

Overview Scrutiny Committee

Thursday, 15 February 2018

7.30 pm

Present:

Cllr John Burden (Chair)
Cllr David Hurley (Vice-Chair)

Councillors: John Caller
 Leslie Hills
 William Lambert
 Sara Langdale
 Makhan Singh
 Michael Wenban

Stuart Bobby	Director (Corporate Services)
Nick Brown	Director (Environment & Operations)
Melanie Norris	Director (Communities)
Sarah Parfitt	Assistant Director (Corporate Services)
Daniel Killian	Service Manager (Operations)
Michelle Batstone	Corporate Change Manager
Ben Clarke	Committee & Scrutiny Assistant (Minutes)

39. Apologies

An apology of absence was received from Cllr Lee Croxton.

40. Minutes

The Minutes of the meeting held on 18 January 2018 were signed by the Chair.

41. Declarations of Interest

No declarations of interest were made.

42. Call ins

No items were called into the Committee.

43. Housing Repairs Topic Review (Part 2) - 12 Month Update

Members of the Overview Scrutiny Committee were presented with an update on progress and success in relation to the recommendations made by the Overview Scrutiny Committee following the Housing Repairs Topic Review (Part 2).

In February 2017, the Overview Scrutiny Committee selected Housing Repairs for a topic review (Part 2) which focused on:

- A review of the total amount spent on repairs and maintenance and the capital improvement works to the council's housing stock
- A review of the cyclical programmes that the council has in place with regards to roofs, kitchens, bathrooms, boilers etc, to establish whether the council is replacing these items more frequently than is necessary, or more frequently relative to others

The Service Manager (Operations) explained that significant progress had been made on achieving the recommendations listed on page 11 at 1.3 of the report, with a forecasted future savings of £550K and elaborated on them:

Recommendation 1 - The historical pay arrangements made it difficult to justify expanding our in-house operation. However now the terms and conditions of the workforce have been rationalised, work is underway to embed new processes and procedures to ensure a consistent and professional approach to our service. In tandem with this, work types and demands are being analysed to identify the amount of resources required as well as identifying any up-skilling of staff that is needed to reduce the reliance on contractors.

Recommendation 2 - Details of the improvements made in respect of each of the Overview Scrutiny recommendations are contained within this report.

Recommendation 3 - The regular Housing Liaison Meeting is still ongoing and proves to be a good forum to discuss any internal issues. Due to its success an officer sub group has been set up to focus specifically on Responsive Repairs & Maintenance. A shadowing programme has also been implemented and members of the Repairs Administration team, Housing Officers and Housing Income Officers have had the opportunity to gain a better understanding of each other's work which has helped increase knowledge and build closer working relationships. Members of the Repairs Administration team are also studying for their Chartered Institute of Housing qualification which has increased their knowledge of both housing legislation and tenancy management. Service Manager (Operations) is undertaking a qualification with Chartered Institute of Housing (CIH) to increase knowledge on housing policy, law and professional practice which will lead to CIH Chartered Member Status.

Recommendation 4 - A training programme for Housing Officers has been compiled and has started to be implemented. Recently staff from both Housing and Repairs undertook Social Housing Mould Tutor Training which focused on influencing behaviour change in tenants to help prevent/control mould. The training received excellent feedback from all teams and represents a good starting point for the training programme. Housing has also undertaken training on the Repairs system Oneserve and Housing Officers have started to use the system for any mutual exchange visits, evictions and pre termination inspections. This not only allows us to collect information on a property that is to become void at an earlier stage, it also allows the council to deal with any repair or recharge issues that arise.

Recommendation 5 - The Rechargeable Repairs Policy has been reviewed, updated and implemented and full payment is being taken up front for any nonessential repairs before the work is being undertaken. If works are required in an

emergency situation because for example, a Health and Safety issue, a request will be made for the payment to be made in advance, if this is not possible a deposit or commitment to pay is arranged. The Repairs Administration officers are also working closely with Finance to deal with any historical recharge debt. Tenants that have outstanding debt in relation to a responsive repair will not have any non-essential work carried out until the debt is either paid or they have arranged a repayment plan.

