

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

**Wednesday, 21 August 2024**

**6.01pm to 8.03pm**

**Record of the meeting**

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

**Present:** Councillors: Tejan (Chairperson), Bowen, Browne, Cook, Hackwell, Jones, McDonald, Pearce and Mark Prenter

**Substitutes:** Councillors:  
Field (Substitute for Hamilton)  
Gulvin (Substitute for Brake)  
Lawrence (Substitute for Kemp)  
Wildey (Substitute for Clarke)

**In Attendance:** Mark Breathwick, Assistant Director, Culture and Community  
Steve Dickens, Democratic Services Officer  
Dave Harris, Chief Planning Officer  
Emily Lane-Blackwell, Assistant Licensing Manager  
Phil Watts, Chief Operating Officer

**236 Apologies for absence**

Apologies for absence were received from Councillors Brake, Clarke, Hamilton and Kemp.

**237 Record of meeting**

The record of the meeting held on 20 June 2024 was agreed by the Committee and signed by the Chairperson as correct.

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

There were none.

**239 Disclosable Pecuniary Interests or Other Significant Interests and Whipping**

Disclosable pecuniary interests (DPI)

There were none.

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### Other significant Interests (OSI)

There were none.

### Other Interests

There were none.

## 240 Medway Local Plan Regulation 18 Consultation

### **Discussion:**

The Assistant Director, Culture and Community introduced the report which set out three broad options for growth in Medway and policies to manage development. A presentation which outlined the Local Plan proposals and next steps following the completion of the consultation was provided to the Committee. Members thanked officers for the work undertaken.

The following issues were discussed:

**Digital** – it was noted that the Local Plan referred to all new major developments having fast broadband connectivity (page 223 of the agenda pack refers), it was suggested that all developments regardless of size should be provided with access to fast broadband connectivity. The Chief Planning Officer noted the feedback from the Committee.

**Utilities and Infrastructure** – it was asked whether Medway had the necessary infrastructure to ensure the electricity and water supply to support the growth in homes and employment. The Chief Planning Officer explained the Council was working with Southern Water. In relation to electricity supply the Council would also explore other options such as use of the river Medway, waste to energy and the data processing centre proposed at Kingsnorth as well as other possible options regarding power and energy production.

In response to queries relating to road traffic, the Chief Planning Officer reported that the Council was holding regular meetings with National Highways to consider congestion issues in relation to the strategic road network and was also completing work on a Strategic Transport Assessment that would inform capacity of roads in Medway and the mitigation needed to support the growth proposed.

Members raised concerns regarding the potential for flooding in some areas when greenfield sites were developed. The Chief Planning Officer replied that it was vital for the Council to work with developers to ensure surface water issues would be dealt with appropriately.

**Healthcare services** - it was commented that the Local Plan could identify a site for a new hospital to support the additional demand on the area. The Chief Planning Officer explained that the Council was liaising with the NHS in relation

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to local healthcare services. A Member commented that Healthy Living Centres were in good locations and more services could be provided by those centres.

**Capstone Park** - a Member commented that Capstone Park was important to the air quality of Medway and previous development proposals in the area had been met with significant petitions. The Chief Planning Officer agreed the importance of air quality in Medway, the Council needed to plan for mitigating the impact of development on air quality and this included the development of electric vehicle charging points and tree planting. He added that with regard to previous petitions, he could not rely on a petition from several years ago in relation to future proposals.

**Brownfield development** – in response to a question how the Council would ensure that brownfield development was prioritised, the Chief Planning Officer stated that the Council had been successful in developing brownfield sites like Kitchener Barracks using Homes England Funding, Chatham Waterfront through the Medway Development Company as well as other brownfield sites in private ownership through positive discussions. All options would continue to be explored to make sure future allocated brownfield sites came forward.

It was commented that some brownfield development had included a large number of flats and that there was too much focus on one and two bedroom flats, the Chief Planning Officer agreed that a mix of housing was required and noted the feedback.

**Town Centres** – clarification was requested regarding the future of town centres in the area, the Chief Planning Officer explained Chatham town centre would not just be a retail centre in the future but would be revitalised through incorporating more residential as well as other community, commercial and other uses, such as a healthy living centre and Innovation hub in the Pentagon.

**Quality of design** – Members commented on the need for high quality design for housing, the Chief Planning Officer agreed and assured the Committee there were high quality designers submitting proposals in Medway.

**Consultation response** – Members requested that when the consultation was closed, could the Council publicise any changes to the plan that had been made. The Chief Planning Officer agreed this would be provided.

**Transport links** – it was commented that Medway had good east to west transport links, but this was weaker north to south, with public transport taking too long. The Chief Planning Officer noted the comments, he stated the Council needed to work on making alternatives faster and more reliable.

**Electric Vehicle Charging** – a Member highlighted that access to electric vehicle charging points was an issue for many people in Medway, and many that were in place were slow chargers which was unhelpful. A Member commented that putting charging points in place took considerable time. The Chief Planning Officer noted the comments.

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**Consultation** – in response to a requirement for more information about the consultation process, the Chief Planning Officer stated he was pleased with the large number and positive responses received. Further events were planned and he would update Members regarding responses received.

### **Decision:**

The Committee provided feedback on the proposals in Medway Local Plan consultation in relation to matters regarding the scope of the Committee including digital transformation, climate change, services and equalities.

## **241 Statement of Gambling Policy 2025-2028**

### **Discussion:**

The Assistant Licensing Manager introduced the report, the Gambling Act 2005 required the Local Authority to review the statement of gambling policy every three years. The amended policy proposed only minor changes to the policy to update weblinks and to ensure the policy met accessibility guidance.

A consultation had taken place and one response had been received.

