

Medway Council
Meeting of Business Support Overview and Scrutiny
Committee

Thursday, 1 December 2011

6.30pm to 9.45pm

Record of the meeting

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

Present: Councillors Avey, Bright, Carr (Chairman), Pat Gulvin (Vice-Chairman), Harriott, Irvine, Juby, Maple, Osborne, Royle and Tolhurst

Substitutes: Councillor Murray for Councillor Bowler
Councillor Turpin for Councillor Watson

In Attendance: James Bowman, PriceWaterhouseCoopers (PWC)
Martin Garlick, Head of Customer Contact
Stephanie Goad, Assistant Director Communications,
Performance and Partnerships
Mick Hayward, Chief Finance Officer
Richard Hicks, Assistant Director, Customer First, Leisure,
Culture, Democracy and Governance
Joy Kirby, Quality Assurance and Client Manager
Caroline Salisbury, Democratic Services Officer

545 Record of meeting

The record of the meeting held on 4 October 2011 was agreed and signed as correct by the Chairman.

546 Apologies for absence

Apologies for absence were received from Councillors Bowler and Watson.

547 Urgent matters by reason of special circumstances

There were none.

548 Declarations of interest

Councillor Murray declared a personal interest in any discussion on Mid Kent College as she worked there.

549 Portfolio Holder for Housing and Community Services in attendance

The Portfolio Holder for Housing and Community Services addressed the committee outlining the main achievements within areas of his portfolio relevant to this committee within the past year:

Housing

- The average number of days to re-let council properties now stood at 22 days
- Rent arrears had been reduced by 10%
- The council had achieved 100% compliance with the government's decent homes standard
- An Asset Management Strategy had been completed and was now in place. This ensured that targeting of planned maintenance was much better as officers knew a lot more about the condition of each property
- The council's resident involvement structure had been reviewed and expanded, allowing tenants to have a greater say in services provided to them and they were given more opportunities to make comments
- Overall satisfaction with the housing service was at 76% for tenants general needs
- Many new policies had been introduced, so tenants could know and understand their rights, and staff were better informed about what they could, or could not, do
- A tenants incentive scheme had been prepared ready for introduction in April 2012 to encourage good tenants
- £130 million investment had been secured for the future of the housing provision in Medway
- however, there had been an increase of 40% in homelessness applications but the number of households in temporary accommodation had been reduced by 20%
- the number of empty homes had remained stable at 1.3% (below the government threshold) and the council was actively talking to Housing Associations about the bid system for grants in the future.

Adult Learning (MACLS)

- the service should break-even at the end of the financial year
- there had been a downturn in the number of people looking to learn English as a second language but this was picking up again
- the service was seeking to diversify and looking at a variety of sources. This included tailoring generic courses to meet demand and then selling them to outside organisations, eg other businesses, the Health Authority and other partners
- A programme had been built specifically to take place in Medway Park to give training and qualifications for fitness professionals. The Portfolio Holder stated that he wished to see more of this type of diversification of the programme to ensure that it was not a future burden on the council's finances.

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Members asked the Portfolio Holder a number of questions and made comments, including:

- what was the long-term future of the adult learning centre at Green Street, Gillingham?

The Portfolio Holder responded that he wished to ensure an active presence across Medway but that this facility, at present, was behind in quality and it would be difficult to bring this building up to standard, so it was likely that the Council would look elsewhere for an appropriate building

- the future for buy-to-let properties as the EU was looking to make changes. There were a lot of these properties in Medway

The Portfolio Holder advised that he wished to look into this further as it was a very important issue

- suggestion that the money from the recent sale of old sheltered housing was re-invested in existing units to improve the standards and that, as a policy, the council should try to knock two of the current units into one larger unit as and when they became available, as a trial

The Portfolio Holder advised that there was an ongoing review of sheltered housing. In his opinion, it was not up to the Council to tell people how to live, it was about providing the choices available to them. It was the Council's responsibility to house people in appropriate ways using a rational approach based on demand. He also advised that he had not tracked the proceeds for the sale of Queens Court and Fitzhorold House

- what council support was in place for first-time buyers?

The Portfolio Holder responded that the Council worked hard with Housing Associations on this issue. This was a major problem and meant that people started to buy property later in life. There were new regulations about helping people with deposits for buying property. It was also about preventing homelessness and helping people to remain in their homes. The Council has opened dialogue with mortgage providers requesting that they contact the council before mortgage arrears became too big a problem for home owners

- work carried out against private landlords who do not look after their properties

The Portfolio Holder responded that the law was quite strong about such matters and the Council had been very active about this, in order to send out a strong message to all landlords. He requested that if Members knew of families that were being taken advantage of, to let the Council know the details, in order that this could be tackled successfully. He admitted that there was a small hardcore of poor landlords and he would like to act on this whenever officers were given the details

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- was there a register of good landlords? If so, Members and the public were unaware of it and therefore it required better publicity

The Portfolio Holder confirmed that there was a list and it was available for anyone to look at. He took on-board the observation that Members and the public seemed unaware of it and proposed to put an article in Medway Matters newsletter. He also undertook to circulate the details of the scheme to all Councillors.

