

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

Thursday, 20 August 2026

6.36pm to 7.49pm

Record of the meeting

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

Present: Councillors: Tejan (Chairperson), Bowen, Brake, Browne, Clarke, Field, Finch, Hackwell BEM, Jones, McDonald and Pearce

Substitutes: Councillors: Peake and Shokar

In Attendance: Paul Boyd, Chief Information Officer
Steve Dickens, Democratic Services Officer
Abbey Gough, Chief Finance Officer
Michael Kelly, Head of Category Management
Phil Watts, Chief Operating Officer

255 Apologies for absence

Apologies for absence were received from Councillors Hamilton and Mark Prenter.

256 Record of meeting

The record of the meeting held on 18 June was agreed and signed by the Chairperson as correct.

257 Urgent matters by reason of special circumstances

There were none.

258 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.

259 Procurement Strategy 2025-2030 Update Report

Discussion:

The Head of Category Management introduced the report. He highlighted the positive progress made in the first year of the strategy and noted the resources required to meet the challenge of Local Government Reorganisation (LGR) over the period.

The following issues were discussed:

LGR – The Committee discussed the effect of LGR in relation to procurement, it was asked whether the Council was giving up on achieving its targets in response to LGR. The Head of Category Management stated that challenging targets had been included in the strategy and progress had been positive. It was not a case of reducing those ambitious goals but to consider what was achievable prior to the completion of the transitional period whilst solidifying the current approach.

It was asked if some contracts were prioritised for contract management in response to the additional resources required to prepare for LGR. The Head of Category Management stated that the Council managed resources to reach its targets but the full value may be realised after vesting day. All high-risk activity required procurement training and clear KPIs as part of the management of the contract.

Potential savings – in response to a question what savings were deliverable prior to vesting day, the Head of Category Management stated that procurement was cyclical in nature, so some potential contracts might not be renewed prior to vesting day, however the Council would seek opportunities wherever possible.

Promoting the local economy – it was asked what the service was doing to promote job opportunities and providers in the local community. The Head of Category Management stated that he continued to consider a broad spectrum of opportunities to deliver best value.

Training – a Member welcomed the number of staff gaining category management qualifications, she asked whether there was a target to support this welcome development. The Head of Category Management stated that the training was hosted by a government commercial function and the council was exploring how it could champion further take up of the available training. There was positive interest and the training was helpful to the Council in achieving its procurement goals.

Social Value – it was asked if social value elements of contracts were independently assessed and what benefits had been delivered. The Head of Category Management stated that Council approached the market with identified outcomes which were evaluated individually. Those metrics were tracked and around £30m of benefit had been provided in local employments and supply chains.

Decision:

The Committee noted the year 1 update within Appendix A and provided comments to Cabinet.

260 Local Government Reorganisation

Discussion:

The Chief Operating Officer introduced the report. He highlighted the report set out the stages of LGR, draft warding arrangements and the programme management approach.

The following issues were discussed:

Digital – in response to a Member question for further information available regarding the data and digital information workstream, the Chief Operating Officer stated that LGR was at an early stage, the report outlined the decisions that had been made at this stage and the development of the workstreams. Further information would be provided to the Committee as work progressed and further reports would be submitted to the Committee.

It was asked why the risks related to ICT had not been listed and risk related to insufficient capacity downgraded. The Chief Operating Officer stated that the risks had related to the concern that collaborative working would not continue once the government decision had been made. This concern had not been borne out and there was a team to support the transition and positive collaborative working. The Council had created capacity to support transition through £1m in capital receipts as its contribution to the £10m.

Cost of reorganisation – a Member questioned whether LGR had been tested against the prudential code including transition costs, borrowing requirements and forecast savings, the Chief Operating Officer stated that the costs associated with transition represented a significant workstream and Kent Chief Finance Officers were part of the group addressing that area. The business case required review, and it was expected that the transitional costs to the successor authority would be met through borrowing. The Transition costs and borrowing would inform the first budget of the successor authority in February 2028.

Workstreams – a Member commented that there were seven activity groups and 45 workstreams, he asked that future reports provide updates on progress against those workstreams. The Chief Operating Officer stated that it had not

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been finalised at what level each of the workstreams would operate, some would operate on a county wide basis, some at the successor authority level and some would be for the predecessor authority. Pertinent updates for the workstreams and activity groups would be provided to the Committee. It was asked and agreed that a dashboard providing activity and budget updates be included in future reports to the Committee as progress is made.

Collaboration in the region – a Member commented that Medway was well placed to understand the requirements of transition and he did not want to lose improvements in services for residents during transition. The Chief Operating Officer stated that Tim Wolmer had been appointed as Director of the Programme Managers Office, he acted as a neutral resource for all fourteen authorities. It was acknowledged that all the authorities in the region had experience and knowledge to bring to the transition, with authorities across the region represented in senior role. The government had recognised that cross border working by the Kent authorities had been exemplary.

Decision:

- a) The Committee noted the Government's decision to establish four unitary authorities across Kent and Medway.
- b) The Committee noted the implementation timetable, governance arrangements, and workstreams.
- c) The Committee noted the wider implications of devolution and the future Mayoral Strategic Authority.
- d) The Committee agreed to receive further quarterly progress reports as the implementation programme develops.
- e) The Committee requested officers consider the development of a dashboard to support scrutiny of progress of the implementation of LGR.

