

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

Thursday, 27 November 2025
6.30pm to 9.15pm

Record of the meeting

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

Present: Councillors: Tejan (Chairperson), Hamilton (Vice-Chairperson), Bowen, Brake, Hackwell BEM, Jones, Lawrence, Nestorov and Mark Prenter

Substitutes: Councillors: Shokar (Substitute for Browne)

In Attendance: Paul Boyd, Chief Information Officer
Steve Dickens, Democratic Services Officer
Andy McNally-Johnson, Head of Corporate Accounts
David Reynolds, Head of Revenue Accounts
Phil Watts, Chief Operating Officer
Councillor Simon Curry, Portfolio Holder for Climate Change and Strategic Regeneration

479 Apologies for absence

Apologies for absence were received from Councillors Browne, McDonald and Pearce

480 Urgent matters by reason of special circumstances

There were none.

481 Disclosable Pecuniary Interests or Other Significant Interests and Whipping

Disclosable pecuniary interests (DPI)

There were none.

Other significant Interests (OSI)

There were none.

Other Interests

There were none.

482 Record of meeting

The record of the meetings held on 2 October 2025 and 23 October 2025 were agreed and signed by the Chairperson as correct.

483 Attendance of the Portfolio Holder for Climate Change and Strategic Regeneration

Discussion:

The Portfolio Holder introduced the report, he commented that his work had primarily focused on frontline delivery, waste, Medway Norse, the local plan, climate change and public transport and active travel.

The following issues were discussed:

Electric Vehicles (EV) Charging – it was asked how many EV chargers would be installed using the £2.1m grant given to the Council and would the electricity grid cope with the additional demand. The Portfolio Holder stated that he could not provide a specific figure as the funding would also cover associated costs of installation, so it was dependent upon the costs of each project, however the grid would be able to cope with the additional electric chargers.

The Committee discussed EV charging and the Portfolio Holder acknowledged that not being able to run cables across pavements remained a difficulty. The required approach would need to consider solutions street by street. He added that it was an issue which affected many authorities across the country and the Council would take lessons from the work of others when developing their own programme.

It was asked whether there was enough focus on fast EV chargers, the Portfolio Holder stated that this would be for the Procurement Board to consider the most effective use of the monies available.

Household Waste – further information was requested regarding the new waste fleets environmental impact. The Portfolio Holder stated that the new waste fleet was much quieter and it reflected the speed of changing technology. He added that a new waste strategy was under development, however it would not affect weekly collection, which would continue until Local Government Reform took place.

A Member commented that many of Medway's streets were not clean, reporting street cleaning was archaic and street cleaning disjointed. He asked how might this be improved. The Portfolio Holder stated that this had been an issue for as long as he had lived in Medway.

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The Chief Information Officer added that the way reporting of litter to the Council was managed was under review as part of Medway 2.0. This review was scheduled to be completed by March 2026.

It was asked whether hourly appointments for the household waste centres was under consideration to provide an improved service. The Chief Information Officer stated that development of the service to include more appointments was under active consideration as part of a proposed Medway 2.0 Task Group. The Portfolio Holder commented that an hourly appointment service would be a great development in his view and build on the excellent service already provided by the team.

Members commented that that the household waste centres were performing excellently, the Portfolio Holder undertook to pass on his thanks to the centres on behalf of the Members.

Bus Corridors – it was asked how bus corridors were chosen and their effectiveness measured. The Portfolio Holder stated that the Council worked in close collaboration with the bus companies, with meetings taking place monthly. The Bus Improvement Plan and Transport Plan for Medway would reflect the needs identified in the wider Local Plan with investment in new bus stations in Strood and the Hoo peninsula. Corridors were chosen to support major routes, connectivity between rail and bus services, population centres and where people want to go such as schools, shopping centres and the hospital.

It was commented that there was no regular service to Mid Kent College between 7.30am and 9.15am on a weekday and the service was ineffective for students. The Portfolio Holder acknowledged this difficulty, he stated there was a balance between commercialised and subsidised routes and undertook to raise the issue with bus companies at their next meeting.

Bus shelters – it was asked if existing bus shelters were repaired to a good standard prior to the installation of more expensive green shelters. The Portfolio Holder stated that the Council had a bus shelter replacement programme in place separate to the grant funding received to develop the green bus shelters. The Council planned to install 20 green bus shelters which would include real time services updates.

