

Medway Council
Meeting of Business Support Overview and Scrutiny
Committee

Thursday, 24 October 2019

6.30pm to 9.39pm

Record of the meeting

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

Present: Councillors: Hackwell, Johnson, Khan, Maple, Murray, Opara, Wildey and Williams

Substitutes: Councillors:
Adeoye (Substitute for Andy Stamp)
Barrett (Substitute for Clarke)
Bhutia (Substitute for Buckwell)
Purdy (Substitute for Etheridge)
Tranter (Substitute for Tejan)

In Attendance: Mark Breathwick, Head of Housing
Katey Durkin, Head of Finance Strategy
Perry Holmes, Chief Legal Officer/Monitoring Officer
Michael Turner, Democratic Services Officer
Phil Watts, Chief Finance Officer

384 Election of Chairman

In the absence of the Chairman and Vice-Chairman, Councillor Wildey was elected as Chairman for the meeting.

385 Apologies for absence

Apologies for absence were received from Councillors Buckwell, Clarke, Etheridge, Andy Stamp and Tejan.

386 Record of meeting

The record of the meeting held on 22 August 2019 was agreed and signed by the Chairman as correct.

387 Urgent matters by reason of special circumstances

There were none.

388 Disclosable Pecuniary Interests or Other Significant Interests and Whipping

Disclosable pecuniary interests

There were none.

Other significant interests (OSIs)

There were none.

Other interests

Councillor Johnson disclosed that he was employed by Citizens Advice Medway, which was referred to in agenda item nos 5 (Attendance of the Portfolio Holder for Business Management) and 6 (Council Plan Performance Monitoring Report and Risk Register Review Quarter 1 2019/20). He added he had taken advice from the Monitoring Officer that the interest would comprise a DPI only if it was closely aligned to the reports. Therefore he would remain in the meeting when these two items were considered but would leave the meeting if there was a discussion about Citizens Advice Medway.

389 Attendance of the Portfolio Holder for Business Management

Discussion:

Members received an overview of progress on the areas within the terms of Reference of this Committee covered by Councillor Rupert Turpin, Portfolio Holder for Business Management, i.e.

- Customer Contact;
- Democracy and Governance;
- Audit and Counter Fraud;
- Revenue and Benefits;
- Income Generation (including new Joint Ventures);
- Risk Management;
- Business Management;
- Commissioning, and;
- Medway Norse.

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

- **Customer Contact** – Members referred to feedback from constituents about difficulties getting through to Customer Contact or being held in a long queue and asked what plans were in place to improve matters. The Portfolio Holder acknowledged these concerns. There were a number of vacancies in the team but, in spite of that and the recruitment freeze, the service had been managed well. The number of calls to the Council had reduced significantly this year and approximately 30,000 calls had been eliminated

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per month. Staff were encouraged to make sure people they were in contact with had their direct number and other steps being considered were the use of apprentices, redeployment, increasing digital take up and further training. However, some calls were about complex issues and when staff who had specialised in certain areas left the Council this did present a problem.

A Member queried why there was no email address to contact the Council where someone was unable to get through to speak to Customer Contact and, if this was not possible, for this to be explained on the website. The Portfolio Holder considered a single email address was not feasible but acknowledged more could be done to make the Council's website easier to navigate so online forms were easier to find.

Another Member queried whether enough support was in place to help vulnerable people. Whether there should be a designated telephone line for people who were socially isolated or with mental health needs was also mentioned. The point was made that anyone with a library fine was unable to receive digital support from library staff. Difficulties in applying for a Blue Badge were referred to, including applicants having to pay two months in advance but only receiving the badge 3 weeks before its start date. The Portfolio Holder undertook to discuss this issue about Blue Badges with the Portfolio Holder for Adults' Services and the issue about library fines with the service.

- **Interpreting service** – in response to whether the service had made a profit this year, Members were advised that a return of around £57,000 had been made.
- **Democracy and Governance** – a Member asked if the Committee's thanks could be passed onto the team for the way in which they had dealt with many complex issues during the year. A Member commented on a large number of complaints he had received about difficulties some people experienced when trying to vote in the European elections and asked if any lessons had been learned. The Portfolio Holder commented on the very tight timetable by which the European elections had to be organised, which also took place alongside preparations for the local elections. He added the Government would not have met the costs of any preparatory work had the UK not participated in the election. EU citizens had been required to complete a form confirming whether they would be voting in their home country or in the UK. These would normally be sent out in January but on this occasion were sent out on 25 April and the deadline for return was 7 May. 23% had returned this form but it was not possible to know if those who did not return it had voted in their home country or not at all. In total 14 complaints had been received. The Portfolio Holder noted that the Electoral Commission had warned the Government that the registration process was not fit for purpose and in the circumstances he considered the team had done well in organising the election.

