

Medway Council
Meeting of Business Support Overview and Scrutiny
Committee

Wednesday, 8 August 2012

6.30pm to 9.20pm

Record of the meeting

Subject to approval as an accurate record at the next meeting of this committee

Present: Councillors Avey, Bright, Carr (Chairman), Christine Godwin, Pat Gulvin (Vice-Chairman), Juby, Maple, Osborne, Tolhurst and Watson

Substitutes: Councillor Gilry for Councillor Harriott
Councillor Adrian Gulvin for Councillor Royle
Councillor Purdy for Councillor Irvine

In Attendance: Councillor Howard Doe, Portfolio Holder for Housing and Community Services for agenda item 5
Councillor Peter Hicks for agenda item 7
Richard Hicks, Assistant Director Customer First, Leisure, Culture, Democracy and Governance
Councillor Tom Mason, Portfolio Holder for Corporate Services for agenda item 6
Councillor Rupert Turpin for agenda item 7
Stephanie Goad, Assistant Director Communications, Performance and Partnerships
Mick Hayward, Chief Finance Officer
Perry Holmes, Assistant Director Legal and Corporate Services
Caroline Salisbury, Democratic Services Officer
Gavin Stedman, Commercial Services Manager

272 Record of meeting

The record of the meeting held on 28 June 2012 was agreed and signed as correct by the Chairman.

273 Apologies for absence

Apologies for absence were received from Councillors Harriott, Irvine and Royle.

274 Urgent matters by reason of special circumstances

There were none.

275 Declarations of disclosable pecuniary interests

There were none. Councillor Avey declared that he is a member of the Medway Credit Union which is referred to in agenda item 7 – Report from in-depth task group on “Fair Access to Credit”.

Councillor Maple also declared that he is a member of Medway Credit Union and Kent Savers which are referred to in agenda item 7 - Report from in-depth task group on “Fair Access to Credit”.

276 Attendance of Portfolio Holder for Housing and Community Services

Discussion:

The Portfolio Holder for Housing and Community Services, Councillor Doe, addressed the committee advising that it had been a difficult year for adult learning services due to the downturn in the economy and as a result less people had attended courses but that it was still on course to break even in financial terms.

The committee was also advised that the Adult Learning Centre at Green Street, Gillingham was in the last stages of being vacated and re-located to a newer building with eight classrooms in order to concentrate on its successful training operation. Another success had been joint work with the Job Centre and Employ Medway Programme to assist 179 people through courses to help them prepare for employment. Members were informed that the adult learning course brochure had been delivered to all homes in Medway and the future of the service included more courses and better presentation of the service in its new location in Gillingham and at the community hub in Rochester.

The committee asked:

- What did the courses to help people back in to employment entail?

Councillor Doe responded that this varied for each individual but could cover basic skills, such as reading and writing, developing and establishing confidence and how to dress appropriately for a job interview.

- How many centres for adult learning were located in Medway and where were they located?

Councillor Doe advised that it operated in Rochester and Gillingham and other courses took place at Rochester Grammar school, Hundred of Hoo school, Chatham Grammar school and Strood Academy. There were also classes for adults with learning difficulties at Woodlands school.

- How were classes for older people, with a non-training element, faring? For example manual dexterity classes (such as craftwork) for people with arthritis

Business Support Overview and Scrutiny Committee, 8 August 2012

The Portfolio Holder advised that this area of the service had been declining over a period of time, particularly in ICT. It seemed that a lot of people had now gained the basic skills and the demand was no longer there. Economically, older people in particular, were struggling with their finances. In the future it was hoped that there would be more emphasis on health and wellbeing with courses to help keep older people's minds active – for their quality of life and to live healthier for longer. Councillor Doe added that there were now better premises for craftwork activities based in Rochester.

- Whether courses to learn a second language were being used, especially for languages such as Cantonese and Japanese?

Councillor Doe responded that the uptake for this was generally down on previous years. There was some interest in Japanese but the main incentive to learn a second language came from holiday travel. Chinese language lessons were generally taken up by schools and Mid Kent College for younger people.

