

BOROUGH OF KETTERING

MONITORING AND AUDIT COMMITTEE

Meeting held: 22nd November 2016

Present: Councillor Jonathan West (Chair)

Councillors June Derbyshire, Jenny Henson, Anne Lee and Mike Tebbutt

Also Present: Graham Soulsby (Deputy Chief Executive)
Guy Holloway (Head of Corporate Development)
John Conway (Head of Housing)
Rob Thompson (Benefits Manager)
Dean Mitchell (Principal Accountant)
Carole Stephenson (Community Partnerships Manager)
David Pope (Committee Administrator)

16.MA.17 APOLOGIES

Apologies for absence were received from Councillors Dave Soans and Greg Titcombe. It was noted that Councillor Derbyshire was acting as substitute. Apologies were also received from KPMG, the council's external auditors.

16.MA.18 MINUTES

RESOLVED that the minutes of the meeting of the Monitoring and Audit Committee held on 22nd September 2016 were approved as a correct record and signed by the Chair.

16.MA.19 DECLARATIONS OF INTEREST

None

16.MA.20 ANY MATTERS REFERRED TO THE COMMITTEE FOR A DECISION IN RELATION TO A CALL-IN TO BE CONSIDERED

The Chair noted that he had been approached by a councillor in relation to a decision and associated processes taken by the Executive Committee at its meeting on 16th November 2016.

Advice regarding the call-in procedure as set out in the Council's constitution was provided to the meeting.

16.MA.21 ANNUAL AUDIT LETTER (A1)

Members received a report written by the Council's external auditors, KPMG, which presented the Annual Audit Letter following completion of the audit of accounts for 2015/16.

RESOLVED that the Monitoring and Audit Committee received and noted the Annual Audit Letter for the 2015/16 audit.

16.MA.22 RISK MANAGEMENT UPDATE (A2)

A report was submitted which sought member approval for the updated Risk Management Policy Statement, strategy and associated strategic risk register.

The Principal Account gave a presentation which included an explanation of the risk matrix before and after mitigation controls. It was noted that the risks were reviewed on an annual basis while the operational factors were reviewed monthly.

Members raised questions regarding paperless operation and risks around fraud. It was heard that continuity arrangements were in place should IT systems fail and fraud risk was mitigated by the procedures and checks associated with operational risk registers.

It was noted that a future piece of work would be brought to the committee in relation to fraud mitigation.

RESOLVED that the Risk Management Policy and Strategy be reaffirmed and the updated Strategic Risk Register be endorsed

16.MA.22 DELEGATED AUTHORITY OVERVIEW (A3)

The committee received a report which provided members with a brief history of the legislative background to officer delegations and provided a reminder of specific delegations existing within the Council's Constitution.

The committee heard that the Council's Constitution would be the subject of a major review in the near future to take account of various updates and changes since the previous review, including the new management structure at the council. The review would be a formal process undertaken through the Research and Development Committee, Executive Committee and Council.

It was noted that the scheme of delegation in relation to Planning Committees was an area for review that could potentially result in more effective meetings and agenda management.

The committee identified that the Responsibility for Functions section of the constitution, especially in relation to Heads of Service responsibilities, required revision at the earliest possible opportunity.

RESOLVED that the Monitoring and Audit Committee noted the report.

16.MA.23 MONITORING OF SERVICE LEVEL AGREEMENT GRANTS 2016/17 – Q2 (A4)

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

The committee heard that a number of SLAs had already reached their annual targets, with many of the others on course to also achieve their targets. There were no particular concerns in regard to any of the current SLAs.

It was heard that when bids had been assessed for the new tranche of SLAs due to commence in 2017, a number of the specifications had altered and bids had been scored on the basis of information provided by bidding organisations.

Where feedback had been requested by organisations involved in the bidding process for the 2017-2021 SLAs, it had been provided to highlight which areas of the bid met, exceeded or fell below the relevant specification. Specifications themselves had been sent out to existing SLA holders and the voluntary sector prior to the bid process commencing to ensure all interested parties were aware of

the requirements of the process. All organisations involved in the bidding process had been sent information relevant to the bidding process, including the SLA specifications, scoring system and scoring sheets so organisations could understand what criteria bids needed to meet. Bids were scored by an officer panel and then presented to a member panel, with final approval made by the Executive Committee.

It was noted that the Executive evidence provided to members included bid scores and details of the process undertaken, although there had been an opportunity for Executive members to obtain finer detail if requested.