The following issue was discussed:

**Online gambling** - Members commented that any proposal to restrict gambling in Medway would result in people moving to online gambling. The Assistant Licensing Manager agreed, the policy ensured gambling shops had the right policies and were inspected. Online gambling was a matter for the Gambling Commission, however, further restrictions would, in her view, be self-defeating.

### **Decision:**

- a) The Committee noted the response received during the consultation and advised on any amendments to the draft policy.
- b) The Committee recommended approval of the draft policy to Cabinet and Council.

## **242 Revenue Budget Monitoring - Round 1 2024/25**

### **Discussion:**

The Chief Operating Officer introduced the report. He highlighted that the round one monitoring forecast an overspend of £16.5m, with an overspend of £1.6m within the remit of this Committee.

The overspend within the remit of this Committee related principally to projections in savings related to Medway 2.0, where work was progressing and officers were confident that savings would be achieved, however, until those savings had been delivered they would not be included in the forecast.

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The following issues were discussed:

**Revenue** – in response to a question whether there were plans in place to utilise Council assets such as commercial use of the data server, the Chief Operating Officer replied that it was planned to make greater commercial use of the Council's assets but this had been delayed due to the safety works which were required to Gun Wharf.

**Legal Services overspend** – concern was raised in relation to the overspend in Legal Services despite recent investment in the service. The Chief Operating Officer stated that the restructure of Legal Services had yielded improvements, however the full benefits of the investment would take time to be realised.

He added officers were reviewing its legal costs and other costs in relation to Children Services to ensure that the Council had the correct resources available to progress cases more quickly and effectively.

**Medway 2.0** – A Member commented that the reported overspend was in addition to the £14.7m emergency financial support. He asked if the projected savings from Medway 2.0 represented permanent savings. The Chief Operating Officer explained the projected £2m in savings did represent permanent savings but would not be included in the forecast until they the changes to services had been delivered.

**Cost of Debt** - in response to a question what had caused the increased cost of debt repayment, the Chief Operating Officer explained that £42m had been earmarked in the Capital Programme to purchase housing for Temporary Accommodation. There were costs to service the borrowing, however, savings would be made in the temporary housing budget which had not yet been realised.

**Emergency Financial Support** – it was asked whether there was concern that further emergency financial support would be required to meet the overspend in the current financial year. The Chief Operating Officer explained that the Council had received a letter from the then Secretary of State that they were minded to approve capitalisation of up to £14.7m, in 2024/2025, however the Council had also stated in its application for exceptional financial support that it would need further capitalisation directions in 2025/26 and 2026/27. An assurance review would be undertaken by CIPFA and following the publication of final accounts and sign off by auditors the capitalisation direction for 2024/2025 would be agreed. Separate applications would need to be made in future years.

The Chief Operating Officer added that the Council currently held £10m general reserves, however, this was an arbitrary figure. If reserves were set at 5% of the Council's annual budget, they would be in excess of £20m, but until the Council received a multi-year settlement from central government medium term financial planning to achieve this was difficult.

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**Strategy** – in response to a question what plans did the Council have in place to reduce the overspend, the Chief Operating Officer explained that the results of quarter one highlighted that action needed to be taken, but there was a lack of data at this stage. In terms of the budget, the treasury forecast would be subject to change as there would be natural slippage in the capital programme which would bring down the cost of servicing borrowing.

The Chief Operating Officer added that the Council had received an assurance review by CIPFA which confirmed the Council's unit costs were below the average for unitary authorities, there were no areas of governance failure, and the Council did provide value for money. CIPFA had made recommendations which included the Corporate Management Team monitoring the budget on a monthly rather than quarterly basis and that progress against savings targets were specifically reported. The Council had put this in place with monthly monitoring of budgets and fortnightly monitoring of the Financial Improvement and Transformation Plan which includes progress against savings targets.

### **Decision:**

- a) The Committee noted the results of the first round of revenue budget monitoring for 2024/25.
- b) The Committee noted that Cabinet instructed the Corporate Management Team to implement urgent actions to bring expenditure back within the budget agreed by Full Council.

### **243 Capital Budget Monitoring - Round 1 2024/25**

#### **Discussion:**

The Chief Operating Officer introduced the report which summarised projections against the Capital Programme and how it was funded.

The following issues were discussed:

**Projected underspend** – It was asked whether the projected £4.6m underspend in the Regeneration, Culture and Environment Department would allow for additional projects to be considered. The Chief Operating Officer stated that the Council was not actively planning to use the underspend on additional projects, the saving reduced the cost of the Council's debt through lower interest rate payment.

**ICT Investment** – in response to a question whether ICT investment could provide further income through commercial use of the Council data centre the Chief Operating Officer explained that further commercial use of data centre was planned. However, the difficulties in relation to the use of the Gun Wharf building had meant a delay in implementation of the commercial plan.

It was also asked whether there had been further consideration of using the Cloud as a data management storage, the Chief Operating Officer stated the

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use of the Cloud was under constant review, however, at this stage it did not provide the best value for money.

### **Decision:**

The Committee noted the results of the first round of capital budget monitoring for 2024/25.

### **244 Work Programme**

#### **Discussion:**

The Democratic Services Officer introduced the report, he highlighted the changes to the Work Programme as set out in appendix 1 to the report. The Democratic Services Officer also outlined the changes to the Scrutiny of Local Authority Trading Companies (LATCOs) to strengthen scrutiny.

#### **Decision:**

- a) The Committee agreed the provisional work programme at Appendix 1 to the report.
- b) The Committee noted the work programmes of the other Overview and Scrutiny Committees at Appendix 2 to the report.

### **Chairperson**

**Date:**

**Steve Dickens, Democratic Services Officer**

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