Following Members questions and comments, the Director (Environment & Operations) and the Service Manager (Operations) advised that:

- The progress made over the last 12 months has been very positive with the review of salary for craft workers, changes in some terms and conditions and the introduction of new processes and policies. This coming year will focus on embedding the new working processes and procedures within the teams and into the new system. The next big project that we will be working on relates to procurement of a single material supplier and stock management and which will further increase the efficiencies already achieved. The new arrangements for material supplies will be in place in 12 months' time which put Gravesham in a strong position to complete more work currently completed by external contractors and also to look at carrying out work for other authorities.
- To procure a single supplier, a review is being carried out on how current stock is managed and a number of procurement frameworks that are available are being explored. A discussion was had with Medway Procurement Team a few months ago in which two positive frameworks were identified and a report will be submitted to Cabinet in the next few months
- GBC does carry out inspections on works that have been carried out by external contractors; if the work completed is under £1,000 then there is a 10% inspection rate with the works being chosen randomly by the system. For works costing over £1,000, the inspection rate is 100% as detailed in the Repairs and Recharge Policy
- The tenants do not currently sign off the works carried out at their properties but it was touched upon at the review and the new system will allow tenants to do that. A range of possibilities are being investigated with the aim that tenants can score the completed works without the operative being able to view it so that they do not feel pressured to write a good review
- Online customer surveys are being researched as a way of receiving an increased amount of customer feedback; an email could be sent which would only ask one or two questions about the customer's satisfaction. In previous years, surveys have been sent out by post but this approach has only generated a low response rate

The Service Manager (Operations) asked that Cllr Caller email him the details of the property that he had spoken of with an inadequate boiler installation carried out by a GBC contractor.

It was agreed with Members to take a further update report to the committee in 12 months' time (February 2019). This report should be in a simple, tabular format setting out further progress made, potential areas for further improvement, and a timeframe for completion of any such item. Members were keen to see that progress was continuing to be made in this area, given the improvements that have already been made.

Resolved that Members of the Overview Scrutiny Committee noted the progress made to date.

44. Scrutiny Topic Review report on the reduction in staff numbers and the impact on staff.

Members were presented with the Topic Review report for the reduction in staff numbers and impact on staff topic review for approval and subsequent submission to Cabinet.

The Director (Communities) stated that in July 2017, the Overview Scrutiny Committee selected the subject of Reduction in staff numbers and impact on staff for a topic review. The terms of reference for the review focused on:

- Review the council's most recent report in respect of the Investors in People (IIP) Accreditation scheme (this takes account of staff feedback in a number of areas) and the ways in which staff are able to engage with the council.
- Review and analyse the sickness statistics for the council as a whole. Information will be provided to detail the levels of sickness and also the breakdown of sickness types/periods across the council.
- Review the council's performance framework (this is the framework by which team meetings, one-to-one's etc are undertaken to assist in the management of all staffing issues).
- Discuss with the trade union Branch Secretary, any potential issues relating to staffing capacity or sickness that have been raised (all information will be anonymised where necessary).
- Discuss and agree any potential recommendations coming out of the discussions of the group for consideration by the Cabinet.

The draft report for the Reduction in staff numbers and impact on staff review is attached at appendix two to the report and sets out five recommendations for consideration by Cabinet:

1. Ensure that the actions identified in the IIP Internal Assessors report to Management Team are implemented
2. Explore the development of a training tool/buddy system to assist new and newly promoted Managers in undertaking their managerial responsibilities.
3. Develop a staff briefing on stress to outline the key drivers for stress but also, the support mechanisms that are in place.
4. Ensure that regular 1-2-1 meetings are held with all staff (as appropriate) to ensure staff have the opportunity to raise concerns with their managers.
5. Ensure that regular communication with all staff continues to take place across the organisation.

