

Medway Council
Meeting of Business Support Overview and Scrutiny
Committee

Tuesday, 30 January 2018

6.30pm to 10.10pm

Record of the meeting

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

Present: Councillors: Carr (Chairman), Etheridge (Vice-Chairman), Freshwater, Hall, Mrs Josie Iles, Maple, Murray, Purdy, Royle, Stamp, Tejan and Tranter

In Attendance: Marc Blowers, Head of Housing Management
Perry Holmes, Chief Legal Officer/Monitoring Officer
Julie Keith, Head of Democratic Services
Anna Marie Lawrence, Head of Performance and Intelligence
Carrie McKenzie, Assistant Director, Transformation
Stephen Platt, Democratic Services Officer
Ian Price, Managing Director, Medway Norse
Phil Watts, Chief Finance Officer

715 Apologies for absence

An apology was received from Councillor Clarke.

716 Record of meeting

The record of the meeting held on 30 November 2017 was agreed and signed by the Chairman as correct.

717 Urgent matters by reason of special circumstances

There were none.

718 Declarations of Disclosable Pecuniary Interests and Other Significant Interests

Disclosable pecuniary interests

There were none.

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Other significant interests

There were none.

Other interests

There were none.

719 Attendance of the Deputy Leader and Portfolio Holder for Housing and Community Services

Discussion:

Members received an overview of progress on the area within the terms of reference of this Committee covered by Councillor Howard Doe, Deputy Leader and Portfolio Holder for Housing and Community Services, i.e.

- All Housing Services (including HRA)
- Homelessness and Housing Options
- Private sector housing
- Adult learning
- Libraries and Community Hubs
- Voluntary sector

Councillor Doe responded to Members' questions as follows:

Homelessness

A Member asked how the Council was informing the public about the complexities of homelessness. Councillor Doe replied that there was a public perception that the issues of homelessness, rough sleeping and begging overlapped. Although some people felt they had to beg to survive, others saw it as a source of income. There was a need to raise public awareness that people did not generally choose to sleep rough and that there was a range of complex underlying issues associated with homelessness that needed to be tackled. Good progress was being made but public perception could not be changed overnight so messages about the best way to address the issue needed to be continually reinforced and promoted. A Homelessness Charter had been developed with partners to help ensure that all organisations were clear on the part they needed to play and avoid unnecessary duplication of services.

Another Member recalled a Safe Exit Scheme which had provided help with housing and other support to rough sleepers who agreed to come off the streets. Councillor Doe agreed to ask officers to consider whether a similar scheme could be introduced. The Member also raised concerns that a homeless review had recently been outsourced to Southwark Council. This had resulted in additional cost to the customer who was required to send documents by recorded delivery. She asked for the cost of outsourcing this service. Councillor Doe responded that it depended on whether there was the

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capacity for the review to be undertaken within the Council. He agreed to ask officers to look at the question of any significant extra costs arising from an external review being reimbursed to customers by the Council.

Affordable Housing

A Member observed that Medway was one of the most affordable areas to live in the south east which raised the prospect of private landlords evicting local tenants in favour of people coming from London. Councillor Doe responded that there had always been migration into Medway and there was no evidence so far that local people were being displaced on a large scale. The Council offered support and guidance to both tenants and landlords.

Responding to a comment that the 25% affordable housing target was insufficient, Councillor Doe said that some developers found the current level challenging in terms of ensuring that a housing development was financially viable. A higher level could deter them from building homes in Medway.

Welfare Reform

A Member asked what was being done to provide the right level of assistance to people with social or mental health issues so that they were suitably informed and encouraged to pay their rent directly. Councillor Doe said that the Welfare Reform Team assisted tenants facing the challenges of welfare reform and stated that he had asked officers to encourage tenants receiving Universal Credit payments to pay their rent by direct debit. It was agreed that clarification would be sought on whether the Welfare Reform Team assisted with Universal Credit appeals.

Repairs and Maintenance

Asked how the strong performance across the repairs service had been achieved, Councillor Doe explained that new ways of working, including a streamlined system and customer hotline, had resulted in repairs being carried out more quickly and therefore customer confidence in the service had increased. Also, the planned maintenance programme was having a beneficial effect and Councillor Doe praised the Head of Housing Management for helping to transform the service, working closely with Mears to create a professional service.

HRA

In response to a question about representations made to Central Government about the HRA borrowing cap, Councillor Doe responded that the Council was doing all it could to have the cap lifted because it recognised the advantages of doing so. However, he stressed that the lifting of the cap would not result in a sudden large increase in Council borrowing as this needed to remain based on sound financial planning.

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Kingswear Gardens

A Member raised the issue of a number of tenants at Kingswear Gardens, who were concerned about the future of their homes due to lack of clarification from their housing providers, Moat and Orbit. Councillor Doe stressed the need for any redevelopment plans to include an offer to residents of suitable alternative housing. He urged Moat and Orbit to be more transparent with their tenants.

