

Resources and Fire & Rescue Overview and Scrutiny Committee

Wednesday 15 September 2021

Minutes

Attendance

Committee Members

Councillor Adrian Warwick (Chair)
Councillor Parminder Singh Birdi (Vice-Chair)
Councillor Sarah Boad
Councillor Piers Daniell
Councillor Sue Markham
Councillor Jan Matecki
Councillor Will Roberts
Councillor Richard Spencer
Councillor Robert Tromans

Other County Councillors

Councillor Peter Butlin, Deputy Leader and Portfolio Holder for Finance and Property
Councillor Andy Crump, Portfolio Holder for Fire & Rescue and Community Safety
Councillor Kam Kaur, Portfolio Holder for Economy and Place

Officers

Reece Bowman, Interim Programme Manager
Ben Brook, Chief Fire Officer
John Cole, Democratic Services Officer
Andrew Felton, Assistant Director, Finance
John Findlay, Service Manager, Business and Customer Support
Chris Kaye, Strategy and Commissioning Manager (Commercialism)
Ian Marriott, Delivery Lead, Commercial and Regulatory
Isabelle Moorhouse, Democratic Services Officer
Rob Powell, Strategic Director for Resources
Steve Smith, Assistant Director, Commissioning Support Unit

1. General

(1) Apologies

Apologies were received from Councillor Martin Watson; Councillor Jan Matecki was present as a substitute. Apologies were also received from Councillor Caroline Phillips and Councillor Andy Jenns (Portfolio Holder for Customer & Transformation).

(2) Disclosures of Pecuniary and Non-Pecuniary Interests

There were none.

(3) Chair's Announcements

There were none.

(4) Minutes of the Previous Meeting

Resolved:

That the minutes of the meeting held on 14 July 2021 be approved as a correct record.

There were no matters arising.

2. Public Question Time

No public questions were received or presented at the meeting.

3. Questions to Portfolio Holders Relevant to the Overview and Scrutiny Committee

In response to Councillor Boad, Ben Brook (Chief Fire Officer) advised that an increase in the number of fires at industrial sites was evident at both a local and national level and was being closely monitored by Warwickshire Fire & Rescue Service (WFRS). He stated that, nationally, a rise in the number of fires occurring at waste and recycling centres had been recorded leading to the National Fire Chiefs Council (NFCC) appointing advisors to support the response to these incidents.

Ben Brook advised that an increased risk of fire had been observed as Pandemic restrictions eased. This was attributable to a change in behaviours during lockdown, including factors such as motorists being out of practice, resulting in road traffic collisions. WFRS was monitoring trends in these areas.

In response to Councillor Boad, Ben Brook advised that prevention work had progressed well as lockdown restrictions had eased. During lockdown, WFRS had been obliged to undertake Safe and Well Checks remotely; it was now possible for fire crews to meet with businesses and the wider public.

The Chair praised the reaction of WFRS to challenging circumstances following a succession of serious fires in the area; they had responded admirably. On behalf of the Committee, he expressed his thanks.

4. Work Programme

Resolved:

That the Committee agrees the updated 2021/22 Work Programme, as set out in the report, and notes the scheduled future meeting dates.

5. Council Plan 2020-2025 Quarterly Progress Report - Quarter 1 (April 2021 to June 2021)

Steve Smith (Assistant Director, Commissioning Support Unit) introduced the report, stating that it drew upon information provided to Cabinet on 9 September 2021 in respect of performance against key business measures (KBM), strategic risks and workforce management. He encouraged members to make use of Power BI, stating that this resource provided a means to examine data in detail, supporting scrutiny objectives.

Steve Smith highlighted some areas of good performance, stating that customer satisfaction levels had exceeded the set target of 85%. This was a positive trend. He reported that there had been a substantial increase in the number of people following the Council's social media channels. This was attributable to the Authority's response to COVID-19 and the drive to expand social media coverage and digital communication. The increase in social media followers proved the effectiveness of this response and the change in behaviours observed during the Pandemic.