The Director (Communities) went through pages 28-32 in intrinsic detail regarding the relevant work that had been completed for each of the five recommendations. Upon questions and comments received by Members, the Director (Communities) advised that:

Recommendations 1 & 2

- All the managers within GBC are trained effectively and are constantly being developed to ensure they achieve their maximum potential. This could be through achieving a higher position within the council or at another organisation. There are many trainee posts at Gravesham and indeed the Director (Corporate Services) and Assistant Director (Corporate Services) are products of trainee positions
- The internal IIP assessors are from a variety of departments across the Council. There are no senior managers as part of this team and a range of officers are involved including a HGV Driver. These officers have been fully trained to complete the IIP interviews. Staff that are interviewed as part of the assessment process are chosen at random.
- The Director (Communities) stressed that the needs and concerns of all staff are considered, not just the managers and recognised that some of the most stressful positions in the council are held by the frontline staff dealing with day-to-day confrontations such as the refuse collectors and enforcement officers etc. Any officer fulfilling this type of position does receive intensive training to deal with situations that could arise on the job

Recommendation 3

- There is a 24/7 helpline in place which every staff member at GBC has access to. Staff and their immediate families are able to access the service confidentially through a direct phone call or alternatively can arrange to see someone independent of the council if they would prefer. . The service provides a range of independent advice including workplace, legal, divorce, welfare, spousal and children living at home etc. All the people giving advice on the various problems are qualified practitioners in their fields of expertise. The 24/7 service is provided by EDP at a cost of £8 per employee; roughly £5000 annually
- Staff also have access to their union representatives and HR who they can discuss problems with, if they do not feel comfortable discussing issues directly with their managers. All senior directors attend the Joint Staff Forum every other month in which staff members can talk and raise any issue
- Children and vulnerable adults are safeguarded appropriately; officers that work outside the Civic Centre often see problems and are able to report anything through the channels in place. The Director (Communities) is the strategic lead officer for safeguarding at the council. Support is provided by the Corporate Performance Manager and the Senior Corporate Change Officer and there are safeguarding champions on each floor
- The Corporate Change Manager advised that the Senior Corporate Change Officer is currently undertaking training specifically in relation to safeguarding vulnerable adults and will be rolling this training out more widely to other officers across the council in the future

Recommendation 4

- Regular 1-2-1 meetings are held between managers and their staff, although it was recognised in the latest IIP report that these are not taking place in all areas of the council, hence the recommendation from the sub-group. It was confirmed that the regularity of the meetings are at the manager's discretion, although there is an expectation for 1-2-1's to take place within the department. The Director (Communities) advised that the formal 1-2-1's do not negate the open discussions which take place between managers and officers on a day-to-day basis but supplement these. The 1-2-1's provide officers with the opportunity to talk about any issues both in work and personal life as well as their development within their role at the Council
- The 1-2-1's are not 'scripted' although there are a number of key areas covered in the discussions including staff member performance; if the performance of an officer does appear to be a problem, this will be monitored closely through the 1-2-1-s.
- In response to a Member question, the Director (Communities) advised that managers had not received any specific training on how to undertake 1-2-1 meetings.

Recommendation 5

- The UNISON Branch Secretary was invited to attend one of the topic review meetings and a number of specific questions/concerns were directed to the Branch Secretary for their comment:
 - Is the Joint Staff Forum operating well for staff?
 - Is there any issue of stress-related sickness amongst staff?

The Members were very supportive of the 24/7 EAP programme that is in place for staff and it was agreed that officers would check to see if this is something that can be accessed by Members as well. If so, a short article about the EAP service and how to access it will be provided to Committee Section and included in the next Member's bulletin.

Resolved that Members approved the topic review report at appendix two and agreed to its submission to Cabinet for further consideration.

45. Partnership Review – Housing Associations

Members of the Overview Scrutiny Committee were provided with additional detail and background information regarding the Housing Associations partnership for review.

