

Leader's Statement to Full Council – Wednesday 25 January 2017

Spirit of Sittingbourne update

In my last statement to you in November I spoke with excitement about how close we were to getting the Sittingbourne Regeneration project off the ground, and we have started the New Year off as we mean to go on.

Now that, subject to final due diligence, the funding to invest in the retail and leisure has been approved, we are working towards finalising the funding agreement over the next month or so.

In addition, at next week's Cabinet we will be seeking to agree a Third Deed of Variation to the Development Agreement, designed to allow the development to be unlocked so that physical construction can begin on the retail and leisure elements.

Spirit are currently working hard putting preparations in place to begin work on site, starting with the demolition of the Princes Street Depot in February. Do watch out for new hoardings that will be going up around the key sites.

Shortly thereafter, utilities and enabling works to the highways will begin. It is anticipated that preparations to start building out the retail on the depot site once cleared will start in April 2017, the multi-storey car park summer 2017, and the cinema complex in autumn/winter 2017.

As you can see, there is significant progress and positive steps are being made to realise our aspiration and commitment to making Sittingbourne a great place to shop, eat and visit.

Finance update

On 15 December 2016 the Local Government Finance Settlement for 2017/18 was published. Given the four-year settlement which was proposed a year ago, there was much less to cover in this Settlement, although the little that it did cover is highly controversial.

The main focus was to make major changes to how the New Homes Bonus regime operates. Given that the consultation closed in March 2016, it's disappointing that we only received information on the 2017/18 and beyond allocations in late December.

There are really two main areas to comment on. Firstly, the overall quantum of New Homes Bonus has been reduced, with allocations down from six years to five years for 2017/18, and then further reduced to four years after that.

And secondly, an assumption of 0.4% annual 'baseline' growth in the housing stock before New Homes Bonus is payable – a significant increase in the 0.25% that was consulted upon.

These changes are regrettable as they reflect a lack of understanding of the impact on local communities of the house building targets we are expected to reach.

These issues of principle are then compounded by the fact that the raid on the 2017/18 New Homes Bonus pot to the tune of £240m is being used to fund the Adult Social Care Grant, itself an inadequate response to social care funding challenges.

So in total we estimate that the Council will lose a further £568,000 over the next three years from the changes to NHB.

In some ways of even more concern is that colleagues at Kent CC have calculated that overall the reduction in NHB in 2017/18 across the County is £1.5m higher than the adult social care grant that KCC will receive, making the local authorities of the County collectively net worse off.

I have written to the Secretary of State expressing my significant concerns on this issue as part of our formal response to the Settlement consultation.

We meet again in this Chamber tomorrow night to discuss the December budget report, and in addition to the budget papers that came to Cabinet in early December, members of Scrutiny Committee have received a separate briefing on the Settlement and its impact on the Council's proposed 2017/18 budget.

Chief Executive and Management Team Arrangements

Members will be aware of the imminent departure to pastures new (or pastures NAO) of the current Chief Executive, and the paper on this evening's agenda setting out the recommendation from the Appointments Sub-Committee.

The recommendation is to appoint Mr Radford for a period of 20 months starting from 1 February 2017, which will allow a good period of handover with Mr Kara, thus delivering on our desire for stability, continuity and keeping up momentum at this critical time for the Authority.

I don't want to go into this in much detail here as the reasoning behind the proposals is set out in the paper to Council, and I am sure will be debated when we get to that point on tonight's Agenda.

The paper also includes, though not for decision, a table setting out proposed management arrangements going forwards. We are fortunate in the timing of these events that Mr Vickers, as Head of Finance and s151 Officer, is able to devote more time to us here in Swale given changes at Kent CC, where he is also employed, and with his agreement the proposals seek to make good use of that opportunity.

We also have received notice of the departure of Mr Thomas, one of our longest serving and best known officers, in April 2017. We will share with members the revised arrangements for the management of his current responsibilities ahead of that time, and any other changes that flow from Mr Kara's and Mr Thomas' departure, and the appointment to the Chief Executive position.

Cllr Andrew Bowles
Council Leader