

## Draft Annual Report

### **Introduction from the Leader of the council**

There have been many achievements in Medway over the past year, with significant changes being made to both the physical renewal of the area and improvements to the lives of local people. This annual report outlines how the council has delivered these changes and what our accomplishments have been.

There has been considerable progress with our regeneration projects in Medway with the master plan for Chatham being approved. Medway's regeneration programme has been awarded a 'good' two-star rating by the Audit Commission. No local authority in England has ever received a higher score.

The current economic climate is challenging for all of us, so we have supported the physical changes in Medway with social and economic regeneration. Around 3,000 people have been given help to find jobs and more than 660 new jobs have been created with a further 420 protected in Medway, despite the economic downturn. Medway has also bucked national housing market trends with the largest number of new houses being built in almost 20 years.

As a council, we continue to deliver more and improve our performance, while maintaining one of the lowest council tax rates in the country. We are managing our finances well, as confirmed by the Audit Commission. At the same time we are continually looking to see how we can make ourselves more efficient, such as the move this year to our new corporate centre at Gun Wharf, which is saving £1m every year in operating costs.

Quality of life in the local area is improving and Medway is becoming a safer place to live, with burglary, vehicle crime and antisocial behaviour all down. This crime reduction has been delivered in partnership with the police, and in our community through our 25 Partners and Communities Together (PACT) groups. There has also been a reduction in road crashes. The area is a greener place to live, through reductions in carbon emissions and our clean-up campaigns, and a third of household waste is being recycled.

Education results continue their steady improvement with two thirds of pupils achieving five or more good GCSEs, and we'll continue to drive through improvements with our proposed academies. Outcomes for the most vulnerable children are improving and 70 per cent of households are within easy reach of a Sure Start children's centre.

Medway Council is helping more of our vulnerable residents to be in control of the care they receive and to live independently while supporting residents to lead active, healthy lives.

Medway is increasingly recognised as a place of leisure and culture. Our cultural offer has become ever more extensive and includes the Sweeps, Dickens and Fuse festivals as well as the castle concerts and Under Siege – an opportunity for young musicians to show-case their skills and talents.

The council has continued to improve its leisure services, including the introduction of free swimming for the under 16s and over 60s. The £11m investment in the Medway Park will provide a regional centre of sporting excellence opening in 2010. Excellent progress is also being made to get the former Chatham Dockyard and its defences recognised as a World Heritage Site. This bid sums up our ambition to make the five towns of Medway internationally recognised as a "city of learning, culture, tourism and enterprise."

Cllr Rodney Chambers  
Leader, Medway Council

**Section 1 – Achieving our vision - delivering our priorities**

Our Performance Plan which ran until March 2009 set out the six priorities that Medway Council wanted to achieve over the three-year life of the plan. This, our second annual report covering the year 2008/9 explains how well the council has progressed in achieving these priorities:

- A clean and green environment
- Safer communities
- Children and young people having the best start in life
- Older and vulnerable people maintaining their independence
- People travelling easily and safely in Medway
- Everyone benefiting from the area's regeneration

This report also details how well we have delivered on our two core values, “putting the customer at the centre of everything we do” and “giving value for money”, which define how we will go about delivering our priorities.

The council has been independently assessed as performing well. For the sixth year running the Audit Commission gave the council an overall 3 stars out of a possible 4 in the final year of Comprehensive Performance Assessment (CPA). The commission noted that the council continues to improve adequately and “is making improvements in its priority areas”. These include improvements in the housing service, educational attainments and supporting vulnerable people. It also recognised the achievements the council has made in securing new jobs and reducing crime.

In May 2008 the council and its partners agreed the second Local Area Agreement (LAA), which set out 50 targets to be achieved over a three-year period. It will be delivered through the Local Strategic Partnership (LSP), by all agencies working together with the community.

In response to the LAA, Medway Council developed its Council Plan 2009-12, which replaced the previous Performance Plan. It keeps the same priorities and core values, but it is a more focussed document. It details the specific outcomes, actions and measures of success that the council will deliver over the next three years.

## Section 2 – Our priorities

### A clean and green environment

A high quality environment is something we try hard to deliver in the largest urban area in the south east. We have more challenges than many because of our size and the need to regenerate riverside areas, but we are up to the job and our streets are the cleanest they have been for many years.

Medway Council has improved the local environment for our residents during the last year. In the Audit Commission's annual direction of travel statement independent inspectors noted that "streets are cleaner and satisfaction levels have increased". This achievement has also been recognised with two of our parks achieving the prestigious Green Flag award. The council has also been successful in a bid to government for £1m investment in 22 play areas across the area. This will provide high quality play facilities across Medway which are welcoming, safe and stimulating. It is anticipated that this will significantly improve resident satisfaction with green spaces, currently at 54 per cent, which is lower than the target of 58 per cent, but an improvement from 50 per cent in 2004/5.

Medway Council continues to recycle a third of the household rubbish collected from the kerbside and at our household recycling centres. In July 2008 we further expanded our doorstep recycling collection to include glass, and recycling overall has increased from 31.7 per cent to 33.5 per cent. Residents' satisfaction with refuse collection is high at 87.5 per cent, exceeding our target of 84.5 per cent and an increase from 79 per cent in the 2004/5 residents' opinion poll. Resident satisfaction with recycling facilities has increased over the same period from 73 per cent to 75.3 per cent, although behind our target of 78.5 per cent. This in part could be due to the closure of Kent County Council's Gravesend recycling facility which put additional pressure on our Cuxton site and increased waiting times. We have worked on a new waste contract, which will secure further improvements to recycling and the way we manage household waste for the next 25 years. This new contract will start later in 2009.

