

**Medway Council**  
**Meeting of Business Support Overview and Scrutiny**  
**Committee**

**Tuesday, 13 August 2013**

**6.35pm to 8.30pm**

**Record of the meeting**

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

**Present:** Councillors: Avey, Bright, Clarke (Chairman), Pat Gulvin (Vice-Chairman), Maple, Mackness, Wildey, Price and Harriott

**Substitutes:** Councillors:  
Adrian Gulvin (Substitute for Irvine)  
Kemp (Substitute for Royle)  
Shaw (Substitute for Murray)

**In Attendance:** Neil Davies, Chief Executive  
Stephen Gaimster, Assistant Director, Housing and Regeneration  
Stephanie Goad, Assistant Director Communications, Performance and Partnerships  
Mick Hayward, Chief Finance Officer  
Perry Holmes, Assistant Director Legal and Corporate Services/Monitoring Officer  
Genette Laws, Head of Category Management Team  
Kate Mummery, Category Lead/Corporate Client  
Teri Reynolds, Democratic Services Officer  
Dean Wetteland, Acting Managing Director, Medway Norse

**261 Record of meeting**

The record of the meeting held on 20 June 2013 was agreed and signed by the Chairman as correct.

**262 Apologies for absence**

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

**263 Urgent matters by reason of special circumstances**

There were none.

### 264 Declarations of interests and whipping

Stephanie Goad declared a personal interest in item 6 (Mobilisation update about Medway Norse) as she was a Director on the Medway Norse Board. It was confirmed that she had been advised by the Monitoring Officer that she was able to remain in the room for the discussion of this item.

### 265 Procurement Strategy

#### Discussion:

The Head of Category Management introduced the report, which updated the Committee on the outcome of the consultation on the draft Procurement Strategy which had resulted in some changes to the strategy being made.

Members welcomed the report and raised a number of points and questions including:

- **Use of apprenticeships** – to include the use of apprenticeships aligned with legislation and good examples had been seen with existing contractors.
- **Purchasing cards** – it was explained that these acted like a debit cards and were issued to officers, which provided an audit trail of expenditure and also limited the amount of expenditure undertaken. These also avoided various steps required in terms of manual invoicing and therefore it was felt these would also help reduce the cost of invoicing.
- **Advertisement of contract opportunities available** – it was confirmed that all available contracts would be advertised on the category management page on the council's website and this page had been made easier to find and navigate from the Council's main web pages. In addition the team were also using Kent Business Portal to further alert companies of opportunities.
- **Intelligent spending** – following a request from a Member the Head of Category Management undertook to provide an example via a briefing note, of how this category management approach had been adopted within the recent Homecare contract process.
- **£230 million budget** – officers were asked to provide a breakdown of the £230 million budget that the Council uses to spend with third parties per annum, as stated in the report.
- **Reporting on progress** – it was requested that in addition to the six monthly reporting that was planned for the Procurement Board, these also be presented to the Business Support Overview and Scrutiny Committee.
- **Key stakeholder feedback** – the Head of Category Management undertook to liaise with the committee member who had confirmed he was able to provide alternative contact details for one of the organisations.

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- **Ensuring value for money** – it was recognised that achieving value for money was key in terms of procurement and in response to a request from a Member the Head of Category Management undertook to provide information on comparisons with retail values and values of products purchased through contracts in relation to paper.

### Decision

The committee: -

- (1) recommended the draft Procurement Strategy to the Cabinet for approval;
- (2) requested a briefing note demonstrating an example of how the category management approach had been used as intelligent spending, using the recently awarded Homecare contract as an example;
- (3) requested a breakdown of how the £230 million budget was made up, which was then spent with third parties per annum;
- (4) requested information on the differentiation between prices paid in contracts for products and how this compared with retail prices;
- (5) requested that a report on progress and impact of the Procurement Strategy, if approved by Cabinet be brought to this committee in six months time.

## 266 Mobilisation update about Medway Norse

### Discussion:

The Head of Category Management introduced the report, which updated the committee on the transfer of facilities management to the joint venture company Medway Norse, which had been agreed by the Cabinet in March 2013.

Members then raised a number of points and questions including:

- **Use of apprenticeships** – officers confirmed that the target for the life of the agreement was ten apprenticeships, however, this was a minimum and would be reviewed by the Medway Norse Boards on an ongoing basis. Norse had a track record of exceeding such targets in other areas.
- **Contacting Medway Norse** – Members were advised that if they had any queries relating to services managed by Medway Norse then they should contact the Corporate Client. Contact details for the Corporate Client would be shared with all Members for future reference, along with the Client Care Booklet.

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- **Staffing** – officers confirmed that information about Medway Nurse staff and of those, how many were still employed by another agency would be presented in the quarterly reports to future meetings of this committee.

### Decision:

The committee noted the report and requested that the Corporate Client's contact details and the Client Care Booklet for Medway Nurse be circulated to all Members.

## 267 Revenue Budget Monitoring 2013/14 - Quarter 1

### Discussion:

The Chairman drew the committee's attention to the second bullet point in section 4.1 of the report which referred to an overspend in relation to home to school transport for children with special educational needs. He suggested that consideration of this aspect be deferred to the next meeting when the relevant officers could then be present and more information on how this was to be addressed could be provided.

The Chief Finance Officer then introduced the report, highlighting the outturn forecast for 2013/2014, which currently stood at a £4.6 million overspend. It was noted that management action plans were being prepared and it was anticipated that this estimated figure would be reduced as the year progressed. Some of the areas of overspend, such as children's social care, were however difficult pressures that were unlikely to be managed in a way to realise a balanced budget.

