

Cabinet

Monday, 26 June 2023

7.30 pm

Present:

Cllr John Burden (Chair)
Cllr Shane Mochrie-Cox (Vice-Chair)

Councillors: Emma Morley
Lauren Sullivan
Narinderjit Singh Thandi
Jenny Wallace

Note: Councillors Jordan Meade, Alan Metcalf, Karina O'Malley and Lenny Rolles were also in attendance.

Stuart Bobby	Chief Executive
Jamie Izzard	Director (Communities)
Daniel Killian	Director (Housing)
Sarah Parfitt	Director (Corporate Services)
Stuart Alford	Assistant Director (Operations)
Lisa Nyon	Assistant Director (Corporate Services)
Andy Rayfield	Communications Manager
Carlie Simmonds	Committee Services Manager (Minutes)

12. Minutes

The minutes of the meeting held on Tuesday 30 May 2023 were signed by the Chair.

13. Declarations of Interest

Cllr Shane Mochrie-Cox declared an other interest, for information purposes only, in agenda item 10 - General Fund Provisional Outturn Report 2022/23 as he is the Council's representative on Gravesham Community Leisure Limited (GCLL) which is referred to within the report.

14. Delegated Decisions - Cabinet Members

No decisions other than those already circulated had been made.

15. Minutes of meeting of Gravesham Joint Transportation Board

The Cabinet noted the minutes of the Gravesham Joint Transportation Board held on 23 May 2023.

16. Events Review

The Cabinet was informed that, for many years, the Council had delivered a series of public events between a number of teams, including Leisure, Town Centre and Community Engagement.

The current budget provision for event related activity equates to £185,950 excluding indirect staffing costs. £57,000 of this currently comes from income generated from locally retained business rates from the Enterprise Zone, with the balance of £128,950 funded by the General Fund.

With the significant financial challenges now facing the Council, it was necessary to review and rationalise discretionary programmes as far as possible. The exercise identified that, if approved and implemented, the Council could maintain a programme of community focussed events and activities, whilst reducing General Fund expenditure by up to £103,950 per annum comprising of budgeted savings of £40,950 and an increased annual budget provision through the Enterprise Zone Funding of £63,000, as detailed within the report.

The Director (Communities) advised that, although the report proposed a rationalisation of annual events, it still included key events/activities such as Christmas, St George's Day Parade, Riverside Festival and Remembrance / Memorial Days. All other events would need to be funded through an alternative route such as external sponsorship/funding, this would include events such as the Fireworks event which already relies on sponsorship funding, the Light Festival which relied on Arts Council grant, and community events such as Big lunches, street parties and Lunar celebration.

The Cabinet recognised the importance of community events, however, acknowledged that with the financial challenges facing the Council, it was necessary to review and rationalise the programme of events. The Cabinet commended the review as it delivered savings whilst retaining key events/activities. The Cabinet stated that it was important for those key events/activities to be refreshed.

The Cabinet acknowledged that other events, such as the Fireworks event which has been externally funded for a number of years, would need to be funded through alternative routes and that the Council will try to source sponsorships/ funding for these events where possible and appropriate.

Resolved that

- an annual programme of events be approved, which would result in a rationalisation of events delivered by the Council and greater use of Enterprise Zone funding to support delivery of events, thereby resulting in savings to existing budgets and overall reduction in cost to the Council; and
- sponsorship, external funding and the use of community grants to be explored where possible and appropriate, to support delivery of events falling outside of the approved list.

17. Solohaus Pods

The Director (Housing) advised that, in May 2022, the Cabinet delegated authority to Director (Housing) in consultation with various officers to form an Investment Partnership with a house builder to help accelerate affordable housing delivery within the Borough.

Following a robust tender exercise in September 2022, the Hill Group was selected as the successful partner and since that time, officers had been working hard on setting up the Limited Liability Partnership (LLP) including the Members' agreement, formally known as Gravesham Community Investment Partnership (GCIP) which was incorporated in February 2023.

As set out in the Members' agreement, the Investment Team must produce an Investment Business Plan within six months of forming the partnership to outline potential delivery over a defined period. An update on the GCIP and Business Plan will be presented to the Cabinet in Autumn.

As part of the tendering exercise, potential contractors were asked to outline how they would achieve social value locally if they were to be successful, to which the Hill Group provided a comprehensive suite of initiatives that could be realised locally and gave an example of how they had worked with local authorities to tackle homelessness both from a financial and social outcome point of view.

To mark the Hill Group's 20th anniversary, it formed Foundation 200, established to help tackle the homeless crisis and help people rebuild their lives with a commitment to build and gift 200 free purpose-built homes. To cement the newly formed partnership and to mark its commitment to the Borough, the Hill Group has offered to donate eight Solohaus Pods to help tackle homelessness within the Borough.

Solohaus homes are safe, welcoming spaces built to the highest standards of sustainability, efficiency and safety with a 60-year life span. The homes are designed for single occupation and come fully furnished and equipped ready for someone to move in to.

If the Cabinet was minded to accept the Pods, they would be used to complement the Council existing homelessness accommodation in Wrotham Road as move on accommodation, and they will be used as the next step in the person becoming independent and being able to secure a tenancy in the private sector in the future. This in turn will free up much needed bedspace in the existing accommodation for those found to be sleeping rough in the Borough.