The council has also been tackling the area's long-term impact on the environment. Carbon dioxide (CO<sup>2</sup>) emissions in Medway are the lowest of all the areas in the south east. We have helped local residents save money, contacting three quarters of Medway residents to offer them advice on how to reduce their energy bills and cut carbon emissions at the same time. This has prevented the emission of 82,000 tonnes of CO<sup>2</sup> through home insulation, and will put some £10m back in the pockets of residents. We've led by example by installing more than 3,700 energy-efficient lightbulbs in our new corporate centre, and this and a number of projects across all our buildings have saved more than 5,500 tonnes of carbon each year. Biodiversity is strong in Medway, with 74 per cent of our eight sites of special scientific interest judged to be in favourable condition by Natural England. This is better than the regional average of 47 per cent. 80 per cent of local wildlife sites are in positive conservation management, as judged by the Kent Wildlife Trust.

Medway Council remains committed to improving the local street scene. Only 5 per cent of our streets had unacceptable levels of litter, down from 7 per cent the previous year and comparing favourably with the national average of 11 per cent. Our 'community clean up' campaigns bring together a variety of services, from the council's housing department and mhs homes to environmental health, waste services to street cleaning and trading standards to the Department for Work and Pensions. They have targeted specific areas across Medway, including Chatham, Luton, Strood and Gillingham to ensure residents are able to enjoy their surroundings. Many of these 'clean up' campaigns also involved Kent Probation, where offenders work for the community free under the Community Payback Scheme as part of their probation. Through tightening up on licensing of companies who dispose of rubbish, we have reduced the number of fly tips from 6,092 each year down to just 4,121 in 2008/9, resulting in Medway's performance being graded as 'very effective' by the Environment Agency. To tackle graffiti, we introduced our graffiti removal service in 2007/8 and it continued to expand in 2008/9, with 1,611 sites having graffiti removed, almost double the 826 sites in the previous year. The impact of this service on graffiti is beginning to be

noticed by residents, with the proportion of residents dissatisfied with the level of graffiti dropping from 27 per cent to 25.5 per cent.

### **Safer communities**

There is still a battle to be won on perception of crime but the facts do speak for themselves. Crime is down in Medway as it has become a safer place to live during 2008/9. Burglary is down 24 per cent when compared to the previous year. Statistically the likelihood is that your home in Medway will be burgled only once in every 160 years. We are working with the police and our community safety teams to crack down on criminals, to try and ensure you never get burgled.

Latest available data shows that vehicle crime is down 17 per cent and criminal damage is down seven per cent. Antisocial behaviour is also down, from 9,582 incidents in 2007/8 to 6,301 in 2008/9, a drop of 34 per cent. This improvement in community safety is a result of Medway Council working in partnership with other local public bodies, such as Kent Police and Kent Fire & Rescue to make the area safer, and to make residents feel safer. Serious violent crime remains a challenging priority as well as tackling disorder associated with the night time economy. Feelings of safety amongst residents have improved from 34 per cent to 25 per cent feeling unsafe in the last three years, and we are working to continue that improvement.

Listening to our residents and understanding their concerns is a key part of our approach to tackling community safety. Working with the police, we have established a Partners and Communities Together (PACT) group in each local area in Medway. This allows residents to tell us their concern.

Every ward in Medway also has a dedicated safer communities officer who has a high visibility role to reassure the public and act as the eyes and ears of the community. They work closely with Kent Police, attend PACT meetings, are involved in community clean-ups and also have an enforcement role. More than 1300 residents responded to a consultation exercise across Medway. Their concerns were used to develop community safety priorities to ensure they are shared by residents, the council and its partners such as the police and NHS Medway.

Following the success of the alcohol control zones in Rochester and Chatham which have reduced alcohol related crime by some 70 per cent, two new zones came into force in November 2008 in Strood and Gillingham. It is just one example of how the council is working in partnership with residents, local businesses and the police to improve safety at night.

Our environmental enforcement team has been working closely with Kent Police, the Driver and Vehicle Licensing Agency (DVLA) and the Vehicle and Operator Services Authority (VOSA) on campaigns to rid the streets of abandoned vehicles and to ensure vehicles are roadworthy, taxed and licenced. Overall the area has seen a drop of almost 60 per cent in abandoned vehicles over the last four years.

The Community Safety Partnership has introduced a network of television screens, located at 13 key public locations across Medway to broadcast a range of community safety and reassurance messages. They also have the capability to provide instant messaging so that important safety information can be broadcast immediately. Medway took part in a national evaluation which showed that 87 per cent of our residents found the screens a useful way for gaining community safety information. This compares favourably with other areas.

During 2008/9 the council, Kent Police and NHS Medway worked together through the LSP to launch the SOS bus. The bus allows the partnership to take services to the community in the places where they are needed most. For example, it can provide a safe haven and deal with incidents during the evening and night, and be used for health promotion and other educational events during the day. During 2008/9 we also opened our partnership office, allowing council officers to work alongside the police to share expertise and resources on a single site at Medway Police Station. This will help the service become more responsive and efficient.

Our successes in this area have been externally recognised. The Audit Commission noted our success to improve community safety in their annual audit and inspection letter and said that “more people feel safe following targeted work on anti social behaviour and substance misuse”.

### **Children and young people having the best start in life**

During 2008/9 Medway Council and its partners laid the foundations for the new Children’s Trust. Launched in April 2009, the Children’s Trust brings together all the main public organisations, including the council, NHS Medway, Kent Police and various community and voluntary groups. Together they share a commitment to listening to children and young people and improving their lives. The trust’s vision is to achieve the best possible outcomes for children and young people through the strongest of partnership arrangements, and it will be responsible for delivering the Children and Young People’s Plan, the two-year plan detailing how all public bodies will work together to ensure all children and young people are safe and cared for, succeed in learning and thrive.

