

Cabinet

Held at:	Council Chamber - Civic Centre Folkestone
Date	Wednesday, 31 July 2019
Present	Councillors John Collier, Mrs Jennifer Hollingsbee (Vice-Chair), Ian Meyers, David Monk (Chairman), Stuart Peall and *David Wimble
Apologies for Absence	Councillors David Godfrey
Officers Present:	Sarah Robson (Assistant Director), Andrew Rush (Corporate Contracts Manager) and Jemma West (Senior Committee Services Officer)

* For part of the meeting

NOTE: Only the decision shown at minute No 16 is subject to call-in arrangements. The deadline for call-in is Friday 9 August 2019 at 5pm. Decisions not called in may be implemented on Monday 12 August 2019. Call-in has been waived on the decision set out at minute no 17, with the approval of the Chairman of the Overview and Scrutiny Committee (part 6.3, rule 7 of the constitution).

15. **Declarations of Interest**

There were no declarations of interest at the meeting.

16. **East Kent Housing - Compliance Update**

In late May it emerged that there were serious issues of non-compliance with regards to East Kent Housing's management of gas safety across East Kent's council housing stock.

This report set out the context to these issues of non-compliance and how they are being addressed. The report also set out the steps the East Kent councils were taking to ensure these issues of non-compliance did not occur again, including the need to consider alternative options for the future delivery of the management of council housing. It would, therefore, serve as the means by which the Council replies (as it is required to do) to the Monitoring Officer's report which had been shared with all members of the Council.

The report also set out details of wider compliance issues identified within the Council's housing stock which have been identified through an East Kent

Internal Audit Investigation of compliance across the housing stock managed by East Kent Housing in East Kent. East Kent Housing has also identified detailed significant areas of non-compliance in respect of the pumping and water treatment plants which it manages. East Kent Housing (EKH) are urgently preparing detailed action plans to ensure that all areas of non-compliance are addressed as a priority.

An addendum to the report had been circulated to members prior to the meeting, setting out an update on the various work stream activity being proactively undertaken by the council in partnership with East Kent Housing (EKH) and the other three local authority owners of EKH.

Proposed by Councillor Monk,
Seconded by Councillor Peall; and

RESOLVED:

1. **That report C/19/15 be received and noted.**
2. **That the report be adopted as the response of the Council to the Monitoring Officer in accordance with the requirements of S5A (8) and (9) of the Local and Housing Act 1989, and that a copy of it be provided to all Councillors and the Monitoring Officer.**
3. **That a further report be prepared on the wider issues of housing management for this Council and that consultation be commenced with the Council's tenants and other key stakeholders as soon as practicable on future housing management options, reporting back by the end of November 2019.**
4. **That the range of related work stream activity, as outlined in the addendum provide as a supplementary report relating to C/19/15 be received and noted.**

(Voting figures: 5 for, 0 against, 0 abstentions).

REASONS FOR DECISIONS:

1. In May 2019 it emerged there were serious issues of non-compliance with regards to EKH's management of gas safety across East Kent's council housing stock. Therefore, the Council needs to approve a way forward to review future options for the delivery of the management of the four councils' housing stock.
2. An investigation into wider issues of compliance across the Council's Housing stock completed by East Kent Internal Audit has identified other significant areas on non-compliance.
3. East Kent Housing has identified significant issues of non-compliance in respect of pumping and treatment works in this district.

17. Gas Servicing and Heating Installations Contract

The former contractor for gas servicing and heating installations, P&R Installation Company Ltd (P&R), triggered a no fault break clause under the terms of the contract with a termination date 3/7/19. The four councils, with DDC acting as the lead, started the procurement for a new contract. The report

detailed the outcome of this procurement process and made a recommendation for reward. The report also outlined risk controls to be implemented by East Kent Housing to improve the management of the next contract.

Proposed by Councillor Monk,
Seconded by Councillor Peall; and

RESOLVED:

That the public be excluded for the following item of business on the grounds that it is likely to disclose exempt information, as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 – ‘Information relating to the financial or business affairs of any particular person (including the authority holding that information). “Financial or business affairs” includes contemplated as well as current activities.’

(Voting figures: 5 for, 0 against, 0 abstentions).

Proposed by Councillor Monk,
Seconded by Councillor Meyers; and

RESOLVED:

- 1. That report C/19/16 be received and noted.**
- 2. That the contract be awarded to Company A subject to the risk mitigation measures set out in 5.5.**
- 3. That an additional budget provision of £ 93,201 be agreed, as set out in 5.6 and 5.7, to be funded from the Housing Revenue Account for contract management improvements to be implemented by EKH**

During consideration of this item, Councillor Wimble arrived at the meeting.

(Voting figures: 6 for, 0 against, 0 abstentions).

REASONS FOR DECISIONS

Cabinet was asked to agree the recommendations because: -

- a) The council needs to have in place heating servicing and maintenance services for its tenanted properties.
- b) A procurement exercise has been completed with a recommendation to award.
- c) Weaknesses in East Kent Housing’s management of the heating contract have been identified. These need to be addressed for the next contract.