

# Public Document Pack

## AGENDA

### CABINET MEETING

Date: Wednesday, 7 October 2015

Time: 7.00 pm

Venue: Council Chamber, Swale House, East Street, Sittingbourne, Kent, ME10 3HT

Membership:

Councillors Bowles (Chairman), Mike Cosgrove, Duncan Dewar-Whalley, Gerry Lewin (Vice-Chairman), Ken Pugh, David Simmons, Mike Whiting, Ted Wilcox and John Wright.

Quorum = 3

#### RECORDING NOTICE

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	Pages
1. Apologies for Absence	
2. Minutes	
To approve the Minutes of the Meeting held on 2 September 2015 (Minute Nos. 166 - 175) as a correct record and the Extraordinary Cabinet meeting held on 21 September 2015 (Minute Nos. to-follow).	
3. Declarations of Interest	
Councillors should not act or take decisions in order to gain financial or other material benefits for themselves or their spouse, civil partner or person with whom they are living with as a spouse or civil partner. They must declare and resolve any interests and relationships.	
The Chairman will ask Members if they have any interests to declare in respect of items on this agenda, under the following headings:	

(a) Disclosable Pecuniary Interests (DPI) under the Localism Act 2011. The nature as well as the existence of any such interest must be declared. After declaring a DPI, the Member must leave the meeting and not take part in the discussion or vote. This applies even if there is provision for public speaking.

(b) Disclosable Non Pecuniary (DNPI) under the Code of Conduct adopted by the Council in May 2012. The nature as well as the existence of any such interest must be declared. After declaring a DNPI interest, the Member may stay, speak and vote on the matter.

**Advice to Members:** If any Councillor has any doubt about the existence or nature of any DPI or DNPI which he/she may have in any item on this agenda, he/she should seek advice from the Director of Corporate Services as Monitoring Officer, the Head of Legal or from other Solicitors in Legal Services as early as possible, and in advance of the Meeting.

### **Part B Reports for Decision by Cabinet**

4.	Complaints, Compliments and Comments Annual Report 2014/15	1 - 14
5.	Temporary Accommodation Provision for Swale Homeless Households	15 - 22
6.	Stationery supplier - extension of existing contract	23 - 26
7.	Property Asset Strategy - annual progress report	27 - 40
8.	The Meads Community Centre Asset Transfer	41 - 48
9.	Tender award for Front Brents Flood Defence Bund project in association with the Environment Agency	49 - 52
10.	Business Rate Pooling	53 - 56
11.	Minutes of the Swale Joint Transportation Board meeting held on 7 September 2015	57 - 58

Cabinet is asked to approve the recommendations which fall within the remit of Swale Council's Cabinet.

Members are reminded that the terms of reference for the JTB state that: The Cabinet will normally act in accordance with the advice or views of the JTB. If the Cabinet is minded to act otherwise, no decision will be taken until after a discussion between the relevant Cabinet Member and the Chairman and Vice-Chairman of the JTB.

**Issued on Monday, 28 September 2015**

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at

the meeting, **please contact DEMOCRATIC SERVICES on 01795 417330**. To find out more about the work of the Cabinet, please visit [www.swale.gov.uk](http://www.swale.gov.uk)

**Corporate Services Director, Swale Borough Council,  
Swale House, East Street, Sittingbourne, Kent, ME10 3HT**

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<b>Cabinet Meeting</b>		<b>Agenda Item: 4</b>
<b>Meeting Date</b>	7 October 2015	
<b>Report Title</b>	Complaints, Compliments and Comments Annual Report 2014/15	
<b>Portfolio Holder</b>	Cllr Andrew Bowles, Leader	
<b>SMT Lead</b>	Dave Thomas, Head of Commissioning & Customer Contact	
<b>Head of Service</b>	Dave Thomas, Head of Commissioning & Customer Contact	
<b>Lead Officer</b>	Carol Sargeant, Customer Service Manager	
<b>Key Decision</b>	No	
<b>Classification</b>	Open	
<b>Forward Plan</b>	Yes	
<b>Recommendations</b>	1. Members are asked to note the report	

## 1. Purpose of Report and Executive Summary

- 1.1 This report presents the annual summary of complaints, compliments and comments received by Swale Borough Council (SBC) during the year from April 2014 to March 2015.

## 2. Background

- 2.1 This annual report summarises the Complaints, Compliments and Comments (CCC) received by the Council during the ensuing year. Swale's corporate complaints system comprises the following process:
- (i) an initial request for service or enquiry should be made to the service area it relates to in the first instance. A request or enquiry may become a complaint if the council fails to meet our service standards;
  - (ii) Stage 1: this is whereby the complainant is not satisfied with the response (or lack of response) from the service area or the complaint relates to a member of staff. Stage 1 complaints will be responded to within 10 working days by a manager or Head of Service;
  - (iii) Stage 2: the Chief Executive who will investigate and respond direct to the complainant within 10 working days. If the timeframe cannot be met the complainant will be notified and kept informed of progress; and
  - (iv) Local Government Ombudsman: if after following our complaints process customers are still unhappy, they can contact the Local Government Ombudsman, an independent service set up by the Government to investigate complaints about council matters. The Ombudsman will not usually investigate most complaints until they have been through the Council's complaint process.

- 2.2 The current CCC system, which has now been in operation for four full years, is now well established throughout the organisation. It has contributed to a much more robust and transparent approach to the management of CCC, with greater ease of access to the system for our customers.
- 2.3 The system provides monitoring, including weekly summaries to Heads of Service, so we can be assured that all complaints are logged, tracked, and responded to, as well as improved reporting facilities so we can ensure that our response times are meeting the standards we have set and learn from feedback.
- 2.4 In addition to the improvements to the process which we introduced and reported on last year, we have:
- (i) continued to raise the profile of the importance of CCC to Swale as a customer centric organisation through managers' meetings, all staff briefings, and individual team meetings;
  - (ii) carried out further training for all relevant managers and staff on handling complaints and using the CCC system;
  - (iii) published and circulated monthly summary reports for Heads of Service to enable regular monitoring of the progress of complaints in their respective service areas;
  - (iv) continued to provide quarterly reports on complaints at service level, which is used to inform the quarterly performance report to the Strategic Management Team;
  - (v) published the CCC reports on the intranet;
  - (vi) sought from Heads of Service examples of service improvements which have been initiated in response to customer complaints, comments and compliments; and
  - (vii) continued to carry out surveys of all customers who have raised a formal complaint in order to gain feedback from them and seek to improve the process accordingly.

### **Customer Service Excellence**

- 2.5 During the past year, the Customer Service Centre, Environment Response Team, Housing Services, Planning, and Revenues & Benefits all gained a renewal of the externally verified Customer Service Excellence assessment.
- 2.6 One of the components of the CSE accreditation process is to examine the complaints procedures within an organisation. Again, during this year's assessments, Swale's CCC system was cited as an example of good practice.
- 2.7 We have continued to make further efforts to make the system more accessible to our customers. There is an established clear link to our complaints procedure on our website at <http://www.swale.gov.uk/comment-complain-and-feedback/> and we have designed small cards (credit card sized) which are on display in reception areas encouraging compliments, complaints

and feedback. On the reverse of the card is a QR code<sup>1</sup> which when used takes the user direct to the CCC web page.

## Complaints Received

2.8 The total number of CCCs received during 2014/15 was 1,104 compared with 996 in 2013/14, an increase of 12.5%. The number of complaints increased by 18%, compliments by 17%, and compliments were the same amount for both years.

Category	2012/13	2013/14	2014/15	Trend against previous year
Complaints received	358	358	<b>441</b>	+18%
Compliments received	317	344	<b>344</b>	0%
Comments received	177	264	<b>319</b>	+17%
<b>Total</b>	<b>852</b>	<b>966</b>	<b>1,104</b>	<b>+12.5%</b>

2.9 The increase in overall complaints received was largely driven by the refuse changes of introducing food waste collections in the early part of the period. The volumes and nature of the complaints for other service areas may also differ from previous years, but not to any great degree or for any single overriding reason. In particular, it is noteworthy that despite the issues with Planning Support, numbers of formal complaints in Development Services only rose by 11 compared with the previous year. See Appendix I for further details by service area.

2.10 During 2014/15, a total of 18 complaints (4%) were escalated to Stage Two (Chief Executive).

## Responding to Complaints

2.11 The CCC system requires that a response to all complaints be made (whether justified or otherwise) within a corporate standard of 10 working days. During 2014/15, 89% of complaints, whether or not justified, were responded to within the corporate standard, which equals the performance of the previous year, despite the increase in volume. The target for 2014/15 was increased to 87.5%, up from the previous year, and this was met.

	2012/13	2013/14	2014/15
Percentage of complaints responded to within 10 working days	88%	89%	<b>89%</b>
<b>Target</b>	85%	85%	<b>87.5%</b>

<sup>1</sup> A QR Code is a machine-readable code consisting of an array of black and white squares, typically used for storing URLs or other information for reading by the camera on a smartphone.

- 2.12 Whilst there has been consistency in response rate performance, there still remains room for improvement, and the target for 2015/16 has increased to 90%. More effective monitoring, in particular through the weekly summary reports sent to Heads of Service during the year, will help to achieve this.
- 2.13 The Customer Service Manager regularly monitors performance standards, both corporately and in local areas, and has dialogue with the respective Heads of Service to address any performance issues, which include administrative efficiency improvements as well as seasonal or service-related issues which will inevitably cause occasional peaks in levels of complaints.

### Ombudsman Complaints

- 2.14 This year's Ombudsman's Annual Report for Swale for 2014/15 is again disappointing with its lack of detail, which does not allow comparison with data for previous years. The data we have provided below is from a collation of the statistics from the Ombudsman's report, as well as information that we collate within our own complaints process and CCC system.
- 2.15 In total, the annual data received from the Ombudsman states they received 21 enquiries, which included 12 passed to SBC for consideration and decision, however 22 decisions were made. The other 10 were either closed without investigation (for example, because the Ombudsman considered the complaint to be outside of their jurisdiction) or the customer was referred back to SBC for resolution, for example as an enquiry or stage 1 complaint. However, as the Ombudsman does not provide more detailed information, we are unable to ascertain whether specific customers did in fact follow this up.
- 2.16 The outcomes for the 12 complaints that were formally investigated by the Ombudsman are set out in the table below.