National high profile developments have highlighted the importance of having sound systems for protecting vulnerable children. External inspection has recognised our improvement in this area and we have continued our drive to improve the protection and support for the most vulnerable children, such as those in care or subject to child protection plans. We commissioned an independent review of child protection procedures in Medway following the Baby P case. This found that child protection procedures in Medway are sound. We have speeded up child referral assessments for social care and are now performing better than the England average. We have been successful in supporting children in care by giving stable homes, wherever possible with foster carers prior to adoption.

We have completed 14 out of our proposed 20 Sure Start children’s centres. This means that 70 per cent of households can now access a Sure Start children’s centre, and this will increase to 100 per cent by the end of 2010/11.

Our commitment to excellent services for young people has been externally recognised. Medway is one of the first councils to be awarded a ‘You’re Welcome’ quality mark for its services to young people with mental health problems. Our Child and Adolescent Support Team, supporting children with moderate mental health needs, was awarded the maximum Level 3 grading against the quality mark, one of only two authorities in the south east to be awarded this accolade. The award recognises the commitment the team has to putting young people at the centre of service delivery and their willingness to go the extra mile for them. It is now recognised as an example of best practice.

GCSE results in Medway continue to improve, with 66 per cent of pupils achieving five or more A\*-C grades. This is better than the national average of 64 per cent and represents a four-year trend in improving results from 50 per cent in 2004/5. Currently 48 per cent of pupils achieving five or more A\*-C grades *including* English and maths, with a rate of increase at three times the national average. Several years ago, the government set a target that at least 30 per cent of pupils in each school should achieve five A\* to C grades at GCSE level by 2008. Every school in Medway achieved this target. Following the introduction of diplomas for secondary age children reported in the last year’s annual report, we continue to expand the curriculum to ensure that all children can enjoy and achieve. For example, Medway schools have received £1.5 million to introduce food technology courses.

Key stage 2 results in maths are improving at twice the national rate, currently at 74.2 per cent are achieving level 4 or above, and increase from 72.0 per cent in the previous year, and maintaining a four-year trend in improving educational results. 77.5 per cent are achieving level 4 and above in key stage two English which is also an increase from the year before from 76.4 per cent and in line with the national average. For key stage 2 science performance rose to 84.1 per cent. Performance at foundation stage has improved significantly this year, from 39 per cent to 50 per cent in just one year, meaning more young children are getting their education off to a good start.

The council continues to ensure it has appropriate school buildings to support our pupils in education. With the overall number of pupils falling, it is important that we make the right decisions about investing in our schools.

Two primary schools – Burnt Oak and The Pilgrim – were built following the merger of two sets of infant and junior schools. We have continued to develop plans for an academy on the site of the New Brompton College. The academy planned for Strood is due to open in September 2009 and the academy planned for Chatham has been approved by the council.

We are currently consulting on our primary strategy for change, a programme of long-term investment in our primary schools.

During 2008/9 74 per cent of schools achieved Healthy Schools Status, better than the national target of 65 per cent, and 93 per cent of schools are engaged with the programme.

The Medway Youth Trust was commissioned by Medway in June 2008 to help young people get the best start in life. It replaced the former Connexions service with a service specific to Medway and plays a vital role in supporting young people in Medway to make the most of their learning and skills and employment potential and to have a bright future. This important work continues to be challenging for Medway, with 9.3 per cent of young people aged 16-18 not in education, employment or training at the end of 2008/9.

The Medway Sporting Academy is a pioneering new initiative by Medway Council to support Medway's talented young athletes and help them on their path to 2012. Working in partnership with schools, universities, clubs and national governing bodies, the Medway Sporting Academy is a five-year programme to assist 80 young people with outstanding sporting potential to realise their potential. It is the first initiative of its kind in the UK.

Ofsted assess local authorities each year in their annual performance assessment, and in 2008 they judged that Medway is "good" at helping children and young people enjoy and achieve, make a positive contribution and achieve economic well-being. The report noted that "there is clear evidence of improvement in most areas" and "good progress has been made in improving the quality of schools." However, the report noted some challenges ahead, particularly in the area of making sure all children in Medway are healthy. We have already made considerable progress at tackling these challenges, with joint working with NHS Medway being key to our success. For example the proportion of children in council care who have had health reviews has improved from 65 per cent to 81 per cent in the last year. In addition, we have achieved our PSA target for reducing childhood obesity, working with a specific group of children and their families, although in common with areas across the country, obesity levels in our primary aged children are on the increase.

Evidence shows that young people who have children at a young age will find their future more challenging, as will their babies. Medway Council is committed to working with NHS Medway and local providers to reduce the rate of teenage pregnancies. For example, we have increased the number of centres taking part in the c-card scheme from nine to 29 in the last year. This means that more young people can access the advice they need, and more than half of pharmacists in the area now offer emergency contraception. We've also delivered our Speakeasy course, giving advice to parents on how to improve sexual health issues. We are working with young parents to ensure that they can give themselves and their children the best life, such as by continuing their education and preventing further pregnancies, through our Step 4ward programme. A recent visit from the Department of Health noted that Medway was well placed to progress rapidly, and was impressed the council's commitment to tackling this challenging problem.

The council is committed to giving young people a say in how their council is run. Fulfilling our pledge to children in care is vital and we value and work with our children in care council to encourage those in care to have a say in how services for them develop. We also actively engage with young people through the Medway Youth Parliament, the Youth Opportunity Panel, the Young Evaluators Group and the Medway Young Commissioners.

**Older and vulnerable people maintaining their independence**

The Commission for Social Care Inspection's annual performance assessment of adult social care services gave the council the maximum 3 out of 3 stars during 2008. The commission judged there to be 'good' delivery of outcomes with 'excellent' capacity to improve services. In addition, six of Medway's care homes were given 'excellent' ratings and the Platters Farm Lodge linked service centre also received an 'excellent' rating.