At the meeting of the Overview Scrutiny Committee on 17 September 2015, a programme of activities for the Committee for the next three and a half years was agreed.

One of the key work streams agreed was for Members of the committee to undertake a review of one partnership per year. Members identified three partnerships as follows:

- Gravesham Gateway (review undertaken in April 2016)
- Thames Gateway Kent Partnership
- Housing Association Partnership

The report focuses on information regarding the Housing Associations Partnership and Appendix two provides more detailed information detailed across six sections:

- Background to the partnership
- Partnership objectives
- Partnership governance arrangements
- Performance of the partnership
- Financial management and value for money
- Partner Engagement and Feedback

Due to the Housing Strategy & Development Manager being unable to attend, the Committee posed several questions that the Corporate Change Manager advised she would take back to her:

1. Members wanted further information/clarification about the processes that are in place for tenants who transfer from a housing association property to a GBC property. Members were keen to explore the process by which these transfer take place in more detail..
2. Members wanted clarification on what constitutes an affordable rent and how it is this actually set. The Director (Corporate Services) advised that this is quite complex but in basic terms an affordable rent represents 80% of the market rent level for the property. Members wanted to be clear on how the market rent level is set and who is responsible for setting this rent level. In addition, Members asked for additional information about the Housing Benefit Cap level in Gravesham.
3. Councillors wanted to discuss in more detail the way in which the properties are allocated to tenants. Cllr Caller raised a query about people coming out of London and being housed in affordable units in Gravesham. Members wanted clarification on how properties are allocated and specifically, how they are allocated to Gravesham resident.

It was also agreed by the Committee that the item Partnership Review – Housing Associations would be put back on the agenda for Thursday, 08 March 2018 and the Housing Strategy & Development Manager would be invited along to answer the questions in detail.

46. General Fund Revenue and Capital Estimates 2018/19

The Director (Corporate Services) and Assistant Director (Corporate Services) presented the Committee with the draft revenue and capital estimates for General Fund services in 2018-19 as well as the levied Council Tax level that was approved by Cabinet on 05 February 2018.

The Assistant Director (Corporate Services) advised that the Provisional Local Government Finance Settlement sets out the level of funding assessed by Central Government for Councils (the Settlement Funding Assessment – SFA) and is made up of two elements – Revenue Support Grant (RSG) and Business Rates Retention. The Business Rates retention element of the assessment increases each year in line with RPI, with the RSG element effectively used to bring the funding received by Councils to the level assessed by Central Government.

On 19 December 2017, the provisional settlement for 2018-19 was announced and as part of these announcements, the Secretary of State confirmed that Kent & Medway had been successful in its bid to become a Business Rates Pilot area for 2018-19. In becoming part of

a Pilot area, the Council therefore agreed to forego RSG in return for retaining a higher share of business rates. On that basis, Government determined that the baseline level of business rates in 2018-19 for Gravesham would be £3,048,190. Gravesham will have the fifth lowest level of core spending power per dwelling in Kent at £243. This is a reduction of 7.3% (£19 per dwelling) compared to the equivalent Core Spending Power measure in 2017-18.

The Cabinet was reminded that the MTFs for 2016-17 to 2019-20 identified a residual funding gap of £2.5m emerging in 2019-20 which increased by a further £0.4m to £2.9m last year. The MTFs details the actions to be taken by the Council in order to bridge the funding gap. These actions commenced during 2016-17 and have continued during 2017-18.

However, it has now been identified that further savings of around £2.0m will need to be delivered by the Council until 2021-22. Just over £1.0m of these savings will be received from the further bridging the gap activity which is yet to be delivered. The Council will therefore have a window of three years in which to identify further activity that can contribute to meeting the further savings required particularly as there still remained significant volatility in proposed changes to local government funding from 2020-21 as detailed below:-

- Spending Review 2019;
- Fair Funding Review;
- Business Rates Reset;
- 75% Business Rates Retention; and
- New Homes Bonus

With regard to local government funding reductions, the Committee stated that the Council must express its concern when opportunities arise i.e. via Government consultations etc.

