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Scrutiny Streets, Environment & Homes Sub-Committee

Meeting held on Tuesday, 1 February 2022 at 6.30 pm

This meeting was held remotely and a recording can be viewed on the Council's website

MINUTES

Present: Councillors Leila Ben-Hassel (Chair), Jeet Bains (Vice-Chair), Kola Agboola, Jade Appleton, Louis Carserides, Clive Fraser (reserve for Caragh Skipper) and Michael Neal (reserve for Luke Clancy)

Also Present: Councillors Muhammad Ali and Patricia Hay-Justice

Apologies: Councillor Luke Clancy and Caragh Skipper

PART A

1/22 Minutes of the Previous Meeting

The minutes of the meetings held on 13 July and 28 September 2022 were agreed as an accurate record.

2/22 Disclosure of Interests

There were no disclosures of interest made at the meeting.

3/22 Urgent Business (if any)

There were no items of urgent business for the consideration of the Streets, Environment & Homes Sub-Committee at this meeting.

4/22 Budget Scrutiny Challenge

The Sub-Committee considered reports set out on pages 19 to 30 of the agenda and in the agenda supplement, which provided information on three specific budget areas identified for scrutiny as part of the budget setting process. The findings of the Sub-Committee would be reported to the next meeting of the Scrutiny & Overview Committee. The three areas identified for further scrutiny by the Sub-Committee were:-

1. Independent Travel Service
2. Grounds Maintenance
3. Emergency & Temporary Accommodation

The Independent Travel Service section of this item was introduced by the Council's Head of Independent Travel, Daniel Shepherd, who outlined the

current pressures to the service, in particular the increased demand for the service of special education needs travel. There was a statutory requirement for the Council to provide appropriate travel for students with special needs, the cost of which was increasing with due to inflationary pressures. The Individual pressure around high-cost routes due to the needs of students also needed to be managed.

Following the introduction to this section of the report, the Sub-Committee was given the opportunity to question the information provided. The first question asked whether there had been any work carried out to explore the possibility of forming sub-regional partnerships for SEND transport and whether this would improve the budget pressure. It was confirmed that these type of arrangements were in place and other options for optimise efficiencies were being explored.

As it was noted that the travel application process had been reduced from 46% to 43%, it was questioned whether this would reduce further for 2022-23? It was clarified that the percentage of people being transported was relative to those who may be eligible but not using the service. The percentage was higher this year due to the challenge of rolling out travel training because of the pandemic.

It was questioned whether adherence to policy would lead to some families being excluded? It was highlighted that there were exceptional circumstances that would considered through the challenge process. Decisions were based on the need of the students, with support available to enable families to meet the policy requirements and to help facilitate specific difficulties.

In response to a question about whether taxis were used for multiple drops, it was advised that consideration was given to a variety of different ways of providing transport, to ensure the service was optimised to deliver the best efficiency. It was advised that the cost of using the Council's in-house provision equated to approximately £3,000 per pupil per year. The cost for external providers was higher, equating to approximately £10,000 per pupil per year.

It was questioned whether the growth programme included the cost for additional travel trainers? It was advised that there was no plan to increase the current number of travel trainers and those in post were working towards clearing the backlog.

The Sub-Committee discussed the potential risks to the independent travel budget and noted that there was not currently an earmarked reserve in place. Consideration needed to be given to possible demographic or other pressures in order to manage these risks. It was confirmed that a sustainable level of reserves was being considered for the service.

The Chair thanked Mr Shepherd for his attendance and moved onto the discussion on grounds maintenance, welcoming the Council's Interim Head of Environment Services and Sustainable Neighbourhoods, Jim Perkins, to the meeting to introduce the report and answer the Sub-Committee's questions.

During the introduction, it was confirmed that the growth proposal would re-introduce some of the funding that had been removed in the previous year's budget. In doing so, this would allow the ground maintenance service to return to a more sustainable and manageable level. The level of funding requested would amount to £360,000 and would permit the employment of additional seasonal workers.

The Cabinet Member for Sustainable Croydon, Councillor Muhammad Ali was also in attendance for this item and highlighted for the Sub-Committee how the previous budget reduction had impacted upon service delivery. The budget growth proposed would allow for more frequent cutting and the delivery of the strategy for ensuring the best use of green spaces. It would help to deliver better park services, allowing these spaces to raise revenue.

Given the challenges in the job market, it was questioned whether officers were confident that skilled seasonal workers could be recruited. It was confirmed that this should be possible, providing the budget was agreed as soon as possible to allow recruitment to be before the main cutting season. Reassurance was given that the procurement of new equipment was underway and should be available as required, with the main challenge being the lead time required for the delivery of new vehicles.

It was confirmed that the growth increase would be accounted from the general fund revenue budget and not the Housing Revenue Account.