Housing Allocations

A Member praised officers for the reduction in the number of active applicants on the housing register. Councillor Doe said that this had been due to improved record management and a focus on people in most need.

Tenancy Management

A Member expressed surprise that estate inspections in 2017 had found estates to be up to standard. He said that he attended three estate inspections and had noticed a number of issues that were not being addressed including a lack of maintenance of grass and hedges to the rear of estate blocks. Councillor Doe responded that he was confident that issues were being dealt with and encouraged Members to report incidences if this was not the case, firstly to the Head of Housing Management and then to himself if the situation did not improve.

Deangate Ridge Golf Course

Asked why more had not been done to address the financial position of Deangate Ridge, Councillor Doe said that golf participation rates generally had decreased and the facility was not providing value for money. It was very unlikely that the deficit could be overcome and the willingness of Council Tax payers to fund this deficit had to be borne in mind.

Community Hubs

A Member asked Councillor Doe for clarification on staffing levels and opening hours at Community Hubs and also for his vision of library services in 2035. Councillor Doe responded that the opening hours had been trimmed in 2017 to take account of times when demand for the service was low. Nationwide, libraries that were operating outdated models were closing. Medway's model had been reshaped so that it was proactive, adaptable and fit for purpose. Community Hubs were one of the main areas where members of the public interacted directly with the Council and staff at the Hubs were enthusiastic and customer focused. The service would evolve so that it continued to meet the needs of neighbourhoods in 2035.

Skills for Work

In response to a question about what support was given to help young people gain basic skills for work, Councillor Doe said that the Council worked closely

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with Mid Kent College on the provision of these courses. It was important that young people enrolled on courses that were suitable for them.

Decision:

The Committee thanked the Deputy Leader and Portfolio Holder for Housing and Community Services for his attendance.

720 Medway Norse Update

Discussion:

Members considered a report which outlined the partnership's achievements and performance up to the end of the period 9 (December 2017) in its fourth year of trading.

The following issues were raised:

- **New Business**

Asked about the company's ability to win new business, the Managing Director of Medway Norse advised that technical compliance rules stated that 80% of its business must come from the Council with no more than 20% coming from external sources. External revenue was currently £2m against a maximum of £3.2m. There was the will and desire to acquire as much external work as was permitted.

- **Staff at Deangate Ridge Golf Course**

The Managing Director advised that, in the event of a decision being taken to close the golf course, there would be no job losses and all five staff would be transferred to the core grounds contract.

- **Social Media**

A Member said that he had noticed an increase in complaints about Norse on social media platforms. The Managing Director said that Medway Norse needed to improve its social media profile. He advised that 58 formal complaints were received last year.

- **Special Educational Needs (SEN) Transport**

A Member noted that this service had been reduced as some routes were unsustainable. He asked if any child had been left without transport as a result and the Managing Director confirmed that Medway Norse collected and delivered all of the 350 children allocated to it by the Council. With regard to escorts for children, he confirmed that a driver and at least one escort was provided for each route.

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- **Grounds Maintenance Standards**

A Member asked if cost pressures had resulted in a reduction in service delivery in respect of grounds maintenance. The Managing Director responded that work was underway to develop a format for future committee reports that provided more performance information. A satisfaction survey was conducted twice a year and only 8 complaints last year could not be resolved. He acknowledged a Member's suggestion that a representative from Medway Norse should attend estate inspections.

- **Single Use Plastics**

A Member referred to the motion passed by Council on 25 January 2018, requesting that the Council become a 'single-use plastic-free' Council and asked what the implications were for Medway Norse. The Managing Director responded that Medway Norse was an ecologically and environmentally concerned business which had achieved an increase in recycling rates at waste and recycling centres from 60 % to 80% in four months.

- **Staff Terms and Conditions**

The Managing Director confirmed that most cleaning and grounds maintenance staff were on statutory minimum wage but no staff were on zero hours contracts.

Decision:

The Committee noted the report.

721 Housing Revenue Account - Capital and Revenue Budgets 2018/2019

Discussion:

Members considered a report which presented the Housing Revenue Account (HRA) capital and revenue budgets for 2018/19 and provided details of proposed rent and service charge levels for 2018/19.

The Head of Housing Management reported that guidance on the lifting of the HRA borrowing cap would be published by the Government in the Spring. He undertook to circulate a relevant article from the latest issue of Inside Housing.

A Member expressed the view that it should be for Local Councils to decide whether there would be rent increases or reductions; this should not be dictated by Central Government.

