

Minutes

Overview and Scrutiny Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date	Tuesday, 16 July 2019
Present	Councillors Laura Davison, Michelle Dorrell (Vice-Chair), Peter Gane, Terence Mullard, Tim Prater, Patricia Rolfe, Rebecca Shoob (Chairman) and Lesley Whybrow
Apologies for Absence	Councillor Miss Susan Carey
Officers Present:	Tim Bailey (Senior Planning Officer), Gavin Edwards (Policy and Improvements Officer), Adrian Hammond (Housing Strategy Manager), Andy Jarrett (Chief Strategic Development Officer), Sue Lewis (Committee Services Officer), Tim Madden (Corporate Director - Customer, Support and Specialist Services), Susan Priest (Head of Paid Service), Andrew Rush (Corporate Contracts Manager), Adrian Tofts (Planning Policy Manager) and Lee Walker (Group Accountant)
Others Present:	Deborah Upton, East Kent Housing Councillors David Godfrey, Mrs Jenny Hollingsbee and Ian Meyers

10. **Declarations of Interest**

There were no declarations of interest.

11. **Minutes**

The minutes of the meeting held on 18 June 2019 were submitted, approved and signed by the Chairman following the amendment below:

Community Safety Partnership Annual Plan and Strategic Assessment – members made a number of comments and bullet point 2 should read as follows - “Noted increase in recorded crime. Suggested regular surgeries with Police in Folkestone Central”.

12. **Treasury Management Annual Report 2018/19**

Report C/19/10 reviewed the council’s treasury management activities for

2018/19, including the actual treasury management indicators. The report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003.

Lee Walker, Group Accountant presented the report to members paying particular attention to the following which are all highlighted within the report:

- Section 2 summarises the economic background
- The Council's Treasury Activities for 2018/19
- The Financial Summary of Treasury Activities
- The Non-Treasury Investment Holdings and Returns
- Compliance Issues which are covered in section 8 and appendix 2 of the report with no exceptions to report.

Members asked a number of questions relating to the following:

Local Authority Loans – It was confirmed the council's investments made with other local authorities that were due to mature since 31 March 2019 had taken place. It was also outlined that local authorities are viewed as very high quality counterparties for cash investments as they are subject to statutory requirements regarding their ability to meet their financial commitments.

Treasury Management Strategy and the consideration of social, ethical and green investments – The current approved strategy does not specifically refer to these types of investments. However, they could be considered for inclusion in the Treasury Management Strategy for 2020/21.

Money Market Funds (MMF) and Other Pooled Funds – A MMF is a collection of short term investments or financial instruments such as certificate of deposits and bonds managed by a fund manager, are very secure and have the top credit rating of AAA, give the investor with instant access to their cash and typically provide a yield close to that of the official Bank Base Rate. The Multi-Asset Income Funds are typically a collection of equities, government bonds, corporate bonds, property funds and alternative financial instruments managed by a fund manager. These are viewed as much longer term investments with an expectation of holding for a minimum of 3 years. The price of the fund can be subject to volatility however the annual dividend yield is expected to be between 3% and 4%. The council also invest in an externally managed commercial property fund which typically holds warehouses, offices and retail outlets in its portfolio. Again, this is viewed as a long term investment and is currently providing a annual yield of about 4.5%.

Proposed by Councillor Peter Gane
Seconded by Councillor Lesley Whybrow and

Resolved:

1. To note Report C/19/10.

(Voting: For 8; Against 0; Abstentions 0)

13. **Annual Performance Report - Making a difference: a snapshot of our year 2018/19**

Report C/19/14 set out how the Council has continued to deliver for local people in the district in 2018/19 in response to the Corporate Plan (2017-20) vision of *investing for the next generation ~ delivering more of what matters*.

Gavin Edwards, Policy and Improvement Officer presented members with the report. He informed that a review of performance measurements is constantly taken throughout the year and any additional information such as figures relating to health was noted and will be looked into with the appropriate service manager.

Members will be provided with additional information relating to the % of other planning applications to be determined with statutory periods following the meeting.

It was noted that the British Vehicle PCN recovery rate appears to be low but this is due to the length of time on the PCN recovery process which can take up to 9 months in some cases to recover payment.

Proposed by Councillor Patricia Rolfe
Seconded by Councillor Peter Gane and

Resolved:

1. To receive and note report C/19/14.

(Voting: For 8; Against 0; Abstentions 0)

14. **Places and Policies Local Plan - Gypsy and Traveller allocation site**

The Planning Inspector considering the Places and Policies Local Plan (PPLP) at the Examination in Public indicated that the District Council should be allocating a site(s) to meet the future needs for the Gypsy and Traveller community. This report set out the work that has been undertaken to identify a preferred site. Report C/19/13 also seeks Cabinet approval to carry out a six-week period of public consultation on the preferred site allocation.