It was suggested that further attempts be made to encourage new Members to switch to paperless and ensure they had enough information and support

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to do so. The Portfolio Holder commented that Members were able to purchase a tablet or laptop through their basic allowance on an interest free basis.

- **Audit and Counter Fraud** – referring to the need to make urgent changes to the Audit Plan in response to events, a Member asked if the Portfolio Holder was content with the process around deciding what reviews had to slip. The Portfolio Holder commented the Audit Plan was very detailed and he did agree there was a need for flexibility in order to respond to urgent issues. A Member asked if the audit team would be diverting resources in order to respond to the recent Ofsted report on children’s social care. The Portfolio Holder confirmed that was the case and commented the focus of the team would largely be on record keeping and processes within children’s services.
- **Income generation** – in the context of cuts in local authority funding, a Member asked for an assurance that the core business of the Council was not affected when outsourcing or shared services arrangements were entered into. The Portfolio Holder commented that a good example of the flexibility the Council could show was the purchase of land for a new waste depot when it became apparent that the current site could not be used for the new contract.
- **Medway Norse** – a Member expressed concern at the failure to TUPE transfer a Trade Union Official to Medway Norse. The smooth transfer of the waste service to Medway Norse was recognised. The importance of the relationship between Community Wardens and Medway Norse was emphasised and a concern was expressed that the current restructuring may lead to a reduced community warden service. The service was seen by many as the public face of the Council and a reduced service could impact on the public’s view of the Council. Another Member referred to the unsettling effect on staff of rumours around the restructuring. The Portfolio Holder responded that he would look into the query regarding the transfer of the trade union official. He noted that the community warden service was currently being restructured but understood there would be no redundancies and Members’ concerns would be fed into the process.
- **Online services** – a Member referred to a 2 week delay in issuing parking permits which meant customers were having to pay for a £2 per day ticket in the meantime. In addition the online parking permit application service provided a limited opportunity to submit hard copies of evidence and it was also a problem for those people where their evidence was stored digitally. The Portfolio Holder undertook to raise the issue of the delay with the service and suggested the concern around submitting evidence online could be looked at by the Member User Group.
- **Corporate debt** – The Portfolio Holder agreed to look into a problem referred to by a Member where a charity had a business rate debt which was not their fault and whether the new corporate debt system could help resolve such an issue.

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Decision:

The Committee:

- a) thanked Councillor Turpin for his attendance, and
- b) recommended the following:
 - i) that a clear message be added on the Council's website explaining why there is no general email address for the Council;
 - ii) that the Head of Democratic Services be asked to further encourage new Members to switch to paperless working, and;
 - iii) that the possibility of a dedicated telephone line for people who are socially isolated to contact the Council be investigated.

390 Draft Homelessness and Rough Sleeper Strategy 2019-2024

Discussion:

Members considered a report regarding a draft Homelessness and Rough Sleeper Strategy 2019-24, which responded to the Homelessness Reduction Act 2017, Government guidance on homelessness and rough sleeping and current practice in Medway. It replaced the previous Homelessness Prevention Strategy 2017-19.

The following issues were discussed:

- **Reasons for homelessness** – a Member commented that the reasons cited in the Strategy why someone became homeless or was at risk of becoming homeless were often linked to Government guidance and policies. The concern was expressed that, although the Strategy contained some useful measures, it could not itself address the fundamental problems in Medway, and what was needed was more lobbying of the Government. The Head of Housing advised that the Strategy contained a commitment to lobby the Government about the challenges the Council faced.
- **Sustainability of the Strategy** – noting that Government funding for next year had not been confirmed, a Member questioned the sustainability of the strategy and whether it could be delivered. The Head of Housing advised that the Council had recently been made aware that Government funding for rough sleeping would be made available and he was confident the Council's bid would be successful. The risk remained though that the bid would not be approved, which was why a flexible one year action plan had been suggested.
- **Temporary accommodation** – a Member referred to a significant increase in the numbers of people in temporary accommodation in

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March 2019 compared to March 2018 and a lack of understanding about the needs of children in this group, what support they were receiving and what conditions they were living in. Another Member emphasised the need for the Council to place a higher priority on young people, particularly those who were vulnerable. The Head of Housing commented that, against a national increase of 5% in people in temporary accommodation, there had been no increase in Medway, although the numbers of children in temporary accommodation would inevitably fluctuate. In Medway families in temporary accommodation were not housed in shared accommodation or bed and breakfast. He would consider adding to the Strategy a section on mapping the needs of these children.

A Member welcomed the move away from the reliance on nightly paid accommodation and find more long leases.