It was advised that the investment in the service would provide direct benefits for residents, as the issues experienced in the past year were solely related to the lack of posts available to perform the tasks required within the expected timescale. It was questioned whether the proposals were as ambitious as they could be. In response, it was highlighted that for the purpose of the growth bid was to re-instate funding to allow more frequent cutting and enable to Service to meet it required service levels. It was highlighted that there needed to be flexibility in the grass cutting schedule to allow for longer or shorter frequencies depending on the area in question.

Concern was raised about the plans for rewilding and meadowing, both of which involve structured, planned planting. It was confirmed that the budget growth proposal incorporated the costs for these initiatives, with the recruitment of a skilled staff ensuring that any areas rewilded would be properly maintained.

In response to questions about the Parks Strategy and whether it would identify which areas have been re-wilded as a tool to measure progress going forward, it was confirmed that the Strategy provide clear guidance to allow an informed approach to initiatives such as rewilding.

Regarding the focus on income generation, it was confirmed that there was a priority for the Service to remain self-sufficient. This would include working with partners to drive innovation and the commercialisation of existing assets, such as parks.

Following this section of the item, the Chair thanked both the officers and Cabinet Member for their contribution and moved onto the emergency and temporary accommodation budget challenge item. The Cabinet Member for Homes, Councillor Hay-Justice introduced the report, highlighting that a growth bid of £2m had been made to address increased demand within the service. At the same time 15 work-streams had been identified to deliver a net target of £2.5m savings.

With regards to the work-stream reviewing staffing within the service, it was questioned whether this was included in the growth bid. It was highlighted that restructuring could be delivered to enable better outcomes and improved services at a reduced cost, if delivered efficiently.

In response to a question about would the risks to the delivery of the budget were manage it was confirmed that a new IT system was being procured for the service which would assist with the mitigation of risk.

Concern was raised about the number tenants recorded as being in temporary accommodation for more than 12 months. It was advised that the figures provided were a general overview and that the Council relatively better than many other authorities in this area. It was noted that there would be work to improve performance on the turnaround of void accommodation, which would help to address demand. It was agreed that early engagement and improved processes would be key to helping residents in temporary accommodation move into the private rented sector. It was also essential that staff vacancies within the service be addressed as soon as possible to alleviate capacity concerns.

At the conclusion of this item, the Chair thanked the officers and the Cabinet Member for their engagement with the questions of the Sub-Committee.

Conclusions

Following its discussion of this item the Streets, Environment & Homes Sub-Committee concluded the following:-

1. From the evidence provided, it was understood that there were robust plans in place to mitigate against the risks that had caused the Independent Transport and Temporary Accommodation services to be overspent in recent years.
2. The Sub-Committee was encouraged by the growth plans for the Grounds Maintenance Service, but agreed that further detail was needed before a judgement could be made on whether the Council's plans for rewilding and meadowing were sufficient.
3. It was agreed that given the history of significant overspends within the Independent Travel and Temporary Accommodation services, the delivery of these budgets should be monitored by the Sub-Committee in the forthcoming year.

Housing Revenue Account (HRA) Rent Setting and Draft Budget 2022/23

The Sub-Committee considered a Cabinet report set out in a supplement to the main agenda which provided information on the Housing Revenue Account Rent Setting and draft Budget for 2022-23. The decisions set out in the report would be considered by the Cabinet on 7 February 2022 and feedback from the Sub-Committee would be reported to this meeting.

The report was introduced by the Cabinet Member for Homes, Councillor Patricia Hay-Justice, who reminded the Sub-Committee of the background to the rent setting process and how any funds would be used. It was confirmed that the proposed 4.1% rent increase was within Government guidelines and at a similar to the vast majority of other London Boroughs.

The Sub-Committee highlighted that it was a risk for the Cabinet to agree the HRA budget without having agreed the HRA Business Plan, as without this it would not be possible to make a judgement on whether the budget was sufficient to deliver the plan. It was acknowledged that it would have been preferable to have the Business Plan in place before the budget, but as it was in the process of being developed, this work had informed the budget. It was confirmed that the Business Plan would be presented to the Cabinet on 21 March 2022 for its approval. Other risks that need to be monitored included the introduction of the new IT system in the service and available staffing capacity to deliver the level of change required.

There was widespread concern across the Sub-Committee about the potential impact the rent increase may have upon residents, particularly when combined with the overall increase in the cost of living nationally. In response it was highlighted that rents in Croydon were comparatively low to other local authorities and had not increased in the past four years. There was a backlog of repairs, following the pandemic, which needed to be addressed and funding from the increase was needed to provide these services and deliver a balanced budget.

There was agreement amongst the Sub-Committee that it would be difficult for tenants to understand why a 4.1% rent increase was being proposed when they would not have seen any improvement in the level of service provided. Two potential mechanisms for acknowledging the views of tenants were identified by the Sub-Committee. Firstly, it was agreed that the possibility of deferring the rent increase, if only for a short period, needed further exploration to establish whether it would be viable. If it proved to be unviable, there needed to be a greater level of engagement with residents to explain why the increase was needed.