- What income was received through sponsorship from the private and public sector?

The Portfolio Holder stated that the level of sponsorship received for this service was very small but that government sponsorship had steadily declined.

- Whether the total number of people attending courses had declined?

Councillor Doe responded that overall the numbers attending adult learning courses had fallen. The 16–18 age group had been most severely affected with a decline of 32%. Apprenticeships had fallen by 3% and the adult skills budget had reduced by 9%. He believed that people would only attend depending on their financial circumstances, if they could afford it on top of their basic outgoings.

Decision:

The committee thanked Councillor Doe for his presentation and the answers he had provided to the issues raised.

277 Attendance of Portfolio Holder for Corporate Services

Discussion:

The Portfolio Holder for Corporate Services, Councillor Mason, gave a presentation on the following areas:

- Bereavement and registration services – continued to deliver high levels of service. The Kent Family History Society continued to provide volunteers to help digitise the records for Bereavement and Registration Services and the Landscape Group continued to maintain the cemetery grounds to a high

Business Support Overview and Scrutiny Committee, 8 August 2012

standard. The mercury abatement works at the crematorium were now underway, together with improvements to the car park and chapel and the removal of the existing cremators. A Governance Board had been set up, chaired by the Portfolio Holder, and a cross-party group of Members had visited and would visit the crematorium on a three monthly basis.

- Human Resources (HR) – benchmarking comparisons against other Local Authorities showed Medway favourably with the HR cost per head of employee at £104 and the national average at £177. The Corporate training budget remained at £213,000.
- Local Strategic Partnership(LSP) – the LSP Board had not met for 18 months due to the changes in the NHS and police service. However, the Chief Executive of the council continued to meet partners on a regular basis. The LSP lead partnerships continued to meet and were taking forward deliver on the key LSP priorities. There was no legal requirement to continue this formalised partnership but Medway had not yet decided whether to disband it, or not.
- Sustainable Community Strategy – the current strategy ran until 2026 setting out the priorities being taken forward by the lead partnerships.
- Big Society – the Portfolio Holder advised that last year he had proposed several ideas, which he was still developing, such as elderly people using their experiences and knowledge to give practical training and encouragement to young people excluded from school. He also proposed another event to thank volunteers from around Medway for the work they carried out. He had met the Chief Executives of Medway Citizens Advice Bureau and MHS Homes and he hoped to meet the Head of Business Development at Mid Kent College in order to raise sponsorship for these events.
- ICT – the service had been extremely busy and, in conjunction with the Head of Service, he had written to all ICT staff to thank them for their dedication and commitment.

The committee asked:

- The Portfolio Holder to investigate the ease of access on the council's website for information on planning applications and also how to access social services.
- What back-up plans were in place during the closure of the crematorium for mercury abatement works?

the Portfolio Holder advised that the staff at the crematorium were doing everything possible to keep things running as smoothly as possible but that there would inevitably be some impact whilst the works were ongoing.

Business Support Overview and Scrutiny Committee, 8 August 2012

- Did the improvement plans at the crematorium include a waiting room, as other crematoria had, which was especially useful in bad weather conditions?

Councillor Mason advised that there were no plans for a waiting room to be provided during the current improvement works.

- What communications strategy had been put in place to notify the public of the closure of the crematorium and the reasons for it?

The Portfolio Holder advised that he had requested that signage was established at the entrance to the crematorium and that publicity was to be placed in the Medway Matters newsletter.

- Why had it taken four years to begin the mercury abatement works at the crematorium, to be completed only just within the legal timescale set by the government?

Councillor Mason informed Members that, legally, the mercury abatement works had to be completed by December 2012. The timing had been because all Local Authorities had to make the improvements within the period of time set by the government. Only a limited number of companies had the expertise to carry out the necessary works, and were unable to carry all the works out at the same time and this had been the reason for the timing in Medway.

- What learning and development opportunities were available within the council, not related to Better for Less? Members requested a breakdown of the last budgetary year and the training budget for non-Better for Less training

Councillor Mason agreed to provide this information to the committee via a Briefing Note.

