

BOROUGH OF KETTERING

MONITORING AND AUDIT COMMITTEE

Meeting held: 20th June 2017

Present: Councillor Jonathan West (Chair)

Councillors Anne Lee (Deputy Chair), June Derbyshire, John Currall, Greg Titcombe

Also Present: Lisa Hyde (Executive Director)
Guy Holloway (Head of Corporate Development)
Mark Dickenson (Head of Resources)
Rob Thompson (Benefits Manager)
Shannon Petrossian (Community Development Officer)
David Pope (Committee Administrator)

Mark Watkins (CW Audit Services)

17.MA.01 APOLOGIES

Apologies were received from Councillors Mike Tebbutt and Jenny Henson. It was noted that Cllr June Derbyshire was acting as substitute for Cllr Mike Tebbutt.

17.MA.02 MINUTES

RESOLVED that the minutes of the meeting of the Monitoring and Audit Committee held on 6th April 2017 were approved as a correct record and signed by the Chair.

17.MA.03 DECLARATIONS OF INTEREST

None

17.MA.04 INTERNAL AUDIT ANNUAL REPORT 2016/17 (A1)

A report was submitted which presented the Annual Internal Audit Report from the Council's Internal Auditors in compliance with the requirements of the Accounts and Audit (England) Regulations 2011

which required the Head of Internal Audit to provide an opinion on the work undertaken by Internal Audit.

Mark Watkins from Coventry and Warwickshire Audit Services (CWAS) was welcomed to the meeting.

Members noted that the Internal Audit Opinion was based on the results of audit work carried out during 2016/17. The Internal Audit Opinion was used to inform any significant weaknesses that should be regarded as Significant Control Issues that would require disclosure in the Annual Governance Statement. The work undertaken for 2016/17 had not highlighted any weaknesses that would require disclosure.

Mr Watkins indicated that overall, significant assurance could be provided that the council's systems and controls were operating effectively to mitigate risks impacting against the delivery of key objectives.

It was heard that there were two areas of the council's systems where only limited assurance could be provided; Choice Based Lettings and Responsive Repairs and key issues for the areas were summarised. It was noted that both areas were currently being reviewed in relation to necessary improvements. However, although there were two areas for improvement, members could be confident in the overall operation of the council's systems.

The committee noted a summary of the audits undertaken during the previous year and heard that of these, eight had received full assurance, double the total from the previous year. This was a reflection of the stability of some the council's key systems and the positive manner in which internal audit recommendations were responded to by senior management.

In regard to historic internal audit recommendations, it was heard that since 2014/15, 158 recommendations had been made and it was encouraging to note that of these, only 24 remained outstanding. There were no recommendations where progress towards completion was not being made.

Members asked questions in regard to the use of handheld devices to record housing repairs and also the cost to the council of vandalism repairs on council housing stock and what steps were taken to recover these costs. The committee was advised that details of the council's recharging policy would be supplied to members.

RESOLVED that the Internal Audit Annual Report 2016/17 be received and noted.

17.MA.05 ANNUAL GOVERNANCE STATEMENT 2016/17 (A2)

A report was submitted requesting the committee receive and endorse the Annual Governance Statement (AGS) for 2016/17 which would be incorporated into the council's Statement of Accounts for 2016/17.

The six core principles of good governance were outlined to the committee, which was asked to consider whether:-

- The process for producing the AGS was effective
- The AGS adopted the six core principles effectively; and
- Were KBC's governance arrangements robust

The committee raised concerns around public engagement and consultation which formed one of the six core principles. Questions were asked as to whether the council went far enough in engaging with the public in seeking residents' views, especially in relation to effective utilisation of social media.

It was heard that engaging with the public was a challenge, with no "one size fits all" approach. The new council website that was in the process of being created would contain an element whereby members of the public, when registered, could request specific updates on areas of council activity that interested them. It was considered this would be a useful tool going forward.

The committee also considered that links between KBC and town and parish councils, in regard to promotion of events in both parishes and the borough as a whole could be improved.