Steve Smith drew attention to the commentaries attached to each of the KBMs outlined within the report where performance had not reached targeted levels. Improvement measures had been prioritised and detailed work was under way with specific departments to analyse issues affecting performance. He stated that the refreshed performance framework would prioritise continuous improvement to ensure that the organisation was moving in the right direction.

The Chair praised the response of the organisation to the additional pressures brought about by COVID-19, including a considerable uplift in demand for specific services.

In response to Councillor Matecki, Steve Smith advised that KBMs were reviewed on an annual basis, including consideration of relevant factors affecting performance. Performance was monitored by a dedicated team to prioritise continuous improvement. This methodology would inform development of the updated performance framework. He stated that Power BI provided a highly effective means of interrogating data to identify areas where remedial action and investment should be targeted.

Councillor Boad highlighted the importance of Warwickshire Fire & Rescue Service's commitment to set a target of zero fire-related deaths and fire-related injuries. However, she emphasised that in some remote areas of the County, it was acknowledged that meeting targeted response times was extremely challenging. Similarly, there were instances where response time targets had been met but WFRS had been unable to save the individuals concerned. She emphasised the importance of setting targets that were configured to provide an accurate representation of performance. This was an area being examined by members of the Integrated Risk Management Plan (IRMP) Assurance Panel.

Councillor Crump (Portfolio Holder for Fire & Rescue and Community Safety) emphasised the importance of prevention work, which had progressed well as lockdown restrictions had eased. He recognised that in some instances, WFRS had acted promptly and proficiently but had been unable to prevent a fire-related death; however, it was right for the target to be set at zero. In respect of response times, he advised that rigorous, evidence-based analysis was utilised to determine the locations of fire stations. This provided the best possible means to ensure that WFRS could respond effectively.

Resolved:

That the Committee notes the progress of the delivery of the Council Plan 2020 – 2025 for the period as contained within the report.

6. Priority Worker Help to Buy Scheme

Rob Powell (Strategic Director for Resources) introduced the report which provided an outline of the concept to establish a Warwickshire Priority Worker Help to Buy (PWHTB) scheme which could be offered for new-build properties built by Warwickshire Property and Development Group (WPDG) on selected sites. The Committee's recommendations would be progressed to Cabinet ahead of its meeting on 14 October 2021.

Rob Powell advised that the proposed scheme supported the Council's Recovery Plan objective 7.8: "Working in partnership with Homes England, we will remove the blocks that have prevented some sites in Warwickshire from being developed, providing more and affordable housing whilst also supporting the recovery of our local economy." He stated that this provided a clear policy context for the introduction of the PWHTB scheme.

Rob Powell advised that the scheme was designed to encourage homeownership and support priority workers with affordable homes. Consequently, it would seek to address recruitment and retention challenges in key areas of the economy, providing a means to attract and retain priority workers in Warwickshire. He stated that, with effective targeting, the scheme would support levelling-up objectives.

Rob Powell stated that the PWHTB scheme constituted an attractive product for prospective homeowners. It offered high loan to value mortgages, lower deposits, and would be available to eligible applicants irrespective of whether they were first time buyers. The criteria were less restrictive than national schemes; it would be attuned to local market considerations.

Rob Powell advised that the scheme would apply exclusively to new build properties built by WPDG and must be the homeowner's only home. The scheme would not apply to all WPDG developments, a decision would be taken on a site-by-site basis as to whether PWHTB properties could be made available. He stated that financial considerations would limit the extent to which the scheme could be offered. WPDG would assess each site when developing a business plan to ascertain whether availability of help-to-buy homes would support sales and delivery of policy objectives. The Council would then review financial risks and make a site-specific value for money assessment. He stated that a robust decision-making framework would support targeted implementation of the scheme.

Rob Powell reported that the proposal was for the definition of what constituted a 'priority worker' to be decided on a site-by-site basis. This enabled flexibility, allowing the scheme to be tailored to and targeted to address local market requirements.