- Would the Triangle Youth Awards continue, as they had previously been a great success?

Councillor Mason advised that he believed the Portfolio Holder for Children's Services, Councillor Wicks, was happy for these awards to continue.

Decision:

The Portfolio Holder was thanked for his presentation.

278 Report from in-depth task group on "Fair Access to Credit"

Discussion:

The Chairman of the Task Group, Councillor Hicks, gave a presentation setting out the context of the review and the main issues considered, together with the outcome of the review leading to the 29 recommendations. The main findings of the review were:

- The role of the Council in supporting Medway residents affected by unaffordable credit – work to enable credit unions, promote financial literacy and support the establishment of a Social Impact Board
- Strengthening the rules governing the issue of lending licences and, recognising that an effective strategy in combating illegal lending was an alternative supply, addressing the lack of affordable credit – included focus on giving local authorities greater control over the planning process and enabling affordable alternatives such as credit unions
- How the Council could promote financial literacy and affordable lending and debt counselling – recommendations to promote the integration of financial education in to the curriculum, financial literacy for all and promote the timely access to appropriate and quality advice.

The committee welcomed the draft report from the Task Group, recognising the comprehensive facts and information it delivered and that problems with debt was not just in deprived areas but also across the whole of Medway. Members also understood that this was currently a high profile national issue with changing regulation, frequent announcements and research from a range of organisations coming forward on a regular basis, which would continue to inform this debate, and that this review would also contribute to the ongoing national dialogue.

Members discussed doorstep lending acknowledging that families saw this as a reliable form of loan when they needed something because their parents and grandparents had used this form of lending in the past. Therefore it was about trying to break that specific cycle of lending by informing people of the benefits of Credit Unions, which would only charge its members a maximum interest rate for a loan of 2% per month or 26.8% APR, rather than the substantially higher interest rates charged by other lenders, some being several thousand percent.

The committee was also advised of the Task Group's finding that banks were unwilling to provide short-term low value credit and that the cost of an unauthorised bank overdraft could be set at a charge of £5 or £6 per day, with examples of actual APR of an overdraft transaction at 90,888%.

The Task Group advised that people did not necessarily always choose the lowest cost loan but often made their decision on ease of access and speed of receiving the loan. It was very important to be able to provide people with the

Business Support Overview and Scrutiny Committee, 8 August 2012

relevant information in order that they could make an informed decision before taking out a loan and many of the recommendations sought to assist this. A good first step to achieving this was to ensure that young people received the relevant training and information whilst at school, in order to help them with their priorities and financial decisions in the future. For people already with debt problems, it was important that it was easy for them to access information and direction to free debt advice.

With reference to the term “support” in recommendation 9, it was clarified that the Task Group welcomed the research being undertaken by Bristol University into caps on the total cost of credit and suggested that the recommendation was amended accordingly.

Decision:

The Committee agreed:

- (a) that the Fair Access to Credit review was referred to Cabinet on 4 September 2012 for consideration, including any comments from the Regeneration, Community and Culture Overview and Scrutiny Committee with recommendations 1 – 29 as set out in the report with the amendment to recommendation 9 as follows:

“That the Council *welcomes* the appointment of Bristol University’s Personal Finance Research Centre to carry out research into the impact on consumers and business of a variable cap on the total cost of credit that can be charged in the short to medium term high cost credit market. The research is due to report in summer 2012 and it is recommended that the Council review and respond to the Government response to this research”;

- (b) to thank all the officers who supported the Task Group during this review.

279 Council Plan monitoring 2012/2013 - Quarter 1

Discussion:

The Assistant Director, Communications, Performance and Partnerships introduced the report advising the committee that it was considering a new basket of measures for 2012/2013. At the last meeting, Members had requested additional measures to be included and these had been re-introduced. Two others still under development were ‘Satisfaction with Community Officers’ and ‘Impact of work with Looked After Children’, both of which would be included in the information provided at quarter two as final work was on-going to ensure the measures could be recorded with quantifiable objectives.

