

BOROUGH OF KETTERING

MONITORING AND AUDIT COMMITTEE

Meeting held: 6th November 2018

Present: Councillor Jonathan West (Chair)

Councillors Ash Davies, June Derbyshire, Jenny Henson, Anne Lee, Paul Marks, Greg Titcombe

Also Present:

Lisa Hyde	(Executive Director)
Mark Dickenson	(Head of Resources)
John Conway	(Head of Housing)
Helen Edwards	(Head of Democratic & Legal Services)
Rob Thompson	(Benefits Manager)
Jo Haines	(Group Accountant)
Jon Hall	(Environmental Protection Manager)
Hazel Webb	(Community Services Manager)
David Pope	(Committee Administrator)
Dan Hayward	(KPMG)

18.MA.18 APOLOGIES

Apologies were received from Councillor Mike Tebbutt. It was noted that Cllr Derbyshire was acting as substitute for Cllr Tebbutt.

18.MA.19 MINUTES

RESOLVED that the minutes of the meeting of the Monitoring and Audit Committee held on 24th July 2018 were approved as a correct record and signed by the Chair.

18.MA.20 DECLARATIONS OF INTEREST

None

18.MA.21 EXTERNAL AUDIT REPORT – 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 2017/18.

It was noted that the Annual Audit Letter summarised the external audit work carried out during 2017/18 and contained the same messages as previously reported to the Committee at its September meeting as part of the ISA 260 report.

Daniel Hayward from KPMG noted that the 2017/18 audit would be the final one undertaken by KPMG for the council and KBC officers were thanked for their assistance over the years in ensuring that auditing processes had been smooth and efficient.

The Chair thanked the Finance Team for their engagement and hard work in allowing the process to be undertaken and completed in a timely manner.

RESOLVED that the Monitoring and Audit Committee received and noted the Annual Audit Letter for the 2017/18 audit.

18.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 provided a presentation which included an explanation of the risk matrix before and after mitigation controls. It was noted that mitigation reduced the likelihood of a specific risk but could not alter the potential impact of the risk.

The Committee noted that there had been changes made to the Strategic Risk Registers following a review by the Senior Management Team, with six new risks added recognising the potential impacts of local government reform processes and Britain's exit from the European Union.

Cllr Jim Hakewill attended the meeting and spoke, drawing the attention of the Committee to CIPFA advice issued in October that raised concerns regarding non-core strategic asset acquisitions being made by local authorities. He noted his own concerns regarding KBC acquisitions and the perceived lack of scrutiny around the processes involved in these. Cllr Hakewill further noted that all income generated from such investments had been utilised to cover funding gaps in other

areas across the Council including homelessness and recycling credits.

The Head of Resources responded that CIPFA advice had been aimed at authorities borrowing substantial sums far in excess of those borrowed by KBC and that KPMG as independent auditors had provided their opinion on the investments made by the Council. In addition, the finance team and senior management were satisfied the Council's investments were accurately reflected on the risk register.

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

18.MA.23 KETTERING AIR QUALITY (A3)

The Environmental Protection Manager attended the meeting and provided a presentation on the subject of air quality in the Borough.

It was reported that all local authorities were required to monitor air quality and where pollution exceeded legislative limits there was a duty to put an action plan in place to remedy this. It was noted that usually took the form of an Air Quality Management Area (AQMA).

The meeting was advised that air pollution caused significant adverse health effects, with annual health costs nationally of around £16 billion. In addition figures suggested air pollution was a factor in between 25,000 and 40,000 premature deaths annually.

Details were provided in relation to monitoring undertaken by KBC, at locations considered to be at high risk of Nitrogen Oxide (NOx) pollution, which was normally adjacent to busy roads. In the previous year KBC had eight monitoring locations, with 19 for the current year, 17 of those in Kettering town. Readings from monitoring stations underwent complex calculations to achieve annual figures that took into account a variety of factors including the height of the monitoring tubes and seasonal variations.

Figures for the previous year indicated high levels of NOx pollution at High Street, Rothwell that could be explained as being a result of the A6 road closure and associated diversion that had increased traffic levels through Rothwell. Indicative figures for the current year had shown a considerable reduction in pollution at this location.

The main location for concern currently was the junction between London Road and Bowling Green Road in Kettering which had crossed the 40µg limit in the previous year. Additional monitoring would take place to map NOx levels around the site to establish

whether an AQMA needed to be established. A report would be provided to DEFRA who would check assessments undertaken by KBC and allow for an action plan to be put in place. Congestion issues at the location could be mitigated by looking at and easing traffic flows through the existing traffic lights and contact had been made with the County Council as the Highways Authority. Once an AQMA had been declared the Council would have nine months to effect an action plan.

It was heard that once air pollution data obtained from monitoring points had been collated and annualised, a report would be sent to DEFRA with feedback received in response. It was agreed to add the subject to work programme for a further report to be brought to committee following the response of DEFRA to the pollution monitoring report.