Decision:

The Committee recommended to the Cabinet:

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- a) A proposed rent decrease of 1% for the housing stock as set out in Appendix A to the report (based upon 52 collection weeks) with effect from 2 April 2018.
- b) The baseline garage rent for Council tenants be increased by £1 from £6.73 to £7.73 with effect from 2 April 2018 per week.
- c) A rent increase for all garage tenure types of 5% will be applied with effect from 2 April 2018 per week.
- d) With effect from 2 April 2018 it is proposed that all new void garage lettings will be charged the same baseline rent regardless of residential tenure type (this will be £9.41 per week) for 2018/19.
- e) That the service charges and increases as set out in Appendix B of the report for 2018/19 be approved.
- f) That the revenue budget for the HRA Service for 2018/19 as per Appendix C of the report be approved.
- g) That the provision for the repayment debt based on annuity based payment on the HRA outstanding debt to be £0.313 million for 2018/19 be approved.
- h) That the proposed three year Planned Maintenance Capital Programme as set out in paragraph 8.6.3 of the report be approved.
- i) To use 30% of allowable expenditure of small third phase of new build programme from the retained 1-4-1RTB capital receipts as set out in section 8.6.4 of the report to be approved.
- j) To use funds for a further small third phase of new build programme from revenue reserves as set out in section 8.6.4 of the report to be approved.
- k) That Members approve the revised 30 year HRA Business Plan model as attached at Appendix D to the report.

722 Draft Capital and Revenue Budget 2018/2019

Discussion:

Members considered a report on progress towards setting the Council's draft capital and revenue budgets for 2018/19. In accordance with the Constitution, Cabinet was required to develop 'initial budget proposals' approximately three months before finalising the budget and setting council tax levels at the end of February 2018.

The draft budget was based on the principles contained in the Medium Term Financial Plan (MTFP) 2017/2022 approved by Cabinet in September and reflected the latest formula grant assumptions.

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Members raised a number of questions which were responded to by Officers as follows:

- **Business Rates** – Given uncertainty surrounding the financial benefit to Medway of participation in the pilot 100% Business Rate Retention scheme with Kent County Council and the twelve districts in Kent, it had not been taken into account in the development of the budget.
- **Lender Option Borrower Option (LOBO)** – There were unlikely to be any budget implications for Medway as a result of the ongoing test case. Once the findings of the case were known, it was likely that the Council would receive its audit certificate.
- **Schools Support Services** – The budget proposals reflect the funding gap created by the reduction in grant arising from academy conversions. It was noted that the Council retained a level of funding when a school moved to academy status. Action to mitigate the reduction in grant included the transfer of some schools support services to Medway Commercial Group and the decommissioning of other non-statutory elements.
- **HRA Borrowing Cap** – In the event of the borrowing cap being lifted, the Council would have to continue to adopt a prudent approach to borrowing.
- **Detailed Budget Proposals** – A Member expressed concern that the budget proposals presented to the Committee did not include a sufficient level of detail to enable the Committee to assess the impact on the long term delivery of priorities embedded in various key Council strategies. The Committee was advised that work with management teams and Portfolio Holders to refine the budget proposals was continuing and detailed proposals would not emerge until the end of that process. Longer term the aim was to more closely align the budget with Council Plan priorities and monitoring.
- **Budget implications of the Transforming Care Agenda** – Discussions with Medway Clinical Commissioning Group were continuing as there were many pressures on Government funding, such as the Better Care Fund. Transforming Care would be addressed in the Medium Term Financial Strategy.

Decision:

The Committee:

- a) noted that Cabinet had instructed officers to continue to work with Portfolio Holders in formulating robust proposals to balance the budget for 2018/19 and beyond.
- b) noted and commented on the proposals outlined in the draft capital and revenue budgets in so far as they related to the areas for which the committee was responsible.

723 Draft Capital and Revenue Budget Proposals 2018/19 (Report back from other Overview and Scrutiny Committees)

Discussion:

Members considered a report which set out the comments of all Overview and Scrutiny Committees on the provisional draft budget for 2018/19 proposed by Cabinet on 21 November 2017. These would be considered at the Council budget meeting on 22 February 2018 together with the Cabinet's budget proposals.

Decision:

The Committee agreed that all the comments of the Overview and Scrutiny committees, as set out in Section 3 of the report, together with this Committee's comments under agenda item 8, be forwarded to Cabinet on 6 February 2018.

724 Council Plan Refresh 2018/19

Discussion:

The Committee considered a report presenting a final summary of proposals, following consultation with directorates, as part of the annual review of the Council Plan 2016/17 – 2020/21.