Rob Powell advised that an eligibility cap would be set. This would be based upon household income. A separate maximum price cap would also be set on a site-by-site basis in recognition of the variance in housing markets across Warwickshire.

Rob Powell reported that the PWHTB product was an equity-based loan, meaning that WCC would, in effect, take a share of the property. This tied the loan to the current house value, so if house prices fell, the loan would reduce in value. If house prices increased, the value of the loan would rise proportionately. He advised that an interest-free equity loan was proposed for a duration of five years. At the end of the five years, the buyer would either re-finance, or allow the loan to convert to an interest-bearing loan. The interest rate would be set at a rate to incentivise re-financing, mitigating the financial risk to WCC.

Rob Powell advised that WPDG would receive 75% of the sale value. This was a reason for taking a selective approach to the introduction of the scheme, as it would entail deferral of 25% of the overall receipt, delaying some of the contributions to WPDG's dividends. It would be necessary to assess the ongoing implications of this arrangement to ensure that WPDG could continue to resource its contribution to the Medium Term Financial Strategy (MTFS).

Rob Powell reported that, if house prices continued to rise, the Authority would benefit from 25% of the change in market value. However, it would also be exposed to the risk of a fall in market values. It was important to note that this was a second charge; the first charge would be with the mortgage company.

Changes in value would need to be recognised in the Council's accounts. Consequently, Rob Powell stated that attention would be given to the levels of commercial risk reserves held. These had been determined prior to development of the PWHTB scheme. A commensurate adjustment would be made to cover any additional exposure to risk the scheme posed. Robust measures were proposed to protect the Authority from the impact of a potential drop in house prices. As roll-out of the scheme progressed, there would be greater certainty in managing risks.

Rob Powell advised that users of the scheme would be provided with the opportunity to buy out WCC's share of the equity on their property (known as 'staircasing up') in blocks of 5%. They could make use of this opportunity at any point during the agreement.

Rob Powell advised that considerable attention had been given to the scope of the definition of 'priority workers'. He advised that advantages had been identified associated with a narrow definition focusing upon NHS workers, educators, emergency services personnel, priority areas of local government, and others. However, the exclusion of roles in other areas such as prison and probation services, highways, public transport, supermarkets, care workers, and energy could lead to some disadvantages. It was felt that a local, targeted approach based upon local intelligence was preferred.

Councillor Tromans indicated his support for the initiative. He stated that site-by-site assessment based upon local knowledge was a sensible course of action, enabling a flexible approach. He stated that a scheme of this type was unlikely to be offered by most mainstream mortgage lenders who would be unwilling to postpone their first charge. However, he expressed concern at the regulatory and ethical implications if the interest rate formula involved annual accumulation. He suggested that communication with prospective applicants was required to make clear the rationale for why a second charge formed part of the terms of the scheme.

In response to Councillor Tromans, Rob Powell advised that the interest rate charged at the conclusion of the initial five-year period (in circumstances when a house buyer had elected not to

re-finance) was proposed to be set at x% plus Retail Price Index (RPI). It would not accumulate over successive years.

Councillor Tromans stated that applicants would benefit from improved clarity by modifying this arrangement so that the year six interest rate was fixed at the base rate plus a percentage. This would still provide security for the Council and incentivise homeowners to refinance.

Councillor Tromans suggested that scope to reassign contracts after the initial five-year period was required. This would mitigate the risk of disproportionately expensive administrative costs applying to the remainder of loans which had not been refinanced.

The Chair commented that this was an area of interest; he asked what measures would be in place in instances when users of the scheme were unable to refinance after the initial five-year period.

Andrew Felton (Assistant Director, Finance) advised that precise details relating to regulation of the scheme would require attention prior to its potential implementation. He stated that the concept of the scheme 'in principle' formed the focus of examination at this stage. The points raised by the Committee would be given attention prior to any proposal to seek formal approval for the scheme. He stated that a policy which left those accessing the scheme vulnerable to homelessness would not be pursued; however, a balance was necessary to incentivise a transition to conventional mortgage lenders.

