

Medway Council
Meeting of Business Support Overview and Scrutiny
Committee

Wednesday, 15 December 2010

7:00pm to 9.15pm

Record of the meeting

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

Present: Councillors: Andrews, Avey, Kenneth Bamber (Chairman), Bright, Carr, Gulvin (Vice-Chairman), Griffiths, Harriott, Jones, Juby and Royle.

Substitutes: Councillor Burt for Councillor Stamp

In Attendance: Mick Hayward, Chief Finance Officer
Sue Hopkins, Service Manager
Tricia Palmer, Assistant Director, Organisational Services
Caroline Salisbury, Overview and Scrutiny Co-ordinator
Deborah Upton, Assistant Director, Housing and Corporate Services/Monitoring Officer

618 Record of meeting

The record of the meeting held on 4 November 2010 was agreed and signed by the Chairman as correct.

619 Apologies for absence

An apology was received from Councillor Stamp.

620 Urgent matters by reason of special circumstances

The Chairman advised that there were no urgent matters but that he wished to make the following announcements:

- further to a request, he had agreed to vary the order of the agenda so that item 10 (Contract register and the forward procurement plan) would be considered before agenda item 9 (Quarter 2 Council Plan monitoring)
- Councillor Janice Bamber had given her apologies and was unable to attend in order to be held to account due to personal circumstances
- the Chairman also welcomed Councillor Jones to his first meeting as a Member of this committee.

621 Declarations of interest

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Councillor Griffiths declared a personal interest in any reference to NHS Medway and Medway Community Healthcare as he is a non-executive director of both Trusts.

622 Work Programme

Discussion:

The committee considered the current work programme and current Cabinet Forward Plan.

Decision:

Members noted the work undertaken by all overview and scrutiny committees in the last cycle and to be considered at the next cycle of meetings.

623 Attendance of the Portfolio Holder for Customer First and Corporate Services

Apologies were received from Councillor Janice Bamber that she would be unable to attend the meeting due to personal circumstances.

624 Licensing Act 2003 Review of Council Statement of Licensing Policy

Discussion:

The Assistant Director of Housing and Corporate Services introduced the report advising that the Statement of Licensing Policy had to be renewed every three years and as it was a policy framework document would be considered at Cabinet on 21 December and Full Council on 13 January 2011.

Members were informed that two representations had been received to the consultation process and only one of which had raised objections.

The committee was also advised that the Police Reform and Social Responsibility Bill had been published on 14 December which could mean that the Statement of Licensing Policy would have to be revised again to take into account any new requirements within the legislation.

Members commented that the points made in the representations were reasonable and asked whether the definition of “public nuisance” was sufficient to address their concerns? The Assistant Director of Housing and Corporate Services advised that she considered the policy covered this definition sufficiently.

Decision:

The Cabinet is asked to recommend the proposed changes to the Licensing Policy as set out in paragraphs 5.1.1 – 5.1.5 of the report, to Council for approval as part of the council’s policy framework.

625 Introduction to the Adult Learning Service

Discussion:

The Assistant Director of Organisational Services introduced the report advising that the Medway Adult and Community Learning Services (MACLS) had been added to her service's remit and was now within the terms of reference of this committee.

The Service Manager gave a presentation outlining: the variety of over 1,000 courses; 72 locations across Medway; specific wards that were being targeted; enrolment statistics; participation by the public and employers and a 99% satisfaction rate from the service users. The committee was also advised that the adult learning service was breaking even financially with £2.5 million each year received in grants from the government and other income generated to provide the services.

The committee asked about:

- courses for English as a foreign language and English as a first language
- concessions for users on low incomes or for people over 60 years of age
- all children's centres used as a location for services
- provision in Luton and Wayfield and Chatham Central wards
- consideration of providing licensing courses and a request for officers to contact the Licensing Department to discuss this further
- Ofsted ratings.

Decision:

The committee noted the work of the Medway Adult and Community Learning Service.

626 Contract Register and the Forward Procurement Plan

Discussion:

The Assistant Director of Housing and Corporate Services introduced the report that gave an overview of the importance of the Council's Forward Procurement Plan (FPP) and Contracts register and how its uptake and use could ensure the achievement of effective contract monitoring.

The committee was advised that although in paragraph 4.1 of the report it stated that the register detailed all procurement activities in excess of £100,000, this would now list everything over £15,000 and so inevitably it would include a lot more contracts than previously.

Members asked about the schedules for each specific project as they wished them to contain clear start and finish dates and other indicators to allow successful monitoring of progress of the contract.

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Decision:

The committee noted the report.

627 Quarter 2 Council Plan Monitoring

Discussion:

The Chief Finance Officer advised that the report covered the period from July to September 2010 and updated on the delivery of the Council Plan. He explained that there were 53 key performance indicators (KPI) and out of these 62% were on target, 15% were at risk of not making the target and 23% were off-track. The Chief Finance Officer also highlighted the table on page 65 of the agenda and informed Members that further work was required on the KPI for 'Children and Young People having the best start in life' and 'Older and Vulnerable People maintaining independence'. Within the Business Support directorate, the area requiring particular attention was the average time taken to re-let council housing.

Members asked the Chief Finance Officer to congratulate the benefits team for the improvement in performance. Members also asked that a letter of congratulations was sent on behalf of the committee to Aut Even, the residential respite centre for children with disabilities, as its Ofsted judgement had recently improved from "Adequate" to "Good".

