

Medway Council
Meeting of Business Support Overview and Scrutiny
Committee

Thursday, 12 April 2018

6.37pm to 10.57pm

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, Maple, Murray, Purdy, Royle, Stamp, Tejan and Tranter
- Substitutes:** Councillors:
Aldous (Substitute for Mrs Josie Iles)
Joy (Substitute for Clarke)
Kemp (Substitute for Hall)
- In Attendance:** Katey Arrowsmith, Head of Finance Strategy
Marc Blowers, Head of Housing Management
Noel Filmer, Head of Valuation and Asset Management
Richard Hicks, Director Regeneration, Culture, Environment and Transformation and Deputy Chief Executive
Helen Jones, Assistant Director – Commissioning, Business and Intelligence
Carrie McKenzie, Assistant Director, Transformation
Vicky Nutley, Planning and Licensing Lawyer
Jane Ringham, Head of Elections and Member Services
Michael Turner, Democratic Services Officer
Phil Watts, Chief Finance Officer
Glen Stoneman, Howard Noble and Lauren Munson – Department of Work and Pensions

914 Apologies for absence

Apologies for absence were received from Councillors Clarke, Hall and Josie Iles.

915 Record of meeting

The record of the meeting held on 30 January 2018 was agreed and signed by the Chairman as correct.

916 Urgent matters by reason of special circumstances

There were none.

917 Declarations of Disclosable Pecuniary Interests and Other Significant Interests

Disclosable pecuniary interests

There were none.

Other significant interests

There were none.

Other interests

There were none.

918 Petition - Additional Parking Bays - Forge Lane Gillingham

Discussion:

Members considered a report which dealt with the response to a petition calling for the creation of parking bays on Forge Lane, Gillingham.

As Mr and Mrs Carr, the lead petitioners, were unable to attend Councillor Stamp, a ward councillor, addressed the meeting on their behalf and tabled additional information and photographs showing the parking situation. Councillor Stamp commented that the lead petitioners were unhappy with the response from the Council to their petition and hoped funding for additional parking bays could be considered. He clarified that Mr and Mrs Carr did not support the proposal to install bollards unless additional parking had already been provided. Councillor Stamp added that there had been road safety incidents at the school opposite as a result of the parking situation.

Several Members spoke expressing sympathy for the situation Mr and Mrs Carr were facing. The lack of parking spaces and the desire to preserve limited green spaces in urban areas were common issues across Medway. There was a recognition that the financial constraints facing the Council were a significant factor in finding a solution.

Officers advised that this was HRA land and there was a relatively small Environmental Improvement budget which was fully allocated this year following consultation with tenants. It was possible the requested improvements could be added to the list of proposed improvements for next year. There were funds available for preventative work which could be looked at.

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Members agreed that a way forward would be for a site visit so that potential solutions could be discussed with residents.

Decision:

The Committee agreed to:

- a) note the response to the petition;
- b) note that, unfortunately, funding for additional parking bays is not available at present;
- c) note that Officers have agreed to explore investigating the costs involved in providing parking restrictions/bollards on the grassed area for consideration in a future programme of work, and ;
- d) request officers to arrange a site visit so that potential solutions can be discussed with residents.

919 Attendance of the Leader of the Council

Discussion:

Members received an overview of progress on the areas within the terms of reference of this Committee covered by Councillor Alan Jarrett, Leader of the Council, i.e.

- Strategic leadership of the Council
- Communications and marketing
- Finance

Given the large number of items on the agenda, the Chairman requested that Members ask one question at a time and stated that 30 minutes would be allowed for questions to the Leader, with the same timescale for the Portfolio Holder for Resources. Some Members expressed concern that this was insufficient time for scrutiny to effectively carry out its role of holding the Executive to account.

Councillor Jarrett responded to Members' questions and comments as follows:

- **HMS Medway** – in response to a question about when Medway would welcome the crew of HMS Medway after commissioning had been completed, the Leader commented he was optimistic HMS Medway would be commissioned in Medway. The Council had previously agreed to confer freedom of the borough on the crew of HMS Chatham.