Ombudsman Action	2011/12
Closed after initial enquiry	7
Not upheld	2
Referred back for local resolution	1
Upheld	2
<b>Total</b>	<b>12</b>

- 2.17 Details for the two that were upheld are set out below:
- (a) **Planning and Development:** the Ombudsman did not find any significant fault by the Council, and whilst there was an administrative error, the Ombudsman found that this did not cause Mr P great injustice. The Council offered to reimburse the costs (£500) Mr P incurred in complaining about the substantive matter and about the Council's delay in responding;



- (b) **Housing:** the Ombudsman upheld Mr X's complaint about the way the Council considered his request for housing assistance. The Ombudsman considered that there was fault and that this caused Mr X injustice. The Council agreed to pay Mr X financial redress of £500.

### **Feedback on the complaints system**

- 2.18 During 2014/15 various methods have been used to seek feedback from complainants in relation the complaints process. We have learnt that a written 'survey' approach tends to elicit responses that reflect not only the complaints process, but the outcome itself. In other words, customers find it difficult to separate the outcome of the complaints process, which may not be to their satisfaction, from the way in which their complaint was handled.
- 2.19 Therefore, since October 2014 courtesy telephone calls by Customer Service have been attempted to all complainants, which allows for the process itself to be discussed. This approach both allows a more qualitative discussion to take place, and as such more positive feedback is being received.
- 2.20 Some examples of customers comments from the courtesy calls include:
- (i) It is good to speak to someone about the situation rather than email or letters.
  - (ii) I am thrilled to receive a phone call asking for feedback on the complaints process, as up until now I thought SBC couldn't care less. Speaking to customers about their complaints is the way forward and I am very pleased to get this call.

### **Reviews and improvements**

- 2.21 One aspect of effective complaint handling is to inform service improvements. Whilst we need to continue to improve the capturing of examples where this has happened, some examples from 2014/15 are as follows:
- (i) we have made changes to web content to make information clearer, and added relevant links to other service, procedures and policies;
  - (ii) Housing Register standard letters have been amended following a complaint about the lack of information when a position on the Register was refused;
  - (iii) Housing Benefit notifications to people in temporary accommodation have been reviewed and amended accordingly;
  - (iv) targeted staff training has been arranged; and
  - (v) the way in which ICT work is resourced and prioritised has been amended to speed up customer-facing changes required by services.

## Summary

2.22 In summary, therefore, of the 441 complaints received by the Council during 2014/15, 18 (4%) were escalated to the Chief Executive (stage 2), and 12 (3%) were ultimately referred to the Ombudsman, none of which resulted in finding evidence of maladministration. A total of £1,000 in compensation was paid as a result of two Ombudsman complaints.

Categories	2014/15	2013/14	2012/13
Total complaints	441	358	358
Justified complaints*	279	195	202
Non-justified complaints*	141	156	153
Partially justified	21	4	6
Justification not stated	0	3	1
Stage 2 (Chief Executive)	18	29	19
Ombudsman	12	10	7

\*Definitions used

Justified: where it is deemed that the relevant process/procedure has not been followed.

Unjustified: where it is deemed that the relevant process/procedure has been followed.

It should be noted that this criteria is open to the interpretation of the officer and their opinion at the time of completing the complaint.

## 3 Proposals

3.1 Members are asked to note the contents of this report.

## 4. Alternatives

4.1 None.

## 5. Consultation

5.1 There has been no formal consultation relating to this report, as it is a summary of statistics for the year in question. However, the Complaints, Compliments and Comments system is by definition a process by which customers are able to deliver feedback on the current provision of services.

## 6. Implications

Issue	Implications
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<b>Issue</b>	<b>Implications</b>
Corporate Plan	Dealing well with Complaints, Compliments and Comments is core to the Corporate Plan priority of being 'A council to be proud of'.
Financial, Resource and Property	None.
Legal and Statutory	None.
Crime and Disorder	None.
Sustainability	None.
Health and wellbeing	None.
Risk Management and Health and Safety	None.
Equality and Diversity	Responding to complaints in a positive and effective manner demonstrates the Council's commitment to ensuring that access to Council services is available to all.

## **7. Appendices**

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Complaints by Service Area 2014/15
- Appendix II: Local Government Ombudsman's Summary Review of Swale Borough Council 2014/15.

## **8. Background Papers**

8.1 None.

**Complaints by Service Area 2014/15**

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Complaints by Service Area	Qtr 1 2014/15	Qtr 2 2014/15	Qtr 3 2014/15	Qtr 4 2014/15	Total 2014/15	Total 2013/14	Responded within 10 working days 2014/15		Responded within 10 working days 2013/14	
							No.	%	No.	%
Chief Executive	0	1	0	0	1	0	1	100%	-	-
Commercial	0	0	0	0	0	1	-	-	1	100%
Communications	0	0	0	2	2	2	2	100%	2	100%
Community Safety	0	0	1	0	1	2	1	100%	1	50%
Contracts (incl.Waste & Street Scene)	89	59	36	25	209	131	189	90%	123	94%
CSC	0	1	0	1	2	2	2	100%	2	100%
CSC (Gateway)	0	0	0	0	0	1	-	-	1	100%
Cultural Services	0	1	0	0	1	2	1	100%	-	-
Development Services	11	19	20	25	75	64	58	77%	52	81%
Electoral	0	1	0	1	2	1	1	50%	1	100%
Economy & Regeneration	0	0	0	0	0	1	-	-	1	100%
Engineering	0	0	0	0	0	1	-	-	0	0%
ERT	5	9	5	3	22	15	17	77%	14	93%
Grants	1	0	0	0	1	1	0	0%	1	100%
Hackney Carriages	1	1	0	0	2	3	1	50%	-	-
Housing	0	0	0	1	1	0	1	100%	-	-
Housing Environmental	0	1	0	0	1	0	1	100%	-	-
Housing Options	4	4	8	11	27	12	25	93%	11	92%
Housing Services	0	0	0	0	0	3	-	-	2	67%
ICT	0	1	0	0	1	0	1	100%	-	-
Legal	0	0	0	1	1	0	1	100%	-	-
Licensing	0	0	0	0	0	1	-	-	0	0%
Open Spaces	2	6	1	0	9	11	7	78%	8	73%
Parking	9	15	9	8	41	67	40	98%	62	93%
Pollution	1	1	0	0	2	1	0	0%	0	0%
Property	0	0	0	0	0	2	-	-	2	100%
Revenues & Benefits	9	11	7	12	39	39	36	92%	38	97%
Staying Put	1	0	0	0	1	0	1	100%	0	-

18 June 2015

*By email*

Swale Borough Council

Dear Mr Kara

**Annual Review Letter 2015**

I am writing with our annual summary of statistics on the complaints made to the Local Government Ombudsman (LGO) about your authority for the year ended 31 March 2015. This year's statistics can be found in the table attached.

The data we have provided shows the complaints and enquiries we have recorded, along with the decisions we have made. We know that these numbers will not necessarily match the complaints data that your authority holds. For example, our numbers include people who we signpost back to the council but who may never contact you. I hope that this information, set alongside the data sets you hold about local complaints, will help you to assess your authority's performance.

We recognise that the total number of complaints will not, by itself, give a clear picture of how well those complaints are being responded to. Over the coming year we will be gathering more comprehensive information about the way complaints are being remedied so that in the future our annual letter focuses less on the total numbers and more on the outcomes of those complaints.

**Supporting local scrutiny**

One of the purposes of the annual letter to councils is to help ensure that learning from complaints informs scrutiny at the local level. Supporting local

scrutiny is one of our key business plan objectives for this year and we will continue to work with elected members in all councils to help them understand how they can contribute to the complaints process.

We have recently worked in partnership with the Local Government Association to produce a workbook for councillors which explains how they can support local people with their complaints and identifies opportunities for using complaints data as part of their scrutiny tool kit. This can be found [here](#) and I would be grateful if you could encourage your elected members to make use of this helpful resource.

Last year we established a new Councillors Forum. This group, which meets three times a year, brings together councillors from across the political spectrum and from all types of local authorities. The aims of the Forum are to help us to better understand the needs of councillors when scrutinising local services and for members to act as champions for learning from complaints in their scrutiny roles. I value this direct engagement with elected members and believe it will further ensure LGO investigations have wider public value.

### **Encouraging effective local complaints handling**

In November 2014, in partnership with the Parliamentary and Health Service Ombudsman and Healthwatch England, we published '*My Expectations*' a service standards framework document describing what good outcomes for people look like if complaints are handled well. Following extensive research with users of services, front line complaints handlers and other stakeholders, we have been able to articulate more clearly what people need and want when they raise a complaint.

This framework has been adopted by the Care Quality Commission and will be used as part of their inspection regime for both health and social care. Whilst they were written with those two sectors in mind, the principles of '*My Expectations*' are of relevance to all aspects of local authority complaints. We have shared them with link officers at a series of seminars earlier this year and would encourage chief executives and councillors to review their authority's approach to complaints against this user-led vision. A copy of the report can be found [here](#).

### **Future developments at LGO**

My recent annual letters have highlighted the significant levels of change we have experienced at LGO over the last few years. Following the recent general election I expect further change.

Most significantly, the government published a review of public sector ombudsmen in March of this year. A copy of that report can be found [here](#). That review, along with a related consultation document, has proposed that a single ombudsman scheme should be created for all public services in England mirroring the position in the other nations of the

United Kingdom. We are supportive of this proposal on the basis that it would provide the public with clearer routes to redress in an increasingly complex public service landscape. We will advise that such a scheme should recognise the unique roles and accountabilities of local authorities and should maintain the expertise and understanding of local government that exists at LGO. We will continue to work with government as they bring forward further proposals and would encourage local government to take a keen and active interest in this important area of reform in support of strong local accountability.

The Government has also recently consulted on a proposal to extend the jurisdiction of the LGO to some town and parish councils. We currently await the outcome of the consultation but we are pleased that the Government has recognised that there are some aspects of local service delivery that do not currently offer the public access to an independent ombudsman. We hope that these proposals will be the start of a wider debate about how we can all work together to ensure clear access to redress in an increasingly varied and complex system of local service delivery.

Yours sincerely

A handwritten signature in black ink that reads "Jane Martin". The signature is written in a cursive style with a horizontal line underneath the name.