Councillor Roberts praised the scheme, stating that efforts should be made to support the widest possible uptake. He commented that narrowing of the number of sites the scheme applied to and the definition of what constituted a 'priority worker' could be an obstacle to this. In instances where take-up was limited, would the pool of eligible priority workers be expanded?

Rob Powell stated that if the definition of 'priority worker' was cast too broadly, it would be difficult to manage public expectations against resources available to the Council. There was an awareness of significant recruitment challenges and shortages in some key areas. He commented that in some cases the affordability of homes was an obstacle to recruitment; WPDG provided a vehicle to address this. Ultimately, a flexible approach would allow targeted interventions to be made according to local market conditions.

In response to Councillor Spencer, Rob Powell advised that the prices of eligible new build properties would not be fixed and would be a matter for WPDG to decide in the usual way. However, the loan provided by the PWHTB scheme would be a fixed percentage of the market price.

Councillor Boad stated that house prices in Leamington Spa were extremely high, prompting many to seek more affordable options in Coventry and North Warwickshire. She commented that, as the scheme would be available only within some of the areas where WPDG developments were located, it was possible that prospective homeowners could face a long commute to their workplaces. The scheme should not encourage this outcome.

Councillor Boad commented that, taking account of rising house prices, a household might be able to afford a two-bedroom house; however, this would be inadequate for a large family. She asked

what provision would be available for households in the event of a change in circumstances, such as redundancy or illness.

Councillor Boad stated that many low-income households would not be able to afford to buy a house, even given the support offered by the PWHTB scheme. At present, these individuals were cut off from the prospect of homeownership.

Councillor Butlin (Deputy Leader and Portfolio Holder for Finance and Property) stated that a recognition of rising house prices in certain parts of the County was a main driver for introduction of the scheme. He stated that priority workers, such as firefighters, needed affordable homes close to their place of work. The scheme enabled support for this by providing a platform for homeowners based on an expectation of career progression and improved wages. He praised the social value element of the scheme; however, he emphasised the importance of protecting public money by ensuring that the scheme was targeted to reach its intended market.

Councillor Butlin stated that the scheme was not open-ended, this provided security for the Council's investment. He stated that it offered a tool for WPDG to deploy to reach its affordable housing objectives. A targeted approach would enable the Council to make use of local intelligence to identify where priority worker shortages were present and intervene effectively. This provided an advantage over national schemes. He welcomed the observations made by the Committee, stating that, should the initiative be progressed, attention would be given to financial regulatory considerations.

In response to the points raised by Councillor Boad, Rob Powell stated that the PWHTB scheme would complement national help to buy schemes, and that this could be developed further with Government. It was not regarded as a 'silver bullet' which would solve the affordable housing challenge in Warwickshire; however, it would contribute to a wider solution. He advised that, if the early results of the scheme were not positive, there would be an opportunity to step back, limiting exposure to risk.

Rob Powell advised that the maximum price for a PWHTB property was likely to be self-selecting due to the cap on joint income and the sum mortgage companies would be prepared to lend. The Council would adopt a prudent approach; however, even on a limited scale, the scheme could make an important difference to the lives of Warwickshire residents.

Councillor Birdi expressed support for the targeted approach to determining eligibility of priority workers according to site-specific requirements. He asked how decisions would be reached in respect of the types of accommodation made available to PWHTB applicants.

Rob Powell advised that planning authorities would be instrumental in approving sites for development as well as the mix of housing available on a particular site in the usual way for any development. WPDG would support this process and input would be sought from an officer governance group prior to recommendation being made to Cabinet. Local requirements would be taken into consideration and the local member/s engaged appropriately on each site.

