

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

**Thursday, 3 July 2014**

**6.30pm to 8.13pm**

**Record of the meeting**

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

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

**Substitutes:** Councillor Osborne (substitute for Murray)

**In Attendance:** Robin Cooper, Director of Regeneration, Community and Culture  
Nick Anthony, Strategic Property and Energy Manager  
Dean Coulls, Acting Head of Category Management  
Therese Finn, Planner Policy, Development Policy and Engagement  
Perry Holmes, Assistant Director, Legal and Corporate Services/Monitoring Officer  
Julie Keith, Head of Democratic Services  
Catherine Smith, Planning Manager (Policy)  
Lauren Wallis, Democratic Services Officer  
Dean Wetteland, Acting Managing Director, Medway Norse

**110 Record of meeting**

The record of the meeting of the Committee held on 19 March 2014 and the record of the Joint Meeting of all Committees held on 14 May 2014 were agreed and signed by the Chairman as correct.

**111 Apologies for absence**

An apology for absence was received from Councillor Murray.

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

There were no urgent matters by reason of special circumstances.

**113 Declarations of interests and whipping**

## Business Support Overview and Scrutiny Committee, 3 July 2014

### Disclosable pecuniary interests

There were none.

### Other interests

There were none.

Councillor Irvine has taken the Monitoring Officer's advice as he had been a respondent to the consultation of Hot Food Takeaways in Medway: A Guidance Note and had been advised that it was not necessary for him to declare an interest.

## 114 Hot Food Takeaways in Medway: A Guidance Note

### **Discussion:**

The Chairman welcomed Therese Finn, Planning Policy Officer to the meeting, thanked her for all her hard work on this project and, on behalf of the Committee, wished her well for the future as this was her penultimate day with the Council.

The Committee was advised that the report presented the results of the consultation on the Hot Food Takeaways in Medway Guidance Note and set out who had been consulted, the stakeholders involved in the Consultation, how the consultation was carried out and how it was publicised. The Young Inspectors had gained a very good response to the consultation and had carried out a great deal of work. It was noted that one in ten children in Medway were obese by their first year in school and this was above the national average. By Year 6, 32% of children were obese which was comparable to South East and national statistics. The Committee was also advised that 36% of respondents to the consultation stated they eat takeaway food once a week and 8% eat from hot food takeaways on a daily basis. Over 50% of the respondents agreed that hot food takeaways should have restricted opening hours at school lunchtimes and 51% were supportive of the Council creating a healthy environment. The Committee was reminded that Cabinet would be considering the results of the consultation process at its meeting on 15 July 2014.

Members then raised a number of points and questions including:

- The Committee considered the impressive high response to the consultation as a result of the work of the Young Inspectors and thanked them for their efforts.
- With reference to recent press coverage of this initiative Members emphasised that the proposed guidance should not be considered in isolation, as it was part of an integrated package of public health interventions. It was noted that whilst the impact of the guidance would

## Business Support Overview and Scrutiny Committee, 3 July 2014

only affect future applications for new takeaways it sent a clear message of Medway's commitment to promoting improved health. It was also hoped the new guidance would have an impact in reducing the number of take away applications approved on appeal as the Council would now be able to demonstrate a clear policy position on the matter.