The committee considered the summary table at appendix 1 where core assessments for vulnerable children and adult carer assessments remained a problem. With regard to the carer assessments, the Assistant Director advised that the service was looking to let a new contract to achieve more timely

Business Support Overview and Scrutiny Committee, 8 August 2012

assessments. She also advised that with regard to the employment targets shown with a red rating, data was awaited from Locate in Kent.

Members asked for more information on the pilot arrangements in relation to domestic abuse (paragraph 7.4 on page 113 of the agenda). Officers advised that this had arisen following a recommendation from an Ofsted inspection. The Police held a lot of information from their call outs to domestic abuse incidents. The pilot was to test how notifications of these incidents could be shared with health professionals and schools so that all had access to information that could indicate a potential risk to a child's safety.

A Member expressed concern with the performance of indicator HS156 (number of people in temporary accommodation) and advised that as he was seeing his own caseload around housing issues rising, this could become a worsening situation. He also raised concern that the police, and in some cases the Police Community Support Officers (PCSO), were not attending PACT meetings and because they were a key partner, the PACTs were looking to disband, as the meetings were meaningless without their attendance. Therefore, should SF14 (Council attendance at PACTs and SACTs where notified a fortnight in advance) be included in the basket of indicators if the number of PACT meetings was going to reduce. Other Members advised that the police were also not engaging with their local PACT meetings.

With reference to the FUSE Festival (page 112 of the agenda), a Member raised concerns over the arrangements for this year's festival regarding the re-siting of the event on the Great Lines, licences that were not obtained for the practice events and the clearing up operation afterwards. The relevant officers had responded to his concerns but he wanted to ensure that next year's event did not have the same problems.

Decision:

The committee agreed to:

- (a) note the first quarter performance against the Key Measures of Success used to monitor the progress against the Council Plan 2012/2013;
- (b) refer the issues raised with regard to the increase of the number of households living in temporary accommodation (HS156) and the FUSE Festival to the Regeneration, Community and Culture Overview and Scrutiny Committee for further consideration;
- (c) ask the Portfolio Holder for Community Safety and Customer Contact to look into the issues raised over lack of police engagement with PACT and SACT meetings.

280 Revenue budget monitoring 2012-2013 - Quarter 1

Discussion:

The Chief Finance Officer introduced the report highlighting that the outturn forecast for 2012/2013 currently stood at just under a £1 million overspend which was a better position than at this time last year and that the outlook was positive compared to its historic pattern.

A Member asked about the anticipated management action to reduce spending by £350,000 within the Children's Care division (paragraph 4.2 on page 119 of the agenda) and what this involved. Officers advised that they did not know the details and would respond in writing.

Another Member asked about the forecast overspend of £124,000 within the Communications, Performance and Partnerships (as detailed on page 120 of the agenda). Officers responded that this related to a front line service, Children's Independent Review Service, which was driven by the volume of child protection activity. A locum social worker was currently employed to deal with the number of cases and this had led to the overspending position.

Members also asked about services funded by the Primary Care Trust (PCT) and Health Authority and what would happen with that funding when they cease to exist in April 2013. The Chief Finance Officer advised that he had been assured that the current funding would continue but was still unclear where the monies would come from, or if they would be paid directly to the council. He also informed the committee that the Local Authority would assume responsibility for public health from April 2013, with about 50% of the current public health funds of the Primary Care Trust transferring to the council, which equated to an approximate budget of £11 million with associated costs, contracts and staff. He was in the process of working with the PCT and the government on this matter.

Members voiced their grave concern with regard to the final bullet point of Planned Use of Reserves (page 121 of the agenda) which stated "Key Stage 2/Governor Training - £143,000 to be funded from the DSG/Standards Reserve Fund", as the Portfolio Holder for Finance had given his assurance that the monies would be used solely for Key Stage 2 one to one training and not for governor training. The Chief Finance Officer undertook to clarify this and inform the committee of his findings.