Dr Jane Martin

Local Government Ombudsman Chair, Commission for Local Administration in England

## Local authority report – Swale Borough Council

For the period ending – 31/03/2015

For further information on interpretation of statistics click on this link to go to <http://www.lgo.org.uk/publications/annual-report/note-interpretation-statistics/>

### Complaints and enquiries received

Local Authority	Adult Care Services	Benefits and tax	Corporate and other services	Education and children's services	Environmental services and public protection	Highways and transport	Housing	Planning and development	Total
Swale BC	0	4	3	0	1	0	6	7	21

Swale BC

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### Decisions made

Local Authority	<u>Detailed investigations carried out</u>		Advice given	Closed after initial enquiries	Incomplete/Invalid	Referred back for local resolution	Total
	Upheld	Not Upheld					
Swale BC	2	4	0	8	0	8	22



<b>Cabinet Meeting</b>		<b>Agenda Item: 5</b>
<b>Meeting Date</b>	7 October 2015	
<b>Report Title</b>	Temporary Accommodation Provision for Swale Homeless Households.	
<b>Cabinet Member</b>	Cllr John Wright	
<b>SMT Lead</b>	Pete Raine	
<b>Head of Service</b>	Amber Christou	
<b>Lead Officer</b>	Rebecca Walker	
<b>Key Decision</b>	Yes	
<b>Classification</b>	Open	
<b>Forward Plan</b>	Yes	
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. To note the update on the first six months' operating usage of the property purchased in November 2014 to use as temporary accommodation.</li> <li>2. To approve the purchase of an additional property in or around Sheerness to use as additional or temporary accommodation up to a cost of £200,000 within the current financial year.</li> </ol>	

## 1 Purpose of Report and Executive Summary

- 1.1 This report provides an update on the first six months' operating usage of the property in Sittingbourne purchased in November 2014 to use as temporary accommodation.
- 1.2 The update includes the current financial position, demonstrating that for a relatively small cost the project has delivered significant savings to the Temporary Accommodation Budget compared with the cost of the alternative bed and breakfast provision that would have been used. .
- 1.3 The report also includes projections for the future costs/savings potential for additional properties, and hence a recommendation to purchase a further property within the current financial year.

## 2 Background

- 2.1 In February 2014 Cabinet approved the purchase of a house in Sittingbourne to be used as temporary accommodation for homeless households. The property was funded using ring-fenced PSA Reward monies awarded to Swale BC as part of the KCC 'No Use Empty' strategy, to bring empty properties back into use.

2.2 The purpose of this purchase was to reduce the costs of current temporary accommodation provision, usually bed-and-breakfast hotels outside of the Borough, and to increase the provision of such accommodation for families within the Borough to prevent them having to move away from family, schools and work.

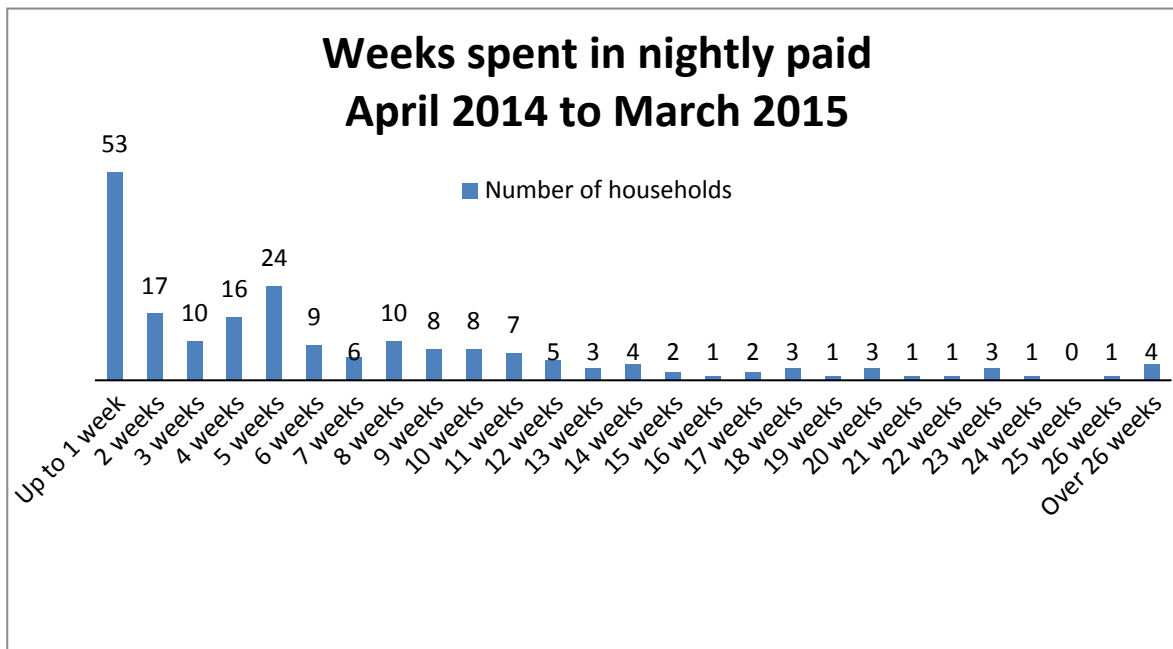
2.3 The original purpose set out in the business plan that Members agreed was:

*To use the Ring Fenced PSA reward monies for Empty Homes to purchase and manage emergency accommodation for households in Swale who are owed a statutory homelessness duty by the Council, to reduce the cost of Bed and Breakfast accommodation and to minimise disruption to Swale’s homeless households.*

2.4 It is important to be clear that the purchase and use of temporary accommodation is in no way intended to meet the long term demand for social or affordable housing. Instead, a variety of temporary accommodation (including bed and breakfast, non-secure private sector or housing association tenancies, hostels and supported housing) is used to deliver the Council’s statutory homelessness duty to provide temporary accommodation to households who have presented as homeless. Lengths of stay will depend on many factors including the length and outcome of the statutory homeless investigation, the size and type of household and their level of vulnerability and need, and the availability of longer term solutions.

2.5 The following graph shows length of stay by homeless households for 2014/15.

**Fig 1: Length of stay by homeless households 2014/15**



- 2.6 The business case demonstrated a potential saving of £18,000 per annum, given a capital investment of £180,000 and an average of three households utilising the property at any one time. This projection included the amount that would usually have been spent on bed and breakfast accommodation, plus expenditure including utilities, repairs, maintenance, void costs and staff costs, less any income generated through housing benefit.
- 2.7 The actual cost of the purchase, including all fees, stamp duty and refurbishment, was £166,200.
- 2.8 Although the original estimates were based on an average of three households using the property at any one time, in fact since the property was ready for occupation in January 2015 there has only been one single household in occupation with a four bedroom need. This is an unusually long stay as this household has very specific accommodation needs and are awaiting permanent social housing. Nonetheless, even having one household in the property for this length of time has delivered significant savings to what would otherwise have been spent on an alternative form of temporary accommodation. Once a permanent solution is found for this household, the property will be let again to whoever is in need at that point in time, between one and three households depending on their household composition.
- 2.9 The table below shows both the projected costs and income from the original business case, against the actual costs and income for the first six months of usage. Projecting forwards, the figures are based on an average of three households using the property at any one time, but will vary in practice according to the type and size of household(s) that are actually in occupancy.

2.10

**Fig 2: Projected and actual costs/savings**

	Projected	Actual
<b>Average weekly cost in Council owned property:</b>		
Income from Housing Benefit claims	£311	£300
Running costs including staffing, void costs, etc	(£395)	(£339)
Net weekly cost = (a)	(£84)	(£39)
<b>Current weekly maximum cost in bed and breakfast</b>		
Cost per week	(£840)	(£1,050)
Income from Housing Benefit	£311	£327
<b>Weekly cost of B&amp;B to Council = (b)</b>	<b>(£529)</b>	<b>(£723)</b>
<b>Net Savings</b>		
Net weekly Savings to Council when using Council property (b) - (a)	£445	£684
Annual Savings assuming 80% occupancy	£18,512	£28,412

- 2.11 The Council owns an additional general fund property in Teynham, which became vacant on 10 August 2015. This two-bedroom property was purchased in May 2010 using Empty Homes Funding. The property has previously been used for those fleeing domestic abuse and will now also be used as additional temporary provision with immediate effect.
- 2.12 This is a smaller property and will therefore generate less income/savings. However, there are no additional staff costs as at least three properties can be managed within current staffing levels. The following table shows the projected costs/savings for both the Sittingbourne and Teynham properties, as well as costs/savings including an additional property.

**Fig 3: Projected costs/savings for the use of three properties**

	<b>Projected Net Annual Costs</b>	<b>Projected Net Annual savings</b>
Sittingbourne and Teynham Properties	£8,320	£48,879
As above <b>plus</b> additional Sheerness Property	£10,348	£77,291

- 2.13 As this table shows, there is potentially a substantial saving in expenditure, although these projected savings will not yet be cashable as they will help to negate the impact of increasing homelessness costs and/or reduce any overspend on the temporary accommodation budget. Homelessness within the Borough has been increasing year on year, although this is being actively managed, it demonstrates that the need for temporary accommodation continues to rise.
- 2.14 A refreshed Service Level Agreement with Amicus Horizon (AH) has increased the number of AH homes that the Housing Options Team have available to use as temporary accommodation at a lower cost than private sector bed and breakfast accommodation. This reduction in costs, coupled with savings made through use of the property in Sittingbourne, has meant that the homelessness accommodation budget was balanced for the first quarter of 2015/16.
- 2.15 There are, however, some emerging issues that increase the volatility in the budget for temporary accommodation, and possibly in the number of households requiring such accommodation. For example, a recent Supreme Court judgement, R (Yekini) v Southwark LBC, clarified that a Local Housing Authority (LHA) can only apply a reasonable charge for temporary accommodation, meaning that if a household were unable to afford a rent due to the Benefit Cap then the LHA cannot charge that tenant any rent. This means that any shortfall in housing benefit would need to be subsidised through the temporary accommodation budget.
- 2.16 Further analysis of these issues will be carried out as more detail is known. Additional property purchases to that proposed in Section 3 below may be brought forward to mitigate the impact of any increase in costs and ongoing shortage of supply.