Adrian Tofts, Planning Policy Manager presented the report to members paying particular attention to the process that the Council has gone through and how they have now come to the conclusions set out in the report.

Members paid particular attention to the following:

Site allocations – although the shortlisted sites were all in the Romney Marsh area, with the new site, Land adjacent to 'The Retreat', Lydd Road, Old Romney, being in this area too, the Romney Marsh area was not specifically

chosen; this was a result of general site availability across the district and the filtering process of assessing sites.

The preferred site would was chosen as it provides the necessary space required, has good road access and is well-screened with some mature trees and hedgerows.

Various other sites were looked at across the district and if an alternative site is put forward during the consultation, this would be considered in the same way judging on environmental impacts, amenities and neighbouring properties.

The traveller family who have recently bought the site are well established and well known within the gypsy traveller community and the proposal is that the site is allocated for 4 traveller pitches; if a larger scheme was put forward this would be judged against the policy and the planning merits of the scheme. The constraints to the south of the site would be unlikely to allow for significant expansion due to a higher flood risk.

It was felt by some members that this work should have been done sooner and that a review of the whole district should have taken place to fulfil the council's obligations to this community.

Publicity for local plan consultations is carried out via a number of ways with the council using its already established data base, together with local parish and town councils, neighbouring properties and social media.

Proposed by Councillor Peter Gane
Seconded by Councillor Lesley Whybrow and

Resolved:

1. To receive and note Report C/19/13.

(Voting: For 8; Against 0; Abstentions 0)

15. East Kent Housing performance update

A briefing note OS/19/02 entitled East Kent Housing was presented to the Committee which was followed by a presentation. This is attached to the minutes for information.

Also in attendance for this item was Deborah Upton, East Kent Housing (EKH) to answer any questions members may have.

Adrian Hammond, Housing Strategy Manager presented the presentation paying particular attention to the performance concerns listed in the papers attached and the measures that have been taken by the Council and East Kent Housing to date to deal with the issues of non-compliance across the Council's housing stock managed by EKH.

A timeline of recent the performances issues and the actions taken by the Council and EKH are shown in the papers. Due to the gravity of the situation in

relation to the gas contract, EKH are now providing the 4 councils with daily updates. There is an independent investigation underway due to non-compliance issues which will be reported back to members in due course. The Council is also investigating potential overcharging within the previous gas contract arrangements.

A detailed action plan is being prepared by EKH to ensure that all areas of non-compliance are dealt with as a priority. The Council's Monitoring Officer will be presenting a report to Cabinet on 31 July which will set out details of the Council's non-compliance in respect of gas safety across its housing stock.

The Council's Client officer will also be responding to this report to advise Cabinet of the ongoing action being taken by the Council and EKH to deal with all areas of non-compliance. The Client officers will also set out proposals for the Council to review how its Housing and Tenant Services are delivered, including the options for returning the service to its direct control. At its meeting on 31 July, Cabinet will also be requested to approve the award of the long-term Heating maintenance, servicing and installation contract following the termination of the contract by the previous contractors.

Members paid particular attention to the following:

- Relationship with EKH – the report to Cabinet on 31 July will state that arrangements for managing the Council's housing stock will be reviewed. Officers will work with tenants and members to move this forward.
- Deborah Upton informed members that the temporary contract now and when the new long-term Heating Services contract (once awarded) will subject to weekly monitoring arrangements by EKH.
- Complaints procedure – members asked for an update on the number of complaints received, the procedure used and the how long responses take. In response to this question it was reported that any complaints about contractors is sent directly to them to action and if these are not dealt with in the appropriate way then EKH take on the issues and respond within 10 days.
- Gas certificates – it was noted that these are provided to tenants once the checks have been made, this is followed up by standard audit checks. Susan Priest informed members that we are in a better place now with lots of work already done, an action plan is in development and all high risk actions have been completed, with a number of actions to be undertaken.
- EKH HQN investigation – this will be completed by the end of July by EKH.
- The 4 Councils are commissioning their own independent review of all areas of non-compliance. This will be reported to members once completed
- Fraud investigation – members were informed that external barristers had been advising on this which is ongoing and a report will be brought back following the findings being made available.
- Additional costs of £27,000 have been incurred by the Council over the period of 3 months (since May) to cover the temporary contract arrangements.