261 The One Medway Council Plan Performance Monitoring Report and Strategic Risk Summary - Quarter 1 2026/27

Discussion:

The Chief Information Officer introduced the report. He highlighted that one risk had been increased in the quarter, SR47 Climate Change risk, had increased to: 'likely, moderate'. In addition, two new risks had been added, the Gun Wharf Improvement Programme and Corporate Estate Compliance and Building Safety. These risks replaced the Gun Wharf Safety risk which had been completed and removed in quarter four of 2025-26 following completion of the works to make the building safe.

The Performance Management system had been renewed and this was the first quarter reporting using the new in-house Nexa system. The Task Group would

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continue its work looking at performance management within the Council, so further enhancements would be expected during the year.

The following issues were discussed:

Climate Change Risk – A Member welcomed the change to the SR47 Climate Change Risk which reflected the impact of climate change during the summer. The Chief Information Officer informed the Committee that the Council had a new dashboard report to support monitoring of those key Climate Change related risks.

Increase in telephone calls received - a Member asked what user testing had been undertaken in relation to the introduction of the new waste management form which had resulted in a spike in phone calls to the Council. The Chief Information Officer stated that the issue was technical in nature and was rectified quickly. The Council principle of being digital by default but not digital only meant that residents were still able to access the service.

New Software - Members welcomed the new in-house performance management system, it was asked if it was possible to expand the scope of KPIs. The Chief Information Officer stated that the software was flexible, and the Risk Register would be included in the future updates to the software.

Funding – a Member asked what the implications were should the Government refuse to sanction further Exceptional Financial Support (EFS). The Chief Operating Officer stated that should the government refuse further EFS, the administration and CMT would need to take action to address the budget pressures which would include consideration of expenditure panels for non-essential spend and freezing recruitment to vacancies.

Recruitment – a Member asked for further information in relation to any recruitment difficulties caused by LGR. The Chief Operating Officer acknowledged that there remained issues with recruitment and retention, particularly in the circumstances of LGR and where there were difficulties the Council would discuss with other authorities opportunities to share resources.

LGR – in response to a question from a Member whether any discussions had taken place with other authorities regarding performance management systems, the Chief Information Officer stated that some discussions with colleagues in other authorities had taken place. A desktop exercise to compare systems had been undertaken and further discussions were planned to consider the best way forward.

Data – a Member expressed disappointment that data was only available in relation to one target. The Chief Information Officer explained that three of the four targets were annual targets, so it would not be known until the end of the year whether the target had been achieved or not. However, he explained that data was included within the commentary and he added that it was something the Task Group planned to consider in its investigation into performance management.

Decision:

- a) The Committee noted the Q1 2026/7 progress of the performance indicators used to monitor progress of the Council's priorities, as set out in Appendix 1 to the report.
- b) The Committee noted the Strategic Risk Summary as set out in Appendix 2 to the report.

262 Capital Budget Monitoring - Round 1 2026/27

Discussion:

The Chief Finance Officer introduced the report. She highlighted the scheme within the remit of the Committee, data centre refurbishment, was forecast to be delivered within budget.

The following issues were discussed:

Interest Rates – in response to a question what the cost of borrowing was to fund the Capital Programme, the Chief Finance Officer stated that interest rates were kept under regular review and were around 4%-6% and rising slightly. She undertook to provide additional detail with regard to the finance and interest budget outside of the meeting.

Decision:

The Committee noted the results of the first round of capital budget monitoring for 2026/27.

263 Revenue Budget Monitoring - Round 1 2026/27

Discussion:

The Chief Finance Officer introduced the report. She highlighted that round one forecast a budget pressure of £26.7m after management action. In areas under the remit of the Committee there were £1.6m of savings proposed as part of management action which here was a £1.285m pressure following management actions, due to higher than anticipated financing costs.

The following issues were discussed:

Affordability – in response to a Member question whether the budget had been tested against CIPFA affordability criteria, the Chief Finance Officer stated the Council abided by the CIPFA code and tested its assumptions through in year monitoring, medium term financial outlook planning. The Council engaged with CIPFA wherever possible.

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The Chief Operating Officer stated that round one monitoring demonstrated there were issues with the affordability of the budget. In particular, there were significant pressures in the adult social care budget and the Director of People had stated that she could not deliver her statutory responsibilities within the current budget envelope. Medway was however, one of many local authorities with significant budget difficulties.

Temporary accommodation – further information was requested in terms of Local Housing Allowance (LHA) rates, the Chief Operating Officer explained that where the Council was the temporary accommodation provider it was able to reclaim 100% housing benefit subsidy. In contrast, where residents were in temporary accommodation in the private sector, the Council did not receive all of the subsidy from central government. This had provided a significant saving to the Council.

Decision:

- a) The Committee noted the results of the first round of revenue budget monitoring for 2026/27.
- 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.

264 Work Programme

Discussion:

The Democratic Services Officer introduced the report, he highlighted proposed changes to the work programme.

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:

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