### **3 Proposal**

- 3.1 Given the success of the current temporary accommodation property in Sittingbourne, and the continued increase in pressure on the temporary accommodation budget, it is recommended that up to £200,000 from reserves be used to purchase at least a three bedroom property in or around the Sheerness area with the aim of providing emergency accommodation for a maximum of five people, of between one and three households.
- 3.2 Sheerness is recommended as it is currently where much of the demand from homeless households arises, and as such it would be useful to have additional provision as close to Sheerness as possible so that households could retain continuity of family and community connections, contact with GP and other health-related services, education for any children, and work for those in employment.
- 3.3 The sum of £200,000 includes the purchase price and the cost of any capital works required to make the property suitable for use as temporary accommodation. Research has demonstrated that there are many homes currently on sale in the Sheerness area that would be suitable for this use and which are within this budget.
- 3.4 Once purchased the project will be delivered within current resources, with the part-time Housing Options Support Officer managing the properties. Housing Services staff will oversee the day-to-day placements into the property, including dealing with any tenancy or behaviour management issues. The Council will be responsible for repairs and maintenance of the property and on-going costs such as gas, electricity, water, buildings insurance, and council tax. Repairs and maintenance will be carried out by Staying Put, the handyperson service. Should the property require any emergency/ out of hours repairs, Housing Services have an existing arrangement with a local letting agent.
- 3.5 In the business case for the first property we set out the risks of the scheme. The table below shows an updated risk analysis for a further property purchase.

**Fig 4:: Risks**

	<b>Risk Type</b>	<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Outcome for Sittingbourne property</b>
1	Strategic	Inability to secure a suitable property in Sheerness	L	M	Property purchase completed.
2	Operational	Not able to manage property effectively within existing resources	M	H	Additional staff member in post.
3	Operational/ Reputational	Anti-social behaviour/ negative local impact	M	H	No Incidents to date.
4	Financial	Reduction in income levels	M	L	Housing Benefit levels maintained.
5	Financial	Rent arrears	M	H	No arrears
6	Financial	Reduction in capital value	L	M	Sittingbourne market currently improving, so

					no reduction to date.
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## 4 Alternative Options

- 4.1 The alternative option is not to purchase an additional property for use as temporary accommodation. This is not recommended as it will lead to an increase in costs and more homeless Swale families being placed outside of the Borough of Swale.

## 5 Consultation Undertaken or Proposed

- 5.1 No consultation has been undertaken.

## 6 Implications

Issue	Implications
Corporate Plan	The proposal supports both the 'Community to be proud of' and 'Council to be proud of' priority themes, and will contribute to medium-term objectives 2.1 ('Foster economic growth and prosperity for all', 3.3 ('Encourage innovation at every level'), and 3.4 ('Strengthen our financial and political resilience').
Financial, Resource and Property	<p>Funding: it is recommended that up to £200,000 from reserves is made available to purchase a property within the current financial year. This includes the cost of any capital works required to make the property suitable for use as temporary accommodation.</p> <p>Expenditure and income: this report details projected and actual costs and savings generated so far. Table 2 details the projection of costs and savings with the additional Sheerness property.</p> <p>Value for money advantages: current expenditure on emergency accommodation is increasing as the number of homeless households seeking assistance rises.</p>
Legal and Statutory	<p>The Council has the power to undertake the purchase and management of emergency accommodation under its general power of competence by virtue of s.1 of the Localism Act 2011.</p> <p>S193 (2) of the Housing Act 1996 Part VII as amended, requires local housing authorities (LHAs) to provide emergency accommodation to eligible households who are homeless and in priority need. Failure to adhere to this may result in legal challenge.</p> <p>The Council is able to purchase and manage a property for use as emergency accommodation for statutory homeless households. The accommodation provided must be deemed suitable and in accordance with the Homelessness (Suitability of Accommodation) (England) Order 2003.</p>
Crime and Disorder	There is sometimes a higher than usual risk of crime and disorder in this type of accommodation as the nature of homelessness in some cases is complex and often already has police involvement. All risks will be assessed when placing households and relevant agencies

	including the Police will be engaged as required.
Sustainability	No direct implications.
Health and Wellbeing	The purchase and use of additional temporary accommodation would enable the Council to keep more families closer to their support networks, schools and GPs, and ensure that vulnerable families are monitored closely for their support needs.
Risk Management and Health and Safety	The lone worker procedure will be followed by visiting Housing officers.
Equality and Diversity	Decision-makers are reminded of the duty under the Equality Act 2010 to have due regard when making decisions to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between different groups. Although there is potential for council-owned temporary accommodation to raise disability-related equality issues, these are operational only and do not impact on the strategic decision. With this in mind, a community impact assessment is not required at this point.

## **7 Appendices**

7.1 None

## **8 Background Papers**

8.1 Web link to original decision Cabinet February 2014:

<http://services.swale.gov.uk/meetings/CeListDocuments.aspx?MID=320&RD=Minutes&DF=05%2f02%2f2014&A=1&R=0>

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<b>Cabinet Meeting</b>	<b>Agenda Item: 6</b>
<b>Meeting Date</b>	7 October 2015
<b>Report Title</b>	Stationery supplier – extension of existing contract
<b>Cabinet Member</b>	Cllr Duncan Dewar-Whalley
<b>SMT Lead</b>	Mark Radford
<b>Head of Service</b>	Anne Adams
<b>Lead Officer</b>	Debbie Hardy
<b>Key Decision</b>	No
<b>Classification</b>	Open
<b>Forward Plan</b>	<b>Reference number:</b>
<b>Recommendation</b>	1. That the existing contract for the supply of stationery be extended for nine months from January 2016 to 30 <sup>th</sup> September 2016.

## 1 Purpose of Report and Executive Summary

1.1 The purpose of this report is to seek members' approval to extend the existing two year contract for the supply of stationery for a further nine months until October 2016. Following this, a full procurement exercise will be carried out that takes due account of the Council's Local First policy.

## 2 Background

2.1 A commissioning exercise for the purchase of stationery was carried out for the first time in 2013. Prior to this, the purchase of stationery was on an ad-hoc basis with a number of different suppliers being used and departments "doing their own thing".

2.2 The outcome of the commissioning process was that it was decided to carry out a joint procurement exercise with and led by Maidstone Borough Council using an existing framework agreement managed by Dartford Borough Council. This is because it was evident that significant cost savings could be achieved when compared with the suppliers that were being regularly used at the time. There were also extensive discussions at the time about whether the nature of the contract would be likely to significantly impact on social value and it was concluded that the contract offered limited opportunities in this regard.

2.3 The framework agreement commenced on 1<sup>st</sup> October 2012 for an initial two years with an option to extend for a further two years. This means that the framework

agreement ends on 30<sup>th</sup> September 2016. Swale joined the framework in January 2014 for an initial two years which expires in January 2016. Swale therefore has an option to extend its contract until 30<sup>th</sup> September 2016 to correspond with the end of the framework agreement.

- 2.4 In order to determine whether or not to extend the existing contract, a wide consultation exercise was carried out which included users of the ordering system, the Commissioning and Procurement teams, Heads of Service and key Cabinet members.
- 2.5 The annual contract value is approximately £30,000 which means that by extending the contract for nine months, the total value of the contract will be approximately £82,000. Cabinet approval is therefore required due to the total value of the resultant contract exceeding the threshold of £75,000.

### **3 Proposals**

- 3.1 The consultation exercise resulted in the following key views and comments:
- The overall performance of the current supplier has been very good.
  - The contract should only be extended for nine months and at the end of this period a full procurement exercise should be carried out that takes due account of the Council's Local First policy.
  - Out of 21 users consulted there were 7 responses received and all bar one were very positive. The users generally find the supplier helpful, the delivery is usually the next day and the website is easy to use. There were difficulties reported with completing the online ordering process but this is due to having to enter an official order number for any purchases onto the website which have to be first authorised on the Council's own financial system. The negative comment concerned a number of non-standard products that are not available through the contract however these can be purchased from an alternative supplier if found to be necessary.
- 3.2 It is therefore recommended that the existing contract be extended until October 2016 to take advantage of the full extent of the current framework agreement.

### **4 Alternative Options**

- 4.1 The alternative option would be to commence a procurement exercise within a shorter timescale to allow a contract to begin in January 2016. This is not recommended as the current contract is delivering a high quality service and demonstrable value for money.

## 5 Consultation Undertaken or Proposed

5.1 Wide consultation has been carried out as set out in sections 2 and 3.

## 6 Implications

<b>Issue</b>	<b>Implications</b>
Corporate Plan	The recommendation will provide good value for money for the next nine months
Financial, Resource and Property	There are minimal financial and resource implications associated with the proposal.
Legal and Statutory	Some legal input will be required to formalise the extension of the existing framework contract.
Crime and Disorder	None identified at this stage.
Sustainability	The current framework supplier provides quarterly reports setting out the proportion of spend under the contract that is defined as “eco sustainable”. They also have a sustainable development programme which sets out their strategy for increasing the sale of green products, reducing CO <sub>2</sub> emissions and increasing recycling.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	None identified at this stage.
Equality and Diversity	None identified at this stage.

## 7 Appendices

7.1 None

## 8 Background Papers

8.1 None

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<b>Cabinet Meeting</b>	<b>Agenda Item: 7</b>
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<b>Meeting Date</b>	7 October 2015
<b>Report Title</b>	Property Asset Strategy – annual progress report
<b>Cabinet Member</b>	Cllr Duncan Dewar-Whalley, Cabinet Member for Finance
<b>SMT Lead</b>	Mark Radford
<b>Head of Service</b>	Anne Adams
<b>Lead Officer</b>	Anne Adams
<b>Key Decision</b>	No
<b>Classification</b>	Open
<b>Forward Plan</b>	Yes

<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. Note the progress made against the Property Strategy Action Plan</li> <li>2. Note the 2014/15 Property Performance Indicator results.</li> </ol>
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## 1 Purpose of Report and Executive Summary

- 1.1 This report provides members with an update on progress against the Property Strategy Action Plan and reports the outcome of the annual Property Performance Indicators for 2014/15.
- 1.2 The report demonstrates that good progress was made during 2014/15 with several community asset transfers being agreed, a review of surplus landholdings having started and a number of key decisions being made regarding life expired assets.