Members were informed that the 4 councils have a number of options that will need to be considered as part of the review of future arrangements for delivering the Council's Housing and Tenant Services.

Apologies have been made to tenants and will be made clear on the Council's website and EKH website and any social media outlets.

The Council intends finding out what happened, how it happened and that this never happens again as the service provided to tenant over the recent months is simply not good enough.

Alongside the presentation information relating to performance indicators were circulated to members and the public gallery, these are also attached to the minutes for information. Mr Hammond informed that rent arrears are increasing but remain below the annual target for the year end. The Mears contract is performing well overall, again this is monitored regularly.

Proposed by Councillor Peter Gane
Seconded by Councillor Laura Davison and

Resolved: That a further report be presented to the Committee in respect of the Complaints procedure and the numbers and decisions made.

(Voting: For 8; Against 0; Abstentions 0)

Proposed by Councillor Peter Gane
Seconded by Councillor Patricia Rolfe and

Resolved: To receive and note the briefing report.

(Voting: For 8; Against 0; Abstentions 0)

16. Biggins Wood Delivery

Report C/19/12 recommended the acceptance of two bids to deliver the Biggins Wood development.

Andy Jarrett, Chief Strategic Development Officer gave a presentation to members which is attached to these minutes for information. He also advised that additional confidential information was available for members to scrutinise, should they wish to go into a private closed session due to the information being commercially sensitive.

This provided members with the background explaining that with no movement on the site the Council chose to acquire the land in 2016. The site benefited from planning permission for 77 houses and commercial use of the site.

There are a number of constraints on the site particularly that of land contamination which requires remediation. It is also proposed that there will be

acoustic barriers between the proposed commercial development and housing development.

Mr Jarrett informed that following adverts in Estates Gazette various offers had come forward and these are shown within the attached papers.

The development would meet the Council's aims of providing more home and jobs and would include 23 affordable houses.

Members paid particular attention to the following:

- Site risk – site is considered risky and further information on risk mitigation is required
- Transparency – there is a desire to be more transparent, recognising the information that could be provided to members is commercially sensitive
- Housing – That there is no additional housing other than the 77 granted under the existing permission as it is already very close to existing residential properties
- Additional costs/joint venture – the joint venture is in respect of the commercial part of the site and any additional costs would be the council's responsibility on land on the site for use as gardens and landscaping
- Information – members felt that in the public papers there was little detail for them to discuss
- Financial implications – members would have liked more detail on this, recognising it was commercially sensitive
- Contamination – members were advised that advice had been sought from specialists in that field and that contamination costs were expected to be covered by the Homes England Grant
- Company information – further information relating to the companies in discussions would have made it easier for members to understand the recommendations made by officers
- Audit process – a copy of this will be provided to members following the meeting
- Risks – this was a very risky project and more information needed to come back to scrutiny so that an opinion could be given in public.

Mr Jarrett made it clear to members that this was a joint venture which is a good proposal and meets the Council's objectives and aspirations for the site.

Members were reminded that if they have specific questions or lines of enquiry, advance notice to officers listed at the end of the report would allow for necessary information to be given.

Proposed by Councillor Peter Gane
Seconded by Councillor Tim Prater and

Resolved: That no additional housing, other than the 77 proposed in the planning application be put onto the site.

(Voting: For 4; Against 0; Abstentions 4)

Officers advised the Committee that there was additional information that could be made available to members for discussion but as this was commercially sensitive would be required to be presented as an exclusion of the public item and would therefore need a vote to do so.

Councillor Patricia Rolfe proposed to request that members go into a private session but as there was no seconder this fell.

The Committee therefore made it clear it did not wish to go into private discussions.

Proposed by Councillor Lesley Whybrow
Seconded by Councillor Laura Davison and

Resolved: A very risk project, more information needs to come back to the Overview & Scrutiny Committee so that an opinion can be given in public.

(Voting: For 7; Against 1; Abstentions 0)

East Kent Housing update – 16 July 2019

Adrian Hammond, Housing Strategy Manager, FHDC

Deborah Upton, Chief Executive, EKH

- Background (paper pre-circulated)
- Management Fee / Improvement Plan
- Update on Landlord gas safety records
 - Monitoring Officer Section 5 Notice report (31 July 2019)
 - Client Officer response
 - Update/future options report to Cabinet
 - Update on the heating servicing, installation and repairs contract
- Wider compliance issues
- Quarter 1 performance / Improvement Plan update

East Kent Housing - background

- East Kent Housing (EKH) launched as 'arms length management organisation' (ALMO) in April 2011.
- Delivers services to council tenants through a Management Agreement in Canterbury, Dover, Folkestone & Hythe and Thanet.
- 3,393 properties managed by EKH in this district.
- Housing Revenue Account (HRA) Business Plan supports the delivery of the services provided by EKH and capital investment.
- In 2018/19 the council paid EKH £1.983m from the HRA to manage the district's housing and tenant services.

