

MAIDSTONE BOROUGH COUNCIL

**MINUTES OF THE CORPORATE SERVICES OVERVIEW AND
SCRUTINY COMMITTEE MEETING HELD ON TUESDAY 6
OCTOBER 2009**

PRESENT: Councillors Butler (Chairman for the duration of the meeting), Bradshaw, Hotson, Mrs Marshall, Paine, Parr and Mrs Wilson.

APOLOGIES: Apologies for absence were received from Councillors Marshall and Mrs Stockell.

54. The Committee to consider whether all items on the agenda should be web-cast.

Resolved: That all items on the agenda be web-cast.

55. Apologies.

Apologies were received from Councillors Marshall and Mrs Stockell.

56. Notification of Substitute Members.

It was noted that Councillor Paine was substituting for Councillor Mrs Stockell.

57. Notification of Visiting Members.

It was noted that Councillors Ash, Mrs Gooch and Horne were visiting Members with an interest in all items on the agenda. Councillor Garland was in attendance to speak on Agenda Item 9, "The Council's Response to the Recession".

58. Disclosures by Members and Officers:

All Members declared a personal interest in Agenda Item 10, "Devolved Budgets".

59. To consider whether any items should be taken in private because of the possible disclosure of exempt information.

Resolved: That all items be taken in public as proposed.

60. Minutes of the Meeting Held on 8 September 2009.

Members requested an update on the recommendations made at the meeting held on 8 September 2009. The Acting Overview and Scrutiny Manager explained that responses had been received for two of the three "benefits service" recommendations and these would be sent to Members

when all responses had been received. Information on the impact of the recession on local businesses had been requested but no response had been received to date.

With regard to Minute № 52, recommendation (c), it was noted that the decision on the procurement of an external printing contract had been delayed. Members were still keen to receive information on the decision prior to the report for decision being issued.

Resolved: That

- a) The minutes of the meeting held on 8 September 2009 be agreed as a correct record and duly signed by the Chairman; and
- b) Background documents for the key decision on the procurement of an external printing contract be requested from the Head of Business Improvement.

61. Overview and Scrutiny Function Review.

The Chairman welcomed Paul Wickenden, Overview, Scrutiny and Localism Manager for Kent County Council (KCC), to the meeting and asked him to outline how Overview and Scrutiny (O&S) operated at KCC.

Mr Wickenden explained that KCC, like many other authorities, was in the process of reviewing its O&S function to ensure that it remained fit for purpose in view of changes to the legislative framework, for example powers to scrutinise crime and disorder reduction partnerships, health services and the Local Area Agreement. A report would be presented to KCC next week, and the Committee requested a copy of this for information. Currently there was a Cabinet Scrutiny Committee which scrutinised cabinet decisions and was predicated on call-in, plus eight Policy Overview Committees which mirrored cabinet portfolios and council directorates. In addition, there was the statutory Health Overview and Scrutiny Committee. All committees had been consulted as part of the KCC O&S function review. There was a concern that the Policy Overview Committees were not as effective as they could be, leading to an increasing gap between executive and non-executive members. A number of options were being considered including:

- Forward Plan of Key Decisions – should this be extended to cover six months of decisions to give members the opportunity to identify issues of concern to residents?
- Co-optees – should there be a formal scheme of co-option? There was currently provision for task and finish groups to appoint co-optees, though there was little appetite amongst members to extend this provision. Few authorities across the country had extensive co-optee schemes; the best example was Durham but this authority was only formed in April 2009 so it was too early to establish how effective it was.

- Rapporteurs – there was a willingness to try a rapporteur scheme though more work had to be carried out to establish the details e.g. resources for rapporteurs.

Mr Wickenden explained that he also hoped to provide training for councillors and officers on the role of scrutiny to ensure that officers involved the full membership rather than just the cabinet, in their work, and to ensure that non-executive members were exploiting all of the powers available to them. Currently, members were not always choosing work programme items where they could have the most influence and add the most value. Training on questioning skills, chairmanship skills and new technology would also be valuable.

Mr Wickenden informed the Committee that he had recently discussed with the Kent and Medway Overview and Scrutiny Officers Network the possibility of closer working between officers in order to pool resources. A Councillor queried whether this would include joint committees across authorities, and Mr Wickenden explained that officers would investigate the possibilities for partnership working.

In response to a question, Mr Wickenden stated that he believed that Maidstone was still considered a national lead on scrutiny, and that the Maidstone scrutiny function was particularly effective in terms of using the media, as well as developing the relationship between the cabinet, scrutiny and officers.