## 2 Background

- 1.3 The Property Asset Strategy 2012 – 2015 was presented to Cabinet in March 2012. A revised and updated version was then presented to Cabinet in April 2013. A further progress report was presented in October 2014 which reported the outcome of the annual Property Performance Indicators for 2013/14.
- 1.4 Since then, there has been further progress made against the Action Plan. The key areas that are the subject of this report are:
  - Progress with the review of surplus landholdings,
  - Progress against the action plans for operational and non-operational properties,
  - Updates on Community Asset Transfers, and
  - Property Performance Indicator results for 2014/15.

- 1.5 A fully revised and updated Property Asset Strategy 2016 – 2019 will be drafted and circulated for consultation within the next four months. This will reflect the changes to the Council's Corporate Priorities, include updated versions of all related documents and contain a fully revised Action Plan for the next three years.
- 1.6 Also during 2014/15 the Community Asset Transfer Policy was reviewed and updated and the revised version was approved by Cabinet on 5 November 2014. The key changes were in connection with (1) clarification as to when the policy should be applied, (2) links with other policy documents, (3) forms of tenure for asset disposals, (4) rent and rent reviews, (5) arrangements for heritage assets, (6) valuations, and (7) the decision making process.

## **2 Landholdings Review**

- 2.1 The first phase of the landholding review project is now complete and the appointed planning consultant has provided initial high level reports on 21 landholdings.
- 2.2 Some of the sites have potential for land assembly which will involve negotiation with owners of adjoining land. Where there is no potential for future development, sites are either recommended for open market sale or targeted sale to adjoining land owners.
- 2.3 Land which is part of the public realm and has no potential alternative use is recommended to be held. Land is also recommended to be held if it has constraints that require further investigations.
- 2.4 10 of the sites are considered to have some potential for development subject to resolving a number of constraints. These include issues such as land assembly, flood risk, access and local planning policy. With the exception of one site at Minster Cliffs, all of the sites are small, mostly with potential for only 1 or 2 dwellings.
- 2.5 A more detailed study has been carried out for the site at Minster Cliffs. This is thought to have potential for around 50 – 60 dwellings but the constraints on the site have so far prevented this potential from being realised. The key constraints are:
  - The land is now densely vegetated and is likely to have a high habitat value which Planning Policy have advised may make it unsuitable for development,
  - The access roads through the site are in private ownership requiring an agreement to be reached with the land owners before the site could be developed,
  - The site is designated for housing in the current local plan but is unlikely to be designated in the emerging local plan due to the questions about deliverability and the fact that there are other more deliverable development sites identified. It is also above the recommended distance to a GP surgery and primary school. However, this will not necessarily prevent a planning application from

being approved provided that it can be demonstrated that the constraints have been overcome.

- 2.6 An options appraisal on the Minster Cliffs site has been carried out by the planning consultants and this will be considered further in due course.
- 2.7 For the remaining sites, the second phase of the study will commence shortly. Where sites are recommended for land assembly, negotiations will take place with the owners of adjoining land to identify opportunities for a joint venture or other mutually advantageous arrangement. For some sites, the consultants have recommended that further feasibility work is carried out potentially leading to the submission of a planning application prior to disposal of the site.
- 2.8 Further updates on this review work, together with further details about the individual sites, will be presented to members in due course and Cabinet approval will be sought prior to any disposal of land.

#### **4 Non-Operational Property Action Plan**

- 2.9 Non-operational property is generally defined as land and property that is held other than for the direct delivery of Council services. This includes surplus/vacant property, investment properties, industrial sites, offices, shops and miscellaneous tenanted community and leisure properties.
- 2.10 The review of non-operational property has led to the following actions that were delivered during 2014/15:
- Landholdings review work detailed in section 3 above,
  - A car park in Teynham currently the subject of a short term lease to the Parish Council has been approved for a community asset transfer,
  - A pavilion at Beachfields, Sheerness, currently the subject of a short term lease to Sheppey Matters (and used for the delivery of the Sheppey FM radio station) is being considered for a community asset transfer,
  - Terms have been agreed with the Faversham Community Gym and Activity Centre for a 125 year lease of the Queen Elizabeth II Jubilee Centre, Faversham. This will replace the previous 25 year lease.
  - Terms have been agreed with the Sheppey Local History Society for a new 25 year lease of the Minster Abbey Gatehouse museum to replace the previous short term lease,
  - The leases at New Road Industrial Estate have now ended, reducing the Council's outgoings by around £30 - £35,000 per annum. The landlord has served claims for dilapidations for both phases 1 and 2 and a specialist dilapidations surveyor has been appointed to act for the Council and ensure that its liability is minimised,
  - A land swap agreement has been completed at Faversham Pools between SBC, The Faversham Pools Trust and the Arden Theatre trust which regularises the various land ownerships,

- A 125 year lease on Iwade Barn has been agreed and is ready to be completed subject to the trust receiving confirmation from the Charity Commission of their charitable status.

## **5 Operational Property Action Plan**

5.1 The strategic review of operational property was completed early in 2013 and an Action Plan was prepared which is reviewed quarterly by the Asset Management Group.

5.2 The progress made since the last report can be summarised as follows:

- An electricity supply has been installed at Love Lane Cemetery Chapel,
- The transfer of Seager Road football pitch to Range Rovers Football Club and the demolition of the dilapidated pavilion is nearing completion,
- The disused lifeguard shelter at Leysdown is shortly to be demolished,
- The disused lifeguard shelter at Minster has been leased on a short term basis and re-opened as a traditional sweet shop. The longer term future of the building is currently under consideration.
- An options appraisal looking at the future of the Queenborough Guildhall and rear compound area is underway,
- An agreement has been reached with Sheppey Promenade to enter into a new 25 year lease on the former Sheerness Heritage Centre, to be operated under the new name of Rose Street Cottage of Curiosities,
- The existing dilapidated Quinton Hall is shortly to be demolished and options are being considered for the future use of the site,
- A trust has been established to manage the Meads Community Centre which is currently under construction and due to be completed in November 2015,
- Terms are currently being agreed to transfer allotment sites in Faversham and Queenborough to the respective town councils.

## **6 Progress with the transfer of community assets**

6.1 The community assets that are in the process of being transferred under the Community Asset Transfer policy are detailed in sections 4 and 5 above. The assets are:

- Car park, Teynham
- QEII Jubilee Centre, Faversham
- Minster Abbey Gatehouse
- Rose Street Cottage, Sheerness
- Seager Road playing field and pavilion
- Iwade Barn
- The Meads Community Centre



- Faversham allotments
- Queenborough allotments

## **7 Property Performance Indicators**

7.1 The detailed results for the following 2014/15 performance indicators are set out in Appendix I.

PI 1: Condition  
 PI 2a: Accessibility  
 PI 2b: Suitability  
 PI 2c: Statutory compliance  
 PI 3a: Running costs  
 PI 3b: Environmental performance  
 PI 4b: Void rate  
 PI 4c: Rent arrears  
 PI 5: Contribution to Corporate Priorities

7.2 The following provides a summary of the results but if members have detailed questions about any of the figures, further explanations can be provided after the meeting.

### *Condition*

7.3 The majority of the Council's buildings remain in a satisfactory condition. The two sites shown as 'bad' condition are Seager Road pavilion and Rushenden Road shops, both of which were awaiting demolition. Five of the sites shown as 'poor' condition are under review for disposal or refurbishment.

### *Accessibility*

7.4 All possible improvements to accessibility have now been completed resulting in over 90% being either fully accessible or accessible with assistance.

### *Suitability*

7.5 The suitability indicator has remained static for the last three years but will be subject to improvement over the longer term as changes are made to the property portfolio to ensure that it is meeting the ongoing operational requirements of the Council.

### *Statutory compliance*

7.6 This indicator is showing a close to 100% outturn, only failing to reach 100% due to a timing issue with the date of reporting.

### *Running costs*

7.7 Table 6 summarises the running costs for each category of property, less any relevant income. The figures sometimes fluctuate year or year due to the cyclical nature of

repairs and maintenance. For example, the running cost of the offices in 2012/13 was high due to roof replacement work carried out at Central House that year.

- 7.8 The drop in the net cost of community halls can be attributed to the transfer of Kemsley Hall and the increase in fee income for King Georges Pavilion.
- 7.9 The reduced spend on toilets is due in part to a refund of electricity costs, as well as reduced planned maintenance spend, awaiting the outcome of the review on toilets being carried out by the Contracts and Procurement Manager.
- 7.10 The increased net cost of the Seafront properties is due to a reduction in income from moorings at Queenborough Harbour caused by the transition period between the charging of individual users and the commencement of the new lease with the Harbour Trust.

#### *Environmental performance*

- 7.11 The calculation for carbon dioxide emissions alter each year, dependent on the conversion factor provided by the Department of Energy and Climate Change. This figure and its calculation may result in an increase in the calculation of CO<sub>2</sub> emissions, even if usage of gas and electricity falls.
- 7.12 The reduction in electricity use in Swale House can be attributed to the carbon reduction measures put in over the past two years and the reduction in electricity use in Heritage buildings is in part due to the closure of Rose Street Heritage Centre and partly due to a significant reduction at Oare Gunpowder works.

#### *Void rate*

- 7.13 The increase in void rate for shops is due to the shops at Rushenden Road which are all vacant pending a transfer to Amicus Horizon for redevelopment.

#### *Rent arrears*

- 7.14 Investment assets – the increase in arrears rate is caused by the tenant of a significant asset being two quarters in arrears as at 1 April rather than the normal one quarter.
- 7.15 Land held pending development/disposal – the increase in arrears rate is caused by one quarter's arrears of £2,050 for one property which has subsequently been paid. There are only four properties in this category, three of which are included within the Sittingbourne town centre regeneration plans.

#### *Contribution to Corporate Priorities*

- 7.16 For comparison purposes, the figures for 2014/15 are based on the same corporate priorities as for 2013/14. In 2015/16 this indicator will be revised to reflect the new corporate priorities.

## 8 Alternative Options

- 8.1 There is no realistic alternative option to having a Property Asset Strategy and CIPFA guidance states that it is good practice to manage assets at a strategic level.

## 9 Consultation Undertaken or Proposed

- 9.1 The Property Asset Strategy has been developed in consultation with the Asset Management Group, the Cabinet member and key Heads of Service and officers within the authority.
- 9.2 Wider consultation with the community and the users and occupiers of the Council's property portfolio forms part of the property review process that is set out in the strategy document.