People are living longer and the number of older people living in Medway will significantly increase over the next 15 years. The council is already commissioning services that will meet the needs of this client group, as well as planning in partnership with NHS Medway for the longer term, particularly in relation to support for older people with dementia. The council is committed to ensuring that there is sufficient provision of care homes in Medway for those that wish or need to live in a care home. The redevelopment of the former care home in Chatham, known as Churchlands, began in January 2009. The council is working in partnership with Kent Community Housing Trust to develop a 112-bed home for older people with dementia.

We are committed to securing the best quality of care for all our residents, and that care is offered fairly and transparently. The council has been recognised as a leading example in the way we buy support from independent organisations for those that need care. We have over 80 per cent of providers rated by the Care Quality Commission as good or excellent in Medway. All the providers that form part of the council's Home Care contract are rated as Good.

Our Fair Access to Care project ensures that care is directed to those who most need it, setting clear criteria for giving care that residents can understand. During 2008/9 we began to assess our service users to ensure that everyone is receiving equal and fair access to appropriate care. To support this project, we have also invested more in voluntary providers to support those who do not meet the criteria to enable them to continue to be supported in the community.

2008/9 also saw the launch of the carers' strategy that was developed in partnership with NHS Medway. In 2001, 21,500 people described themselves as carers in Medway. Carers are people who are not paid to provide support and care to family and friends. The council is committed to supporting these citizens who make a positive contribution to the lives of vulnerable and older people. Through this strategy we will support carers and involve them in decisions, so that services are personal to them and their needs. The delivery of the carers' strategy will be overseen by a new Carers' Partnership Board. The board will be made up of a variety of representatives including carers.

We're also making it possible for more people to be in control of the care they receive. The number of people who choose to receive self directed support or direct payments has significantly increased this year, albeit from a low base. In partnership with NHS Medway we've also created a community equipment service specific to Medway. Based in the local area, this will be a more efficient service that can quickly respond to clients' needs for aids and adaptations that help older and vulnerable people to remain independent in their homes. As a result the percentage of vulnerable people achieving independent living is currently 85 per cent, and the percentage supported to do so effectively is 97 per cent, significantly ahead of their targets of 63 per cent and 70 per cent respectively.

The council recently undertook a home care survey to find out about how people think that care provided in their homes helps them to remain independent in a way that suits them. It showed that 92 per cent of older people receiving home care were satisfied with their care. This is an improvement on the satisfaction levels last year. The council has been working with providers to improve their service delivery so that the overall satisfaction ratings continue to improve.

The council is working with Medway Local Involvement Network (Medway LINK) to develop a mystery-shopping programme of care services as another way of monitoring the quality of care services in Medway.

## People travelling easily and safely in Medway

From December 2009 we will have new state of the art hi-speed trains connecting Medway with London in half an hour. We are seeking planning permission to build a new modern bus station in Chatham and are continuing work to make our pavements and streets safer for people travelling around Medway.

The annual audit and inspection letter from the Audit Commission noted that on travel the council is progressing well against this priority. The Government's mid-term progress review on the delivery of Medway's Local Transport Plan noted "excellent progress" with delivering the objectives of the plan.

Medway is becoming a safer place to travel. The number of people killed or seriously injured on our roads has fallen by 45 per cent and the number of children killed or seriously injured has fallen by 51 per cent since 1998. The number of slight injuries has also fallen by 11 per cent. To achieve this the council has worked hard on road safety, completing more than 40 road safety schemes per year, as well as educational programmes and publicity campaigns.

During 2008/9 we also launched the junior road safety officers' programme. Pupils from primary schools promote and carry out road safety education in a variety of challenging ways, from school assemblies to competitions and special events. More than 80 per cent of schools in Medway now have school travel plans, which help schools develop alternatives to car travel to school. As a result more than £165,000 has been awarded to Medway schools to help improve travel and road safety arrangements around school grounds. This was the highest award of any unitary authority in the south east. We are also encouraging young people to walk to school by extending our walking bus schemes, we now have 36 buses involving 642 pupils. As a result of these initiatives there has been no increase in the number of children travelling to school by car in the past year. Take up of our half fare bus scheme for young people has grown, with 1,786 passes being on issue in June 2009 and 80,000 journeys made during 2008/9.

Medway Council has continued its programme to ensure that all residents can enjoy accessible and convenient public transport. For example, in August, Medway worked with a local bus company to retain a threatened bus route. In July we agreed funding to allow residents holding bus passes to travel anywhere in Kent from 9am rather than the previous 9.30am. Medway Council has significantly improved transport in rural areas by the continued development of the two 16-seater *Villager* community buses. This scheme has been successful in improving accessibility to services and reduces social exclusion, using volunteer drivers. In its first two years of operation it has carried out 400 journeys, with 3,000 passengers and 175 additional hires by community groups. The number of people using buses has increased by over a quarter since 2000/1 and 88.9 per cent of buses run on time – an increase from 80 per cent just two years ago. Surveys indicate that by 2008 there had been a 50 per cent increase in the number of people cycling to or from train stations since 2004 and a 16 per cent increase in cycling overall.

The Medway Tunnel is a vital road link used by 46,000 vehicles each day. Medway Council is working closely with the Rochester Bridge Trust to secure the long-term future funding of the tunnel. We have also secured £13m funding from government to improve the quality and reliability of bus services, and introduce a new Urban Traffic Management Control system, which will reduce congestion and improve the efficiency of the road network, by providing real time information to bus and road users, and prioritising public transport. These works will be complete by March 2011.