Performance – Concerns

A number of service areas were identified as requiring improvement by EKH during 2018/19:

- Procurement of key contracts (particularly work to merge contracts)
- Contract management
- Recruitment difficulties – over-reliance on agency staff
- Rent collection in relation to the Universal Credit (an issue nationally)
- Strengthen EKH's financial position

Management fee 2019/20 - Improvement Plan

Proposal	Additional Resources
Improved Procurement	£8,750 pa Procurement Officer Post £51K pa Capitalisation of Specification Cost
Improved Contract Management	£20K Revenue £10K Capitalised Costs
Rent Collection (Universal Credit)	£111K pa - Revenue Collection Posts x 2
Organisation Health/Sustainability	£21K Cost of living increase £5K Pension cost increase £16K Incremental salary pressures
Total costs	Revenue = £182,250 (9.2% increase) Capital = £61K (0.8% increase) 19/20 Management Fee= £2,165,250.00 Approved as 2019/20 HRA Budget

Timeline of recent performance issues

April/May 2019

- Gas Contract terminated by contractor
- Legal/finance measures in place to use 7 additional contractors
- EKH notify council regarding P& R backlog of 120 landlord gas safety checks in Folkestone & Hythe.

May/June 2019

- EKH contacts tenants affected by letter/telephone.
- Appointments arranged, offering evening and weekend slots.
- Legal approval to seek forced entry if required.
- EKH provides daily update to Chief Execs / Client Officers.
- Leaders and chiefs meet with EKH chair to express gravity of situation.
- Social Housing Regulator notified of non-compliance.
- EKH commission HQN investigation

Timeline of recent performance issues

28 June 2019

- 120 LGSR backlog actioned and completed (4 new cases currently/actioned)

3 July 2019

- P&R contract ended. Swale Heating managing service in the interim to 31 October with extension option up to 31 March 2020.
- Procurement for P&R's replacement being progressed.
- Potential overcharging – detailed investigation underway.

July 2019

- Council responding to further requests for information from the regulator.
- Internal audit identified wider compliance issues (electrical, asbestos, lifts legionella works and fire protection) and pumping stations also highlighted as non-compliant.
- EKH are developing a detailed action plan so that all areas of compliance are addressed as a priority.
- Independent investigation to be commissioned by the councils into all areas of compliance – outcome will be reported to members.

Timeline on recent performance issues

31 July 2019 - Cabinet

- Monitoring Officer reports non-compliance issuing Section 5 notice.
- Client Officer report in response to Section 5 notice, outlining issues, actions taken, future options.
- Client officer recommendations to Cabinet:
- That this report is adopted as the response of the Council to the Monitoring Officer in accordance with the requirements of S5A (8) and (9) of the Local Government and Housing Act 1989, and that a copy of it be provided to all Councillors and the Monitoring Officer.
- That a further report is prepared on the wider issues of housing management for this Council and to commence consultation with the Council's tenants as soon as practicable on withdrawal from East Kent Housing (EKH) including the option of bringing the housing management function back within the Council's control.

New Heating Contract

- **Cabinet 31 July** – decision to award new heating servicing, maintenance and installations contract.
- P&R terminated – procurement of long-term contract – bidders assessed on price/quality.
- Award delayed due to extended due diligence of winning bidder.
- Concerns re pricing model and no current operation in East Kent.
- Legal advice due to concerns on the viability of the bid.
- Further clarifications of the bid.
- Improvements to EKH contract management.
- Interim contract with Swale Heating for 4 months.
- Urgency – put the service on stable long-term.

New Heating Contract

- Contract to be awarded.
- Jointly awarded by FHDC, CCC, DDC and TDC, each with separate contract to start when approved by all 4 councils
- EKH to manage the contract subject to service improvements
- Contract covers
 - Annual gas heating checks and servicing (LGSR)
 - Annual checks and servicing of other heating systems
 - Emergency call out response
 - Installation programme
- Additional EKH contract management cost (£93K p.a.)