## 10 Implications

Issue	Implications
Corporate Plan	The strategy document demonstrates clear links with the corporate priorities of localism, open for business and healthy environment. In addition, the Community Asset Transfer policy is key to meeting the objectives within the localism priority.
Financial, Resource and Property	All financial, resource and property implications are set out in detail within the strategy document.
Legal and Statutory	None identified at this stage.
Crime and Disorder	None identified at this stage.
Sustainability	Sustainability issues are addressed within the strategy document.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	All relevant risk assessments are carried out as part of the review process set out in the strategy document.
Equality and Diversity	A Community Impact Assessment was completed and forwarded to the CIA Group for approval when the Property Strategy was prepared.

## 10 Appendices

Appendix I: Property Performance Indicator results

## **11 Background Papers**

None

## Property Performance Indicator results

*PI 1 Condition – this measures the condition of properties for which SBC has a maintenance responsibility*

<b>TABLE 1 – Numbers and percentages of properties in each condition category</b>				
	<b>A – good</b>	<b>B– satisfactory</b>	<b>C – poor</b>	<b>D - bad</b>
<b>2011</b>	2 (4%)	27 (59%)	15 (33%)	2 (4%)
<b>2012</b>	2 (3%)	32 (53%)	25 (41%)	2 (3%)
<b>2013</b>	2 (3%)	35 (59%)	21 (36%)	1 (2%)
<b>2014</b>	4 (7%)	35 (60%)	18 (31%)	1 (2%)
<b>2015</b>	4 (7%)	36 (63%)	15 (26%)	2 (4%)

<b>TABLE 2 – Total and percentage gross floor area in each condition category</b>				
	<b>A – good</b>	<b>B– satisfactory</b>	<b>C – poor</b>	<b>D - bad</b>
<b>2011</b>	223 m <sup>2</sup> (0.6%)	21,119 m <sup>2</sup> (63%)	12,058 m <sup>2</sup> (36%)	145 m <sup>2</sup> (0.4%)
<b>2012</b>	223 m <sup>2</sup> (0.7%)	12,129 m <sup>2</sup> (36.8%)	20,501 m <sup>2</sup> (62.1%)	100 m <sup>2</sup> (0.4%)
<b>2013</b>	223 m <sup>2</sup> (0.7%)	17,000 m <sup>2</sup> (52.6%)	15,024 m <sup>2</sup> (46.4%)	100 m <sup>2</sup> (0.3%)
<b>2014</b>	3032 m <sup>2</sup> (9.4%)	19,838 m <sup>2</sup> (61.5%)	9,313 m <sup>2</sup> (28.8%)	100 m <sup>2</sup> (0.3%)
<b>2015</b>	3185 m <sup>2</sup> (10.6%)	17613 m <sup>2</sup> (58.6%)	8816 m <sup>2</sup> (29.3%)	452 m <sup>2</sup> (1.5%)

*PI 2a Accessibility – this measures the accessibility of buildings which are open to the public, which are managed by the Council or its agents.*

<b>TABLE 3 – Numbers and percentages of properties in each accessibility category</b>				
	<b>A – fully accessible</b>	<b>B– fully accessible with assistance</b>	<b>C – partially accessible; reasonable improvements can be made</b>	<b>D – not accessible; improvements can not be made</b>
<b>2013</b>	1 (3%)	21 (34%)	3 (10%)	4 (13%)
<b>2014</b>	1 (3%)	21 (34%)	3 (10%)	4 (13%)

<b>2015</b>	1 (3%)	26 (90%)	0	2 (7%)
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*PI 2b Suitability - this indicator summarises the suitability in relation to location, space utilisation, and cost in use for assets managed by the Council*

<b>TABLE 4 – Numbers and percentages of properties in each suitability category</b>				
	<b>A – good</b>	<b>B– satisfactory</b>	<b>C – poor</b>	<b>D – bad</b>
<b>2013</b>	5 (14%)	23 (64%)	7 (19%)	1 (3%)
<b>2014</b>	5 (14%)	23 (64%)	7 (19%)	1 (3%)
<b>2015</b>	5 (14%)	23 (64%)	7 (19%)	1 (3%)

*PI 2c Statutory compliance- this indicator records the level of compliance for operational assets which are not occupied by third parties and for which the Council is fully liable for complying with health and safety legislation.*

<b>TABLE 5 Statutory compliance</b>					
<b>Statutory duty</b>	<b>Percentage of properties fully compliant 1/4/12</b>	<b>Percentage of properties fully compliant 1/4/13</b>	<b>Percentage of properties fully compliant 1/4/14</b>	<b>Percentage of properties fully compliant 1/4/15</b>	<b>Comments</b>
Duty to manage asbestos	25%	99%	100%	98%	Two tenants had not provided access to inspect by 1/4/15 but were completed subsequently.
Legionella	68%	76%	81%	100%	An issue with water temperature testing of cleansing and cemetery sites was identified and resolved in 2014.
Gas safety	100%	29%	100%	100%	Drop in compliance in 1/4/13 was due to gas safety contractor going into liquidation.
Fixed electrical safety	100%	100%	100%	100%	

PAT	100%	100%	100%	100%	
Fire safety	98%	97%	100%	100%	

*PI 3a Running costs*

<b>TABLE 6 Net cost of buildings</b>					
	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
Cemetery buildings	£11,560	£10,362	£13,050	£15,913	19,111
Community halls	£94,056	£14,098	£33,115	£39,102	£3,353
Sports pavilions	-£7,342	£25,473	£2,540	£13,650	£18,200
Seafront	-£976.24	£49,407	£3,270	£2,877	£8,624
Heritage buildings	£15,231	£21,578	£33,410	£18,209	£16,843
Offices	£431,768	£407,667	£453,929	£396,568	£427,226
Toilets	£309,693	£327,528	£286,978	£304,824	£300,757

*PI 3b Environmental performance*

<b>TABLE 7 Total CO<sub>2</sub> emissions (Kg)</b>			
<b>Swale House</b>	<b>Electricity</b>	<b>Gas</b>	<b>Total</b>
<b>2010/11</b>	216,450	147,480	363,930
<b>2011/12</b>	239,590	95,729	330,319
<b>2012/13</b>	264,572	144,576	409,149
<b>2013/14</b>	246,008	137,909	383,917
<b>2014/15</b>	222,737	149,055	371,792
<b>King George Pavilion</b>			
<b>Electricity</b>			<b>Total</b>
<b>2011/12</b>	3,405		3,405
<b>2012/13</b>	5,173		5,173
<b>2013/14</b>	6,100		6,100
<b>2014/15</b>	6,077		6,077
<b>Toilets</b>			
<b>Electricity</b>			<b>Total</b>
<b>2011/12</b>	39,721		39,721

2012/13	19,975		19,975
2013/14	42,562		42,562
2014/15	23,510		23,510
<b>Heritage buildings</b>	<b>Electricity</b>	<b>Gas</b>	<b>Total</b>
2011/12	7,429	13	7,429
2012/13	10,671	37	10,671
2013/14	15,025	21	15,025
2014/15	4,598	20	4,598

*PI 4b Void rate*

<b>TABLE 8 Void rate</b>				
	<b>1 April 2012</b>	<b>1 April 2013</b>	<b>1 April 2014</b>	<b>1 April 2015</b>
<b>Shops</b>	27.27%	27.27%	27.27%	36.36%
<b>Offices</b>	0%	0%	0%	0%
<b>Investment assets</b>	6.67%	6.67%	0%	0%
<b>Miscellaneous properties</b>	0%	0%	0%	0%
<b>Land held pending development/ disposal</b>	25%	0%	0%	0%
<b>Depots</b>	0%	0%	0%	0%
<b>Community/leisure properties</b>	7.41%	3.7%	3.7%	3.7%
<b>Central House offices</b>	10%	0%	0%	0%
<b>New Road industrial estate phase 1</b>	7.14%	0%	0%	N/A – lease terminated
<b>New Road industrial estate phase 2</b>	15.38%	15.38%	15.38%	7.69%
<b>Overall void rate</b>	<b>9.73%</b>	<b>6.19%</b>	<b>5.36%</b>	<b>6.12%</b>

*PI 4c Rent arrears*

<b>TABLE 9 Rent arrears</b>				
	<b>1 April 2012</b>	<b>1 April 2013</b>	<b>1 April 2014</b>	<b>1 April 2015</b>
<b>Shops</b>	41.26%	30.49%	22.71%	22.80%
<b>Offices</b>	0%	0%	0%	0%



<b>Investment assets</b>	16.29%	9.37%	8.19%	16.51%
<b>Miscellaneous properties</b>	1.6%	2.45%	0.95%	0
<b>Land held pending development/ disposal</b>	6.83%	8.29%	6.63%	13.94%
<b>Depots</b>	0%	0%	0%	0%
<b>Central House offices</b>	1.76%	0%	0%	0%
<b>New Road industrial estate phase 1</b>	11.38%	14.76%	11.99%	N/A – lease terminated
<b>New Road industrial estate phase 2</b>	36.34%	43.31%	11.67%	5.45%
<b>Percentage arrears/ gross rental income</b>	<b>14.3%</b>	<b>10.7%</b>	<b>8.1%</b>	<b>14.2%</b>

*PI 5 Contribution to Corporate Priorities (new PI for 2013/14)*

<b>TABLE 10 Contribution to Corporate Priorities</b>	<b>Percentage of properties 2013/14</b>	<b>Percentage of properties 2014/15</b>
Not contributing to any corporate priority	1.6%	1.6%
Contributes to one corporate priority	60.5%	54.0%
Contributes to more than one corporate priority	37.9%	44.4%

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<b>Cabinet Meeting</b>		<b>Agenda Item: 8</b>
<b>Meeting Date</b>	7 <sup>th</sup> October 2015	
<b>Report Title</b>	The Meads Community Centre Asset Transfer	
<b>Cabinet Member</b>	Cllr Mike Whiting, Cabinet Member for Localism, Sport, Culture and Heritage	
<b>SMT Lead</b>	Pete Raine, Director of Regeneration	
<b>Head of Service</b>	Emma Wiggins, Head of Economy and Community Services	
<b>Lead Officer</b>	Charlotte Hudson, Economy and Community Services Manager	
<b>Key Decision</b>	No	
<b>Classification</b>	Open	
<b>Forward Plan</b>	<b>Reference number:</b>	
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. To transfer The Meads Community Centre to The Meads Community Centre Trust on a 125 year lease.</li> <li>2. To delegate authority to the Head of Economy and Community Services and Head of Property in conjunction with Cabinet Member for Localism, Sport, Culture and Heritage and Cabinet Member for Finance to negotiate the final terms of the lease based upon the Heads of Terms in Appendix I.</li> </ol>	

## 1 Purpose of Report and Executive Summary

- 1.1 This report provides Cabinet with an update on progress of the Meads Community Centre Trust (MCCT) and recommendation for a community asset transfer of The Meads Community Centre to MCCT.