We have sustained performance in our road maintenance, with road surveys showing only five per cent of the principal road network in need of major road maintenance, which puts us in the top 25 per cent of local authorities. While there has been a slight increase in the proportion of non-principle roads where maintenance should be considered, from 10 per cent to 11 per cent, this is set to reduce to just over nine per cent through renewed investment during the next two years. However, this performance is not in line with resident satisfaction, currently at 32 per cent and behind the target of 44 per cent we set for ourselves back in 2004/5. To tackle this we have taken out a £4m loan to invest in improving our roads and pavements.

Medway's parking services won a British Parking Award in 2008 for joined up thinking, when we worked with 13 other authorities in Kent to standardise parking policies to make it easier for residents to understand.

### **Everyone benefiting from the area's regeneration**

Regeneration remains a top priority for Medway Council, and our ambitions for the regeneration of Medway were summed up recently by our design champion, Sir Terry Farrell, in his visionary document "Five Towns Make a City", which set out the "once in a generation" opportunity to become a successful, cohesive city.

Medway's track record on physical, social and economic regeneration has been given a 'good' two-star rating by the Audit Commission. This is one of the highest scores received by a Local Authority. They went on to say that there were 'promising prospects' for improving further. The commission recognised our "ambitious agenda" for regeneration and noted that we and our partners "tackle the things which matter most to local people" and commended us for tackling social and economic regeneration as well as physical improvements.

2008 saw two major milestones for the flagship Rochester Riverside site, with developers being appointed to build the first 600 homes, and the site's riverside walk and cycle route being opened to the public. We have consulted on and agreed the 'Chatham Master Plan', setting out our plans for the regeneration of Chatham town centre. Following the completion of the first phase of the Chatham road network improvements, we are beginning the second phase, and have started work to demolish the fly-over. This work will pave the way for the new bus facility in Chatham town centre, and the agreed refurbishment of the Pentagon centre. We've also continued our preparatory work for the regeneration of Strood, which includes obtaining planning permission for 500 new homes. During 2008/09 914 new houses were completed in Medway, the highest figure for the area in almost 20 years, and exceeding the target figure of 815. Given the deep recession the country has been experiencing this level of performance is exceptional and shows that our regeneration efforts are bearing fruit and bucking national housing trends.

Our development control service is vital to support the regeneration of Medway, and in 2008/9 it retained its ISO 9001:2000 quality accreditation. The service ensures that new development is accompanied by community facilities through contributions from developers towards the costs of new buildings such as schools and healthy living centres, road schemes and parks. The service has secured £4,632,224 since February 2007.

2008/9 saw the first full year of operation of the South Thames Gateway Building Control Partnership, formed in October 2007 from the building control groups of Gravesham, Medway and Swale. A new consulting service has added greater flexibility in the advice and support the partnership can offer clients on a whole range of sustainability issues. In November 2008 the service was re-certified against the ISO 9001:2000 quality standard, with both the quality culture and staff development particularly praised. Over the year the partnership has reduced the average number of days taken to vet a planning application from 14 (already above the national performance standard) to 11 days, and customer satisfaction is high at 97 per cent.

Medway Council is committed to helping individuals and businesses during the recession. We realise it is a hard time for many people and have a rapid response team which works with firms making redundancies to help to get people back into employment as soon as possible. We offer business start up grants and loans, apprenticeships and graduate work placement opportunities. We are opening a new jobs advice centre in Chatham and have opened our latest innovation centre for new business in Medway. The council's direction of travel statement from the Audit Commission highlighted how Medway "has created new jobs and provided good opportunities for improved skills." It was also highlighted as one of Medway's key reasons why Medway's regeneration has "promising prospects for improvement" according to the Audit Commission's regeneration inspection.

## Appendix 1

To consolidate this work, we have successfully won more than £200,000 of funding for the Employ Medway project, a major new counter-recessionary initiative to strengthen the employment potential and skills levels of local people. Medway has been recognised as a leader in this area, being visited by the Minister for Employment and Welfare Reform in September, who saw the work of the Reignite and Score projects, which have helped more than 3000 residents overcome barriers to employment and access skills training and qualifications since November 2006.

We also secured funding from the South East England Development Agency (SEEDA) to extend the JobsMatch, Reignite, Score and North Kent Construction Skills (NoKCS) projects. These have all improved the employment potential and skills levels of local people. JobsMatch helped 140 people into employment and NoKCS organised the Construction Industry Expo with 100 exhibitors and 1,200 visitors, as well as attracting 36 construction companies to sign a pledge to improving the skills of their workforce. In total 1,131 gained access to community learning during 2008/9 and 1,437 have gained Level 1 or 2 qualifications thanks to such initiatives over the last three years.

This year, action through Medway's economic development programme has enabled the creation of 663 jobs, a 14 per cent increase on the previous year, despite the economic recession, as well as the protection of 420 jobs. The construction of a new state-of-the-art Medway Innovation Centre (phase two) was completed on budget. This will provide additional office space for up to 48 businesses. This builds on the success of the first phase, which created 46 new jobs in technology and research companies. We hosted the Fit2Supply workshop for more than 100 businesses to help them maximise the commercial opportunities of the 2012 Olympics.

Medway Council is working to maximise the benefit of the 2012 Olympic games. The council has won the Sustainable Communities Award for the 2012 legacy it is creating. In February 2009 Medway hosted guest speaker Dame Tanni Grey Thompson holding an inspirational lecture "Seize the Day: The Battle to Be the Best", motivating young people to make the most of the 2012 games.

