Thanet residents. The survey is profiled by postcode to ensure a balanced representation of Thanet areas. It will be conducted online and will be open for three weeks. Paper copies would normally be sent to those unable to access the online platform. The response rate was usually 10-12%. Questions and responses from the survey would be shared with Members;
- Information on the response rate and areas of concern raised by residents during the survey would be shared with Members.

Members noted the report.

275. PROPOSALS FOR NEW LOOK CORPORATE PERFORMANCE REPORTING FORMAT

Hannah Thorpe and Nathaniel Fisher, Business Analyst led the discussion with a slides presentation and made the following comments:

- The new approach would link corporate performance monitoring to the current corporate objectives which are Growth, Environment and Community;
- This would also focus on what matters most to residents and the process would be more transparent and engaging;
- Performance indicators would be reduced from the current numbers whilst improving the quality of the data. The data would be more contextual;
- Most of the reporting would be live data on the council website, which residents can track easier as the information would be available to the public 24 hours each day. This would help demonstrate that the council was achieving what it had set out to do in the corporate objectives;
- Officers would like to report back to the Panel before 1 April in order to share the more concrete new framework for performance reporting.

Councillor Bayford summed up discussion then proposed, Councillor Coleman-Cooke seconded and Members agreed the following:

1. Officers were going to send around the slides presentation to all the members of the Overview and Scrutiny Panel, for Members to give feedback comments about the new approach;
2. Final proposals were going to be presented at a future Panel meeting before 1 April 2021.

276. MEMORIALS WORKING PARTY UPDATE REPORT

Councilor Stuart Piper, Chair of the Memorials Working Party led the discussion and gave the update as follows:

- The working party was joined in the discussions by a member of the public;
- Members agreed to seek some lessons from other council that have had to address similar issues, including from Liverpool City Council;
- On 17 January 2021, Community Secretary Robert Jenrick announced a change in law to protect public monuments;
- The Secretary said that the public should have a chance to be consulted on such matters, before statues and monuments were removed;
- Thoughtful considerations should be given before such decisions were made to remove status and monuments from public view;
- When coming with its own policy, the council would always need to use the proper process when making future decision on statues and monuments;
- The new law would require that any future decisions to remove heritage monuments, would need to go through the planning process and public consultation in accordance with the constitution of the local council;
- The Secretary of Communities would retain the right of veto power on such decisions, which could used to overrule any local decisions;
- The working party was now waiting for the lead officer to draft the policy document for review by Members before reporting back to the Panel.

Members noted the report.

277. TENANT AND LEASEHOLDER SERVICES TRANSITION UPDATE

Mr Porter introduced the item and made the following points:

- Since the transition, a number of liaison meetings with tenants and leaseholders had been held which the portfolio holder had attended;
- The new service was 15 weeks into the new in house arrangement and the team was settling in well;

- There were 58 posts in the new structure. Of that number only three were covered by agency staff and another one would be going out for recruitment;
 - Twenty eight of the fifty eight posts came from East Kent Housing, with the remaining ones being new recruitments;
 - New contact arrangements, including new email details for the service had been introduced and shared with every tenant and leaseholder;
 - A newsletter with a fridge magnet that contained all details including telephone numbers was sent out in the first week of the service;
 - New generic neighbourhood housing officers had been introduced to the service. This was something that tenants and leaseholders had always wanted;
 - The service has had to deal a lot with legacy issues, but relatively few new complaints;
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- This could be a reflection that the new contact arrangements set up were effective in addressing issues as they arose;
 - The first report of the new services included a position statement, health and safety report and performance data for the first two months of the service;
 - With regards to the health and safety update, the council had meetings regularly with the regulator for social housing. The regulator agreed the council's voluntary undertaking and action plan (that covers the period up to April 2021), relating to tenant and leaseholder health and safety matters;
 - The council hoped to have an East Kent Audit Partnership review conducted in May to assess the new position on health and safety. This would then be reported to the regulator in June, hoping to then get the regulatory notice on the council removed;
 - Gas Safety – The current position was now very positive. There was one resident who was refusing to give engineers access to the property. The council was currently working with other agencies to resolve that issue;
 - Electrical compliance – the performance figures were quite low at when the new service started. The team had since carried out a line by line review of the data of all of the certificates for domestic and communal areas and the work was due to be completed in December 2020. The work had since been completed. The level of compliance had increased;
 - The service would be reporting quarterly to the OSP and Cabinet. The council would continue to report to the regulator monthly on health and safety matters;
 - The capital programme – a significant amount of slippage was anticipated from this year to next year, as 13% of allocated amount had been spent as at 1 October 2020. The team was working on correcting some coding in a number of capital expenditure areas against revenue codes;
 - The service has had some success with securing new procurement contracts for decorations and repairs. A contract had been let for refurbishment of 14 lifts in 6 tower blocks and other blocks;
 - A contract had been let for structural and mechanical surveys for 6 tower blocks. These survey would including getting advice on what other works were needed including external cladding and assisting the council with the procurement that would come out this piece of work;
 - Satisfaction with repairs – This was one area that most impacted tenants and leaseholders. The serviced had worked hard to improve the relationship with key contractors to implement new contract management arrangements;
 - Void performance and rent collection – This area needed improvement over the coming months, particularly to support the business plan for the future;
 - Communication – A number of bespoke newsletters to each of the tower blocks and a generic one to all tenants had been sent out. IN the last newsletter there was a survey about residents priorities for improvements over the next 12 to 18 months;
 - The response was already looking good. The results of the survey would be used to guide some discussions at the Housing Cabinet Advisory Group. Any

improvement updates resulting from these surveys would be shared with the Panel.

Members asked questions and made comments as follows:

- This was a comprehensive update given by Housing Services;
- How did the miscoding happen and had any measures been taken to ensure that the problem did not recur?

Mr Porter gave the following response:

- This was a legacy issue from the East Kent Housing;
- There was a lack of understanding amongst officers raising those jobs about how the coding structure worked;
- East Kent Housing had no identified lead officers and clear lines of responsibility for pieces of work for neighbourhoods or particular contracts;
- Now every contract had a named lead officer (contract administrator), whose responsibility was to ensure that invoices and orders were coded in the right way against the coding structure.

Members noted the report.

278. REVIEW OSP WORK PROGRAMME 2020/21

Members noted the report.

279. FORWARD PLAN

Members noted the report.

Meeting concluded: 7.00 pm