Decision:

The Committee thanked Councillor Doe for attending the meeting and the information and answers he had provided.

550 New Customer Contact team - January 2012

Discussion:

The Assistant Director (Customer First, Leisure, Culture, Democracy and Governance) introduced the report on the transition to the new Customer Contact model which would go live in January 2012.

Officers gave a presentation and demonstration of the new customer relationship management system and arrangements, setting out the benefits for customers and their experience when contacting the Council.

Members asked what risks had been identified when the new arrangements go live in January 2012. Officers responded that with a programme of this magnitude there would inevitably be risks and these were judged to be the reliance on technology, integrations with back office systems to the customer relationship management system, ensuring that service delivery continued through the changes and establishing the new culture and ways of working throughout the council.

The committee also commented on the following points:

- ensuring sufficient staffing levels for the Customer Contact team (reassurance was given that staffing levels had been based on predicted volumes of customer calls and activity)
- the impact of ICT technical upgrades and patches on the continuity of service (reassurance was given that these would be installed out of hours to minimise disruption)
- ability to e-mail confirmation of an enquiry to the customer (the system would be capable of doing this)
- web-based e-forms for customer use (these would be available to support self service)
- data security, especially for elderly/social care confidential information and access to this, particularly if a call escalated to a confidential matter

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(reassurance was given on password protections to information where required and CRB checks being in place for all customer contact staff)

- what checks were there to ensure customers were eligible for the service in question?
(officers confirmed that each service had confirmed the appropriate level of validation of identity required)
- matrix of success and what will be used to judge success?
(this would be reported to Members as part of regular quarterly monitoring and focuses on customer satisfaction and experience)
- multiple opportunities of access to the council and equal weight given to each form of contact – telephone, e-mail, web-based, letters, etc.
(reassurance was given that the new arrangements would continue to support all these forms of access).

Officers undertook to double-check the various levels of security clearance built into the new arrangements should the level of enquiry escalate during one telephone call.

Decision:

The Committee noted the arrangements for the new Customer Contact operation go live in January 2012.

551 Annual Review of Risk Management Strategy and six monthly review of Corporate Risk Register

Discussion:

The Quality Assurance and Client Manager introduced the report advising that this was the annual review of the Risk Management Strategy and also the mid-year review of the Council's Corporate Business Risk Register. Members discussed several issues around current risk ratings and officers responded with reasons for the risk rating. These included SR 19 - Down Turn in the Economy', SR21 Procurement and SR 25 - Adult Social Care Demographics.

Members also observed that there was no mention of consultation on hospital mergers and acute services in risk SR28 – Changes to the Health System. Officers explained that the report was compiled in September 2011 and that the proposed merger was a more recent development.

Members also expressed concern regarding financial impact for the Council if a school or academy folded (SR27 – Government Changes to Local Authority's responsibility for schools). Officers explained that the funding was related to the children and the Council would receive the appropriate funding if this happened.

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Decision:

The Committee agreed to note:

- (a) the Risk Management Strategy;
- (b) the Management Team's recommendations on amendments to the Council's Risk Register as detailed in section 4 of the report.

552 Council Plan monitoring 2011/2012 - second quarter

Discussion:

The Assistant Director (Communications, Performance and Partnerships) introduced the report outlining quarter 2 performance against the Council Plan 2011-2012 which covered the period July – September 2011. The Portfolio Holder for Finance had identified areas for particular focus for both improvement and monitoring, as set out in paragraph 3.3 of the report.

The committee was reminded of its dual remit for this report, items within this committee's remit and also the overview role on behalf of all committees, where, if the Committee was concerned about a particular matter it could refer it on to the appropriate Overview and Scrutiny Committee for further, in-depth consideration.

Areas of success were highlighted as: recycling rates exceeded targets; 5 green flags for parks and open spaces; GCSE results and Looked After Children attainment; delayed discharges from hospital – none, to date attributable to adult social care; and the opening of the Chatham bus facility. Challenges for the Council were currently: reducing carbon emissions and subsequent impact of carbon tax; minimum use of bed and breakfasts (with increased pressures); child protections services in context of demand that was still increasing; adult social care – progress on implementing personalised budgets; and the future of mental health provision, although a report would shortly be submitted to Cabinet.