- **Training for frontline staff** - a Member queried whether there were sufficient resources to deliver training for people with mental health needs and also whether this was in fact something that should be tackled as a Council wide issue. The Head of Housing commented that staff were encouraged to approach this sensitively but it was a challenge to link people to the right levels of support. Funding for this training would be included in the bid for rough sleeping funding. Discussions were taking place with colleagues across the Council and partners about how best to provide the right support for people with mental health needs.
- **Rough sleepers in winter** – a Member asked what discussions had taken place with those organisations involved in the arrangements for rough sleepers in winter. The Head of Housing stated the Cold Weather Programme was comprehensive and involved a range of partners. A winter hostel would open at weekends and nights where the temperature was forecast to be freezing or below. From January the night shelter run by the churches would be open. The Council would also look to place rough sleepers in temporary accommodation in periods of extreme weather.
- **Overlap between homelessness, rough sleeping and begging** - a Member asked how well the Council was communicating this complex message to the public. The Head of Housing said regular discussions took place with the Communications Team on suitable publicity and other events such as a stall in the Pentagon Centre for the public to ask questions had recently taken place. He would think about what more could be done. A Member welcomed this differential between homelessness and rough sleeping, given that these groups presented different challenges.
- **Use of tents** - how the Council was tackling the use of tents by rough sleepers was queried. The Head of Housing commented this was a very complex issue and the presence of a barrier could make it difficult to

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engage with the rough sleeper inside and potentially place them at greater risk of abuse. Some tents were provided by voluntary organisations and the Council tried to encourage them to provide alternative, sustainable solutions.

- **Code of Practice** - a Member suggested that the Council should draw up a Code of Practice aimed at signposting those who wanted to help tackle rough sleeping to those organisations who were operating the most effectively. The Head of Housing undertook to raise this idea with the Homelessness Forum.
- **Survey questionnaire** - it was agreed that a copy of this would be sent to all Members of the Committee.
- **Resilience of Third Sector** - a Member queried what would happen if a partner helping with rough sleeping decided they could no longer continue. The Head of Housing advised this was not covered by the Strategy and he would consider what options might be available were it to happen.
- **Night Shelter** - The Head of Housing undertook to look into comments that volunteers for the Shelter had received parking tickets when arrangements had been made for them to park for free.
- **Affordable homes** – a Member noted the number of times the low level of affordable rental properties was mentioned in the Strategy as a key reason why people were turned out of accommodation they could not afford and queried what was being done to change the Council's 25% affordable housing target. The Head of Housing commented that the supply of affordable homes was a challenge and also a driver behind a number of issues including homelessness. There was a balance between what level of affordable housing developers could be persuaded to agree to without restricting the number of new homes being built. The housing team worked with registered providers to ensure the 25% target was achieved. The Council was looking to reduce the reliance on the private sector to provide temporary accommodation and also increase the number of tenancies in the private sector.
- **Care leavers** – noting care leavers were more vulnerable to becoming homeless and that landlords often required a 2 month deposit, a Member stated that at a recent meeting officers had been unable to confirm how the Council could help care leavers with this. The Head of Housing advised the Council had helped care leavers with paying this deposit for some time but he would look at cases where young people had not been aware of this to see if the pathway could be improved. A Member commented this pathway should have been in place already and the Council needed to do more to place care leavers at the centre of its thinking.

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- **No recourse to public funds** – in response to what support was provided to the children of people in this category, the Head of Housing commented that vulnerable children and adults would hopefully be identified and supported by social services.
- **Paramount Property Services** – a Member referred to an increase in concerns from constituents about a reduction in standards in these properties. The Head of Housing assured Members he was aware of this and was taking action to improve matters.
- **S.21 eviction notices** – a Member asked how many people the Council had helped to avoid being evicted since the law in this area had changed. The Head of Housing advised the Council had had some success in this area and undertook to provide Members with the details.

Decision:

The Committee agreed to:

- a) note the report;
- b) forward Member's comments to Cabinet, and
- c) recommend that the Head of Housing takes steps to further raise awareness amongst relevant teams across the Council of the existence of the Council's rent deposit guarantee scheme for care leavers.

391 Council Plan Performance Monitoring Report and Risk Register Review Quarter 1 2019/20

Discussion:

Members considered a report which summarised performance in Q1 2019/20 on the delivery of the programmes and measures which fall within the remit of the Committee and also presented the Q1 2019/20 review of the Strategic Risk Register.

A Member proposed that a Task Group be set up to look at how the Council dealt with complaints and whether the complaints process was fit for purpose. The Committee was advised that a Voluntary Sector Task Group had recently started work and once it had concluded physical activity would be the topic of the next review. After a discussion it was agreed that the Committee would receive a report on the complaints process at a future meeting and, after considering that, decide whether to recommend complaints as a subject for a future Task Group.