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New Heating Contract

- Report being finalised
- Recommendations to Cabinet:
- To award the contract subject to risk mitigation measures set out in the report.
- To agree an additional budget provision of £93,201 as set out in the report to be funded from the Housing Revenue Account for contract management improvement to be implemented by EKH.

Quarter 1 Performance/Improvement Plan

- Q1 performance handout.
 - Capital programme behind schedule.
 - Upward trend in rent arrears (although still within target).
 - Mears contract generally performing well, other than void property turn around.
 - Void re-let times in excess of target
- Ongoing performance monitoring and working closely with EKH.
- Update to next OSC

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EKH Key Performance Report June/Q1 FHDC



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	Improvement Plan KPIs - PROCUREMENT	2018/19 Year End	April 2019	May 2019	June 2019	Q1 2019	Short Term Trend Arrow	Traffic Light Icon	Current Target
		Value	Value	Value	Value	Value			
IMP01 EKH	Average Days to produce procurement specifications	-	N/A	7.33	0	4.40	↑	✓	20
	<i>Total days to complete procurement specifications</i>		0	22	0	22			
	<i>Number of specifications completed in the period</i>		1	3	1	5			
IMP02 EKH	Percentage of Capital procurements (projects) delivered	-	100%	33.33%	50%	50%	↑	⬛	95%
	<i>Number of Capital procurements delivered (YTD)</i>		1	1	3	3			
	<i>Number of Capital procurements required (YTD)</i>		1	3	6	6			
IMP03(a) EKH	Percentage of procurement enquiries responded to on time	-	70.63%	95.31%	99.17%	89.29%	↑	⚠	100%
IMP03(b) EKH	Average days to respond to procurement enquiries	-	-	0.43	0.32	0.39	↑	✓	5
Of the 6 procurements due by end of June, 3 were completed on time; the remaining 3 were awaiting the issuing of the contract documentation and this has now been completed.									

	Improvement Plan KPIs – CONTRACT MANAGEMENT	2018/19 Year End	April 2019	May 2019	June 2019	Q1 2019	Profiled Target (Q1)	Traffic Light Icon	Year-end Target
IMP04 EKH	Number of Core group meetings held (YTD)	-	None held	None held	2	2	↑	✓	8 per annum
	<i>Number of Core group meetings held</i>		-	-	2	2			(2 per Qtr.)
	<i>Number of Core group meetings scheduled</i>		-	-	2	2			
IMP05 FHDC	Percentage of capital programme spent (YTD)	50.25%	-	-	-	0.61%	(3.6%)	⬇	95%
	<i>Latest agreed Capital Budget</i>	4,143,000	-	-	-	3,572,150			
	<i>Total actual spend at end of period</i>	2,081,946	-	-	-	21,926			
IMP05 EKH	Percentage of capital programme spent (YTD)	52.26%	-	-	-	3.37%	(5.38%)	⬇	95%
	<i>Latest agreed Capital Budget</i>	16,689,829	-	-	-	21,989,231			
	<i>Total actual spend at end of period</i>	8,721,944	-	-	-	740,626			
IMP06 FHDC	Percentage of properties that meet decent homes standard	97.96%	97.96%	97.96%	97.62%	97.62%	↓	⚠	99%
	<i>Number of properties as reported on SAM database</i>	3531	3531	3531	3529	3529			
	<i>Number of inspected properties that meet DHS</i>	3459	3459	3459	3445	3445			
IMP06 EKH	Percentage of properties that meet decent homes standard	98.24%	98.24%	98.24%	98.27%	98.27%	↑	⚠	99%
IMP07 EKH	Percentage of heating installation pre-inspections completed	-	0%	0%	0%	0%	▬	N/A	100%





Capital Programme - In general the first quarter is when procurements are planned, surveys are undertaken and delivery plans are agreed, we have developed profiled targets calculated from an average of the Q1 positions for the past two financial years, to give an indicator of where we have been at this point in previous years. Individual budgets have been set for each local authority; there have been some delays in procuring key contracts for the capital programme, we're unlikely to see significant spend until later in the year.

Decent Homes - As at 30 June, 1.73% (289) properties across EKH were 'non-decent'; the highest being at Folkestone 2.38% (84 properties). This is based on the number of inspected properties as listed on the SAM database. The number of non-decent properties will reduce during the year as planned works proceed.







Pre-inspections - This indicator related to works undertaken by P&R under their heating and hot water contracts, notice was provided on this contract which has now come to an end. This indicator will now be reported against the new interim contracts and will be reported accordingly.