A Member asked the Portfolio Holder to comment on how the Council had supported the increase in the number of bus journeys. The Portfolio Holder stated that the active travel group had done good work in promoting bus journeys' and other schemes such as capped fares and free bus weekends had also had a positive impact. For example one local school had one of the highest rates of walking to school in the country. He added that he would like to investigate further opportunities to promote large local employers using bus companies to enable staff to travel to and from work.

Net Zero – in response to a question whether Council net zero policies prevented procurement contracts from being awarded to the provider at the

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cheapest price to the Council, the Portfolio Holder stated that this was not the case. There were a number of factors taken into consideration in procurement with principal considerations being the quality of service and value for money.

Green Flags Parks - a Member commented on the poor condition of the footpath at Capstone Valley Park, he asked if the development at Capstone Valley had any impact on the green flag status of the park. The Portfolio Holder stated that he would pass on concerns regarding the footpath, in terms of the green flag status, that was determined on the merits of the park and would not be affected by the development taking place there. He added that that development was a difficult situation as the Council had lost two planning enquiries regarding development of the area. This highlighted the importance of the Local Plan to enable the Council to plan a mixed development of brownfield, urban fringe and green field land.

Heating – it was asked what was being done to alleviate pensioners in heating poverty in support of the Council's climate change objectives. The Portfolio Holder stated that the Council was working to ensure that those eligible for benefits received them, from a climate change perspective the Council was looking at schemes to reduce costs for its own properties, schemes such as Solar Together had run for a number of years and the Council needed to work with central government and private firms to consider the potential opportunities provided by heat pumps. MHS Homes was investing in renewables for their properties and the armed forces and many local organisations and community groups were invited onto the Climate Change Community Working Group meeting in January.

Budget - in response to a question on whether the Climate Change Team had a sufficient budget, the Portfolio Holder stated that much of the work undertaken to advance the Council's Climate Change goals were the responsibility of the relevant service and monies were often received from government in grants to a particular team rather than the Climate Change Team. The Climate Change team worked with services to secure those grants and was responsible for exploring grant opportunities across the Council. In addition the team was to promote climate change awareness and action across the community, so it had a smaller budget.

Investment Strategy - it was asked whether the investment strategy would be informed by the Council's climate change goals. The Portfolio Holder stated that the investment strategy would take account of those opportunities going forward such as the pension fund. A Member added that a sub committee of the Pension Fund was in the process of being set up to consider some of these approaches.

The Portfolio Holder was asked to provide examples climate change work had been undertaken by the Council, he pointed to the Cozenton Park project which was powered by renewable energy. In addition, electric buses were being trialled by private bus companies in Medway. In terms of policy, there was a new climate change action plan and a number of strategies had specifically

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considered climate change with all reports provided to Council and Cabinet outlining climate change implications.

Decision:

The Committee noted the report.

484 The One Medway Council Plan Performance Monitoring Report and Strategic Risk Summary - Quarter 2 2025/26

Discussion:

The Chief Information Officer introduced the report which provided performance and risk summary for round 2 for indicators under the remit of this Committee. In addition, proposals for the future presentation of reports were set out at appendix 3 to the report for comment.

The following issues were discussed:

Phone Calls – a Member noted the reduction in phone calls to the Council and commented that this did not necessarily reflect a better service. The Chief Operating Officer stated that the reduction in call volume reflected the work of the Council to improve its digital offering, there had been a significant increase in digital traffic and transactions and as a consequence less people contacted the Council by telephone. The Council had not restricted access to telephone contact, but the improved digital service had presented people with more options.

The Member stated that the contact hub had not dealt with the concerns raised by a constituent effectively and he was concerned that there was an assumption that a lower number of calls received was better for the Council. The Chief Operating Officer stated that the public accessing information from the Council digitally rather than via the telephone was more efficient and cost effective for the Council. Both options would continue to be provided but the public was increasingly choosing to access information digitally. He added that if the Member was aware of any specific issues with the service provided he should inform management who would investigate.

A Member commented that CABS provided a good service. The Chief Information Officer reiterated that the objective was not to force the public to use a particular service, rather to provide an efficient accessible range of services to the public.