- The Committee discussed the clustering of takeaways in many high streets across Medway. Members requested a briefing note on "Saved" Policy R18 and the extent to which this has been used previously to minimise the clustering or proliferation and operating hours of takeaways as it appeared to Members this had been a missed opportunity. The view was expressed that application of "Saved" Policy R18 may have more immediate impact in reducing clustering and controlling operating hours than the proposed new guidance note.
- In response to a question about the proposed meeting with the Federation of Small Business (FSB), Councillors were advised that whilst a date for the meeting had been set, unfortunately no members of the Federation of Small Businesses had been available to attend. However the FSB had been encouraged to widely disseminate information about the consultation exercise among its members using social media.
- Discussion took place on the difference between A3 and A5 use classes and the complications arising where restaurants and cafes with A3 use class extend their business to offer takeaway food. Members asked for further clarification on this. Reference was made to shop units owned by the Council and whether or not the Council could decide they should not be designated A5 use class with Landlords being encouraged to opt for alternatives to A5 use class where these were commercially beneficial.
- Clarification was requested on paragraph 4.11 of the report which referred to a restriction of takeaway operating hours during school lunch times and for a period after school for secondary schools. It was clarified that the draft guidance note proposed a restriction on both primary and secondary schools during school lunchtimes and for a period after school. Following officer's consideration of the responses to the consultation, it is intended that restrictions on the hours of operation will be imposed on new hot food takeaways located within 400 metres of primary and secondary schools for a period after school. New hot food takeaways located within 400 metres of a secondary school will also have their hours restricted during school lunchtimes. This information was included in the report that would be considered by Cabinet on 15 July 2014. The Committee considered that this was new information and requested a short adjournment. The Chairman adjourned the meeting between 6.50pm – 6.58pm, following which Members were advised by the Monitoring Officer that the proposed differentiation between secondary schools and primary schools in relation to a restriction in operating hours for takeaways could properly be recommended to Cabinet by officers. The consultation exercise had covered the issue of

## Business Support Overview and Scrutiny Committee, 3 July 2014

variable operating hours and the recommended approach was in response to the feedback from consultation.

- The potential for the licensing and planning processes to contradict each other in relation to decisions on takeaways was raised. It was noted that these were two separate regulatory regimes and licensing would only be relevant if a takeaway wished to also sell alcohol.
- It was suggested there should be no minimum floor space requirement for new takeaways for the purposes of developer contributions under Section 106 agreements.

At the end of the debate Councillor Irvine formally requested that his opposition to the proposed planning guidance be placed on record.

### Decisions:

- (a) The Committee noted the responses received on the consultation on the draft Hot Food Takeaway guidance note.
- (b) The Committee passed on their appreciation to the Young Inspectors for all their hard work in relation to the consultation on this guidance note.
- (c) The Committee supported the introduction of the guidance note as part of an integrated package of health interventions.
- (d) The Committee supported the restriction of opening times for new hot food takeaways within 400m of schools and noted that it was intended that new takeaways near secondary schools would be restricted at lunchtimes and for the period after school and new takeaways near primary schools would be restricted from opening in the period after school.
- (e) A briefing note to be sent to the Committee on “Saved” Policy R18 and the extent to which this has been used previously to minimise the clustering and operating hours of takeaways and the scope for it to be invoked more proactively in the future.
- (f) A briefing note be sent to the Committee clarifying the position on A3 and A5 use classes, the potential for further work to restrict the number of premises being designated with A5 use class with particular reference to shops owned by the Council and the Council’s response to restaurants and cafes with A3 use class which subsequently expand to offer takeaway food.
- (g) The Committee wished Therese Finn – Policy Planning Officer good wishes for the future.
- (h) The Committee asked for an investigation into the possibility of there being no minimum square metre requirement for developer contributions under Section 106 agreements for all new takeaway premises designated with A5 Use Class.

## **115 Update on Medway Norse**

### **Discussion:**

The Chairman advised that the Head of Category Management, Genette Laws, had recently left the Council and, on behalf of the Committee, also thanked her for her work and success in the category management field.

The Assistant Director Legal and Corporate Services introduced Dean Wetteland – Acting Managing Director of Norse and Nick Anthony – Strategic Property and Energy Manager to the Committee. He introduced the report highlighting in particular the one year anniversary of the launch of the Joint Venture with Norse for Facilities Management, the success of partnership working, the savings achieved and the delivery of continuity with resolution of initial teething problems. He acknowledged that whilst the joint venture had made considerable savings the business growth had been slower than hoped for. In terms of added value it was highlighted that Medway Norse now has 397 employees, 95% of whom are Medway residents and that the number of apprenticeships created by Medway Norse within the first nine months had exceeded the original target and created employment opportunities for care leavers and people with learning difficulties. A customer satisfaction survey would be carried out at the end of the year and all in all it could be considered a successful first year.