For other local authorities that have developed this model, most have used garaged sites within the Council's ownership. Therefore, two sites registered as Housing Revenue Account assets have been identified and were currently being considered for viability.

In order to release the chosen site for development, the current occupiers of any of the garages will need to be given notice.

Once the site has been agreed, the Hill Group will take forward the scheme and complete all the necessary site investigations, due diligence and submission for planning permission. Once the scheme has been completed, it will be handed back to the Council to manage tenant move in and on-going support for the occupants.

Due to the pods specified use as temporary accommodation, they would need to be an asset owned by the Council's General Fund. The total capital value of the eight pods is £456,000 based on their fair value (each pod has a retail value of £57,000). The pods will be treated as donated assets for accounting purposes and shown on the Council's balance sheet under Property, Plant & Equipment. The accounting treatment will be confirmed once further information on any conditions attached to the donation are known.

As the garage sites are a HRA asset and the proposed use would not be a HRA function, the intention will be for a lease to be put in place between the HRA and the General Fund.

The Hill Group will cover any defects to the pods in the first year after installation. Once installed, the Council will be responsible for the operating costs of the pods, including any repairs and maintenance requirements. The total annual running costs had been projected as £5,700 which included a 10% contingency.

The Council's Section 151 Officer confirmed that she was comfortable for the Council to accept the donation and for it to be shown on the Council's balance sheet as detailed within the report.

The Leader stated that it was important for the Council to tackle and prevent homelessness and that it had and will continue to put initiatives in place such as securing accommodation for rough sleepers, the Low Income Family Tracker (LIFT) Project etc. The Leader stated that Prince William had recently launched a major five-year campaign to end homelessness.

Resolved that the Cabinet:-

1. acknowledge and accept the donation of eight Solohaus pods from the Hill Group;
2. delegates authority to Director (Housing) in consultation with the Director (Corporate Services) as Section 151 Officer, Monitoring Officer and Cabinet Member for Housing Services to identify a garage site to accommodate the location of the SoloHaus pods and undertake all necessary legal arrangements related to this; and
3. authorises the Director (Corporate Services) to recognise the assets within the council's financial records and adjust General Fund and Housing Revenue Account revenue budget provisions, accordingly, as proposed in section 5 of the report.

18. Housing Revenue Account Provisional Outturn 2022/23

The Cabinet was presented with:

- the 2022/23 provisional Housing Revenue Account Outturn, including movements in the Housing Revenue Account working balances and General Reserve; and
- the 2022/23 provisional Housing Revenue Account Capital Outturn.

The Assistant Director (Corporate Services) drew Members' attention to page 44 which held an executive summary of the report.

The Cabinet noted that, at the end of the financial year, income and expenditure for the year was balanced with a contribution of £1.025m to reserves to fund future revenue and/or capital expenditure. This was a significant movement from the forecast outturn reported in previous monitoring reports and whilst this was a positive year end position, it was important to understand that whilst Housing Officers had worked hard to prioritise spend, where possible, this had been largely driven by finance year end accounting transactions as detailed within the report.

Members were also updated on other key areas of financial performance that may impact on the Councils HRA Business Plan.

The Cabinet expressed concern regarding the increase in disrepairs claims. The Director (Housing) advised that the Council was seeing an increase in the number of no win no fee disrepair claims being submitted. Whilst the total claim values were relatively small, the fees charged by the solicitors dealing with those claims', accounted for a majority of the total spend. The Housing Team will focus on working with tenants to report any disrepair issues in order that the problems can be rectified to minimise the potential for claims.

The Assistant Director (Corporate Services) informed the Cabinet that, to ensure the ongoing financial viability of the HRA service, the Finance Team will continue to meet and work closely with the Director (Housing) and Housing Officers.

The Cabinet noted the report.

19. General Fund Provisional Outturn Report 2022/23

The Cabinet was presented with:

- the 2022/23 provisional General Fund Outturn Report, including movements in the General Fund working balances and earmarked reserves; and
- the 2022/23 provisional General Fund Capital Outturn.

The Assistant Director (Corporate Services) drew Members' attention to page 60 which held an executive summary of the report.

The provisional outturn position for the year was a net deficit of £673k. Significant movements against the budget were detailed in the report, with the most notable items being staffing costs falling in the 'All Directorate' section, the St George's Centre within the 'Communities Directorate', and Homelessness within the 'Housing Directorate'.

The Assistant Director (Corporate Services) advised that, although the reported outturn position was more positive than anticipated at Quarter 3, expenditure within the authority continued to be greater than the income received with an estimated overspend of £16k per day. The wider financial context was detailed in section 3.12 of the report.

Members were also updated on other key areas of financial performance that may impact on the Council's Medium Term Financial Strategy, Medium Term Financial Plan (MTFP) or Financial Statements.

The Cabinet expressed concern regarding the costs associated with the St George's Centre (loan/interest repayments), Planning Policy (defending the Council's position in relation to the Lower Thames Crossing) and Homelessness which were all outside of the Council's control.

The Cabinet commended the success of the St George's Arts Centre which had a favourable variance. Its first full year of operation had been successful with the demand for use of the space and collaborative working exceeding the Council's initial expectations.

The Cabinet noted the report.

Close of meeting

The meeting ended at 8.04 pm.