The council has promoted sport more generally, including the introduction in 2009 of free swimming for under 16s and over 65s. A total of 14 companies and 200 competitors took part in our annual Medway Business Games, and 100 people participated in two Medway Disability Games events. The Mini Youth Games and Youth Games events are unique to Medway. In the 2008/09 series there were an estimated 2,500 young people participating in the 10 Mini Youth Games events and 700 participants in the nine Youth Games events. Medway Council has been working with NHS Medway to develop the Medway Gets Active campaign for launch in summer 2009. This is aimed specifically at promoting and increasing adult participation in sport which includes a new website providing a one-stop-shop for information about sport and physical activity opportunities in Medway. The council has also made grants to 10 Clubmarked sports clubs to provide projects aimed specifically at getting 2,000 more adults taking part in sport. It has appointed two full time sports development officers to focus on increasing adult participation in sport through community and facility-based initiatives.

We have also invested in our leisure facilities. During 2008/9 we refurbished and extended the Echoes Suite at Strood Leisure Centre. We also secured £11m of funding and started improvements to the Black Lion Centre to create the Medway Park regional centre of sporting excellence. It will be completed by 2010. We have retained accreditation to the Quest, Charter Mark, ISO 9001 and OHSAS 18001 quality standards across our leisure centres, as well as ISO 14001 accreditation for environmental management in leisure centres. In particular, the Black Lion leisure centre is in the top 100 leisure centres nationally for its overall Quest quality score. There were 2.5m visits by Medway customers to our seven leisure centres, which were run at a net cost of £1.3m. In November 2008 we secured a further £2m of investment in the Great Lines Heritage Park, a key component of our bid to make the former Chatham Dockyard, its defences and a section of the river, a World Heritage Site.

Tourism supports more than 5,000 jobs in Medway, and it is vital that we continue to promote the area as a heritage and cultural tourism destination. The amount of money tourists spend in Medway has grown since 2000. Latest research estimates an annual value to the local economy of £265m. Visits to the leading local tourist attractions increased last year by four per cent in a very

challenging economic climate. During 2008/9 Rochester Castle and the Historic Dockyard were “highly commended” at the south east Tourism Excellence Awards. The council tourism team are promoting hotel development in Medway in order to generate more short break tourism – five new hotels are currently in the pipeline, bringing about 500 new hotel bedrooms by the end of 2012.

Medway runs 20 free days of festivals, more than Brighton, which attract 400,000 visitors to Medway. These range from Sweeps, the biggest festival of its kind in the country, to the Fuse Festival and Dickensian Christmas. We also put on the Castle Concerts, one of the highlights of Medway’s social calendar, followed by Under Siege, our youth showcase event, described by one performer as the best experience of his life. Overall satisfaction for festivals and events is high, with 99.6% of visitors being satisfied.

During 2008/09 the restructure of housing services was completed. It has streamlined the way we provide services to make them more effective, and this delivered a number of key improvements last year. The Audit Commission gave the housing service a maximum 4 out of 4 star rating during its annual Comprehensive Performance Assessment. It identified that “the council was delivering relatively high levels of affordable housing that offer a mix of tenure” and confirmed that the steps taken by the council were making positive improvements to the service addressing the issues identified in the 2008 strategic housing inspection.

We have exceeded our target for the number of new affordable homes in Medway, providing 427 homes against a target of 177, and reduced the number of households in temporary accommodation from 307 at the beginning of the year to 151 at 31 March 2009.

We secured £2.8m funding from the Regional Housing Board to be spent over three years, and we will be using this to help make properties in Medway more energy efficient, and to give grants to our most vulnerable residents to enable them to have improved heat and insulation.

The council has a housing stock of approximately 3,200 properties, and 82 per cent of our tenants are satisfied that we provide value for money. We are on target to make sure all council houses meet the decent homes standard by 2010.

Housing services’ main reception is now at Chatham Contact Point, and we helped 18,398 customers in 2008/9. We have also inspected 700 properties in the private rented sector to improve housing conditions, including taking enforcement action against landlords when necessary, and licensed 97 houses in multiple occupation.

## Section 3 – Our Core Values

### Putting the customer at the centre of everything we do

We are committed to providing services in ways, at times and in places that suit our customers. Through our award-winning customer first programme we are seeking to widen the range of services our customers can readily access and we will continue to develop the services through our contact points in each of our five main town centres. If residents are not completely satisfied with the service they received, we are committed to putting it right and learning from the experience to ensure it does not happen again.

We upgraded our libraries' IT system to a sophisticated and efficient system, which even allows residents to access the service from the comfort of their own home, including information from newspapers, directories and reference books, as well as reserving books on line. This investment in our library service is ongoing and will make a real impact on customer experience, and establish our libraries as community hubs providing a range of services in easily accessible places. At 4159 visits per 1000 population, usage of libraries is low in comparison with other authorities, but during 2009/10 we have secured investment of £360,000 on new books, £175,000 for a new mobile library and £50,000 for public access PCs, which are aimed at attracting more customers to our libraries.

Medway's leisure centres achieved the prestigious Customer Excellence Award, one of only 80 organisations to have achieved the standard, in the whole of UK. There are only 10 holders of this award in the south east, which includes London. The council's benefits service scored the maximum 4 out of 4 in its annual assessment by the Audit Commission, and our Customer First centre retained its Charter Mark accreditation in February 2009.

However, we have fallen behind our challenging local target of responding to 96 per cent of complaints within agreed timescales, and the overall number of complaints has increased, largely as a result of the new schools admissions procedures. A fundamental review of current complaints management procedures has been undertaken in order to streamline processes and make better use of technology.

We have continued to deliver our services in ways which provide equal access for all, and recognise the diversity of our local population. Our Annual Equalities Report highlighted our achievements to date, including retention of our accreditations as a Positive about Disability employer, which means we have demonstrated evidence that we have improved against the specified criteria. The council is not complacent and recognises that to provide effective, appropriate, good quality services the needs of the whole community must be understood and reflected in service delivery.