Members raised a number of points and questions including:

- A suggestion that Medway Norse consider taking over the management of Medway's care homes, as they had been successful in this venture in Norfolk. It was noted that Norse managed 26 care homes in Norfolk and would be happy to consider bidding for appropriate contracts in Medway.
- A question was raised on how long there would be an "Acting" Managing Director of Medway Norse. It was explained that the Operations Director would take on the role of Managing Director once sufficiently experienced in the Medway Norse way of working.
- Medway Norse minibuses undertook certain school runs and it was asked what the buses were used for during school hours. The Committee was advised that the minibuses worked under permit so had limited use but a new license was being investigated.
- The inclusion of information regarding Medway Norse in Medway Matters was suggested, as was the scope for increasing the visibility of the Medway Norse branding in the Medway area. The high level of visibility of Norse branding in Norfolk was cited as an example.
- The expansion of Medway Norse was slower than some Councillors would have liked. However, it was acknowledged that the economic climate was considered be a contributory factor as was the fact that Medway Norse had taken on new work in cleaning, maintenance and

## Business Support Overview and Scrutiny Committee, 3 July 2014

catering all of which had previously been delivered by external contractors with considerable savings being achieved as a consequence.

- It was suggested that further savings might be achieved if Medway Norse could become the first point of contact for Councillors in relation to expenditure of Ward Improvement Funds on small contracts. The provision of Christmas lighting in high streets was cited as an example where works had historically been carried out by private contractors with escalating costs in some cases.
- Concern was expressed that Medway Norse had not been sufficiently proactive in pursuing the interest expressed by the Medway NHS Foundation Trust and the Acting Managing Director was asked to personally address himself to this issue. The Chairman requested a confidential briefing note on this subject.
- The Committee was advised that Medway Norse had taken on the printing function at Gun Wharf and the service was being reviewed at present. It was noted that the print unit was not currently undertaking work for any external organisations.
- Medway Norse was requested to open discussions with as many large public sector organisations as possible for example - hospitals, police stations and the University of Kent. A briefing note (possibly confidential) on progress was requested.
- Councillors reported that a high number of residents had raised concerns about grounds maintenance which was now the responsibility of Medway Norse and Quadron. It was acknowledged that the service was highly dependent on weather conditions. It was requested that Medway Norse keep ward Councillors and residents informed of any changes in service or provision and it was agreed that a representative of Quadron would be invited to be present when the next Medway Norse update was presented to the Committee.
- Officers agreed to supply the Committee with a copy of the Medway Norse sales and marketing plan mentioned in paragraph 3.30 of the report.

### Decisions:

The Committee noted the report and agreed that:

- (a) Information about Medway Norse and its activities should become a regular feature in Medway Matters.
- (b) Officers to investigate the possibility of Medway Norse becoming a possible contact for Councillors wishing to engage contractors to deliver ward based initiatives to be funded from the Ward Improvement Fund.

## **Business Support Overview and Scrutiny Committee, 3 July 2014**

- (c) Medway Norse to initiate discussions with as many large public sector organisations as possible including hospitals, Kent Police and the University of Kent and that the Acting Managing Director should personally pursue dialogue with Medway NHS Foundation Trust as soon as possible. The Committee to be provided with a Briefing Note on progress.
- (d) Medway Norse should inform Councillors and residents of any changes in service or provision in relation to grounds maintenance.
- (e) A representative of Quadron be invited to the meeting of the Committee when the next Medway Norse update report is being considered.
- (f) The Committee be supplied with a copy of the sales and marketing plan mentioned in paragraph 3.30 of the report.
- (g) A site visit to the Pier Road depot be arranged for the Committee once work on the site is complete.