- **Improvements in Chatham town centre and railway station** –

A Member welcomed the new engraved kerbstones commemorating the people of Chatham and asked for the Leader's views on how this sat

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with recent contentious decisions by the Cabinet, which, in the Member's view, showed a disregard for the views of the public. The Leader acknowledged the importance of the people in a town in shaping its identity and added he was focused on improving Chatham and turning it into a vibrant and coherent town centre by bringing in more investment, businesses and jobs.

In response to a comment that the installation of lifts at Chatham railway station was more important than the planned improvements to the appearance of the exterior of the station, the Leader acknowledged lifts were important and would look into whether these were part of the planned improvement works.

- **Vision for Medway** – a Member asked how all the plans for Medway joined together and what the Leader's vision was for how Medway would be in the future and how that would be different from the present. The Leader replied his vision was for Medway to be a vibrant 21st century city which would be welcoming and a place of opportunity. This would be achieved by building on the many positives and the Growth for All regeneration programme was key to this. There had been significant changes in the first 20 years of Medway's life and the 2035 local plan was just a starting point in creating a better, more vibrant Medway.
- **Exit interviews** – a Member referred to recent discussions he had had with staff leaving the Council who had expressed concerns about stress levels and workloads. He asked when the Leader had last looked at the results of staff exit interviews in order to identify any trends. The Leader commented that it was not the role of a Leader of a council to engage with HR on that level. He acknowledged workloads were heavy but that was now the norm across local government. He believed there was sufficient capacity for the day job to be done and where capacity issues were identified for particular programmes then these were addressed. Against the backdrop of the financial constraints facing the Council, measures were in place to reward staff - such as performance related pay, a rewards scheme and awarding the highest pay rise possible.
- **Regeneration in the east of Medway** - a Member asked for an update on progress with plans to regenerate the towns in the east of the borough and address what was seen as a geographical imbalance in regeneration. The Leader acknowledged there had been significant investment in the west of Medway. The linear nature of Gillingham town centre and the fact that the Council was not a major landowner were obstacles to regeneration. Negotiations were ongoing to bid for approximately £1m for improvements in Gillingham and Rainham, which would hopefully be successful and allow additional money to be drawn in.
- **Housing Infrastructure Fund** – in the context of developments in Hoo and the need to improve its infrastructure, a Member asked if residents of Hoo would be able to see the business case outlining plans for

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potential development. The Leader replied that he was hopeful the Council's bid would be successful. If the Government were in agreement then in due course the residents would be able to see the business case.

- **Corporate Peer Challenge** – in response to when the action plan would be available to Members, the Leader commented this would not be a particular challenge to draw up. It should be available by the end of the month and he saw no reason why it could not be shared with Members.
- **Comments about housing numbers** – a Member queried the manner in which the Leader had recently described the government's housing targets. The Leader clarified his comments were critical of the methodology behind the numbers of houses needed. He considered the methodology flawed given the significant spending on infrastructure but lower housing targets in the midlands and north while the opposite applied in the south east.

Decision:

The Committee thanked the Leader of the Council for his attendance.

920 Attendance of the Portfolio Holder for Resources

Discussion:

Members received an overview of progress on the areas within the terms of reference of this Committee covered by Councillor Adrian Gulvin, Portfolio Holder for Resources, i.e.

- Transformation and Digital Services
- Council Plan
- Performance and Service Improvement
- Business and Administration Support Service
- Complaints Policy and Management
- HR
- ICT
- Legal
- Property
- Category Management//Procurement
- Travellers
- Joint Ventures

Councillor Gulvin responded to Members' questions and comments as follows:

- **Transformation and Digital Services** – a Member asked for an assurance that elderly and vulnerable people would still be able to access council services and communicate with the Council in the light of the Council's transformation agenda. Councillor Gulvin commented that 93% of residents had access to the internet and those who were unable

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to access services digitally could be helped by trained staff at the Hubs and libraries. In the future access to services would be through digital means only and not to do so would lead to further cuts in services. Some Members commented that the 93% figure included access to a mobile phone and did not mean that everyone with internet access was confident or knowledgeable enough to access services digitally. In response to whether enough was being done to help vulnerable people and whether resources would be made to provide IT training, Councillor Gulvin confirmed IT help was available in Hubs and libraries.