In response to Councillor Daniell, Rob Powell advised that the value of the equity-based loan on offer would increase or decrease proportionately with the market value of the property. This was a key factor for both the Council and purchaser of the property. It would be necessary for a prospective house buyer to enter into the agreement from an informed perspective and be well

advised of their options at the conclusion of the initial five-year period. He stated that priority workers were likely to benefit from good job security and opportunities for career progression.

The Chair summarised the points of debate and sought the view of the Committee in respect of a resolution. It was agreed that the Committee was supportive of the proposal and that its observations be forwarded to Cabinet for consideration as part of the decision-making process.

Resolved:

That the Committee:

1. Notes the proposals outlined by the Priority Worker Help to Buy (PWHTB) report;
2. Supports the concept of the scheme outlined in principle;
3. Agrees that its observations be forwarded to Cabinet and asks that they be taken into consideration as part of the decision-making process.

7. Customer Feedback Overview Report

John Findlay (Service Manager, Business and Customer Support) introduced the report, the purpose of which was to provide an overview of the organisation's performance in responding to customer complaints, including outcomes and timeliness of complaints processing. The report identified areas of principal concern to customers alongside details of complaints upheld (partially or fully), where an apology or compensation had been provided, and details of cases forwarded to the Local Government and Social Care Ombudsman (LGSCO).

John Findlay advised that information captured using the Authority's 'Contact Us' system provided a means to categorise complaints and identify areas where learning from feedback could be derived. He stated that during 2020/21, the proportion of complaint cases resolved within the agreed Service Level Agreement (SLA) timeframe was 77.77%. This surpassed the 70% target. He reported that the proportion of complaints received through digital channels had increased during 2020/21.

John Findlay stated that an examination of the reasons for complaints showed three areas which constituted 90% of all complaints received. Of this amount, 8% related to WCC service standards; 9.5% related to the physical environment; and 69% related to communication. This provided a clear focus for the Customer Relations Team. He advised that an analysis of findings, with input from ICT and Business Intelligence, had provided a means to utilise customer feedback to seek improvements. The Customer Experience Strategy offered a means to accomplish this, including a project examining schools admissions systems which had shown good results.

In response to Councillor Roberts, John Findlay advised that complaints received outside of digital channels (for example by a letter or telephone call) were transferred to the 'Contact Us' system to enable comments to be captured, recorded, and tracked.

Councillor Kaur (Portfolio Holder for Economy and Place) praised the work undertaken by Business and Customer Support, stating that impressive progress had been made since 2018

when it was resolved to undertake in-depth analysis of customer feedback. She stated that there was a need to listen to residents' concerns and respond positively.

Councillor Tromans highlighted the improved response rate of complaints managed within required timescales in 2020/21. He acknowledged the considerable effort required to achieve this level of progress.

In response to Councillor Tromans, John Findlay advised that where it was considered that in-depth analysis was required to resolve a complaint, the Customer Relations Team would work closely with the relevant service area. This provided a means for service level risk registers and practices at a local level to be updated. Previously, the Customer Relations Team had taken a less prominent role in this process. The current arrangement provided improved support for service areas.

In response to Councillor Boad, John Findlay advised that the Marketing and Communications Team monitored and responded to complaints received on social media. Should an official complaint be received via social media, it would be referred to the Customer Relations Team.

Rob Powell (Strategic Director for Resources) stated that an opportunity was present to develop links between social media and customer feedback processes. Social media provided valuable insight for the Authority. He stated that, at present, resources were not available to pursue this line of inquiry in detail, but it constituted an area of future interest.

Councillor Butlin (Deputy Leader and Portfolio Holder for Finance and Property) commented that the transition in ways of working brought about by the Pandemic had resulted in some disruption to council services. This coincided with increased demand for public services due to COVID-19. He stated that, in these circumstances, it was reasonable to expect complaint figures to be much higher. The Authority would continue to heed customer feedback to respond to changing circumstances and drive improvement.

Resolved:

That the Committee notes the WCC Corporate Customer Feedback Overview report.

8. Any Urgent Matters

There were none.

The meeting rose at 15:25.

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Chair