Decision:

- a) The Committee noted the progress of the performance indicators used to monitor progress of the Council's priorities, as set out in Appendix 1 to the report.

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- b) The Committee noted the Strategic Risk Summary as set out in Appendix 2 to the report.
- c) The Committee noted and commented on, the example of a possible future reporting style, shown in Appendix 3.

485 Revenue Budget Monitoring - Round 2 2025/26

Discussion:

The Head of Revenue Accounts introduced the report. He highlighted the round two monitoring projected an overspend of 9.48m, which represented an improvement of £1m from the round 1. The areas under the remit of the Committee had an underspend of £1.1m.

The following issues were discussed:

S114 Notice – a Member noted that the projected overspend represented nearly all of the general reserve, he asked whether it was possible that the Chief Operating Officer would be required to issue a S114 report. The Chief Operating Officer stated that the overspend at round 2 was generally higher than the final outturn due to management action to reduce spending, so there was a justifiable expectation that the overspend would fall during the year and the Council would have sufficient reserves in the event of an overspend. He added that a S114 report was a tool for Section 151 officers should they believe the administration was not fully taking account of the situation but he remained of the opinion that the administration recognised the financial situation and was taking action in response.

It was asked if the Chief Operating Officer expected the Council to have an overspend at the end of the financial year. The Chief Operating Officer stated that there was a significant risk that there would be an overspend against the budget. However, the Council had general reserves it could use to meet the gap, it also had earmarked reserves of £30m some of which could be reclassified if required, and the Council could request further assistance from central government in the form of Exceptional Financial Support (EFS).

In response to a question whether the Chief Operating Officer would be support of an increase in Council Tax for the next financial year, the Chief Operating Officer stated that he would advise Council Tax be raised at the maximum possible level below a the requirement to hold a referendum.

Universal Credit – a Member asked if the £350,000 overspend related to the shortfall in benefit subsidy would end when all claimants had moved to Universal Credit. The Chief Operating Officer stated that some claimants would never be moved over to Universal Credit, including recipients in non-registered supported accommodation placements which meant that the Council would never fully recover the cost of housing benefit paid, through the subsidy.

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The Chief Operating Officer added that there was significant pressure this year on reactive budgets, such as social care and temporary accommodation. This additional pressure had been reflected in the budget for 2026-27.

Legal Services – further information was requested on the causes of the projected overspend in Legal Services. The Chief Operating Officer stated that the projection was a result of an increase in children's care cases and some remaining vacancies in the division requiring the use of temporary staff.

Software Licensing Budgets - a Member asked whether the projected overspend on licensing software related to additional licenses or increased cost of licenses and if the Council could be assured it received value for money. The Chief Information Officer stated that there had been both an above inflation increase in software licensing costs and development of licenses to provide additional services. In relation to value for money, licenses were scrutinised through the Procurement Board which included ICT representation to consider value for money, security and whether other in house solutions would be more effective.

Financing Budgets – further information was sought regarding finance costs. The Head of Corporate Accounts stated that the finance budget reflected the treasury strategy and projections of capital spending and future interest rates. The Council had a number of large projects with significant borrowing and interest rates had not fallen as the markets had expected increasing costs. The Council continued to receive regular advice from treasury advisors and would take opportunities to reduce costs where possible.

Vacancies – it was asked whether the vacancies in the Finance and Business Support Department had affected delivery of Medway 2.0. The Chief Information Officer stated that the vacancies were principally in CABS and delivery of Medway 2.0 projects was therefore unaffected.

EFS – It was asked whether recourse to further EFS to meet the projected budget gap in the 2026-27 was under consideration. The Chief Operating Officer stated that a further round of budget meetings was scheduled in the near future and the government would announce the local finance settlement shortly before Christmas. This would provide the Council with further information to reduce the budget gap. At this stage there remained a significant risk that the Council would be required to seek further EFS in the budget next year. He added that in future a three-year settlement would be provided giving greater certainty as to budgets and improving the ability of the Council to plan effectively.

SEND Budget – The Chief Operating Officer was asked for his opinion whether the SEND budget gap would need to be met from the schools budget. The Chief Operating Officer stated that unlike other authorities the Council did not have a significant issue regarding SEND budgets, the SEND deficit had been reduced and the Council was projected to be out of deficit by 2028-29 in this area.