We are working in partnership with other agencies and local people to make sure Medway has a strong community spirit. We have continued to develop action plans for neighbourhood social regeneration that are based on priorities chosen by local residents themselves. We have drawn up, in partnership with local residents and stakeholders, a Neighbourhood Action Plan for the Luton area, thanks to funding secured from government department of Communities and Local Government (CLG). In order to put together this action plan, the council undertook a programme of "Community Futures" Workshops - our good practice model for consulting and engaging local residents on social regeneration issues.

Consulting with our residents to allow them the opportunity to influence the development of council services is a key part of our customer service focus. For example, in January residents were encouraged to shape the future of Jackson's recreation ground in Rochester and Riverside Country Park and say how almost £300,000 of lottery funding should be used to improve the parks. Residents were also consulted on plans for the conservation of Rochester Castle to ensure it remains an iconic English landmark. We also created a dedicated website, allowing residents to comment on the draft Local Development Framework, which sets out the vision for the

development of the whole Medway area. In another example, school pupils were consulted on the design of two primary schools which opened in September 2008.

### **Giving Value for Money**

We are proud of our track record in providing value for money. As the previous sections demonstrate, we are working continuously to improve performance, while maintaining our position as a low cost council. We keep a tight rein on our finances and always seek more efficient and effective ways of delivering our services. We've had to take some big decisions recently such as increasing council tax. However, we try to ensure such tough decisions continue to maintain high levels of service.

The Audit Commission closely monitors all local authorities and other public bodies throughout the country. The commission has recognised our improvement in performance and stated "the council delivers good value for money".

The council, like any other authority, is funded through a mixture of government grant, business rates and council tax. Medway Council, which serves a population of about 257,600 gets less grant than many other councils with similar populations as it receives £315 per person compared with an average of £380 per person elsewhere in the country.

Our residents also tell us that we deliver good value for money. Previous opinion polls suggest 57 per cent of our residents believe we deliver good value for money, and 82 per cent of housing tenants are satisfied that their rent provides good value for money.

Tight financial control coupled with a focus on priorities has seen the council stay within budget and make a saving of £3.5m in 2008/9. This is still just over 0.5 per cent of the council's overall expenditure. It gives the opportunity to strengthen our reserves to support the financial standing of the council in the longer term – a prudent measure as all public sector bodies are forecasting a much tougher economic environment in the years to come. A particular focus for the coming year will be to look at how we can improve how we work to ensure we make further efficiencies in the organisation.

In April 2008 we completed a key part of our ongoing invest-to-save programme, by centralising to a single administrative centre at Gun Wharf. This is saving the council £1m per year through reduced maintenance and travel.

Government grants and council tax are not the sole income sources for the council. We have attracted considerable sums in external funding, not least for regeneration projects with more than £80m for regeneration and a £90m programme for school academies.

A further £13m for transport improvement grants and the success in securing external funding for projects from various sources including Europe has contributed to the recently announced 'good' regeneration inspection result. Our social regeneration programme has seen the £1m council investment increased five-fold with match funding. We secured £8.5m from other external resources in 2008/9 with a further £20m awaiting final decision from the funders.

The Audit Commission assesses the council on its use of resources, and in the annual audit and inspection letter recognised that we deliver value for money, stating: 'The council achieves good value for money overall and this meets one of its stated core values. With a relatively low resource base, the Council targets resources towards its priority outcomes. In overall terms, costs are lower than similar authorities.' This comment supports the continuation of our 'good' score for value for money and Use of Resources with the council scoring an overall 3 out of 4 stars.

The annual assessment of adult social services also rated the council as 'excellent' for its use of resources. Similarly, the children's annual performance assessment noted a "clear and sustained focus on achieving value for money". The recent inspection of regeneration by the Audit Commission also confirmed that "value for money is secured" and that both "public and private

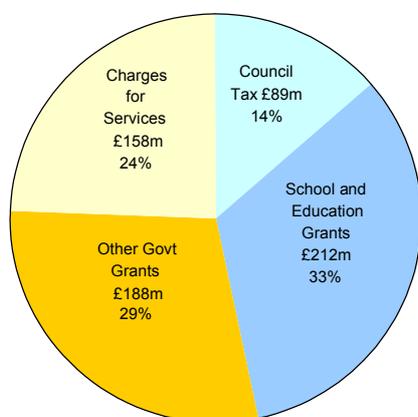
investment is well spent". Additionally 4ps Gateway (Public Private Partnership Programme who assess the success of complex projects and programmes) rated our regeneration unit as being in the top 10 per cent performing areas for providing value for money in regeneration in the Thames Gateway.

These statements clearly recognise the council's record of delivery both in performance and cost, the key ingredients of value for money, particularly as the test each year gets harder.

### Financial Information

We want to be open and transparent about the Council's finances. The following tables give more detailed information on how we used our money, together with explanation of what it means, so that you can form your own opinion about our financial standing.

#### Income – Where the money came from



**Total Income: £647.5m**

Funding for Medway's services came from a variety of sources with over 60 per cent, or £400million being provided from government and other grants. These grants include £191m for children, schools and families, £69m in general grants and £87m from the department for Work and Pensions. It can be seen from the tables that council tax accounted for only 14 per cent of our income. In 2008/09 we, once again, achieved an underspend on our overall budget and were able to transfer £3.474 million to reserves - a prudent measure given the much tougher economic environment in the years to come. This underspend has been achieved through tight financial control and finding more effective and efficient ways of delivering services, such as the move to our new administrative centre, which is currently saving the council £1m per year.

#### Expenditure - How the money was spent

We spent a total of £647.5m delivering services during 2008/9. The following table shows how we spent our money.