Committee Members raised a number of questions which were responded to by Officers as follows:

- **The Local Plan** – It was confirmed that reference to the Local Plan was included in the Council Plan but was not referred to in the report as this focused on amendments to the plan.
- **Jobs, Skills and Employability Programme** – A Member's request that the phrase 'lifelong learning' be incorporated into the text would be considered.
- **Maximising Regeneration and Economic Growth Priority** – At present it was not possible to state the position of Medway's economy as a whole compared with the rest of England as officers were analysing recently released data from the Office of National Statistics.
- **Medway: A Place to be Proud of Priority** – The measures taken to meet the target for NI 195a, improved street and environmental cleanliness – Litter - Medway is split into 22 wards which are inspected yearly with a total of 1,200 sites being inspected. (100 sites x 12 months = 1,200 sites per year). For Q3, 300 sites were inspected and 289 were an acceptable standard. An area of 50 meters is visually inspected for the amount of litter present and graded. A - B grades are acceptable for litter, C – D grades are unacceptable. These A to D grades are provided by DeFRA. It was

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requested that the location of sites visited be forwarded to members of the Business Support and Regeneration, Culture and Environment Overview and Scrutiny Committees.

Decision:

The Committee:

- a) noted and commented on the proposed changes to the programmes, key measures of success and targets as summarised in Table A and Appendix A of the report, prior to formal consideration by Cabinet on 6 February 2018 and Full Council on 22 February 2018.
- b) requested that the phrase 'lifelong learning' be incorporated into the Jobs, Skills and Employability Programme.

725 The Council's Petitions Scheme - E-petitions

Discussion:

At its meeting on 30 November 2017, the Committee had agreed that a report on e-petitions be presented to this meeting in light of an increase in the number of e-petitions being submitted to the Council which had been set up on platforms other than the e-petition facility provided by mod.gov and hosted on the Council's website.

Members noted that the Council's Petition Scheme stipulated that e-petitions must follow the same guidelines as paper petitions. A petition organiser, and any person supporting the petition, must provide their name, address, a valid postcode and e-mail address. This requirement was not being met when petitions hosted on external platforms were submitted to the Council. Although officers subsequently sought this information from petition organisers, it was not available.

A Member suggested that some people preferred to use other e-petition platforms in preference to the Council's own facility because they did not wish to register their details with the Council. Also, by using other platforms, they had the ability to add photographs, provide updates and comments, and link a petition to other social media platforms. These functions were currently not available on the Council's e-petition facility. It was also suggested that someone who was searching how to create a petition would be more likely to find websites such as Change.org than the Council's website. Members were advised that there was a recent example of an e-petition on the Council's website that had attracted over 2,000 signatures.

A Member proposed that officers explore the potential to develop the Council's e-petition facility so that it incorporated some of the functionality of other e-petition platforms and became petitioners' preferred e-petition platform. It was further proposed that, whilst this development work was being undertaken on

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the Council's e-petition facility, petitions from other e-petition platforms should be accepted and considered by the Council.

The Council's Monitoring Officer advised that there could be no interim change to the Constitution and that any proposal to accept e-petitions from platforms other than the Council's e-petition facility would need to be referred to Full Council. If the Committee was minded to recommend such a proposal, Full Council would need to consider an amendment to the Council's Petition Scheme to accept e-petitions which did not include all of the personal details currently required by the scheme.

Decision:

The Committee agreed that:

- a) Officers explore the potential to develop the Council's e-petition facility so that it incorporated some of the functionality of other e-petition platforms and became petitioners' preferred e-petition platform.
- b) Full Council consider an amendment to the Council's Petition Scheme to accept e-petitions which did not include all of the personal details currently required by the scheme.

726 Shared Human Resources (HR) Service between Medway Council and Gravesham Borough Council

Discussion:

Members considered a report which set out proposals for Medway Council to assume responsibility for the discharge of Gravesham Borough Council's HR functions. This was permitted under Section 101 (1) of the Local Government Act 1972 which allowed local authorities to delegate non-executive functions to other local authorities. The report would be formally submitted to Cabinet on 6 February 2018 and Full Council on 22 February 2018.

A Member sought clarification on the terms and conditions of employment of staff transferring under TUPE from Gravesham to Medway. It was confirmed that these terms and conditions would remain aligned to the NJC "Green Book" with pay increases agreed nationally.

Decision:

The Committee noted the proposals to establish a shared HR service with Gravesham Borough Council.

727 Work programme

Discussion:

Members considered a report regarding the Committee's work programme. It was noted that, at an agenda planning meeting held on 8 January 2018, it had been proposed that a number of items be added to the Committee's work programme. These included the Government's response to the results of its consultation on proposals for changes to gaming machines and social responsibility measures; the Rochester community governance review; and the Communities and Local Government Committee report into the effectiveness of local overview and scrutiny committees.

Decision:

The Committee:

- a) noted the Committee's work programme (Appendix 1 to the report).
- b) agreed the proposed changes to the work programme set out in paragraph 3 to the report.
- c) noted the work programmes of all overview and scrutiny committees (set out in Appendix 2 to the report).

Chairman

Date:

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