Noting that that the impacts of the digital transformation would be significant, both negative and positive, another Member queried whether the current approach adequately took into account the impact on vulnerable people and the affordability of IT equipment. Councillor Gulvin responded the approach would offer an improved service as people who needed help would be assisted by a member of staff in a library – something that did not happen at present. A Member added that some people would not be able to get to a library and this would increase social isolation - an issue a scrutiny Task Group was currently looking at.

A Member asked for an assurance that the digital transformation savings would be achieved and Councillor Gulvin confirmed he was confident the £5m savings target would be delivered.

- **Cashless transactions** – a Member referred to the fact a limit had been placed on the number of parking permits which could be purchased by those paying in cash when such a limit did not apply to cashless transactions.
- **Local Plan and travellers** – in response to a question, Councillor Gulvin advised that the Council was investigating an offer to acquire, at no cost, a site for travellers.
- **Property**

A Member asked for an update on developing Gillingham town centre. Councillor Gulvin replied that the Council was exploring opportunities (such as the Britton Farm site) which would help to regenerate the town centre.

Referring to paragraph 9.14, a Member asked for more information on the customer survey referred to, including how many people had been surveyed and who they were. Councillor Gulvin undertook to provide this information.

- **Strood** – a Member asked when the flood defence works were due to start and whether disruption to an already gridlocked centre would be minimised. Councillor Gulvin advised the works would start in the next few weeks and it was hoped that the way in which they would be carried out would lead to less disruption than usual.

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- **Affordable housing** – referring to the plans to build 600 new homes through the Medway Development Company, a Member asked who was going to provide the affordable homes needed for essential workers. Councillor Gulvin replied that 25% of these homes would be affordable.

Decision:

The Committee agreed to:

- a) thank the Portfolio Holder for Resources for his attendance;
- b) request a report at the next meeting on the digital transformation agenda in response to the issues and concerns raised by Members at the meeting, and;
- c) ask for a briefing note on the sale of daily visitor parking vouchers.

921 Universal Credit and Welfare Reforms - Six Monthly Progress Report

Discussion:

The Chairman welcomed Glenn Stoneman, Howard Noble and Lauren Munson from the Department of Work and Pensions.

Members considered a progress report regarding Universal Credit (UC) and welfare reforms, including the work of the Welfare Reform Steering Group.

A Member asked for clarification, based on experience in areas where Universal Credit Full Service had already gone live, on the following:

- Whether anything could be done to prevent, or reduce the impact of, a reduction in eligibility for free school meals due to a change in status as a result of Universal Credit.
- How to limit the significant reduction seen in the number of self employed start ups from people previously receiving benefits.
- The impact of the two child limit on foster carers and also households where children lived in two households.

DWP representatives advised that they were unaware of any impact on free school meals or self employed start ups but would look at the issues raised and provide a response.

The following issues were also raised:

- **Support for mortgage interest (SMI)** – Members asked how many households in Medway had been affected by this change, how the change had been communicated to them and whether the permission of the mortgage company was needed. DWP undertook to establish this information.