	Improvement Plan KPIs – CONTRACT MANAGEMENT	2018/19 Year End	April 2019	May 2019	June 2019	Q1 2019	Short Term Trend Arrow	Traffic Light Icon	Current Target
IMP08 FHDC	Percentage of heating installation post-inspections completed	-	0%	DIV/0	DIV/0	100%			100%
IMP08 EKH	Percentage of heating installation post-inspections completed	-	44.44%	90%	100%	72.73%			100%
IMP09 FHDC	Percentage of day-to-day repair post-inspections completed	-	3.33%	8.18%	7.63%	7.78%			10%
IMP09 EKH	Percentage of day-to-day repair post-inspections completed	-	5.45%	9.71%	9.22%	8.31%			10%

Post inspections - Installations are undertaken throughout the period, and whilst installations will have taken place during the period, some post inspections will take place in the next period.

	Improvement Plan KPIs – INCOME AND ARREARS	2018/19 Year End	April 2019	May 2019	June 2019	Q1 2019	Short Term Trend Arrow	Traffic Light Icon	Current Target
IMP10 FHDC	Percentage of contract invoices paid within 30 days		100%	95.12%	88.17%	94.43%			99%
IMP10 EKH	Percentage of contract invoices paid within 30 days		98.17%	95.88%	88.17%	95.43%			99%

	Improvement Plan KPIs – INCOME AND ARREARS	2018/19 Year End	April 2019	May 2019	June 2019	Q1 2019	Short Term Trend Arrow	Traffic Light Icon	Current Target
IMP11 FHDC	Percentage of potential UC claimants contacted on time	No Data	100%	100%	100%	100%	▬	✓	100%
IMP11 EKH	Percentage of potential UC claimants contacted on time	No Data	100%	100%	100%	100%	▬	✓	100%
IMP12 FHDC	Current tenant arrears (UC only) as % rental income	-	0.98%	1.08%	1.12%	1.12%	↓	✓	Year-end target 3.3%
	<i>UC Figure (Arrears)</i>		£151,258	£166,349	£172,003	£172,003			
IMP12 EKH	Current tenant arrears (UC only) as % rental income	1.65%	1.85%	2.01%	2.20%	2.20%	↓	✓	Year-end target 3.3%
	<i>UC Figure (Arrears)</i>		£1,325,863	£1,414,886	£1,548,264	£1,548,264			
IMP13 FHDC	Current tenant arrears (non-UC) as % rental income	-	1.3%	1.38%	1.36%	1.36%	↑	⚠	Year-end target 1.25%
	<i>Current tenant arrears (excluding UC)</i>		£200,378	£212,640	£210,242	£210,242			
IMP13 EKH	Current tenant arrears (non-UC) as % rental income	1.75%	1.82%	1.79%	1.8%	1.8%	↓	⚠	Year-end target 1.25%
	<i>Current tenant arrears (excluding UC)</i>		£1,304,988	£1,261,789	£1,264,467	£1,264,467			
<p><i>These are year-end target and performance against the target will only be finalised at year end, the data however provides an indication of performance at the point of monitoring. Overall performance is at expected levels and figures are increasingly influenced by the timing of Direct Debts, and work has been progressing on higher complex cases, to allow time for these to repaid over the year. These have all now been actioned and work has now moved on to more general arrears, with performance expected to steadily improve over the year.</i></p>									
	Improvement Plan KPIs – INCOME AND ARREARS	2018/19 Year End	April 2019	May 2019	June 2019	Q1 2019	Short Term Trend Arrow	Traffic Light Icon	Year-end Target
IMP14 FHDC	Total Current tenant arrears as % rental income	2.22%	2.29%	2.46%	2.48%	2.48%	↓	✓	4.55%
	<i>Total Current tenant arrears</i>		£351,637	£378,989	£382,245	£382,245			





IMP14 EKH	Total Current tenant arrears as % rental income	3.51%	3.67%	3.8%	4%	4%			4.55%
	<i>Total Current tenant arrears</i>		£2,630,851	£2,676,675	£2,812,731	£2,812,731			
IMP15 FHDC	Garage arrears as % garage rental income	1.37%	1.08%	2.09%	1.61%	1.61%			0.39%
IMP15 EKH	Garage arrears as % garage rental income	1.03%	1.17%	1.64%	1.41%	1.41%			0.39%

This is a year-end target and performance against the target will only be finalised at year end, the data however provides an indication of performance at the point of monitoring.



Current performance is in line with expectations.

Garages - This is year-end target and performance against the target will only be finalised at year end, the data however provides an indication of performance at the point of monitoring.