Details were provided to the meeting of the work undertaken by the Council in relation to electric vehicles. It was heard that there were plans to locate electric charging points in two phases across Kettering and subsequently the A6 towns. The first phase would encompass KBC car parks and potential locations and costings had been identified with practicalities currently being considered. Grant funding was available and KBC had had an application for such funding accepted that would represent approximately 75% of the total purchase and installation costs.

The meeting noted that increased traffic levels as a result of high levels of development in the Borough were a factor in increased air pollution. Guidance and training had been provided for the planning department to have air quality factored into planning considerations, with a related document produced for developers.

In addition to regulations governing the age of taxis licensed by the Council, there were a total of 32 Authorised Processes across the Borough from petrol stations to foundries to brick crushing units where licenses were issued and inspections undertaken to ensure processes used complied with relevant legislation.

18.MA.24 **MONITORING OF SERVICE LEVEL AGREEMENT (SLA) GRANTS 2018/2019: QUARTER 2 UPDATE AND REVIEW OF FUNDING FOR 2019-2021 (A4)**

Members received a report which detailed the current performance of the voluntary sector SLAs against the targets previously agreed in 2017.

Performance was noted as being good in general with progress viewed not only across each quarter, but compared with the previous year to ensure performance was on track.

It was heard that due to the introduction of the Homelessness Reduction Act 2017, amendments had been made to the performance indicators and key outcomes of the Housing Options Service Specification to reflect the requirements of the new legislation. This work had been undertaken in consultation with the Council's Housing Team.

The committee noted the sale of the Hearing, Health and Mobility to Evans Hearing and Healthcare Ltd which included transfer of the Shopmobility SLA, although services offered remained the same.

Performance statistics had been added to the key Performance Information Booklet going forward to allow for regular updates to be made to committee.

A question was asked in relation to the Debt and Money Advice SLA, with the Committee noting that progress was being made and there was confidence that targets would be reached by year end. The provider would be contacted and the SLA performance closely monitored.

18.MA.25 KEY UPDATES (A5)

Homelessness

The meeting received a report supplemented by a presentation that provided an update in relation to the issue of homelessness across the Borough and detailed works being undertaken by the council to assist those presenting as homeless.

A number of factors were outlined to the meeting as to the reasons for soaring demand for social housing including changing demographics as well as home ownership and private rents being increasingly unaffordable.

Approximately 50% of households registered on the Keyways housing register were in Band B representing urgent need. However, there was a lack of available properties for larger households, with 26 households in need of a four-bed property and only five having been let in the last year.

The forum heard that the number of homeless applications had risen significantly year on year, with an average of 20 approaches a month and five placements into temporary accommodation (TA). Details of the types of accommodation provided to those presenting as homeless were supplied and it was heard that the vast majority of those housed in TA were within Kettering borough (87%) with 11% housed in Wellingborough.

A list of priorities relating to homelessness were outlined to the meeting, alongside a number of projects and services aimed at mitigating the impact of homelessness including working alongside health partners to reduce “bed blocking”, sustaining existing tenancies and supporting the Safe Until Daylight Night Shelter that was anticipated to re-open early in December.

Welfare Reform

The meeting received an update in relation to the impact of Universal Credit (UC) and Discretionary Housing Payments (DHP)

It was heard that KBC was one of the final areas of the country to go live with the full UC service, but this had commenced with effect from 17th October. Fewer than 250 claimants on the old UC system would be migrated across to the full service.

It was reported that rules whereby 18-21 year old claimants could not receive any housing element had been abolished, although this legislation would not take effect until 31st October. Homeless claims and supported accommodation claims would continue to be paid through Housing Benefit. Large families with more than two children and those claimants in receipt of severe disability premiums would not be moved onto UC at this stage.

There was an expectation for the majority of UC claims to be made online, although the Job Centre had facilities to support telephone claims and in exceptional cases to send out a visiting officer. Claimants would have to maintain an online log and journal and if looking for employment would require internet access. Once a claim was made there would be two appointments with the Job Centre, with monthly payments commencing after five weeks, although this had been known to take longer. Claimants would require an email address, internet access and access to budgetary support if necessary. A mobile phone was also recommended.

Local authorities were expected to provide budgetary advice and support including digital support for claimants, with the CAB taking this role in full from April 2019. How this delivery mechanism would work was not yet known although it was anticipated that locally this could be managed through the Kettering Futures Partnership. The meeting noted that final migration of all claimants to UC was anticipated to complete as late as June 2024.

A total of 350 Discretionary Housing Payment (DHP) applications had been received, with £100,000 of the £166,000 allocated budget spent. There was likely to be sufficient funding remaining for the remainder of the year based on historical figures, although the impact of full UC on DHP was unknown.

18.MA.26 KEY PERFORMANCE INFORMATION BOOKLET (A6)

Members received the Key Performance Information Booklet.

The Committee raised queries in relation to the following aspects of the information provided:-

- Overpaid benefit collected
- Appeals against planning applications – notifications for committee members

18.MA.27 WORK PROGRAMME (A7)

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

- Kettering Borough Air Quality
- Budget Proposals 2019/20
- Annual Audit Plan
- Certification of Grants

(The meeting started at 7.00pm and ended at 8:35pm)

Signed:

(Chair)

DJP