Members commented on a variety of issues including:

- following a meeting in October of a task group set up to investigate areas of Chatham Town Centre where groups of people were highly visible and heightened perceptions of the area as being unsafe (page 65 of the agenda), the Committee requested an update on the outcome of that meeting
- disappointment at the low numbers of text reports sent to the "Love Medway" phone app by residents and information was requested on how this was being promoted, as not many residents seemed to be aware of it. Members suggested that officers contact Lewisham Council, as it had been successful with this new method of reporting problems to the Council
- energy efficiency in schools – were governing bodies considering simple, obvious solutions such as cavity wall insulation?

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- satisfaction with the Safer Communities team (page 105 of the agenda) – the Committee noted that a focus group would be set up to consider what influences satisfaction with this service and the improvements that would be necessary to increase satisfaction
- statistics with regard to the number of people who stopped smoking (page 89 of the agenda) – the reliability of these figures
- further information on what the council is doing to achieve affordability of bus transport within Medway.

Officers were asked to provide further information on the following points:

- City Status bid – request for a Briefing Note as it was now only 8 weeks away from the decision and Members were unaware of any on-going promotion for the bid. Also, how much of the £25,000 budget remained and what would it be spent on?
- Care leavers in education, employment and training (page 104 of the agenda) - what employment training or apprenticeship opportunities were they given? Members requested that this information was submitted to Regeneration, Community and Culture (RCC) Overview and Scrutiny Committee on 13 December 2011 for further consideration

Also, concern about the figures detailed on pages 101 and 102 of the agenda, it would seem that the Council was not reaching out far enough within the communities. Again, referral of this matter to the RCC Overview and Scrutiny Committee on 13 December for further consideration

- % of initial assessments for children's social care carried out within 10 working days of referral (page 96 of the agenda) – this was such an important issue, especially within the first few days following referral. It was not just about whether the staffing levels were sufficient but also the engagement with families. The Committee requested referral of this matter to the Children and Young People Overview and Scrutiny Committee on 6 December 2011.

Decision:

The committee agreed to:

- (a) note the outcomes achieved against priorities in quarter 2 of the Council Plan monitoring 2011/2012;
- (b) refer NI 59L (% of initial assessments for children's social care carried out within 10 working days of referral) to the Children and Young People Overview and Scrutiny Committee on 6 December 2011 for further in-depth consideration;
- (c) refer NI 148 (care leavers in education, employment and training) to the Regeneration, Community and Culture (RCC) Overview and Scrutiny Committee for further consideration on 13 December 2011 to discuss what

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employment training or apprenticeship opportunities children in care were given;

- (d) the indicators within the title “we will work to ensure that people have the skills they need to take up job opportunities created” (ECD48c, ECD7b and ECD8b(ii) on pages 101 and 102 of the agenda) to be referred to the RCC Overview and Scrutiny Committee for further consideration at its meeting on 13 December 2011;
- (e) request a Briefing Note on the current position of the City status bid and what was happening in the final weeks before the decision was made. The Briefing Note to also include details of how the budget had been spent, how much remained and what it would be spent on;
- (f) request further information on what the council is doing to achieve affordability of bus transport within Medway.

553 Treasury Management Strategy mid-year review

Discussion:

The Chief Finance Officer introduced the report advising that this was a mid-year review of the strategy. He informed the Committee that the mid-year report was intended to highlight any areas of concern that had arisen since the original strategy was approved. However, there had been no consequential changes to interest rates within the past six months and the Council continued to use cash to repay its debts as they matured.

Members were also advised of the reform of the Housing Revenue Account (HRA) subsidy arrangements, which would take place in March 2012, as set out in the report. Officers also suggested that a further report was submitted about this matter for Members consideration at the next meeting of this Committee.

Some Members voiced their concern about the Council making investments with Santander (paragraph 6.3 of the report) but the Chief Finance Officer advised that officers worked with external financial advisors, who were very cautious, and were keeping a close watch on the future of this investment.

Member also asked about the interest rates for the repayment of debt within the Housing Revenue Account and were advised that this currently stood at about 4% of the total of £224 million of debt.

Decision:

The Committee agreed to note the report.

554 Revenue budget monitoring 2011/2012 - second quarter

Discussion:

The Chief Finance Officer introduced the report advising that the quarter 2 position had not produced an expected reduction in the overspending forecast but that it had increased from £4 million to £5 million. The Cabinet had introduced a moratorium on all spending that was not absolutely essential for the delivery of front line services. This included the filling of vacancies.

Members asked about the £371,000 predicted overspend for car parking services and what this related to. Officers responded that this was an increase in the cost of maintenance for equipment, as well as lower than predicted income received from car park charges.

Decision:

The Committee noted the report and made no recommendations to reduce the potential deficit.

555 Capital budget monitoring 2011/2012 - second quarter

Discussion:

The Chief Finance Officer introduced the report advising that 88% of schemes were progressing well and were forecast to complete on time and within budget. Three schemes were, however, in difficulty and this included a new variation of £1.2 million in respect of the A228 Stoke Crossing. The Council was currently looking at whether it had legal recourse against the statutory undertakers of service diversions that were the more significant cause of this overspending forecast.