RESOLVED that the Monitoring and Audit Committee noted the Q2 performance of the voluntary sector organisations in achieving the outputs in their service specifications for 2016/17

16.MA.24 KEY UPDATES (A5)

The meeting was presented with key updates on three topics; Rent Arrears, Kettering Borough Training and Welfare Reform.

Rent Arrears

The Head of Housing attended the meeting and provided members with an update on rent arrears.

It was noted that at the end of October rent arrears stood just over £4,500 more than for the same period in 2015/16. However the number of introductory tenancies ending in the first year had dropped from the previous year which represented a success in the council's strategy of providing tenancy support and increased resources for the Housing Income team. Increased tenant interaction had led to many more tenancies being sustained despite financial pressures. Rent collected as a percentage of rent owed stood at 99.74%, which was a slight improvement on the previous year.

The meeting heard that 50 tenants currently claimed Universal Credit (UC), with 44 of those tenants currently in arrears, averaging just over £500 each, although it was noted that upon the introduction of UC arrears had averaged over £2,000 each. Intensive work continued to be required in order to keep the situation stable.

The reduction in the Benefit Cap had been implemented by central government, between 30 and 35 tenants were currently affected and intensive work was underway to assist in the maintenance of affected tenancies. The number of Direct Debit rent payment dates

available to tenants had doubled to four and additional payment methods including a mobile app had been investigated. Rent and Neighbourhood Manager patches were now aligned for the first time to allow for tighter team working. It was reported that the proposed "Pay to Stay" scheme for social housing tenants would not be coming into force.

Members asked questions in relation to delays in the UC claiming process and additional publicity in the A6 Towns relating to the Credit Union.

Welfare Reform

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

The committee heard that the Benefit Cap had formally come into effect on 7th November. Previously there had been 16 cases of claimants affected by the old rate of £26,000, but this had increased significantly under the new cap rate of £20,000. There had been 86 notifications of new cases with a further 40 cases anticipated across the Borough. Private tenants had been written to, offering budgetary support which was available to all those affected by the Benefit Cap. It was noted that Discretionary Housing Payments (DHP) could be claimed by anyone affected by the cap

In relation to Universal Credit (UC), changes to regulations from April were not yet available. Changes to the Local Housing Allowance (LHA) rate within the social sector had been pushed back to 2019 and the supported accommodation framework consultation had been announced with further information to be brought to a future meeting.

In relation to DHP, the majority of payments were being made to claimants affected by the Spare Room Subsidy and LHA restrictions, with just under £64,000 of the annual DHP budget awarded to date. It was anticipated that there would be a steep rise in claims as a result of the revised Benefit Cap.

The meeting heard that the Local Council Tax Support consultation would end on 1st December, with a report taken to the Executive Committee on 7th December. All affected customers had been written to seeking their comments and a variety of consultation events had taken place across the Borough.

Kettering Borough Training (KBT)

The committee was provided with the background to KBT, which had a longstanding history in the Borough and remained the only council-provided service in the county and one of very few nationally. KBC had a commitment to support the development of

local businesses and young people resident in the borough and KBT could provide tailored services for both businesses and learners.

It was heard that KBC apprenticeships provided individuals with the opportunity to earn a salary while learning and took between 1 and 4 years to complete depending on which study area was undertaken. Courses offered included business administration, print, customer services and health and social care.

OFSTED had recently provided KBT with a “Good” rating and positive learner and employer feedback had been received. In addition, KBT had recently won a Regional Apprenticeship Award and the performance of apprentices was above the national average with an 80% overall success rate in 2015/16.

It was heard that there were challenges faced by the service, with a tendering process currently underway to allow for direct provision of services. There remained an opportunity to increase apprenticeship numbers and to raise the service profile by engaging with the business sector more effectively. It was also considered that there was an opportunity for KBC to provide advice to other authorities in relation to apprenticeships that could generate income.

Members wished to reflect their appreciation of the hard work and successes of Kettering Borough Training.

16.MA.25 KEY PERFORMANCE INFORMATION BOOKLET (A4)

Members received the Key Performance Information Booklet.

A query was raised regarding an upward trend in sickness absence. It was noted that the level of self-certificated sickness was very low and could be managed. The vast majority of sickness was medically certificated and was kept under scrutiny.

16.MA.26 WORK PROGRAMME (A5)

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

- Budget Scrutiny
- Food Safety Audit
- Fraud Prevention

(The meeting started at 7.00pm and ended at 8.37pm)

Signed:

(Chair)

DJP