The Sub-Committee understood that there was a range of factors that might make deferring the rent increase unviable, such as the need to fund improvement work, rising inflationary costs and whether the housing regulator would permit rent to be increased later in the year. As such, the Sub-Committee agreed that work needed to be undertaken prior to the Cabinet's

consideration of the rent increase to establish whether any deferral of the increase would be viable from both a regulatory and financial perspective. In the event that deferring the rent increase was not possible, the reasons for this should be confirmed at the Cabinet meeting.

If the possibility of deferring the rent increase was viable, even if only for a short period, the Sub-Committee would recommend that the Cabinet give consideration to this option as it would be a means of acknowledging to the Council's tenants that the performance of the Housing Service had not been at the level the Council would want for its tenants.

If the Cabinet agreed to proceed with the 4.1% rent increase, it was essential that the Council communicated clearly with tenants to outline the link between the rent increase and the improvement journey. Communication about the rent increase needed to outline how it would help to fund the improvement journey, including the tangible benefits residents could expect to see over the next year and in the longer term. The Sub-Committee was in agreement that it was unlikely the Council would be able to bring residents on board with the rent increase without mapping out the pathway for the improvement journey.

With reference to capital projects, it was confirmed that these would be driven by the available staff capacity to deliver the programme and if necessary budgets would be carried over into the next year.

The Sub-Committee welcomed confirmation that staffing resources within the Service would be reviewed in the forthcoming year, as well as confirmation that there would be an ongoing drive to move towards a more customer focussed culture within the Service. It was agreed that both of these measures, alongside delivering improvement in process efficiency, would help to provide an improved and more efficient service for residents. It was also agreed that any review of staffing or changes to the services provided should have a key focus on 'How will this benefit residents'. If a tangible improvement for residents cannot be identified, then the reasons for proceeding needed to be clearly explained to all stakeholders and most importantly tenants.

The Sub-Committee endorsed the move within the Housing Service towards taking a more robust, proactive approach to managing its contracts and was encouraged that there was an intention to move to a similar, proactive approach for repairs. It was accepted that this was still a work in progress and to monitor progress a set of key performance indicators were requested that would allow the Sub-Committee and residents to measure both the financial and service related benefits delivered as a result of the change to a more proactive Service.

At the conclusion of this item the Chair thanked both the Cabinet Member and the Corporate Director for Homes for the engagement with the questions of the Sub-Committee.

Conclusions

Following its consideration of this item the Streets, Environment & Homes Sub-Committee reached to the following conclusions:

1. Overall the Sub-Committee welcomed the engagement and openness of the Cabinet Member and the Corporate Director for Housing with their scrutiny of the HRA budget. The Sub-Committee recognised that although the pace of improvement had not been as quick as envisaged following the ARK Report, there was a commitment to put the right resources in place to deliver improvement for tenants.
2. There was significant concern about how the proposed 4.1% rent increase would impact upon the most vulnerable and it was agreed that in the first instance the possibility of deferring this increase should be explored.
3. Given the challenges facing the service, there needed to be an increased level of engagement with residents to ensure they were kept informed of the progress made with delivering the improvement journey.
4. If the deferring the rent increase was not possible, there needed to be urgent engagement with residents to ensure that they understood the reasons why their rent was increasing.
5. As part of the engagement process, opportunities for the co-design of services with residents should be explored wherever possible.
6. The prioritisation of recruiting to the vacant posts within the service was welcomed, as there was a significant risk that the improvement journey could be impacted by the capacity to deliver.
7. There needed to be a clear pathway to communicate progress made in improving the service to residents. As such consideration should be given to creating a set of publically available key performance indicators that could be used to measure progress.

Recommendations

The Sub-Committee agreed to submit the following recommendations to the Cabinet for consideration when taking its decision on the report:

- 1a. That work be undertaken in advance of the Cabinet meeting to establish whether deferral of the proposed 4.1% rent increase is a viable option.
- 1b. If viable, the Cabinet is asked to consider deferring the rent increase for a to be determined period of time, as an acknowledgement that improvement in the customer experience had not progressed at the pace expected.

2. That any communication and engagement with residents on the rent increase has to be linked with the improvement journey of the Housing Service. This should include a clearly mapped pathway for improvement and tangible outcomes residents can expect to see in the next year.
3. A key principle for any improvement work in the Housing Service needs to be 'How will this demonstrably benefit residents', with a clear focus on delivering outcomes that meet this principle.
4. It is recommended that where possible a co-design approach with residents should be used as a mechanism for delivering change within the Housing Service, to ensure that there is resident buy-in of the process.
5. In addition to the Corporate Indicators, it is recommended that a specific set of key performance indicators are identified that will enable monitoring of the financial and performance improvement delivered by the Housing Service a taking proactive approach to contract management and repairs.

6/22 Exclusion of the Press and Public

This motion was not required.

The meeting ended at 10.35 pm

Signed:

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Date:

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