Decision:

The committee agreed to:

- (a) note the forecast outturn position for 2012/2013 and any proposed management action to reduce the potential deficit;

Business Support Overview and Scrutiny Committee, 8 August 2012

- (b) request details of the anticipated reduction of £350,000 within the Children's Care division, as set out in paragraph 4.2 of the report;
- (c) request further information, when available, on the PCT public health funding transition arrangements;
- (d) request confirmation that the £143,000 funded from the DSG/Standards Reserve Fund is to be used solely for Key Stage 2 one to one training and not be used for governor training. £143,000 to be funded from the DSG/Standards Reserve Fund.

281 Capital budget monitoring 2012-2013 - Quarter 1

Discussion:

The Chief Finance Officer introduced the report advising that all of the capital schemes were forecast to be delivered on time, with a forecast underspend of £750,000, mostly from within the Regeneration, Community and Culture directorate.

The committee commented on the schemes detailed in Appendices 3 and 4 showing a 'smiley face' status symbol but with zero figures across the line. The Chief Finance Officer advised that this showed that it was a completed scheme.

A Member asked about the length of delay to the Darnley Arches Subway scheme (page 140 of the agenda) and why nearly £146,000 had been spent to date but the scheme had not yet started. The Chief Finance Officer advised that this was a particularly difficult scheme affected by roads and negotiations with Network Rail but that he understood that it was due to commence at the end of the year.

The committee also asked for information on why the Pentagon staff car park was not being used (shown in Appendix 4, page 140 of the agenda 'Pentagon BS Lease Settlement'). Officers agreed to respond with the relevant information via a Briefing Note. In response to another query on the reduction of £221,000 from the Section 106 scheme to part fund the Four Elms to Tunnel scheme (paragraph 4.3.3 on page 129 of the agenda), officers advised that this information would also be provided via a Briefing Note.

Decision:

The committee agreed to:

- (a) note the spending forecasts summarised at Table 1 and budget virements as detailed in paragraphs 4.2.2, 4.2.3 and 4.3.2;
- (b) request that officers provide a Briefing Note detailing why the Pentagon staff car park was not being used and further information on the reduction of £221,000 from the Section 106 scheme to part fund the Four Elms to Tunnel scheme.

282 Work Programme

Discussion:

The Democratic Services Officer introduced the report highlighting the changes to the work programme as set out in paragraphs 3.2 and 3.3 of the report.

The committee discussed the referral from the Employment Matters Committee and the Chief Finance Officer advised that he would be unable to provide an overview of consultants employed by the council, as there was no overall database holding this information within finance. This could only be investigated and value for money demonstrated on a case-by-case basis. Members were further advised that consultants would only be employed when the council did not have the relevant in-house expertise or capacity. Managers would be expected, when proposing the use of consultants, to identify how they would support a project and to work within the budget, considering value for money aspects at that time.

A Member, who was also a Member of the Employment Matters Committee, stated that this was why the issue had been raised as there may be staff within the council who had skills and expertise the council was unaware of, especially at a time when jobs were being put at risk, and these staff should be utilised rather than employing a consultant. The Chairman suggested that HR should be asked to be more responsive on this issue, with managers reporting this information on a regular basis to HR in order that the council had a record of people/companies working in this capacity. Councillor Carr advised the committee to refer the issue back to the Employment Matters Committee in order that it could consider the way forward on this matter.

With reference to two reports currently on the committee's work programme – review of the Overview and Scrutiny function in Medway and E-petitions, a Member requested that these reports were combined into one report and timetabled for consideration as soon as practicable.

Decision:

The committee agreed to:

- (a) note the current work programme, including the deferral of the Medium Term Financial Plan to the next meeting and the addition of a report on Localising Support for Council Tax;
- (b) combine the two reports on a review of the Overview and Scrutiny function in Medway with a report on E-petitions and that the report is submitted for consideration as soon as practicable;
- (c) refer back 'The Use of People Resources' to the Employment Matters Committee with regard to the employment of consultants by the council.

Business Support Overview and Scrutiny Committee, 8 August 2012

Chairman

Date:

Caroline Salisbury, Democratic Services Officer

Telephone: 01634 332013

Email: democratic.services@medway.gov.uk