## 2 Background

- 2.1 As part of The Meads development in Sittingbourne, provision has been made through S.106 agreements to provide funding and land for a community centre to serve the development; this has been supplemented with further funds raised by the Trust from the KCC Village Hall grant scheme.
- 2.2 A project has been developed to design and build the community centre and the planning application was considered by the planning committee on 29 January 2015, at Cabinet in April 2015 BMR Construction Ltd were appointed as main

contractor and commenced on site in June 2015. The building is due for completion in November 2015.

- 2.3 Upon completion of the build it is proposed to transfer the centre to MCCT under the terms of the Asset Transfer Policy. MCCT was established in April 2011 to work with SBC to develop the design of the Community Centre, ensure resident's views were included within the project and develop as a Trust to manage the Community Centre upon completion. MCCT currently comprises of 5 trustees all who reside at The Meads and recently successfully registered as a Charitable Incorporated Organisation (CIO) with the Charities Commission. MCCT has also produced and adopted a business plan and is in the process of developing all the relevant policies including health and safety, equalities and safeguarding.
- 2.4 MCCT has requested a 125-year leasehold agreement based on the Heads of Terms in Appendix I and from their business plan have requested a grant of £15,000 in year 1 and £7,500 in year 2.
- 2.5 To enable the Trust to develop the centre and increase usage it is proposed that a grant of a maximum of £22,500 to cover the projected shortfall within their business plan is provided to the Trust. As the community centre is a new asset there is no existing base budget and funding has been secured from the Communities Fund.
- 2.6 The Heads of Terms are in-line with the principles of the asset transfer policy, although it should be noted that rent reviews will not be applied to the lease due to the exception of new build assets.

### **3 Proposals**

- 3.1 To transfer The Meads Community Centre to The Meads Community Centre Trust on a 125 year lease.
- 3.2 To delegate authority to the Head of Economy and Community Services and Head of Property in conjunction with Cabinet Member for Localism, Sport, Culture and Heritage and Cabinet Member for Finance to negotiate the final terms of the lease based upon the Heads of Terms in Appendix I.

### **4 Alternative Options**

- 4.1 The Community Centre is managed by SBC, this is not recommended as the officer resource used to manage and run halls has been re-deployed and does not align with the proposals set out in the Asset Transfer Policy.

### **5 Consultation Undertaken or Proposed**

- 5.1 Consultation has taken place with the Asset Transfer Group, including representatives from Legal Services, Property Services and Finance.

5.2 Consultation has taken place with MCCT, who have also conducted community consultation.

## 6 Implications

Issue	Implications
Corporate Plan	The asset transfer of The Meads Community Centre assists with delivering 'The Community to be Proud of' priority within the Corporate Plan.
Financial, Resource and Property	<p>Grant funding to support the Trust has been secured from the Communities Fund.</p> <p>Officer time will be required from Legal services to draw up the lease and grant agreement based upon decisions within this report.</p> <p>The lease will not be subject to rent reviews as placing a rent on the asset will require VAT to be applied at the construction stage, therefore increasing build costs. As the organisation is a not for profit organisation any surplus will be invested in the centre.</p> <p>As the land and building have been acquired through s106 agreements there are no benefits or liabilities to the Council and therefore no financial implications relating to the community asset transfer. For this reason, and in accordance with the Community Asset Transfer policy, it has been unnecessary to obtain a valuation of the asset.</p>
Legal and Statutory	A lease and grant agreement will need to be prepared for the transfer and this will cover all statutory and legal obligations.
Crime and Disorder	<p>Design of the building has taken into consideration designing out crime and planning committee input also required additional security measures.</p> <p>Good management of the building will reduce the likelihood of damage to the property.</p>
Sustainability	Design of the building has taken into consideration within the constraints of the budget environmental and sustainability issues. Future grants will also be sought by MCCT to enhance the buildings energy efficiency.
Health and Wellbeing	The community centre will offer hireable space for a range of activities a number of which will enhance the health and wellbeing of residents in the borough.
Risk Management	A CDM-Co-ordinator is in place for the project to oversee Health

<p>and Health and Safety</p>	<p>and Safety documentation and the contractor will be responsible for the site until handover of the health and safety manuals to SBC and MCCT.</p> <p>Health and Safety risks will be the responsibility of MCCT going forward and policy will be in place at handover.</p> <p>The main risks to the asset transfer are that MCCT fail, the Trustees have a range of business experience and will also seek to further recruit trustees to assist with managing the centre. The grant agreement will provide an on-going dialogue with MCCT to monitor their progress and allow for mitigations to be put in place.</p>
<p>Equality and Diversity</p>	<p>The Asset Transfer Policy has been subjected to a Community Impact Assessment, no issues were identified. MCCT is developing an equalities policy and design of the building ensures the building is compliant with the Disability and Discrimination Act.</p>

## 7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I – Draft Heads of Terms

## 8 Background Papers

None

Lease of The Meads Community Centre, Emerald Crescent, Sittingbourne

**HEADS OF TERMS**

<b>1.0 Initial information</b>	
1.0 Property Address	The Meads Community Centre, Emerald Crescent, Sittingbourne, Kent. ME10 5JL As shown edged red on the attached plan.
1.1 Title No.	
1.2 Landlord	Swale Borough Council, Swale House, East Street, Sittingbourne, Kent. ME10 3HT
1.3 Tenant	The Meads Community Centre Trust
1.4 Rent	£1.00 per annum exclusive of VAT. (If demanded)
1.5 Type of lease	Head lease
<b>2.0 Lease length and breaks</b>	
2.1 Lease start date and length	A 125 year lease from <i>[date to be agreed]</i>
2.2 Break clauses or renewal dates	There shall be a break clause or right to surrender the lease if the Trust is dissolved or ceases to exist.
2.3 1954 Act protection	The lease is to be excluded from the security of tenure provisions of the Landlord and Tenant Act 1954
<b>3.0 Rent Reviews</b>	None
<b>4.0 Assignment and subletting</b>	<p>There shall be no assignment, sub-letting or parting of possession of the whole of the demised premises. A transfer to new trustee or trustees is permitted with the Council's prior approval.</p> <p>Subletting of parts will be permitted with the Council's prior approval providing they are compatible with the primary aim of being a community facility. Sub-letting will be permitted to a nursery provider and café operator without consent.</p> <p>The hiring out to organisations approved by The Meads Community Centre Trust for periods of less than 24 hours will be permitted.</p>
<b>5.0 Services and service charges</b>	All services and service charges are the responsibility of the Lessee
<b>6.0 Repairing obligations</b>	The Lessee shall be responsible for keeping all buildings and structures and all fixtures and additions erected or to be erected on the demised premises in a good and substantial state of repair and condition throughout the term and for the erection and maintenance of all boundary

	and site security fencing.
<b>7.0 Alterations</b>	The Lessee shall not carry out any structural or external alterations or new building works without the prior written consent of the Landlord. Non structural internal alterations will not require prior consent.
<b>8.0 Permitted use</b>	The site shall be used only for the provision of a [ <i>community centre providing a range of spaces for public meetings, community activity, civic use and office space to support service provision to meet the needs of the local community</i> ]. No other use is permitted without the express consent of the Council
<b>9.0 Insurance</b>	The Lessee shall insure the demised premises and any buildings erected thereon and indemnify the Council against any claims for damages, losses or injuries and any other claims whatsoever arising out of the use of the demised premises by the tenant.
<b>10.0 Dilapidations</b>	The tenant shall be responsible for all costs charges and expenses including solicitors costs and surveyors fees incurred by the Council in respect of the preparation and service of a notice under sections 146 and 147 of the Law of Property Act 1925
<b>11.0 Other issues</b>	
11.1 Nuisance	The Lessee shall covenant not to cause or permit to be caused anything which may become a nuisance to the Council or adjoining property owners
11.2 Rates and Utilities	The Lessee shall be responsible for the payment of all future rates taxes assessments and all outgoings payable by law in respect of the demised premises by either the owner or occupier thereof.
11.3 Statutory Obligations	The Lessee shall conform at his own expense to all statutory and other regulations pertaining to the demised premises including all health and safety legislation and obtaining any necessary planning consent required and to indemnify the Council against any claims arising from any breach of such regulations.
11.4 Legal costs	Each party to pay own costs
11.5 Conditions	The proposed Heads of Terms are subject to Member approval.



11.6 General	An Energy Performance Certificate is to be provided by the building contractors.
11.7 No contract	These Heads of Terms are subject to contract.
11.8 Landlords solicitors	Mid Kent Legal Partnership, Swale Borough Council, East Street, Sittingbourne, Kent. ME10 3HT
11.9 Tenants solicitors	To be advised

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<b>Cabinet Meeting</b>	<b>Agenda Item: 9</b>
<b>Meeting Date</b>	07 October 2015
<b>Report Title</b>	Tender approval for Front Brents Flood Defence Bund
<b>Cabinet Member</b>	Cllr Andrew Bowles, Cabinet Member for Emergency Planning
<b>SMT Lead</b>	Mark Radford
<b>Head of Service</b>	Mark Radford
<b>Lead Officer</b>	Della Fackrell
<b>Key Decision</b>	Yes
<b>Classification</b>	Open
<b>Forward Plan</b>	Yes
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. To approve the appointment of J Breheny Contractors Ltd as build contractor for the Front Brents Flood Defence Bund.</li> </ol>

## 1 Purpose of Report and Executive Summary

- 1.1 This report provides an explanation of the tender process through the East Kent Engineering Partnership (EKEP) to appoint contractors to build the Flood defence bund at Front Brents, Faversham.
- 1.2 It explains the Framework Agreement that is in place as part of the East Kent Engineering Partnership (EKEP). Swale Borough Council is a member of EKEP with Canterbury City Council, Thanet District Council, Dover District Council and Shepway District Council.
- 1.3 This report requests authority to award the design and build contract to the preferred supplier.