Members then raised a number of points and questions including:

- **Use of agency staff in social care** – the Chief Executive explained that this was a particular area of concern in terms of the budget and that the target to have a full complement of staff featured in the action plan arising from the Ofsted inspection relating to safeguarding arrangements for children. He added that Kent County Council were currently trying to recruit over two hundred social care staff and that the proximity of Medway to London were additional challenges to overcome. A more creative approach was therefore being made to recruitment, with social workers being targeted from Ireland and Canada, where terms and conditions associated with holiday entitlement, etc are more favourable here.
- **Doncaster social services** – in response to a query the Chief Executive confirmed that, it is understood that an independent trust had taken control of Doncaster Council's children's social care services for a ten year period and that this had followed a number of years of poor performance and a lack of progress against improvement plans. It was suggested that the Children and Young People Overview and Scrutiny Committee should consider looking into this issue further, either at a future committee meeting or have information via a briefing note.

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### Decision:

The committee agreed to: -

- (1) Defer consideration of the overspend in relation to home to school transport for special educational needs to the next meeting of this committee.
- (2) Recommend the Children and Young People Overview and Scrutiny Committee consider a report on the £2.2 million overspend within the Children's Care division at its next meeting of the committee.
- (3) Recommend the Children and Young People Overview and Scrutiny Committee consider at its next agenda planning meeting whether to consider a briefing note or a report on the issues of Doncaster Council's children social care services and the impact this could have on the future of Medway's services.

### 268 Council Plan Monitoring 2013/14 - Quarter 1

#### Discussion:

The Assistant Director, Communications, Performance and Partnerships and the Assistant Director, Housing and Regeneration introduced the report and highlighted to Members the performance against the key measures that fell within the remit of this committee.

Members then raised a number of points and questions including:

- **Use of temporary accommodation by probation services and out of area placements** – The Assistant Director, Housing and Regeneration explained that the impact of out of area placements, particularly from London boroughs, had not been as significant as had been expected. In addition, the Chief Finance Officer explained that the Benefits Manager's work in challenging landlords on cost rises had also had some positive outcomes. The impact of welfare reform however continued to be a concern for the future. A further update on this issue would be reported to the committee as part of the update on progress of the recommendations from the Supported Accommodation Task Group. It was also requested that Members be provided with a breakdown of temporary accommodation applicants in terms of whether they were local, from London Boroughs or from a further distance away and also that a breakdown of applicants' previous accommodation be provided, in terms of whether they were home owners, social housing tenants or privately rented their previous property.
- **Chatham Town Centre** – officers were urged to ensure actions required from the Chatham Regeneration Board were moved forward.

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- **Establishment of a shared communication and marketing service** – it was recommended that this be added to the agenda of the September meeting for pre-decision scrutiny.
- **Affordable housing** – in response to a query it was confirmed that approximately 60% of affordable housing was provided through section 106 agreements. It was also confirmed that within the Developer Contribution Guide it was recommended that 60% of affordable housing was provided on a rental basis and 40% was provided on a shared equity basis but exact figures would be provided.

### Decision:

The committee: -

- (1) noted the report
- (2) requested a breakdown of temporary accommodation in terms of status of the provider (e.g home owner, private sector);
- (3) requested a breakdown of the types of affordable housing and how much was achieved through section 106 agreements;
- (4) requested that a report on establishing a shared communications and marketing service be added to the next meeting as pre-decision scrutiny.

## 269 Capital Budget Monitoring 2013/14 - Quarter 1

### Discussion:

The Chief Finance Officer introduced the report which, it was noted, did not forecast any significant issues for quarter 1 of 2013/14 in relation to the capital budget.

Members then raised a number of points and questions including:

- **Asbestos management in schools** – in response to a question the Assistant Director, Legal and Corporate Services confirmed that the Council had run a very comprehensive programme in identifying schools with asbestos, which was often in the boiler rooms. He undertook to confirm to Members when schools were last contacted in relation to managing asbestos.
- **Contractors blacklisting** – Members raised concern that one contractor used by the Council had been involved in a blacklisting legal action case. The Chief Executive confirmed that there was no indication of any Medway contractors blacklisting prospective employees on the basis of affiliation to certain bodies for example trade unions, and that the particular company referred to had operated excellently for Medway. However, he would be writing to the company for assurance.

## **Business Support Overview and Scrutiny Committee, 13 August 2013**

### **Decision:**

The committee noted the report and requested that an update on when contact was made with schools about asbestos management be provided to committee Members.

### **270 Work Programme**

#### **Discussion:**

The Democratic Services Officer introduced the report and updated the committee on some suggested changes to the timetabling of the following two reports: -

- Review of the implementation of the recommendations from the Supported Accommodation Task Group – it was recommended that this be moved to the December meeting;
- Long term empty properties – it was recommended that a briefing note on this issue be provided instead.

In terms of long term empty properties Members confirmed that they would still like to receive a report on this issue and therefore it was suggested that a briefing note detailing the broad statistics be provided and a report on this then be added to the February meeting of the committee.

#### **Decision:**

The committee: -

- (1) agreed the changes to the work programme as identified in the report, subject to: -
  - a. the review of the implementation of the recommendations from the Supported Accommodation Task Group being scheduled for the December meeting;
  - b. long term empty properties being scheduled for the February meeting, with a briefing note on the broad statistics being provided beforehand.
- (2) noted the work undertaken by all overview and scrutiny committees (set out in appendices 2 and 3 to the report).

### **Chairman**

#### **Date:**

**Teri Reynolds, Democratic Services Officer**

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