A Member noted that performance in adult education had fallen and also referred to the fact there was no target set for digital take up although the report said performance had improved.

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A Member argued that the lack of a risk relating to Brexit was a serious omission from the risk register.

Reference was made to the Housing Infrastructure Fund bid and the risk of this not being agreed by the Government given the Council had already committed £2m to the bid. The Chief Finance Officer shared the concern about the delay in a decision being made but assured Members that representations would continue to be made to the Government on this.

The Committee asked for a Briefing Note on the deep dive regarding the adult social care transformation risk.

Decision:

The Committee:

- a) noted the Q1 2019/20 performance of the measures of success used to monitor progress against the Council's priorities;
- b) noted the Q1 2019/20 review of the Strategic Risk Register;
- c) asked for a report on complaints handling at a future meeting, and;
- d) asked for a Briefing Note on the deep dive into adult social care.

392 Risk Strategy Annual Review

Discussion:

Members considered a report regarding the annual review of the risk strategy.

A Member asked if partner organisations such as Gravesham Borough Council, Medway Norse and the Council's wholly owned companies followed the same methodology on risk. The Head of Finance Strategy confirmed that Gravesham Borough Council's risk strategy was very similar and would find out what approach was taken at Medway Norse and the companies.

A Member asked if organisations the Council commissioned services with were aware of the Council's risk register and also made the point that risk should be an issue for everyone in the Council. The Head of Finance Strategy advised that discussion had taken place with management teams across the Council to review service specific plans. The new intranet site offered an opportunity to deliver e-learning on issues such as risk but there was more the Council could do to raise awareness of the importance of risk. Where the Council commissioned services the procurement process ensured that a risk management framework was in place.

Decision:

The Committee agreed to:

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- a) endorse the amendments proposed to the Risk Management Strategy, and;
- b) note that the Risk Management Strategy and Corporate Risk Register will be submitted to Cabinet on 19 November 2019 for approval.

393 Work Programme

Discussion:

Members considered a report regarding the Committee's current work programme.

Decision:

The Committee:

- (a) agreed the proposed changes to the current work programme as set out in paragraph 3.2 of the report, and;
- (b) noted the work programmes of the other overview and scrutiny committees.

394 Medway Development Company Ltd Update

Discussion:

Members considered a report on Medway Development Company which had been submitted to Cabinet on 24 September 2019.

A Member asked if the Council's 25% affordable housing target had been met at the first four projects in the business plan. The Chief Legal Officer advised that the target would be met or exceeded at these sites and 64 new affordable homes (shared ownership and affordable rent) would be delivered.

Some Members expressed concern at the proposal that MDC build units for the private rental market. This was a significant change to the original purpose of the company and the company itself was still relatively new. The role of private landlord was very different to that of developer and brought with it some risks. The Chief Legal Officer responded that the Council had taken advice on this proposal which confirmed there was a market for renting units and this would also provide a revenue income. A Member made the point people on the waiting list for a council property may well perceive it was the Council, not MDC, which was letting properties and it would appear people were therefore bypassing the waiting list. The Council would need to manage this possible tension. The Chief Legal Officer acknowledged there were risks in the company acting as a landlord but these would be managed. The extent to which the Council would be mentioned in publicity about properties to let was still to be decided.

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Regarding sites which did not pass the profitability threshold, the Chief Legal Officer advised it would be for Cabinet to decide how to proceed. The threshold was confidential but would be shared with Members outside the meeting.

A Member re-iterated concerns expressed previously about Cabinet members serving on the Boards of Council owned companies, which he did not consider to be best practice.

Referring to governance problems at another Council company and difficulties the Council had faced in accessing information from that body, a Member asked if any lessons had been learned and applied to MDC. The Chief Legal Officer commented that standards of governance at MDC were high and it was hoped the other companies would see this a model of best practice.

A Member referred to anti-social problems at one of the sites MDC was developing and the potential for this to damage the Council's reputation. The Chief Legal Officer advised that the site was close to being secured and the housing development would hopefully help with the regeneration of the area.

A concern was expressed about the potential impact of a further 1% increase in the costs of borrowing from the Public Works Loan Board. The Chief Legal Officer replied that the risks of an increase in costs had been examined and a 1% increase could be mitigated in MDC's business plan, as an allowance had been made for some fluctuations in costs.

Decision:

The Committee agreed to note the report.

Chairman

Date:

Michael Turner, Democratic Services Officer

Telephone: 01634 332817

Email: democratic.services@medway.gov.uk