

BOROUGH OF KETTERING

MONITORING AND AUDIT COMMITTEE

Meeting held: 22nd September 2016

Present: Councillor Linda Adams (Chair)
Councillors Mike Brown, Mike Tebbutt and Greg Titcombe

Also Present:

Graham Soulsby	(Deputy Chief Executive)
Mark Dickenson	(Head of Resources)
Guy Holloway	(Head of Corporate Development)
John Conway	(Head of Housing)
Brendan Coleman	(Head of Environmental Care Services)
Rob Thompson	(Benefits Manager)
Dean Mitchell	(Principal Accountant)
Pearl Nathaniel	(Principal Accountant)
David Pope	(Committee Administrator)
Jon Gorrie	(KPMG)
Dan Hayward	(KMPG)

16.MA.09 APOLOGIES

Apologies for absence were received from Councillors Jonathan West, Jenny Henson and David Soans.

16.MA.10 MINUTES

RESOLVED that the minutes of the meeting of the Monitoring and Audit Committee held on 14th June 2016 were approved as a correct record and signed by the Chair.

16.MA.11 DECLARATIONS OF INTEREST

None

16.MA.12 EXTERNAL AUDIT ISA 260 REPORT (A1)

A report was submitted which presented the ISA 260 report to those charged with Governance and which sought approval for the Council's Management Representation letter.

John Gorrie and Daniel Hayward of KPMG attended the meeting to introduce the report. It was noted that an unqualified, clean audit opinion had been given and Value for Money criteria had been met. The Annual Governance Statement had also been reviewed to ensure compliance with guidance.

It was noted that the accounts had been supplied to KPMG well before the statutory 30th June deadline and working papers supplied by KBC were of a high standard. Consequently, KBC was the first authority across KPMG's client base that had commenced and completed their audit and credit was given to KBC's finance team for their work in achieving this. It was further noted that statutory deadlines for the publication of audit outcomes would be brought forward over the next two years and KBC would be in a strong position to meet these revised deadlines.

It was noted that Internal Audit Self-Assessment was sound and work carried out on key financial systems could be relied upon where relevant to KPMG's audit. Four low level recommendations had been made by KPMG, with recommendations made in the previous year already implemented.

Members asked questions regarding the production of electronic working papers, whether KBC moving to a new format of management would impact account systems and processes. Members also wished to convey their thanks to the Finance Team for their work

The External Auditors were thanked for their attendance.

RESOLVED that the Audit Memorandum – Report to Those Charged with Governance be received and the Management Representation Letter be approved.

16.MA.13 STATEMENT OF ACCOUNTS 2015/2016 (A2)

A report was submitted which presented the Council's Statutory Statement of Accounts for the financial year 2015/16 for approval. The Head of Resources gave a short presentation to the Committee

to supplement the report.

The Committee asked questions in relation to

RESOLVED that the Statement of Accounts for the financial year 2015/16 be approved.

Following approval of the Statement of Accounts, the Management Representation Letter was signed by the Chair and the Chief Finance Officer.

16.MA.14 KEY UPDATES (A3)

The meeting was presented with key updates on three topics; Monitoring of Service Level Agreement (SLA) Grants 2016/17 (Q1), Housing Repairs and Voids and Welfare Reform.

Monitoring of SLA Grants 2016/17 – Quarter 1

The report supplied provided Voluntary Sector Service Level Agreement (SLA) performances for the first quarter of 2016/17.

Members noted that SLAs were awarded in 2012 and were set to end in March 2017. The report also provided an update on the tender process for new SLAs that would commence in 2017 and run until 2021. A Task and Finish Group had undertaken a review of existing SLAs and sought evidence from voluntary sector organisations. It was heard that a panel of officers would make recommendations to a member panel, with final recommendations being approved by the Executive Committee, potentially the November meeting.

The meeting heard that current performance levels were broadly similar to the first quarter levels in 2015/16, although it was difficult to provide additional comment on performances at this early stage. Q2 performance statistics would provide a more accurate reflection of progress.

Housing Repairs and Voids

It was reported that the Tenant Overview and Scrutiny Panel had undertaken a review on the repairs reporting procedure during 2015, highlighting key issues and making recommendations for improvements to the service.