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- **Arrears** - given concerns about an increase in arrears, a Member asked for information on the issue of social landlords not agreeing to transfers if a tenant was in arrears. The Head of Housing Management replied that where it could be identified that the arrears were only caused through the size criteria welfare reform benefit changes and the tenant wished to downsize it was possible for them to join the transfer list. The Council would exercise its discretion to agree a payments plan for outstanding arrears and also pay the cost of removals in order to facilitate transfers so better use could be made of under occupied housing stock.
- **Communications** – a Member asked for an assurance that communications would not stop when UC Full Service went live on 30 May. DWP assured Members that their communications strategy would continue for some time.
- **Local Welfare Provision** – noting that there had been previous concerns about organisations providing advice and guidance not wanting to also have responsibility for Local Welfare Provision (LWP), a Member queried why it was proposed for LWP to be part of the welfare, debt and advice support service. The Assistant Director – Partnership and Commissioning agreed to look into this issue and seek the view of the VCS.
- **Arrears** - given concerns about an increase in arrears, a Member asked for information on the issue of social landlords not agreeing to transfers if a tenant was in arrears. The Head of Housing Management replied that it was possible for requests to be made so rent was paid direct to the landlord and this did not have to just come from the tenant. The Council would exercise its discretion to agree a payments plan if the arrears were caused by the under occupancy rules and also pay the cost of removals in order to facilitate transfers so housing stock could be freed up.
- **Two child limit** – a Member asked for more details on the impact on families who had submitted a housing benefit claim before the two child limit came in on 5 April 2017 where the mother was pregnant at the time of the change. The Chief Finance Officer agreed to provide more information on this.
- **Communications and digital working** – in response to a question about the impact on vulnerable people, the Head of Housing Management advised that a number of measures had been put in place by the Council, including Wi-Fi in sheltered housing and some flats, IT training for tenants and IT drop in surgeries.
- **Discretionary housing payments** – a Member asked for details of the impact on the 40% of people in this financial year who had not been awarded a payment from the fund. The Chief Finance Officer advised

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this was the result of an objective assessment of entitlement but the impact on people was not possible to answer. It was agreed that details of what advice was given to unsuccessful applicants would be shared with Members.

Decision:

The Committee agreed to note the progress on the various work streams referred to within the report.

922 Voluntary and Community Sector

Discussion:

Members considered a report which provided the Committee with an overview of the research carried out in respect of other Councils, particularly Unitary Authorities' relationships with the Voluntary and Community Sector (VCS).

There was general support amongst some Members for the shift in grant funding to a more outcome based approach. During the discussion the following comments and questions were raised:

- a concern was expressed that this new approach might be too much of a burden on small organisations and some organisations may need help in moving to this way of working. The Assistant Director – Commissioning, Business and Intelligence assured Members that monitoring of outcomes would be proportionate to the size of the contract but it was important that value for money was demonstrated. The Assistant Director acknowledged some would need help and advised the £1m was being split into some smaller lots to allow smaller organisations to bid
- with regard to the pilot, Members asked for an assurance that there would be an emphasis on safeguarding and also queried what training would be provided for volunteers. The Assistant Director gave an assurance that safeguarding was key and would be incorporated into every contract so that people were signposted to a safe service.
- regarding the cost of training volunteers and the importance of retention, the Assistant Director undertook to take that on board as part of the personal care pilots.
- responding to a comment about the lack of a reference to advocacy in the report, the Assistant Director advised that an advocacy service was being commissioned separately for vulnerable adults; she would clarify whether provision for advocacy work was included in the tender.
- the lack of transparency in the budget setting process meant the VCS could find it difficult to see where funding reductions were being proposed. The Assistant Director responded that the open tendering process involved and putting funding on a contractual basis would provide more stability and transparency for the VCS.
- concern that some people had fallen into a gap when a contract ended and before a new one started. The Assistant Director asked for

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examples so she could investigate this but felt it may be non council contracts that were being referred to as a period of mobilisation was built into new tenders.

- the potential for service users to disengage at the point of transition due to a lack of clarity about what was to happen next.
- the need to help people navigate through what could be a bewildering amount of choice in services with the risk that the right choice to meet needs was not made. The Assistant Director assured Members that as part of the pilot there would be staff whose sole responsibility was to act as care navigators.
- the possibility of a covenant with the voluntary sector by which the Council would formally recognise its importance.
- the fact that the size of many voluntary sector organisations meant they would never bid for contracts or receive funding from the Council but still provided a useful service and that, without them, there would be added pressures for the Council and the Clinical Commissioning Group. The Assistant Director acknowledged many would not bid for contracts. The Council was planning to develop new posts whose role would be to engage and develop VCS organisations.
- recent correspondence from WALT, a Community Interest Company, to councillors which had indicated they could not continue after April 2018. The Assistant Director commented that WALT had been asked to develop a business case. She would get back to the Member with the latest position.