Councillor Hotson, Chairman of the KCC Policy Overview Co-ordinating Committee, then outlined a number of issues around scrutiny at Maidstone Borough and Kent County Councils:

- It was felt that at Maidstone, review topics needed to be more interesting to the public. Better use needed to be made of the press to advertise forthcoming meetings and encourage public involvement.
- At KCC, cross-party agenda setting meetings were held with the chairman, vice-chairman, the opposition leader (with the option of inviting other opposition members), relevant cabinet members and officers to give everyone the opportunity to put ideas forward for future reviews; this dialogue did not occur at Maidstone.
- The Policy Overview Co-ordinating Committee met 3-4 times a year to identify work to be carried out by the Policy Overview Committees. Mr Wickenden suggested that the role of this committee could be strengthened to allow it to commission reviews and say how they should be carried out.
- Training had been held at the start of the municipal year for Kent County Councillors whereby officers had acted out a committee meeting to demonstrate good chairmanship and committee membership skills. This had been very useful.
- Rapporteurs had worked well at Maidstone early on and could be useful again, though clear guidelines would be required. This would not necessarily require additional resources as councillors needed to be encouraged to do more individual work.

- Politics in scrutiny could not be avoided, however for scrutiny to work there needed to be a close rapport with the cabinet. The Forward Plan needed to be improved and possibly extended to cover six months. Cabinet also needed to inform scrutiny of its plans for the coming 9-12 months to ensure that scrutiny had the opportunity to have an input.
- At KCC in 2008-09, there had been an informal member group established to look at the budget, in particular the medium to long-term financial plans. This had been made up of 4-5 cross party members, officers and members of the finance team and had allowed members to comment on and make changes to the initial budget. As this meeting was private, opposition members had felt able to speak more freely as they were not required to publicly reveal their plans prior to the full council budget setting meeting.

Members discussed the O&S function at KCC and agreed that it would be useful to see the powers available to backbench KCC Members as outlined in the KCC Constitution.

A Councillor asked how the independence of scrutiny from the cabinet was maintained. Councillor Hotson stated that there needed to be trust between scrutiny and the cabinet, and emphasised that at KCC, scrutiny set its own work programme. Mr Wickenden agreed that an honest dialogue between cabinet and scrutiny was essential when setting agendas to ensure scrutiny's independence. The current review of O&S at KCC aimed to add rigour to the process and ensure that it was reflecting the needs of the community. With regard to committee chairmen, a Councillor suggested that having chairmen belonging to the ruling party could make opposition members feel that their opinions were not taken on board. Councillor Hotson explained that at KCC, the Cabinet Scrutiny Committee was always chaired by the Leader of the Opposition, however this was not always effective and call-in was more effective at MBC. In his opinion, addressing the issue of politics and chairmanships at MBC could be useful but the main issue was encouraging all members to play a fuller role. Mr Wickenden agreed that raising awareness of the O&S role amongst members was key. A Councillor asked Mr Wickenden what he believed to be the role of a scrutiny chairman, and Mr Wickenden responded that preparation was the most important part of that role. The action taken outside of a meeting was at least as important as chairing the meeting itself. Councillor Hotson agreed but highlighted that this did not always happen in practice and proper training was essential. Members agreed that the issue of ensuring the correct person was elected chairman was vital and suggested that information on how chairmen were elected elsewhere would be useful.

With regard to balancing 'overview' and 'scrutiny' work, Councillor Hotson stated that at both KCC and Maidstone, there was more 'overview' work, however work was taking place at both authorities to strengthen 'scrutiny'.

Resolved: That

- a) Mr Wickenden be requested to provide a copy of his report on the KCC Overview and Scrutiny Function when this was published;
- b) The KCC Constitution be compared to the MBC Constitution in terms of powers available to backbench members;
- c) Information on how Overview and Scrutiny Committee chairmen were elected at other local authorities be sought; and
- d) The discussion be noted as part of the ongoing Overview and Scrutiny Function Review.

62. The Council's Response to the Recession.

The Chairman welcomed Councillor Chris Garland, Leader of the Council, to the meeting and asked him to outline the ways in which the Council was responding to the recession.

Councillor Garland stated that the country had been in recession since November 2007 and whilst signs of improvement were visible, the consequences would be being dealt with for many years. In Maidstone, the Council had put policies in place to ease the effects of this for residents and businesses and to ensure that the Borough came through the recession in a good position.

The Council's response to the recession was considered in relation to a number of areas:

Maidstone Borough Council

Councillor Garland believed that a consequence of Central Government pumping money into the banking system to tackle the recession meant that its borrowing had become excessive, therefore it was looking to make significant cuts and this was likely to lead to at least a 1.8% spending cut for local government. Recently, government grants had increased in line with, or just below, inflation, but in the future there would be cash cuts rather than inflation related cuts. The Council was already dealing with significant strain on the revenue budget and had to take unpopular decisions to deal with this. Savings of £1.9 million had been made in 2008-09, and a further £1.3-1.9 million savings would need to be made in 2009-10.

The Leader noted that Maidstone Borough Council provided more discretionary services than many other boroughs in Kent, however this had led to higher council tax and it needed to be established whether the public wanted the Council to continue to provide all of the discretionary services that it currently did.

The Cabinet would soon be considering plans to employ a regeneration delivery company as a medium to long-term initiative. This would bring together a series of developers and housing trusts, with the Council as the

lead, to deliver housing and commercial development to ensure the Borough was fully prepared for the end of the recession.