## 2 Background

- 2.1 Swale Borough Council has agreed to hold the Environment Agency's Flood Defence Grant in Aid monies (£125,000) together with the monies received from Defra for the Repair and Renew Grant (£86,000).
- 2.2 The Defra Repair and Renew Grant monies were awarded for the properties affected by the tidal surge in December 2013 located on Front Brents and Church Road, Faversham.

- 2.3 The Council has acted as the intermediary to ensure that the project is able to proceed. However, it must be noted that the finances are for external monies for this project and not under the direct control of the Council in the event of any underspend.
- 2.4 With Swale Borough Council holding the finances for the project it is able to utilise the resources and Framework Agreement available to it as a member of the EKEP.
- 2.5 The East Kent Engineering Partnership (EKEP) Framework agreement can be used by any member of the EKEP (Swale BC, Thanet DC, Canterbury CC, Dover DC and Shepway DC) and any member of the South East Coastal Group.
- 2.5.1 The EKEP Framework agreement avoids the need of having to advertise the scheme for expressions of interest as the contractors have all been extensively vetted for their experience, financial, quality and environmental credentials. SBC was fully involved with this process.
- 2.5.2 This Framework agreement is an approved list of experienced contractors and is valid until 2018.
- 2.5.3 There are Framework agreements for various cost bands:

Up to £250k	For general civil engineering works
£250k to £500k	
£500k to EU threshold	

- 2.6 Five contractors were selected in rotation from the EKEP Framework agreement for general civil engineering works up to £250,000.
- 2.6.1 All of the contractors are capable of completing the works but unfortunately due to an upturn in the market and commitment to other projects, three of the contractors felt that they would be unable to submit a competitive tender.
- 2.6.2 Two tenders were received:

Company A	£93,858.26
Company B	£138,826.57

- 2.7 The tenders were opened on 26 August 2015 at 10:00am at Swale Borough Council offices. They were opened in the presence of the following Swale Borough Council officers:

Philippa Davies	Democratic and Electoral Services
Alan Marolia	Independent Senior Officer
Victoria Hadfield	Responsible Officer

### 3 Proposals

3.1 Company A; J Breheny Contractor Ltd.'s, tender in the sum of £93,858.26 is fully compliant and is recommended by the EKEP that the contract is awarded to them.

3.1.1 The EKEP have stated that J Breheny Contractor Ltd. is a very good and experienced contractor that has completed numerous recent projects to a very high standard.

3.2 To approve the appointment of J Breheny Contractors Ltd. as build contractor for the Front Brents Flood Defence Bund.

### 4 Alternative Options

4.1 To not approve the EKEP recommendation to appoint J Breheny contractors Ltd. to deliver the project. This is not recommended as we have a compliant tender which was evaluated at the framework stage so therefore do not have a need to carry out a technical evaluation as this has already been undertaken.

4.2 To not continue with the project: this is not recommended as there is a risk that the previously affected properties will be flooded from the Creek during severe weather and high tides. Finances have also already been bid to cover the cost of this flood defence scheme.

### 5 Consultation Undertaken or Proposed

5.1 The initial tender for the framework was advertised by Canterbury City Council in their role as the contracting authority under the EKEP and is compliant with OJEU rules.

### 6 Implications

Issue	Implications
Corporate Plan	The proposal in this report will further the councils ambition to be a borough to be proud of and a council to be proud of.
Financial, Resource and Property	<p>It is unlikely that any financial support will be required from Swale Borough Council due to the amount of funding available through the Environment Agency Grant and the Repair and Renew Grant.</p> <p>Swale Borough Council have committed to support any shortfall above the grants available to a maximum of £30,000. Any shortfall will be split between Kent County Council, two thirds and Swale Borough Council, one third. Faversham Town Council have also committed to contributing to a shortfall if necessary.</p> <p>As with all construction projects there may be movement on the</p>

	<p>final cost of the build.</p> <p>As this project is funded through the Environment Agency grant and the Defra Repair and Renew Grant specifically to protect the properties at Front Brents and Church Road affected during the December 2013 tidal surge, an agreement with those parties will be sort for any final underspend.</p>
Legal and Statutory	<p>It has been highlighted that due to the land being designated as Village green the town council and possibly the MoD need to give permission for the works to take place.</p> <p>We have received initial agreement from Faversham Town Council that they agree that the works are for the better enjoyment of the space by the community which is a criterion which will satisfy the act. Further confirmation is being sought at the FTC meeting in September 2015.</p> <p>We are of the opinion that the risk of the MoD, any other organisation or person raising a dispute against the value of building a flood defence on this location is minimal. This is due to the mitigating actions taken such as gates within the bund for continued access to the creek for users of this space.</p>
Crime and Disorder	The design will have panels that will be put in gateways. These panels will be padlocked in position for security.
Sustainability	None identified at this stage.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	<p>If this bund is not built in time for this winter period then the Environment Agency have confirmed that the county resource demountable flood defences will be deployed at Front Brents as a short term solution.</p> <p>If this bund is not built the properties flooded in 2013 will be at risk of flooding again during severe weather and or a high tide or surge event.</p>
Equality and Diversity	To be confirmed with the Environment Agency and EKEP design team.

## 7 Appendices

7.1 None

## 8 Background Papers

8.1 None

<b>Cabinet Meeting</b>		<b>Agenda Item: 10</b>
<b>Meeting Date</b>	7 October 2015	
<b>Report Title</b>	Business Rate Pooling	
<b>Cabinet Member</b>	Cllr Duncan Dewar-Whalley, Cabinet Member for Finance	
<b>SMT Lead</b>	Mark Radford	
<b>Head of Service</b>	Nick Vickers	
<b>Lead Officer</b>	Nick Vickers	
<b>Key Decision</b>	No	
<b>Classification</b>	<b>Open</b>	
<b>Forward Plan</b>	<b>Yes</b>	
<b>Recommendations</b>	1. To delegate to the Cabinet Member for Finance and the Head of Finance any decision to enter into a business rates pool for 2016/17.	

## 1 Purpose of Report and Executive Summary

- 1.1 Local authorities are able to enter into arrangements with other Councils to pool their business rates. This report seeks delegations to enable the Council to re-enter a pool in 2016/17 should it remain beneficial to do so.

## 2 Background

- 2.1 Legislation allows councils to voluntarily enter into a business rates retention pool. Councils within a pool are treated as a single entity, with tariffs and top ups netted off and a single levy rate applied. In two-tier areas this creates the potential for the levy paid by borough councils being reduced, thus retaining more resources in the local area.
- 2.2 In 2014/15 Kent County Council (KCC) and Maidstone Borough Council created a pool. In September Cabinet agreed to the principle of participation in a pool, and 10 of the 12 Borough Councils committed to a pool with KCC for 2015/16. Within the pool in each borough area additional income is divided 30% Borough/ 30% KCC/ 30% for projects in the Borough area, with the remaining 10% set aside for a contingency. Any potential revenue is one-off and not taken into the base budget.
- 2.3 A decision in principle needs to be taken by 30 October on whether the pool should continue into 2016/17. Whilst the Council monitors its own business rates income, the pool requires the accounting body for the pool to coordinate monitoring across the ten billing authorities, and provide information back on the operation of the whole pool. This information has not been forthcoming as yet for 2015/16, and urgent work is now underway to prepare it.

- 2.4 The localisation of business rates has been a highly beneficial change for this Council. However, the level of outstanding appeals does create a significant element of risk and volatility which we have not hitherto had to manage. The underlying growth in business rates in the Borough has been strong, but the appeals decision earlier this year on purpose-built GP surgeries cost £933,000 in total, of which this Council's share is £373,000. This has impacted on a number of other Councils in the pool as well.

### **3 Proposals**

- 3.1 The pool is attractive as a way of retaining income in the County which would otherwise be paid to CLG. But it is not satisfactory to continue the pool unless there is sound information from this year to base the decision upon. This is why at this stage the decision requested is a delegation to decide whether to re-enter the pool for 2016/17. The final decision and its implications will be fully reported to Cabinet and Council in the budget reports.

### **4 Alternative Options**

- 4.1 The decision could be to cease membership of the pool dependent on whether there is a justifiable business case.

### **5 Consultation Undertaken or Proposed**

- 5.1 Consultation is taking place with KCC, Fire and Rescue, and the other borough and district councils.

### **6 Implications**

<b>Issue</b>	<b>Implications</b>
Corporate Plan	Good financial management is a key to achieving all Corporate Plan objectives, particularly 'A Council to be Proud of'.
Financial, Resource and Property	As detailed in the report.
Legal and Statutory	None identified at this stage.
Crime and Disorder	None identified at this stage.
Sustainability	None identified at this stage.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	None identified at this stage.



Equality and Diversity	None identified at this stage.
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## **7 Appendices**

7.1 None.

## **8 Background Papers**

8.1 Cabinet report 3 December 2014  
<http://services.swale.gov.uk/meetings/ieListDocuments.aspx?CId=129&MId=1273&Ver=4>

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## Recommendations for approval

### Swale Joint Transportation Board – 7 September 2015

#### **Minute No. 195 – PROPOSED WAITING RESTRICTIONS, THE STREET, BOUGHTON-UNDER-BLEAN**

- (1) That double yellow lines across the Gas Lane entrance, off The Street, Boughton-under-Blean be included in the next Traffic Regulation Order.
- (2) That the proposed double yellow lines between 179 and 191 The Street, Boughton-under-Blean be abandoned.

#### **Minute No. 196 - FORMAL OBJECTIONS TO TRAFFIC REGULATION ORDER**

- (1) That double yellow lines be installed around the corners of the junction of All Saints Close/The Street, Iwade.
- (2) That the report be noted and the Traffic Regulation Order be progressed.

#### **Minute No. 197 - INFORMAL CONSULTATION ON WAITING RESTRICTIONS**

- (1) That a single yellow line on the east side of Grayshott Close, Sittingbourne be proceeded, with restrictions between 8am and 5pm, Monday to Friday.
- (2) That the existing double yellow lines in Grayshott Close, Sittingbourne near the junction with Highsted Road be extended from five metres to 10 metres in length.
- (3) That double yellow lines around the turning head at the end of Grayshott Close, Sittingbourne be installed.

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