Decision:

The Committee:

- a) noted the contents of this report, and;
- b) agreed that a report be presented to the Committee at a later date following the implementation of the pilot outlined in paragraph 4.6 of the report.

923 Council Plan Performance Monitoring Report Quarter 3 2017/18

Discussion:

Members considered a report which summarised the performance of the Council's Key Measures of Success for Quarter 3 2017/18 as set out in the Council Plan 2016/21.

A Member noted the latest increase in the number of households living in temporary accommodation and commented this was a trend which was unlikely to stop. Officers commented that this was a pattern seen across the country.

A Member asked what measures would be used to determine the success of the digital transformation programme. The Assistant Director – Transformation replied that the Council would measure the take up of digital services and how

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many people staff in hubs and libraries supported with digital assistance and for what reason. She assured Members that non digital channels of accessing Council services were not being turned off and the timeline for this would depend on each project. Rather the Council was introducing additional digital channels to encourage people to move in that direction, with assistance where necessary. For each digital project there would be a Diversity Impact Assessment in order to understand the possible impacts on vulnerable people. Members welcomed that assurance but a concern was expressed about the apparent difference in approach between the lead Member and officers, bearing in mind comments made earlier by the Portfolio Holder for Resources on this issue. A Member commented that, as with every large programme, there would be unintended consequences and he hoped that where vulnerable people were affected the Council would move quickly to address that.

In response to a question about clients self identifying as vulnerable users, the Assistant Director – Transformation advised the Council was moving to a single customer account approach which would allow someone to identify as a vulnerable customer.

Decision:

The Committee agreed to note the quarter 3 2017/18 performance of the measures of success used to monitor progress against the Council's priorities.

924 Revenue Budget Monitoring 2017/18 - Quarter 3

Discussion:

Members considered a report which presented the results of the Council's revenue budget monitoring for Quarter 3 of the 2017/18 financial year.

A Member referred to the £65,000 overspend forecast for the Corn Exchange. The Chief Finance Officer advised that it had been hoped a third party would take over the lease but, as that had not happened, an alternative was being looked at.

Decision:

The Committee agreed to note the result of the third round of revenue monitoring for 2017/18 and also the forecast position and proposed management action.

925 Capital Budget Monitoring 2017/18 - Quarter 3

Discussion:

Members considered a report which presented the results of the Council's capital monitoring for Quarter 3 of the 2017/18 financial year, including out-turn forecasts and reference to any new schemes for approval.

Decision:

The Committee agreed to note the result of the third round of capital monitoring for 2017/18 and also the forecast position and proposed management action.

926 Six Monthly Review of the Corporate Risk Register

Discussion:

Members considered a report regarding the 6 monthly review of the Council's Corporate Business Risk.

A Member referred to Risk SR09b (Keeping Vulnerable Young People Safe and on Track) and questioned why the recent SEND inspection had not led to additional narrative around this risk and why the risk rating had not increased. The Head of Finance Strategy undertook to look at the risk rating and update the narrative.

Decision:

The Committee agreed to:

- a) note the amendments proposed to the Corporate Risk Register as detailed in Appendices A and B to the report,
- b) agree submission of the revised Corporate Risk Register to Cabinet on 15 May 2018 for final approval, and;
- a) note that with regard to Risk SR09b (Keeping Vulnerable Young People Safe and on Track) and in light of the recent SEND inspection, officers will expand the narrative and look at whether the risk rating is at the right level.

927 Community Governance Review - Review of Process

Discussion:

Members considered a report which reviewed the conduct of the Community Governance Review relating to the proposal to establish a Rochester Town Council.

Members commented that the review had been very well managed and had highlighted the importance of good consultation before reaching a decision.

In terms of future learning, the point was made that the public meeting which took place in Rochester was perhaps the only part of the process where lessons could be learned, with perhaps one meeting in each ward being

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preferable. It was also noted that this meeting had not been organised by the Council.