RESOLVED that:-

- (i) the Monitoring and Audit Committee's role in the Annual Governance Statement process be noted; and
- (ii) the Annual Governance Statement for 2016/17 be endorsed.

17.MA.06 KEY UPDATES (A3)

Welfare Reform

It was noted that there had been no new developments in terms of Welfare Reform policy or proposals and Universal Credit rollout was continuing as planned.

An extensive consultation undertaken by the government in relation

to supported housing proposals had been completed, with housing authorities awaiting the final report.

KBC had received a significant increase to its Discretionary Housing Payment Budget for 2017/18 that would be utilised to mitigate benefit freezes that were impacting upon claimants as inflation rose.

An overview was provided to the meeting, as previously requested, of the five key differences between Housing Benefit and Universal Credit as set out below.

| Circumstances | Housing Benefit (HB) | Universal Credit (UC) |
|---|--|--|
| 18-21 year olds | Receive HB normally at around £52.24 per week | No housing element at all except for exception cases. "Support" from work coaches |
| New claimants who could afford their rent | HB paid at the level of rent for 13 weeks (protected) | No protection straight on to relevant Local Housing Allowance rate |
| Benefit cap customers | If benefit income exceeds £20,000 then only HB capped, other benefits can still exceed £20,000 | Cap will limit all benefits to £20,000 |
| Frequency & method of payment of payments | Under HB this varies from 1 week in advance to 4 weeks in arrears with some to tenant and some to landlord | Primarily 4 weeks in arrears to all tenant types, stricter rules on direct payments to landlords |
| Homeless | HB paid based on persons day to day liability | UC housing element paid on the claimant's circumstances at their monthly assessment day |

An update was provided in regard to the Budgeting and Social Inclusion Team which was now in place, although recruitment was underway to replace a team member. Existing office space was being converted to two separate offices that would allow for both scheduled appointments and drop-in visits from customers. In addition, a weekly drop-in session would be held at Kettering Job Centre, commencing on 21st June. This service would be reviewed after three or four months to ascertain its effectiveness. Customer demand for services remained high.

In response to a request from members at the previous meeting of the committee, court summons figures for non-payment of Council Tax were supplied as follows:-

- 2015/16 – 3,455 court summons issued
- 2016/17 – 3,877 court summons issued

It was noted that although the increase in summonses issued appeared large, this represented only a 1% increase in households receiving court summons.

Monitoring of SLA Grants 2016/17 – End of Year Update

A report was submitted which sought to inform members of the performance of voluntary sector organisations in relation to their Service Level Agreements (SLA) for the fourth quarter of the final year of the specifications. The report also outlined new SLAs for 2017-2021.

Members asked questions in relation to the decision not to award a specification for 2017-2021 to Accommodation Concern following the SLA bidding process in 2016. Questions were also asked in relation to targets set for the KCU Furniture Recycling specification.

It was noted that although SLA specifications lasted for a period of four years, there was an option to review funding levels after two years.

RESOLVED that:-

- (i) The committee noted the Q4 performance of the voluntary sector organisations in achieving the outputs in their service specifications for 2016/17; and
- (ii) The committee noted the arrangements for SLA funding for 2017-2021

17.MA.07 **KEY PERFORMANCE INFORMATION BOOKLET (A4)**

Members received the Key Performance Information Booklet.

The Committee asked questions in relation to the following aspects of the information provided:-

- The proportion of council house rent collected
- The drop in the overall percentage of switchboard calls answered

- Additional information and education in relation to recycling bin contents
- Comparable data be provided for the previous year's sickness statistics

17.MA.08 WORK PROGRAMME (A5)

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

- Food Safety Audit
- ISA 260 report
- Rent Review
- Statement of Accounts 2016/17

It was requested that an item be added to the work programme in relation to the KBC's major incident action plan and associated business continuity plans in the light of the Grenfall Tower fire in London.

(The meeting started at 5.00pm and ended at 6.20pm)

Signed:

(Chair)

DJP