

Cabinet

Monday, 6 January 2020

7.30 pm

Present:

Cllr John Burden (Chair)

Councillors: Shane Mochrie-Cox
Lenny Rolles
Brian Sangha
Narinderjit Singh Thandi
Jenny Wallace

Note: Councillors Ejaz Aslam, Leslie Hills, Bob Lane and Jordan Meade were also in attendance.

David Hughes	Chief Executive
Stuart Bobby	Director (Corporate Services)
Kevin Burbidge	Director (Planning and Development)
Melanie Norris	Director (Communities)
Sarah Parfitt	Assistant Director (Corporate Services)
Andy Rayfield	Communications Manager
Carlie Simmonds	Committee Services Manager

56. Apologies

An apology for absence was received from Cllr Lee Croxton.

57. Minutes

The minutes of the meeting held on 2 December 2019 were signed by the Chair.

58. Declarations of Interest

No declarations of interest were made.

59. Delegated Decisions - Cabinet Members

No decisions other than those already circulated had been made.

60. Development on Land at Valley Drive, Gravesend

The Cabinet was informed that a planning application for the development of 48 new Council homes (32 x 1 bed flats for over 55s and 16 general needs flats) at Valley Drive, Gravesend had been submitted by the Council and presented to the Regulatory Board in May 2019 with full permission being subsequently granted on 17 September 2019.

Potter Raper Partnership (PRP), the Council's Employers Agent, undertook the tendering process on behalf of the Council via the South East Consortium (SEC). PRP provided an estimate for the works which were in excess of the Key Decision threshold of £100,000.

Following a post-tender evaluation, which was undertaken in conjunction with the Council's Housing Strategy and Development Team, it was recommended that Westridge Construction Limited be awarded the Design and Build Contract for the scheme.

The demolition of the 36 bedsits and the construction of the 48 new homes will be met by the most appropriate source of funding such as the HRA reserve or borrowing, with the net increase in homes being funded in part by 30% retained Right to Buy (RTB) receipts and the remaining 70% being funded from the most appropriate source as part of the Council's entire borrowing requirement for 2020/21 and 2021/22.

Resolved that authority be delegated to the Director (Planning and Development) in consultation with the Leader of the Executive and the Section 151 Officer, to award a build contract to the successful contractor following a selection process via the South East Consortium (SEC) for the demolition of 36 bedsits and the construction of 48 new Council homes consisting of 32 x 1 bed flats for over 55s and 16 general needs flats for rent.

61. Change Strategy 2019-2023

The Cabinet was informed that, in April 2016, the Council formally adopted its first Change Strategy as a supporting document to the Medium Term Financial Strategy. The Council recognised the need to ensure that it had the necessary support and structures in place to implement changes to service delivery and the Change Strategy was developed as the tool to reflect this commitment.

The Director (Corporate Services) advised that a review of the previous Strategy had been undertaken and updated to reflect the following:-

- the new priorities/objectives set out in the Corporate Plan 2019-2023 (section one of the Strategy);
- updates to the 'content' of the Council's Change Strategy (section two of the Strategy) to reflect the current working arrangements and activities of the Council; and
- stronger emphasis on the role of Members in terms of engagement in the change processes and activities that are undertaken (section three of the Strategy).

The Performance and Administration Cabinet Committee considered the draft Strategy on 14 November 2019. The Committee was supportive of the draft Strategy however suggested a minor change to paragraph 3.2 which had been incorporated.

The Cabinet considered the draft Strategy attached at appendix two of the report and agreed that paragraph 2.7.1 be slightly amended to include reference to accountability.

Resolved that the draft Change Strategy 2019-23 be approved subject to paragraph 2.7.1 being slightly amended to include reference to accountability.

62. Local Government Mutual

The Cabinet was informed that the Council's existing insurance contract will expire on the 29 June 2020 and will therefore need to be re-procured.

In considering the Council's options for insurance provision, investigations had taken place to understand the potential protection services that could be provided by the Local Government Mutual (LGM).