Members asked, as it was now half way through the period for quarter 3 whether this funding gap was better than reported? Officers confirmed that whilst the revenue position was likely to show an improvement in the quarter 3 report, for capital the risk was that the position would get worse as final accounts for schemes were settled. There were options being considered for funding the eventual overspend and these included borrowing.

The Committee commented on the £2.4 million Better for Less costs (paragraph 4.1.1 of the report) and asked how this figure had been established. It was noted that further information should have been provided to explain the information in Appendix 1 in more detail and officers undertook to provide this information to Members.

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Decision:

The committee agreed to:

- (a) note the spending and funding forecasts summarised in Tables 1 and 3;
- (b) request a Briefing Note on the outcome of the legal departments view on future recourse against the statutory undertakers of this section 106 agreement;
- (c) request a Briefing Note on the breakdown of the £2.4 million Better for Less project;
- (d) request further information to explain Appendix 1 in more detail.

556 Draft revenue and capital budget for 2012/2013

Discussion:

The Chief Finance Officer introduced the report advising that it was a requirement within the Council's Constitution that the Cabinet developed initial budget proposals approximately three months before finalising the budget in February 2012. These proposals were then submitted to this Committee for an overview of those proposals before forwarding the programme to individual Overview and Scrutiny Committees for consideration.

The Chief Finance Officer explained that the Council's Medium Term Financial Plan 2011 (MTFP) was the most comprehensive yet produced and reflected the revenue budget pressures facing individual directorates in 2012/2013 and coming years. Appendices 1b–4b also reflected these pressures together with changes made since the adoption of the MTFP. Members were advised that the draft budget was very much a 'work-in-progress' document and currently identified a revenue funding gap of £6.2 million.

The Committee commented on the review of fees and charges across a whole range of service areas (paragraph 8.1 of the report) in that Members did not have the opportunity to see these proposals and make comments or recommendations about these before the Full Council budget meeting in February 2012. Officers responded that the appendices gave some details but that they would investigate whether it would be possible to submit some information or proposals to this Committee's meeting on 2 February 2012.

Members asked for clarification on the information in paragraph 3.1 of the report regarding "realised planned savings within Adult Social Care". Officers responded that in quarter 1 it was reported that these were on-track to save £1.3 million for Link Service Centres in 2011/2012. However, by quarter 2 it had become apparent that the savings would not be fully realised this year and there were now two proposals out to consultation in respect of these changes and a further change in respect of the charging regime.

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Another Member raised the issue of the lack of use of Park and Ride facilities and the Committee requested that the numbers of people using these facilities were submitted to the Regeneration, Community and Culture Overview and Scrutiny Committee on 13 December 2011 for consideration.

Decision:

The Committee agreed to:

- (a) forward the draft capital and revenue budget for 2012/2013 programme to individual Overview and Scrutiny Committees;
- (b) request that a schedule of proposed fees and charges is submitted to the meeting of this Committee on 2 February 2012;
- (c) request that the numbers of people using the Park and Ride facilities are submitted to the Regeneration, Community and Culture Overview and Scrutiny Committee on 13 December 2011 for consideration.

557 Petitions

Discussion:

The Democratic Services Officer advised that this report set out the response to a petition within the Committee's remit. Members commented that the use of Shawstead House as a polling venue may have to be re-considered when the Boundary Commission made its final proposals.

Decision:

The Committee noted the petition response and appropriate officer action.

558 Work Programme

Discussion:

The Committee requested that, as the Assistant Director (Housing and Corporate Services) would be leaving the Council later this month, the remaining housing reports due to be submitted in early 2012 were finalised before her departure.

Members advised, with reference to the Cabinet Forward Plan "Gateway 3: improvements to Medway Crematorium Stage 2" report, that a meeting had been held at Bluebell Hill Crematorium on the proposals and funding for these updates and it was expected that there would be a loss of income and service provision during these works. The Committee was reminded that there had been a task group report "Bereavement Services in Medway" and it was requested that copies of this report was circulated to Members of this Committee.

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Decision:

The Committee agreed to:

- (a) note the current workload and request the Assistant Director (Housing and Corporate Services) to ensure that future reports about housing matters are finalised before her departure;
- (b) note the work undertaken by all Overview and Scrutiny Committees (set out in appendices 2 and 3 to the report);
- (c) note the changes to the terms of reference as set out in paragraph 6 of the report;
- (d) request the Assistant Director (Housing and Corporate Services) to finalise the housing reports due to be submitted to the Committee in early 2012 before her departure from the Council;
- (e) request that a previous task group report on “Bereavement Services” is circulated to all members of the Committee for information.

Chairman

Date

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