In relation to the council tax to be levied, Members were advised that the settlement announcements extended the flexibility for District Councils in setting council tax levels by permitting District Councils to raise council tax by 3% or up to and including £5 (whichever is higher) without triggering the requirement for referendum (for 2017-18 council tax increases were limited to 2% or up to and including £5 without referendum).. A 2.96% increase in council tax in 2018-19 would equate to less than 11 pence per week for a Band D property, with the total annual charge being £197.28. By way of comparison, the Band D equivalent council tax for 2016-17 is £191.61.

Following Members questions and comments, the Director (Corporate Services) and the Assistant Director (Corporate Services) advised that:

- The good news is that £1.9 million of savings has been delivered over the last two years, leaving GBC in a strong position
- Many authorities were seeing greater growth in housing in their areas than Gravesham, resulting in higher New Homes Bonus Payments and greater ability to generate council tax. Gravesham has the lowest council tax base in Kent and will not meet the national baseline requirement of 160 band D properties for this year. Members were reminded that Band A properties are equivalent to 6/9th of a band D property and in Gravesham 60% of dwellings are Band C or below.
- The Director (Corporate Services) shared Kent comparison information on council tax bases and New Homes Bonus Payments. The 100% Business Rates Retention Scheme has changed to 75% for 2020-21 due to the Government being able to implement the 75% scheme through secondary legislation; could be seen as a

stepping stone to ultimately introduce 100% in the future. There will still be a national redistribution system of the rates collected.

- The pilot scheme for 2018-19 is different from the 75% Business Rates Retention Scheme and it is 100% retention of growth of business rates.; GBC are expecting £500K from the scheme, however the scheme is for one year only which is why GBC will be adding the 'benefit' from the Pilot to its Working Balances to help meet future financial pressures.
- Indications are that the Fair Funding Review will result in a shift of resources to Upper tier authorities, away from lower tier authorities such as Gravesham.
- The report for Full Council next week is proposing a Council Tax increase of 2.96%
- Page 95 – The Queen Statue is being funded through private investors but as GBC owns it, it still has to be incorporated onto the asset register and feature on the capital programme
- The Committee will be advised where the Older and Young Persons budget lies in the revenue budget from its move from the capital budget
- The Town Pier refurbishment is going to cost £84K to replace the timber deck and it will be fully recharged to the tenant who is renting it out

47. Housing Revenue Account Estimates 2018/19 and Housing Capital Programme

The Assistant Director (Corporate Services) presented the Committee with the draft revenue and capital estimates for Housing Revenue Account Services in 2018-19 and the level of rents and service charges for 2018-19 as presented to Cabinet on the 05 February 2018.

Members were reminded that the Government made a commitment in the summer 2015 Budget to reduce social rents by 1% a year for four years from April 2016 to April 2019 inclusive (i.e. for financial years 2016-17 to 2019-20) to help reduce the Housing Benefit bill and cut the deficit. Adhering to the new Government rents decrease formula, the authority's average rent will decrease to £87.77 in 2018-19 compared to £88.25 in 2017-18 (the average rent reduction will not be exactly equal to 1% due to re-letting of void properties at target rent and additions of properties during the year). The Government also expects authorities to protect tenants against sharp rises in service charges and that the increase in the service charge of an individual property should not exceed CPI+1% with the CPI figure as at September 2017 being 3.0%. By adhering to this policy, the authority's average capped service charge is £3.38 per week for 2018-19.

Following Members questions and comments, the Director (Corporate Services) and the Assistant Director (Corporate Services) explained that:

- The reduced social housing rent of 1% is not applicable for people on benefits living in a private property
- Information will be brought back to Members regarding the number of households assigned the disabled facilities grant to as well as the financial expenditure throughout the year

Resolved that Members noted the information contained with the report and wait to see the outcome of the two reports being submitted to Full Council.

Close of meeting

The meeting ended at 9:46pm.