### **116 Procurement Strategy Review Six Months On**

#### **Discussion:**

The Chairman welcomed Dean Coulls – Acting Head of Category Management to the meeting.

The Acting Head of Category Management presented the report which provided a six month review of the Council's Procurement Strategy. The Strategy used procurement to enable the local economy and the Committee's attention was drawn to the increase in the number of apprenticeships generated with third party Small and Medium Enterprises (SMEs) and in the Council itself. The Strategy has also enabled a reduction in bureaucracy, an increase in the use of e-tendering and 82% of suppliers had responded positively to the changes. There were still some challenges to be met and it was felt that consultation was the key to continuing to meet objectives.

Members raised a number of points and questions including:

- Paragraph 3.11 of the report referred to the introduction of an e-procurement system and the Assistant Director Legal and Corporate Services highlighted the success of an e-contract for Chlamydia screening, the costs of which had been reduced by 67%. He thanked the Procurement Team for all their hard work on this contract. The Committee noted that the NHS did not obtain procurement services from Medway but it was intended to try and promote the Council's procurement service to public sector partners highlighting, as a selling point, the successes in reducing the cost of other health-based contracts and Medway's superior service.
- The Committee's attention was drawn to paragraph 3.8 of the report which contained an excellent endorsement of Medway's procurement

## Business Support Overview and Scrutiny Committee, 3 July 2014

service from Tudor Price – Business Development Manager of Kent Chambers of Commerce.

- Members asked to be involved in future engagement with the Federation of Small Businesses, the Chamber of Commerce and other local business groups.
- It was noted that the assessment of Measure of Success – The Council will reduce the average timescale of procurements from 140 days to 50 days – had been delayed and officers would ensure that the objective of reporting progress on the first anniversary of the Strategy, would be achieved. The Acting Head of Category Management advised that a planned Governance Review and changes to EU legislation should allow more flexibility which would be incorporated into this review.
- Measure of Success - the reduction by 25% of the number of invoices with a transaction value of less than £500 with the introduction of purchasing cards (p-cards) – Concern was expressed about the perceived difficulties in the financial control of the use of purchasing cards and many examples of misuse in the civil and public services had been reported in the media. The Assistant Director Legal and Corporate Services explained that the Council's Chief Finance Officer had similar concerns and some initial scoping work was being carried out including looking at alternatives. However, the Council's spend to third parties might be properly controlled if the process of the use of p-cards was correctly introduced and monitored. The Council struggled with small spends which add up to millions of pounds and they were more difficult to keep track of and one possible method of control was the use of p-cards. The Chief Finance Officer stated that, as the Council's Section 151 officer, he had a duty to ensure that the method used to achieve control of small spends was viable and not open to abuse.
- In response to a question about the challenges facing the Council in the next two years, the Acting Head of Category Management felt that the 40% local Small and Medium Enterprise (SME) target was achievable and had been benchmarked at the outset of the Strategy. There was a need to make the Council an accessible organisation to do business with even though the Council was bound by public sector rules.
- A concern was raised about the lack of community benefit clauses in the Strategy - for example the promotion of a living wage. The Category Management Team currently consider the impact of the Social Value Act at the outset of any procurement exercise going through the Council's Gateway process.
- A question was raised on the requirement for the need for more of the SME's to be Medway based and on the tendering trigger threshold of £10,000 contained in the Council's Contract Procedure Rules and whether it would be possible and practicable to reduce it to £5,000. It was agreed that more information was required on how many contracts



## **Business Support Overview and Scrutiny Committee, 3 July 2014**

this change would affect and the Acting Head of Category Management agreed to supply the Committee with a briefing note.

- In answer to a question raised on how the Council could encourage and facilitate the concept of consortia working of which Healthwatch was a high profile example. The Assistant Director Legal and Corporate Services advised that he would be pursuing this with the University of Kent Business School. Discussions were being held with the voluntary sector Federation of Small Businesses and Chamber of Commerce and the Council had been asked to extend the lead in time to allow for improved collaboration.