The panel had identified multiple logging of repairs requests due to procedures and systems used. Better communication between tenants and the council in relation to appointment, progress of

repairs and repair responsibilities was required. Appointments were routinely offered or inspections made prior to repairs. Overall, it had proved difficult to assess value for money in relation to the repairs service.

Recommendations made by the panel included:-

- Ensuring the Callsys system was used to its full potential, eliminating a number of logging issues
- Checking and recording of tenant contact details and ensure availability to tradespeople to enable them to confirm appointments with tenants
- Advise tenants of timescale for repair inspections as well as repairs
- Update the tenant handbook in relation to repair responsibilities (This work had since been completed)

It was noted that tenants had done a good job in identifying a limited number of issues that, when resolved, would have a major impact on the service tenants received in relation to repairs. A project group had been convened and regular updates would be provided to the Tenants' Forum.

It was heard that offering appointments to tenants for inspections and repairs would result in more first-time visits and fewer wasted trips from tradespeople, therefore improving service efficiency

The number of void properties had risen sharply recently to a current total of 51, although nine of these had been returned in the previous week which was seen as a statistical anomaly. Average times for void properties remaining untenanted was generally between 37 and 49 days, although this statistic was affected by a number of properties requiring several cycles of advertising prior to being let.

It was noted that there was reason for optimism with void numbers down on the same period in the previous year as the investment in tenancy sustainment was proving successful, with fewer evictions especially among introductory tenants. There had been 28 evictions during 2013/14, compared with only two in the first four months of 2016/17.

The meeting heard that there had been a number of changes in processes in relation to tenancy support, with welcome meetings for all tenants with Neighbourhood Managers where the rights and responsibilities of tenants were fully explained. Following these meetings were a number of mandatory visits by housing officers during the first year of the tenancy and a formal review at the conclusion of the introductory period. Financial assessments were undertaken after 6 weeks of tenancy, with tenants encouraged to

link up with the Credit Union, set rent payment Direct Debits and checks made to ensure they received the benefits they were entitled to. Although intensive work was now undertaken to reduce tenancy failure, as more tenants moved across to Universal Credit there was expected to be a deterioration in tenancy sustainability levels.

Questions were asked regarding the level of work required on major void properties and whether charges were levied against tenants that had caused damage to their properties during their tenancy.

Welfare Reform

Rob Thompson, Benefits Manager, attended the meeting to provide members with an update on Welfare Reform.

The reduction in the benefit cap to £20,000 would go live on 7th November and would be phased in over a period of 12 weeks, councils with smaller caseloads going first in the process. There was currently no indication as to when KBC would be impacted. Private tenant cases had all been written to and offered advice via budget support

Temporary absence rules that had been mooted and then scrapped by the government had been reintroduced at short notice in July. Specialised accommodation, currently funded by Housing Benefit, from 2019 would only have the core rent element funded by Housing Benefit or Universal Credit. All other funding would be devolved to locally ring-fenced funds. At present there was no indication exactly how this would work but would present a significant change. The meeting heard that there were significant delays to the rollout of Universal Credit, with no recent developments locally.

In relation to Discretionary Housing Payments, most funding was going towards room rate restrictions and Local Housing Allowance restrictions. A total of £47,800 had been spent of the budget to date, with a further £19,000 committed. It was expected that when the benefit cap came into effect the number of claims for DHP would rise significantly.

A review of Local Council Tax Support had been completed, but there had been no follow-up by the government on the review to date. KBC was consulting on options for Council Tax Support for 2017/18, with a decision made to consult on four main taper options. The consultation would last for a period of eight weeks, with the results presented to the Executive Committee for consideration.

16.MA.15 KEY PERFORMANCE INFORMATION BOOKLET (A4)

Members received the Key Performance Information Booklet.

Questions were asked in relation to planning appeals and the number successfully upheld as well as Environmental Care sickness statistics.

16.MA.16 WORK PROGRAMME (A5)

The work programme was submitted to the Committee for consideration. The following reports would be brought to the next Committee:-

- Risk Management Update
- Kettering Borough Training
- Welfare Reform
- Monitoring of SLA Grants 2016/17 – Quarter 1
- Rent Arrears Update
- Delegated Authority

Councillor Brown provided an outline of what he wished to see as part of his request for a review of delegated authority. It was noted that a high-level overview could be provided to the next meeting detailing what decision making powers had been delegated to officers.

(The meeting started at 7.00pm and ended at 8.35pm)

Signed:

(Chair)

DJP