Decision:

The Committee agreed to note review of the Community Governance Review on the proposal for a Town Council in Rochester.

928 Member's item - Land Disposal, Consultation and Access

Discussion:

Members considered a report which set out a response to an issue raised by Councillor Maple concerning the freehold disposal of land adjoining Union Place Car Park New Road, Chatham.

Councillor Maple, while not opposed in principle to the sale of land no longer needed, felt this issue showed how there could be unintended consequences from the sale of council land. He wanted to see how this could be avoided in the future and examine whether the current policy was fit for purpose. He commented on the significant impact on surrounding properties from the erection of large fences and gates by the new owner of the land. He recognised that the Council had done what it was legally required to do but argued a good Council should go beyond that, such as consulting leaseholders in addition to freeholders. Such an approach could have avoided some of the issues and perhaps resulted in better value for the land being achieved. A Member commented that whilst this was a small area it was home to a great deal of community activity and agreed the Council should have done more to consult when selling the land.

Officers advised that the sale of the land had taken place around three years ago and that the access track to two of the affected properties had never been council owned and was not therefore sold by the Council. Neighbouring freeholders had been consulted prior to the sale and the land had been sold subject to any existing rights of way. In respect of the theatre, the tenants could ask the Council for it to consider granting rights of access across the Council's car park. Claims that there were public pedestrian rights of way across the land and into the Council's Union Street car park were being investigated by the Council's rights of way team.

A question was raised about whether the large fences and gates erected by the new owner required planning permission.

Decision:

The Committee agreed to:

- a) note the report

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- b) request planning officers to investigate whether the large fences and gates erected by the new owner require planning permission, and :
- c) request an update on the issue of the possible right of way referred to in paragraph 3.23.

929 Corporate Peer Challenge

Discussion:

Members considered a report which set out the outcomes and recommendations following the Corporate Peer Challenge held in November 2017.

A Member commented that the conclusions of the review did not contain any surprises and acknowledged that the review itself had been extremely well organised by the Council. This had been a complex piece of work and not all reviews in other councils were as well organised. Some Members considered that it would have been more helpful if the review had focused more on the difficulties that existed in all councils. The point was also made that whilst the report was positive, most peer reviews presented a largely favourable view. A Member commented that the findings on partnership working being a strength did not echo the recent SEND Ofsted report which had been critical of partnership working. The Director Regeneration, Culture, Environment and Transformation and Deputy Chief Executive agreed that partnership working had been identified as a key strength within the CPC Report, and undertook to reflect on partnership working elsewhere across the Council.

In response to comments, the Director Regeneration, Culture, Environment and Transformation and Deputy Chief Executive assured Members that the review had been very searching, with rigorous questioning of a large number of teams and partners. The Review members had all been very experienced and had examined thoroughly every area of the Council, and had been extremely positive about Medway's regeneration programme.

A Member expressed disappointment at an earlier comment from the Leader that the action plan would be relatively easy to compile as it should be more challenging for it to be of real use. The action plan should also take into account issues raised by other inspections on similar issues.

A Member considered that the findings reflected the commitment and dedication of staff and set a baseline for how future improvements could be measured.

Decision:

The Committee agreed to:

- a) note the recommendations and final Report attached as Appendix 2 to the report, and;

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- b) request a report in six months on the implementation of the action plan arising from the review.

930 Work Programme

Discussion:

Members considered a report advising the Committee of the current work programme.

A Member referred to a potential Member's item for a future meeting on the issue of securing a multi agency response to issues of community concern so that residents received timely answers. He commented that, following discussions with officers, he would consider whether this may be too complex a matter to be dealt as a Member's item.

Reference was made to a decision by Cabinet on 10 April to ask for a progress report on the preparation of a sustainable programme for RVS Medway and noted that this was a possible item for pre-decision scrutiny.

Decision:

The Committee agreed to:

- a) note the current work programme (Appendix 1);
- b) agree the changes to the current work programme as set out in paragraph 3.2, and;
- c) note the work programmes of all overview and scrutiny committees (set out in Appendix 2 to the report),

Chairman

Date:

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