### **Decisions:**

- (a) That the Council's progress against the measures of success in the Procurement Strategy be noted.
- (b) That further reporting to the Committee be annually on the anniversary of the Procurement Strategy with effect from September 2015.
- (c) A copy of the booklet "How to do business with Medway" be supplied to the Committee.
- (d) The Councillors be included in the consultation and engagement with Small and Medium Business Enterprises.
- (e) A briefing note to be supplied to the Committee regarding alternative measures to control the Council's small spends.
- (f) A report be submitted to the Committee on progress in facilitating suppliers bidding as a consortium or partnership.

## **117 Update on Discussions with the Gambling Commission**

### **Discussion:**

The Chairman commented on Councillor Maple's appearance on BBC South East on Monday evening in relation to this subject.

The Assistant Director Legal and Corporate Services introduced the report with particular reference to discussions with the Gambling Commission and the attempts to start a Medway Responsible Gambling Partnership. He drew the Committee's attention to media coverage on this subject and the fact that the Council was very keen to get all interested parties to the table. To this end a meeting had been arranged to take place with representatives of the local trade on 23 July 2014.

The Chairman advised the Committee that Councillor Hicks, Councillor Juby and Councillor Maple continued to work together on this issue and that he was encouraged by the continued cross-party working.

## **Business Support Overview and Scrutiny Committee, 3 July 2014**

Members then raised a number of points and questions including:

- It was felt that the Association of British Bookmakers had misrepresented the work done by the Council as it had tried to work with the industry. Councillor Maple agreed to supply two examples of work carried out by the Glasgow City Council Scrutiny Task Group and the Liverpool public health team to the Committee.
- It was noted during the visits to bookmaker's premises that most employees heartily disliked the gambling machines. Many of these businesses only employed one member of staff after 5pm so it would be impossible for the lone member of staff to leave the cash till to promote "self exclusion". The Council's unannounced visits had such a positive effect that it was understood it was understood William Hill had agreed to close their premises at an earlier hour and Coral was revisiting their lone working policy.
- The Assistant Director Legal and Corporate Services advised that it was hoped to capture all elements such as lone working and the statistics the trade are working towards at the meeting on 23 July 2014.

### **Decisions:**

The Committee:

- (a) noted the report.
- (b) welcomed the meeting to be held on 23 July 2014 and wished those involved the every success.
- (c) thanked Councillor Hicks, Juby and Councillor Maple for all their hard work on this initiative.

## **118 Petitions**

### **Discussion:**

The Committee noted that one petition relevant to the work of the Committee had been received by the Council on 16 May 2014 expressing dismay at the increase in rent payments for 2014/15 at Longford Court, Rainham and requesting an explanation for the increases. A summary of the response from the Council was set out within the report and the Committee noted that the petitioner had not requested that the petition be referred to this Committee.

### **Decision:**

The report be noted.

## **Business Support Overview and Scrutiny Committee, 3 July 2014**

### **119 Work Programme**

#### **Discussion:**

The Democratic Services Officer introduced the report advising the Committee of the current work programme which allowed them to adjust it in light of the latest priorities, issues and circumstances.

The agenda planning meeting had been held on 12 June 2014 and the following change had been agreed:

Growing Places Fund – Paying Back the Funding (Chatham and Rochester) – this item to be removed from the work programme as a stand-alone item. The information requested would be included in the report on the Capital Budget 2013/14 Monitoring – Report 1.

#### **Decisions:**

#### **The Committee:**

- (a) noted the report and the items identified for inclusion in the work programme;
- (b) agreed the changes to the work programme as set out in paragraph 3.2.1: and
- (c) noted the work programmes of all overview and scrutiny committees (set out in Appendix 2 of the report).

#### **Chairman**

#### **Date:**

**Lauren Wallis, Democratic Services Officer**

Telephone: 01634 332011

Email: [democratic.services@medway.gov.uk](mailto:democratic.services@medway.gov.uk)