The committee also commented on National Indicator 67 (page 70 of the agenda) and the commentary that stated "the stretched capacity within all agencies working within the safeguarding system is showing in reductions in agency attendance at conferences and less availability of documentation prior to conferences which can make risk assessment more difficult." Members asked that this was flagged to the Children's Trust to request agencies to address this, as the children involved could be at greater risk if their case conference was unattended by an agency involved in the case.

The committee was concerned at the 60% increase in demand for services relating to domestic violence between Quarter 1 and 2. Members believed that the public now had an idea that if they claimed they suffered from domestic abuse they could be re-housed as a priority over other people on the housing register. Members asked officers to re-consider the decision-making process to re-house someone and to ensure that they were fully aware of the current situation from the Police and to ensure that it was not out of date or invalid information.

Decision:

The Committee noted the:

- (a) performance for Quarter 2 Council Plan Monitoring 2010/2011;

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- (b) proposed process for developing the Council Plan 2011-14, as set out in paragraph 3.3 of the report.

628 Capital Budget Monitoring 2010/2011

Discussion:

The Chief Finance Officer introduced the report summarising the current situation relating to the existing capital programme for 2010/2011, as set out in Table 1 on page 108 of the agenda. From the total capital budget of £128 million, officers expected that £90 million would be spent this financial year and £38 million in future years, on a total of 214 projects in the capital scheme.

Members asked about the budget for three Local Management Agreement properties which the Council managed on behalf of English Heritage (Rochester Castle, Upnor Castle and Temple Manor) which were 50% funded by each body, as set out on page 111 of the agenda. The committee asked whether in the current financial climate the council could afford to continue paying into this fund and officers were asked if there was an opportunity for an early exit from the contracts and what the consequences would be if this happened?

Officers responded that their concern would be that English Heritage would remove funding altogether because, as an organisation, they would probably be content for these ancient monuments to decline naturally.

Members commented on the "Twydall Accessibility Scheme" detailed in Appendix 3 on page 125 of the agenda asking officers to confirm whether this showed £30,000 of funds remaining. Officers undertook to investigate this matter and inform Members of the outcome.

Decision:

The committee:

- (a) noted the spending and funding forecasts summarised in Tables 1 and 3 of the report;
- (b) requested that officers investigate the possibility of early exit from the contracts for maintaining the three Local Management Agreement properties and the consequences for those buildings and the council should this go ahead;
- (c) requested the Chief Finance Officer to investigate the monies shown for the Twydall Accessibility Scheme in the current capital programme.

629 Revenue Budget Monitoring 2010/11

Discussion:

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The Chief Finance Officer introduced the report advising that at present there was a forecast shortfall for the 2010/2011 revenue budget of £1.236m although some £339,000 of this was as a consequence of an inability to generate the full value of savings from the mid year cuts. The council was committed to fund the shortfall in savings which were expected as a consequence of the likely redundancy and early retirement costs associated with staffing reductions together with an inability to achieve the full year effect in some cases. If necessary, this would come from reserves but hopefully, as the balance of the year unfolded further savings against forecasts would materialise and make this unnecessary.

The Chief Finance Officer emphasised that children's social care continued to be a large financial pressure for the council, as the number of referrals continued to increase. Also, another area of concern was unsubsidised accommodation for particularly vulnerable young people. This type of supported accommodation (informally referred to as "half-way houses") offered by external providers within Medway continued to be a problem. This was because the council was restricted in the amount of money it could recover from the government for individuals living in this type of accommodation and claiming benefit in Medway. However, work had started to investigate and challenge these claims further.

Decision:

Members noted the forecast outturn position for 2010/2011 and the proposed management action to reduce the potential deficit.

630 Capital and Revenue Budget 2011/2012

Discussion:

The Chief Finance Officer advised that the council had expected the financial settlement for the 2011/2012 budget to be published on 2 December 2010 but it had been deferred and was announced on 13 December. Officers were currently working through the financial settlement document to identify whether existing grants remained, had been deleted or subsumed into the Formula Grant.

The committee was advised that the agenda report identified the budget requirement for each service for the next financial year. There had been no pay rises factored into this draft budget but annual increments were included even though there was an on-going consultation about these being frozen for the next financial year, as this had not yet been determined. The budget, as set out in the papers, did also not include any increase in inflation, except for a few areas where the council was obliged to do so, such as the waste contract.

The formula grant from the government had been predicted to be £90 million for the general fund but this had since been announced as £86 million, so the council would receive £4 million less than indicated in the report. Other than

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this figure, officers continued to unravel the financial settlement figures, as they were extremely complicated.

Members asked if this meant that the predicted gap in funding of £21 million would change. Officers responded that it was unknown at this stage but that on a 'like for like' basis of last year's budget and the new financial settlement, there would be a cut in funding for next year of 11.9%. The following year would bring a further 8% cut and then there would be another two year settlement in 2013 based on a 'revised distribution formula'.

The committee was also informed that capital funding had been halved from £30 million to £15 million with the devolved capital for schools, which was used for minor upkeep works on buildings, being cut from £4.8 million to £800,000. The Local Transport Plan funding had also reduced from £6m to £3.8m with the major impact being on Integrated transport projects whereas the budget for the upkeep of highways had been held at present levels.

Some Members asked officers to consider the removal of the Member's discretionary funds (£156,000) used for ward improvements, as this could help to retain several jobs, during next year's budget setting process.

Decision:

The committee:

- (a) noted the draft capital and revenue budget for 2011/2012;
- (b) agreed to forward the programme to individual Overview and Scrutiny Committees;
- (c) agreed that the Members Discretionary Fund of £156,000 would be considered by this committee when it considered the draft budget within its remit on 27 January 2011.

Chairman

Date:

Caroline Salisbury, Overview and Scrutiny Co-ordinator

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