Current performance is in line with expectations; payment of garage rents is generally made by direct debit and arrears levels change dramatically over the period due to timing of the payments over the period.

	Improvement Plan KPIs – INCOME AD ARREARS	2018/19 Year End	April 2019	May 2019	June 2019	Q1 2019	Short Term Trend Arrow	Traffic Light Icon	Year end target
IMP16 FHDC	Percentage of Rechargeable Works Order charges raised	-	0%	N/A	N/A	0%			100%
	<i>Number RWO charges raised</i>		0	0	0	0			
	<i>Number RWO charges required</i>		4	0	0	4			
IMP16 EKH	Percentage of Rechargeable Works Order charges raised	-	34.62%	100%	100%	82.5%			100%
	<i>Number RWO charges raised</i>		9	12	12	33			
	<i>Number RWO charges required</i>		26	12	12	40			

Within the process for recharging there is a period for appeal prior to the charges being formally raised this means that the number of charges raised and those required will not match due to this period. The process is currently working effectively in some areas but there have been issues in FHDC which have now been resolved and the backlog will be reported in future reports.

	Improvement Plan KPIs - COMPLAINTS	2018/19 Year End	April 2019	May 2019	June 2019	Q1 2019	Short Term Trend	Traffic Light Icon	Current Target
IMP19 (a) FHDC	Percentage of all complaints responded to within 10 working days	85.9%	20%	100%	100%	82.61%			95%

IMP19 (a) EKH	Percentage of all complaints responded to within 10 working days	90.94%	63.64%	95%	95.08%	86.67%	↑	⚠	95%
IMP19 (b) FHDC	Average days taken to close complaints	8.31	14	8.17	5.67	8.78	↑	✓	10
IMP19 (b) EKH	Average days taken to close complaints	8.18	9.59	7.45	7.13	7.9	↑	✓	10
	Improvement Plan KPIs – SUSTAINABILITY	2018/19 Year End	April 2019	May 2019	June 2019	Q1 2019	Short Term Trend Arrow	Traffic Light Icon	Current Target
IMP20 EKH	Percentage of residents satisfied with Overall Service provided	-	Not due	Not due	Not due	Not due			82%
IMP21 EKH	Percentage of staff that see themselves working at EKH in 2 years	-	Not due	Not due	Not due	Not due			<14% disagree
IMP22 EKH	Percentage of permanent staff in the organisation (YTD)	86.5%	92.78%	92.05%	92.2%	92.2%	↑	⚠	93%

	Day to day repairs	2018/19 YE	April 2019	May 2019	June 2019	Q1 2019	Short Term Trend Arrow	Traffic Light Icon	Current Target
		Value	Value	Value	Value	Value			
REP01 FHDC	Percentage of emergency repairs completed on time	99.59%	100%	100%	98.91%	99.62%	↓	✓	98%
REP01 EKH	Percentage of emergency repairs completed on time	99.56%	99.38%	99.81%	99.07%	99.41%	↓	✓	98%
REP02 FHDC	Percentage of routine repairs completed on time	96.77%	96.19%	98.14%	98.5%	97.66%	↑	⚠	98%
REP02 EKH	Percentage of routine repairs completed on time	98.56%	98.77%	99.12%	98.44%	98.79%	↓	✓	98%
REP03 FHDC	Percentage of repair appointments kept	96.99%	97.84%	94.85%	95.57%	96.02%	↑	✓	96%
REP03 EKH	Percentage of repair appointments kept	97.11%	97.7%	96.75%	97.14%	97.18%	↑	✓	96%
REP04 FHDC	Percentage of tenants satisfied with day to day repairs	97.89%	100%	100%	100%	100%	▬	✓	98%
REP04 EKH	Percentage of tenants satisfied with day to day repairs	98.86%	99.87%	100%	100%	99.96%	▬	✓	98%

	Gas Servicing and Heating repairs	2018/19 YE	April 2019	May 2019	June 2019	Q1 2019	Short Term Trend Arrow	Traffic Light Icon	Current Target
GAS01 FHDC	Percentage of emergency heating repairs completed on time	93.53%	92.92%	93.75%	95.92%	94.12%	↑	⬛	100%
GAS01 EKH	Percentage of emergency heating repairs completed on time	93.05%	93.21%	91.53%	94.62%	93.08%	↑	⬛	100%
GAS02 FHDC	Percentage of routine heating repairs completed on time	98.44%	96.32%	96.81%	90.76%	94.99%	↓	⚠	98%
GAS02 EKH	Percentage of routine heating repairs completed on time	97.95%	96.54%	94.54%	90.3%	94.62%	↓	⚠	98%
GAS03 FHDC	Percentage of heating repair appointments kept	94.43%	96.58%	95.67%	97.52%	96.57%	↑	✅	95%
GAS03 EKH	Percentage of heating repair appointments kept	95.1%	96.56%	96.79%	75.48%	91.42%	↓	⚠	95%
GAS04 FHDC	Percentage of tenants satisfied with most recent heating repair	90.88%	77.42%	67.57%	73.08%	72.34%	↑	⬛	98%
GAS04 EKH	Percentage of tenants satisfied with most recent heating repair	88.86%	82.71%	78.32%	75%	78.61%	↓	⬛	98%