Maidstone Businesses

Councillor Garland considered that businesses were vital for Maidstone and underpinned all of the Council's objectives for the Borough. To assist businesses through the recession, the Council had taken a number of actions:

- Free one to one business advice and business start-up advice had been facilitated in the Gateway;
- Businesses renting units from the Council were being offered monthly rental payments rather than quarterly to help with cash flow;
- Small business units would soon be introduced on the Parkwood Industrial Estate. These would be offered below market rates and on an 'easy-in, easy-out' basis, which meant a monthly contract rather than a 12-month lease;
- Media Tree and Maidstone Town Centre Management continued to be supported;
- "Make It Maidstone" was being published by the Council in the DownsMail to ensure that residents and businesses knew what the Council was doing to help them through the recession and had access to the phone numbers and advice services that they needed;
- Invoices from small to medium-sized enterprises in the Borough would now be paid within ten days by the Council;
- Managers now had more scope to purchase locally as the threshold to go through a tendering process had now been raised from £25,000 to £75,000;
- The Council was a member of the Kent Invicta Chamber of Commerce and worked with the Federation of Small Businesses;
- Businesses were now far more engaged with the Local Strategic Partnership than they had been in previous years; and
- The Council's flagship projects – the High Street Regeneration, Mote Park and the Museum Extension – would ensure that Maidstone was well placed to benefit as soon as the country began to recover from the recession.

In response to a question, Councillor Garland informed Members that feedback from local businesses showed that they were finding it difficult to raise finance from banks or extend overdrafts, despite Central Government investment in the banking system. A Councillor asked whether businesses had requested any specific assistance from the Council. Councillor Garland stated that a number of suggestions had been received, including faster payment of invoices which had been implemented. Businesses were also enthusiastic about the High Street Regeneration project and what it could do for both the town and the Borough, as it showed that Maidstone was now willing to move forward.

Residents

The Council had maintained its financial support for the Citizen's Advice Bureau (CAB) and the CAB service in the Gateway was well used. Council officers were also available in the Gateway to give benefits advice. The Council also gave advice on mortgage issues, though Councillor Garland believed that it was inappropriate for the Council to offer a mortgage rescue scheme. Extra staff had been employed in the benefits section to ensure that the increased number of benefits claims did not adversely impact on processing times.

Unemployment in the Borough had stabilised at 2.8%, which Councillor Garland believed was in part due to the Council's support for business both now and prior to the recession.

Councillor Garland stated that the Chief Housing Officer was to be congratulated on his work in identifying investment opportunities for the provision of affordable housing and for his work in the Maidstone Housing Trust governance arrangements negotiations. Work on affordable housing meant that the Council was able to reduce the bed and breakfast budget by £30,000.

The Committee agreed to note its thanks and congratulations to the relevant officers and the Cabinet for their response to the recession.

Resolved: That the Committee's thanks and congratulations to officers and the Cabinet for their response to the recession be noted.

The meeting was adjourned from 8:00 p.m. to 8:05 p.m.

63. Devolved Budgets.

The Cabinet Member for Corporate Services, Councillor Richard Ash, apologised for the incorrect figures for devolved budgets that had been published on the original Committee agenda. He explained that the figures that had been provided originally had only shown spend to December 2008.

Councillor Horne addressed the Committee and stated that he believed devolved budgets to be very positive. He noted that Kent County Council Members had devolved budgets of £10,000 and would now be receiving additional devolved money for highways issues, demonstrating the expansion of the concept of devolved budgets at KCC. With regard to participatory budgeting, Councillor Horne suggested that this was a good idea for large budgets but was resource intensive for small amounts of money like devolved budgets.

A Councillor explained that the key issue of concern was with regard to internal processes, as they knew of two occasions on which the audit trail for devolved budget money had not been effective. It was suggested that

the process for checking that devolved budgets awarded to projects were actually spent on those specific projects was insufficient. Members discussed this and proposed that Councillors should be required to report on the use of devolved budgets to confirm that the money had been spent appropriately, and also that Internal Audit should check a small percentage of the larger spends as an additional check. The Committee agreed that this should be referred to the Audit Committee for consideration.

A Member highlighted that new Members were not informed how much devolved budget they received or given sufficient guidance on what to do with this, therefore more information was required for newly elected Councillors.

Members considered issues around equality and noted that the line between 'faith' and 'culture' was often unclear, so requested that the requirement that "any application that is linked to religious activities [cannot be funded]" should be made clearer.

Resolved: That

- a) The Audit Committee be recommended to consider the audit trail for devolved budgets;
- b) More detailed information be provided to new Members with regard to devolved budgets; and
- c) The guidance around spending devolved budget money on "religious activities" be clarified to ensure a clear distinction between "faith" and "culture".

64. Future Work Programme and Forward Plan of Key Decisions.

The Acting Overview and Scrutiny Manager informed the Committee that its November meeting would be a workshop to look at possible structures for Overview and Scrutiny as part of the Overview and Scrutiny Function Review. In December, the clerk to the Communities and Local Government Select Committee would attend the Committee's meeting to discuss how the House of Commons Select Committees operated.

Resolved: That the Future Work Programme and Forward Plan of Key Decisions be noted.

65. Duration of the Meeting.

6:30 p.m. to 8:45 p.m.