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Fees and Chargers – it was asked whether there were plans to raise fees and chargers. The Head of Revenue Accounts stated that there were no plans to change fees and chargers in year, but discussion regarding the next financial year was ongoing. Performance in relation to fees and chargers was shown within the budget of the relevant service area and where there was a significant difference to expectations an explanation provided.

Decision:

- a) The Committee noted the results of the second round of revenue budget monitoring for 2025/26 and in particular the risk to interest and financing projections.
- 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.

486 Capital Budget Monitoring – Round 2 2025-26

Discussion:

The Head of Corporate Accounts introduced the report highlighting that the budget in relation to projects under the remit of this Committee was relatively small and remained within budget.

The following issues were discussed:

Overspend – a Member commented that the overspend in both capital and revenue budgets had shown the Council had been too optimistic in its assumptions. He asked what the causes of this were and how would the Council avoid a repetition of this in the future. The Head of Corporate Accounts stated that capital schemes were subject to unintended additional costs and price fluctuations such as the cost of raw materials.

The Chief Operating Officer added that when a capital scheme was considered, the Council analysed the business case and a contingency cost was put in place, however, this contingency was not always sufficient to cover the additional costs. The Council could budget for a larger contingency, but this could be prohibitive in terms of the Council undertaking any projects.

In relation to revenue spend, the overspend was largely on reactive services where the Council had a statutory responsibility to meet demand and as such, costs were out of the Council's control. For example the overspend on the adult social care budget was in part due to the impact of the pressure on the NHS to discharge patients into care more quickly. In addition, temporary accommodation numbers had risen significantly this year following a long period of stability.

Interest Costs - a Member asked for further information regarding financing costs of the capital spend. The Chief Operating Officer stated that the majority

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of borrowing was undertaken to support the capital programme, he explained that the Council had pursued short term borrowing to take advantage of opportunities as interest rates fell, however interest rates had not fallen as expected which created additional pressure on budgets.

ICT – a Member asked if there was a plan to support continued ICT development. The Chief Information Officer stated that there was a 5 year capital strategy plan for ICT to support development, infrastructure and refresh of equipment.

Decision:

The Committee noted the results of the second round of capital budget monitoring for 2025/26.

487 Draft Capital and Revenue Budget 2026/27

Discussion:

The Head of Revenue Accounts introduced the report which presented the draft capital and revenue budget for 2026-27. The report had previously been considered by cabinet on 18 November 2025. The budget showed projected revenue growth of £33m and outlined the ambition to have no requirement to request Exceptional Financial Support (EFS) from central government. At this stage in the there was a £25.8m gap in the budget between expected income and projected spend.

The following issues were discussed:

Staff Pay – a Member asked whether it was policy for staff to receive year on year pay increases. The Head of Revenue Accounts stated that there was no policy to provide staff with a pay increase each year, however it was the stated ambition of the administration to be an employer of choice, the Council needed to recruit and retain staff effectively and the proposed pay increase was in line with inflation

EHCP – a Member expressed concern at the rising cost of EHCP assessments, he asked whether the Council budget projections were reliable. The Head of Revenue Accounts stated that he could not speak to the assumptions within the budget regarding specific service areas. The Democratic Services Officer stated that this query could be referred to the Children and Young People Overview and Scrutiny Committee the following week as part of its consideration of the 2026-27 draft budget.

Financing Budget - a Member asked for further information regarding the finance and interest budget, the Chief Operating Officer stated the increase in budget costs reflected the need to finance borrowing for Care Home project and the Council's general need to borrow to have day to day cash available. The budget would be kept under review as interest rates changed during the year.

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Decision:

- a) The Committee noted that Cabinet has instructed officers to continue to work with Portfolio Holders in formulating robust proposals to reduce the budget deficit for 2026/27 and to liaise with the Ministry of Housing, Communities and Local Government to secure support through the Exceptional Financial Support scheme, should it be necessary.
- b) The Committee commented on the proposals outlined in the Draft Capital and Revenue Budgets 2026/27 and forwarded proposals to the individual overview and scrutiny committees.

488 Work Programme

Discussion:

The Democratic Services Officer introduced the report, he highlighted the change to work programme in the report.

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

Telephone: 01634 332051
Email: steve.dickens@medway.gov.uk