This data relates to work associated with contractual arrangements that can to an end as of the beginning of July 2019, alternative interim arrangements have been put in place and performance is expected to improve.

	Gas Servicing and Heating repairs (LGSR)	2018/19 YE	April 2019	May 2019	June 2019	Q1 2019	Short Term Trend Arrow	Traffic Light Icon	Current Target
GAS05 FHDC	Percentage of properties with a valid LGSR	99.32%	97.3%	96.42%	99.49%	99.49%	↑	⬛	100%
	<i>Number of properties with a valid LGSR</i>	<i>2922</i>	<i>2881</i>	<i>2855</i>	<i>2944</i>	<i>2944</i>			
	<i>Number of properties requiring a LGSR</i>	<i>2942</i>	<i>2961</i>	<i>2961</i>	<i>2959</i>	<i>2959</i>			

As of 5 July 2019 the position was:- 7 overdue in FHDC all of which had either an appointment booked or action was being taken to gain access as part of a legal process.

	Voids and re-lets	2018/19 YE	April 2019	May 2019	June 2019		Short Term Trend Arrow	Traffic Light Icon	Current Target
			Value	Value	Value				
VOID01 FHDC	Average days to re-let all properties excluding major works	20.56	31.94	22.5	14.22		↑	✓	16.5
VOID01 EKH	Average days to re-let all properties excluding major works	20.15	20.14	20.4	20.16		↑	⬛	16.5
VOID02 FHDC	Average days to re-let all properties including major works	24.76	31.94	22.5	25.78		↓	⬛	22.75
VOID02 EKH	Average days to re-let all properties including major works	27.61	32.49	31.28	42.45		↓	⬛	22.75

We have now developed a void action plan which covers all area, which will help address issues, and include action for both EKH and the client Council's.

All areas the number of properties requiring major works has increased, and the extent of these works in a number of cases has been considerable, the performance for these areas is also effected by the number of properties requiring asbestos removal and the statutory 14 notice period required during which works van not take place. Out of target for major works due to ASB works.

Cabinet

17th July 2019

Biggins Wood Delivery

Bigginswood - Overview

- Former brickworks site.
- Vacant for several decades.
- 4.43 hectares(10.75 acres).
- Employment Land Allocation.
- Planning permission 77 homes and employment use August 2014.
- Acquired December 2016 £1.5m, to help create new homes and jobs
- Planning conditions approved and Reserved matters consented 2016 and 2017
- Resolved to accept Homes England grant £1m February 2019
- Advertised for offers in February 2019





RDA architects –illustrative masterplan.



Bigginswood – potential and constraints

- Good size urban freehold site.
- Planning permission 77 homes and employment use.
- Contamination and ground conditions.
- Access – shared.
- Proximity to M20 Motorway (environment).
- Employment use allocation.

Development Options.

- Advert in the Estates Gazette for sale, freehold and leasehold
- Various Offers
- Preferred Approach
 - Commercial Development:
 - JV partnership on 50:50 basis
 - To deliver commercial development for profit
 - Council - Initial Land + £500k
 - Partner – Capital Value of land + £500k
 - 1st phase to include speculative development 932 sq.m.
 - Residential Development:
 - 77 homes in accordance with planning permission or overage payable to Council if greater
 - Includes 23 affordable homes to be funded and retained by the Council
- Achieves Council's aims and is profitable.

Summary of Recommendations

- Subject to satisfactory agreements accept offers in respect of the commercial and residential land;
- Enter into a JV on the commercial site;
- Agree £500,000 from the Business Rates Pool to fund the commercial proposal;
- Delegate authority to finalise negotiations to the Corporate Director for Place and Commercial in agreement with The Leader and the Cabinet member for Transport , Housing and Special Projects and in consultation with the Director for Customer, Support and Specialist Services

Folkestone

Hythe & Romney Marsh
Shepway District Council



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