The Cabinet was informed that the LGM had been designed by local government for local government and was backed by the Local Government Association (LGA). The intention being to provide a cost effective vehicle for the provision of risk protection as an alternative to traditional insurance products and services. The LGM offered protection cover for all the risks a local authority would currently obtain insurance for from the market. Fourteen Councils along with the LGA joined together to establish the LGM in April 2019. The LGM was currently governed and controlled by its member local authorities with no external shareholders. The LGM does not operate on the basis of making a profit for the benefit of third party investors.

The Assistant Director (Corporate Services) advised that having discussed the Council's renewal date of June 2020 with representatives from the LGM it had been ascertained that there would be sufficient time for the Council to consider the protection services offered by the LGM. Subject to a satisfactory offer coming forward, the Council will consider whether it wishes to join the LGM or prepare to tender its requirements through the usual procurement routes.

The report set out the financial implications together with the structure and governance of the LGM.

The Assistant Director (Corporate Services) advised that the Section 151 Officer had delegated authority to procure the Council's insurance contract however the intention will be to submit a report to the Cabinet on the proposed way forward in February/March 2020.

The Cabinet noted the report.

63. Balancing the Budget – Update on Service Review Options and Additional Budget Initiatives Identified

The Director (Corporate Services) informed Members that the Council's Medium Term Financial Strategy 2016-17 to 2019-20, set out an identified funding gap by 2019-20 of £2.5 million. The funding gap and action required by the Council increased by £0.4m to £2.9m, primarily driven by the changes to the design of the New Homes Bonus Scheme. The funding gap was widened by at least a further £1m at budget setting 2018-19 due to the financial impact of low housebuilding rates in the Borough, the higher than anticipated staff pay award and lower than expected interest rates.

In response to the financial challenges, the Council embarked on a programme of activity in 2016, as documented in its Medium Term Financial Strategy. This was later supplemented by further work strands to extend the Council's Property Acquisition Strategy and introduce further Balancing the Budget Initiatives in response to the increase in the further funding gaps identified when setting the budgets for 2017-18 and 2018-19.

The report provided detail of the activity progressed within the Service Review Process and Balancing the Budget Initiatives workstreams followed by the Council since 2016. To date a total of £2,417,100 had been delivered against these two workstreams, i.e. accounted for within the Council's Medium Term Financial Plan, out of the total approved value of initiatives of £2,704,000.

There were a number of initiatives that had not yet been progressed for a variety of reasons, all of which were detailed in the report. It was proposed that all viable Service Review and Budget Initiatives, that had not yet been implemented, be reflected within the specific service areas operational Business Plans monitored by the respective Director and Lead Member. In addition, these will also form part of future budget monitoring reports.

Due to the above, the Cabinet was advised that this would be the final update report on the delivery of the Service Review and Budget Initiatives and as such, there will be no further reports to the Cabinet or Overview Scrutiny Committee on the Service Review and Budget Initiatives moving forward.

The Leader informed the Cabinet that the Council will be employing a barrister to draft and send a letter to the appropriate government department, Minister and Member of Parliament to express the Council's concern regarding lack of information in relation to the Lower Thames Crossing and to request proper and meaningful engagement particularly as Gravesham will be most affected by the Crossing. The cost of employing a barrister would be funded via Lower Thames Crossing Reserve.

The Cabinet supported the proposal and agreed that the Council needed to become a strong unified voice to ensure that the views of its residents and businesses continue to be heard and issues such as investment in improving the local road network, protection of the environment and the impact on people's health continue to be top priorities.

Resolved that:-

1. the progress that has been made in terms of the approved Service Review and Budget Initiatives as set out in appendix two to the report be noted; and
2. moving forward, any outstanding Service Review or Budget Initiatives be managed through the operational Business Plans, with updates direct to the relevant Lead Member as required.

Close of meeting

The meeting ended at 8.23 pm