- At the start of each year we set a budget, which details how much we plan to spend on each service, and how much income we expect to receive. This is shown in the *Budget* column
- The *Expenditure* column tells you how much was actually spent on each service.
- The *Income* column describes how much money the council received from fees and charges for services, and specific grants.
- The *Net* column gives the difference between the two – the overall cost of the service once any money received has been deducted. This Net overall cost is met from council tax, non-domestic rates and revenue support grant from the government (included in the 'other government grants' in the chart above).

## Appendix 1

- Tight financial control means the overall cost of a service in the Net column should be as close as possible to the Budget, and this is shown in the *Variance* column.

Service	Budget £000s	Expenditure £000s	Income £000s	Net £000s	Variance £000s
Children's Services	57,614	290,747	234,752	55,996	(1,618)
Adult Services	63,633	91,531	30,500	61,031	(2,603)
Environment and Planning	8,377	19,165	9,168	9,998	1,621
Highways, Transport and Parking	27,108	40,883	14,125	26,758	(350)
Housing	4,357	113,878	109,168	4,709	353
Waste Services	16,566	20,751	4,904	15,847	(719)
Culture, Tourism & Heritage	3,924	6,486	2,667	3,820	(105)
Libraries	271	4,481	289	4,192	3,921
Sports	3,879	8,488	4,278	4,209	331
Green Spaces	4,418	5,123	861	4,262	(156)
Other	(23,301)	46,008	73,458	(27,450)	(4,150)
<b>Total</b>	<b>166,845</b>	<b>647,541</b>	<b>484,170</b>	<b>163,371</b>	<b>(3,474)</b>

Each year the Council agrees a Council Plan, alongside the budget, to show how it will allocate its resources to achieve its six strategic priorities, and the outcomes and actions it will deliver. The following table shows the spend per resident and funding source for the priorities together with the financing costs:

Medway's Priorities - Spend per Resident			
	£	Funded by:	£
A Clean & Green Environment	108		
Safer Communities	30	Council tax	350
Children & Young People etc	1,144	School and education grants	836
Older & Vulnerable People	360	Other Government Grants	741
People Travelling Easily	161	Charges for services etc	621
Regeneration	564		<b>2,548</b>
Financing Costs (depreciation, interest etc)	181		
<b>Total</b>	<b>2,548</b>		

### Capital Expenditure – Money spent on long-term projects

In addition to the day-to-day expenditure summarised above, we also invest in long-term projects such as improving roads, building new schools and improving existing buildings, improvements to council housing and considerable regeneration throughout Medway. Examples include:

- The completion of the new Pilgrim Church of England and Burnt Oak primary schools
- The completion of a further 4 children's centres and
- The completion of Phase 2 of Medway Innovation Centre
- Road maintenance and improvements
- Our major regeneration project, such as Rochester Riverside, and Chatham town centre

Next year will see the completion of extensive refurbishment and improvement works to Medway Park facilities at the Black Lion, further school completions, extensive highway improvements and further regeneration projects throughout Medway and in particular in Chatham. Funding for these schemes comes from a variety of sources, including government grants, borrowing and other contributions. The following table summarises the major areas of capital expenditure during 2008/2009, which amounted to over £40 million.

Capital Expenditure on Services	£000s	Sources of Funding	£000s
Regeneration	17,989	Government Grants	16,586
Schools	7,097	Borrowing	21,436
Highways and Transport	7,036	General and Specific Reserves	1,325
Libraries, Sport, Culture & Greenspaces	3,984	Other Contributions	888
Other Services	2,229	Major Repairs Allowance	104
New Children's Centres	1,106		
Housing	839		
Other Children's Services	39		
Adult Social Services	20		
<b>Total</b>	<b>40,339</b>	<b>Total</b>	<b>40,339</b>

The capital investment over the priority areas was:

Medway's Priorities	£ 000's
A clean and green environment	505
Safer communities	100
Children and young people having the best start in life	8,242
Older and vulnerable people maintaining their independence	20
People travelling easily and safely in Medway	6,976
Everyone benefiting from the area's regeneration	22,335
Centralising to a single corporate centre	2,161
<b>Total</b>	<b>40,339</b>

### The Council Balance Sheet

The 'net worth' of the Council is £0.8 billion and is the difference between our assets of £1.4 billion (land, buildings, investments, etc) and our liabilities of £0.6 billion. Assets are things we own, such as land, buildings and investments, whereas liabilities are sums that we owe, such as borrowing and purchases we know we will have to pay for.

Most of the 'net worth' of the Council consists of assets in the form of schools, roads and other buildings that were acquired a long time ago. These are represented in the Statement of Accounts by a specific 'account' so we can monitor their overall value. However, they are not reserves or 'savings' in the usual sense, because the Council would not want to 'use' this reserve. The Council holds other reserves or savings which it can choose to use to cover future investment or contingency sums as part of prudent financial management. These are shown in the table below:

### Balances and Reserves

	Amount £000s
General Fund Balance	9,500
Housing Revenue Account Balance	4,303
Schools Balances	5,850
Reserves earmarked for long term projects	2,847
Reserves earmarked for short term expenses	7,272
General Reserves	3,263
Other Reserves	(543)
<b>Total Reserves &amp; Balances</b>	<b>32,492</b>

## Financial Data in Context

The following table illustrates the per person or per household cost of delivering services by the Council in 2008/9:

Cost of:	£
Primary school place per pupil per year	3,358
Secondary school place per pupil per year	4,074
Libraries per person per year	15
Street cleaning per person per year	13
Road maintenance per person per year	26
Average weekly cost of older person in care	506
Parks and open spaces per person per year	18
Collecting rubbish and recycling per household per year	110
Street lighting per household per year	14

## More Information

More information on how much the Council spent on services can be found in the Statement of Accounts. More information on how we plan our resources can be found in the Council Plan 2009-12 and the Budget 2009/10.