

Record of Cabinet decisions

Tuesday, 2 February 2021

3.00pm to 5.07pm

Date of publication: 3 February 2021

Subject to call-in these decisions will be effective from 11 February 2021

Present:	Councillor Alan Jarrett	Leader of the Council
	Councillor Howard Doe	Deputy Leader and Portfolio Holder for Housing and Community Services
	Councillor David Brake	Portfolio Holder for Adults' Services
	Councillor Rodney Chambers, OBE	Portfolio Holder for Inward Investment, Strategic Regeneration and Partnerships
	Councillor Jane Chitty	Portfolio Holder for Planning, Economic Growth and Regulation
	Councillor Phil Filmer	Portfolio Holder for Front Line Services
	Councillor Adrian Gulvin	Portfolio Holder for Resources
	Councillor Mrs Josie Iles	Portfolio Holder for Children's Services – Lead Member (statutory responsibility)
	Councillor Martin Potter	Portfolio Holder for Education and Schools
	Councillor Rupert Turpin	Portfolio Holder for Business Management
In Attendance:	Neil Davies, Chief Executive	
	Perry Holmes, Chief Legal Officer/Monitoring Officer	
	Jon Pitt, Democratic Services Officer	

Apologies for absence

There were none.

Record of decisions

The record of the meeting held on 12 January 2021 and of the urgent decision taken by the Leader on 14 January 2021 were agreed by the Cabinet and signed by the Leader as correct records.

Cabinet, 2 February 2021

Declarations of Disclosable Pecuniary Interests and Other Significant Interests

Disclosable pecuniary interests

There were none.

Other significant interests (OSIs)

Councillor Howard Doe declared an OSI in agenda item 15 (Medway Development Company Ltd. Update) and agenda item 16 (Medway Commercial Group Ltd – Six Monthly report) because he is the Chairman of Medway Development Company (MDC) Ltd and of Medway Commercial Group Ltd. Councillor Doe relied on a dispensation granted by the Councillor Conduct Committee that would ordinarily enable him to take part in the discussion and votes on items 15 and 16. However, due to the recommendations contained within the report for agenda item 15, Councillor Doe did not take part in discussion or determination of this item. He participated in discussion and determination of item 16.

Councillor Adrian Gulvin declared an OSI in agenda item 15 (Medway Development Company Ltd. Update) and agenda item 16 (Medway Commercial Group Ltd – Six Monthly report) because he is a Director of Medway Development Company (MDC) Ltd and of Medway Commercial Group Ltd. Councillor Gulvin relied on a dispensation granted by the Councillor Conduct Committee that would ordinarily enable him to take part in the discussion and votes on items 15 and 16. However, due to the recommendations contained within the report for agenda item 15, Councillor Gulvin did not take part in discussion or determination of this item. He participated in discussion and determination of item 16.

Councillor Rupert Turpin declared an OSI in agenda item 16 (Medway Commercial Group Ltd – Six Monthly Report) because he is a Director of Medway Commercial Group Ltd. Councillor Turpin relied on a dispensation granted by the Councillor Conduct Committee to enable him to take part in the discussion and determination of the item.

Other interests

Councillor Rupert Turpin declared an interest in any discussion of Medway Norse during the meeting as he is the Chairman of Medway Norse.

Final Funding Formula for Mainstream Schools and Academies 2021 - 2022

Background:

This report provided details of the final funding proposals for Medway's schools and academies for 2021/2022. Officers, working with the Schools Forum, had consulted with schools and academies on the proposed new funding formula options for 2021/2022.

Cabinet, 2 February 2021

It was noted that the Schools Forum had met on 13 January 2021 and recommended Cabinet to approve the implementation of the final funding formula as set out at section 3 of the report.

It was noted that in line with rule 15.11 of Chapter 4, Part 5 of the Constitution, call-in could be waived where any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public's interests. In this case, the deadline for the submission of the final funding formula to the Education and Skills Funding Agency (ESFA) was 21 January 2021, it was therefore proposed that call-in be waived to prevent any further delay in confirming the Cabinet's decision to the ESFA and to allow the authority to implement the funding formula changes in accordance with the regulations. The Chairman of the Children and Young People Overview and Scrutiny Committee had agreed that the decisions proposed were reasonable in all the circumstances and to them being treated as a matter of urgency and to waive call-in.

Decision number:

Decision:

11/2021 The Cabinet instructed officers to implement the Final 2021-22 Funding Formula for mainstream schools and academies, as set out in section 3 of the report.

12/2021 The Cabinet agreed that decision no. 11/2021 be considered urgent and therefore should not be subject to call-in.

Reasons:

The local authority is required to implement the funding formula changes from 2021-22 in accordance with the School and Early Years Finance (England) Regulations 2014. This is a Cabinet function. The deadline for the submission of the final funding formula to the Department for Education was 21 January 2021.

Housing Revenue Account Capital and Revenue Budgets 2021/22

Background:

This report provided details of the proposed Housing Revenue Account (HRA) capital and revenue budgets for 2021/2022 including rent, garage rent and service charge levels. The report gave a breakdown of the factors taken into account formulating the budgets for 2021/2022. The report also provided an update on the HRA Business Plan in accordance with the requirement to ensure the Plan met the Government's fit for purpose criteria. The report stated that tenants had been informed of the proposals, as set out in section 16 of the report.

The Business Support Overview and Scrutiny Committee considered this report on 28 January 2020 and its comments were set out in an addendum report. The addendum report also included some updated information which had come to light

Cabinet, 2 February 2021

since publication of the main report. A Diversity Impact Assessment had been carried out on the proposed budgets, as set out in Appendix F to the report.

Decision number:

Decision:

The Cabinet noted the comments of the Business Support Overview and Scrutiny Committee, as set out in the Addendum Report.

13/2021

The Cabinet recommended the following to full Council for approval:

- a) A proposed social rent increase of CPI plus 1% for the housing stock as set out in Appendix A to the report (based on 52 collection weeks) with effect from 05 April 2021.
- b) A proposed affordable rent increase of CPI plus 1% for the housing stock as set out in Appendix B to the report (based on 52 collection weeks) with effect from 05 April 2021.
- c) A proposed rent increase of 5% to be applied to all garage tenure types with effect from 05 April 2020 as stated in section 4 of the report.
- d) That the service charges increases/decreases as set out in Appendix C to the report for 2021/22 be approved.
- e) That the revenue budget for the HRA service for 2021/22 as set out in Appendix D to the report be approved.
- f) That the proposed 3 year planned maintenance capital programme budget and the funding be approved as set out in sections 8.5.3 & 8.5.4 of the report.
- g) To approve the reduction in 2020/21 planned maintenance underspend capital budget of £1.4m as set out in section 8.5.6 of the report.
- h) That the provision for the repayment of debt based on annuity-based payment of £0.410m, on the HRA's outstanding debt for 2021/22 be approved.
- i) That members approve the revised 30-year HRA Business Plan model as attached at Appendix E to the report.

Cabinet, 2 February 2021

Reasons:

The Council is required to carry out a review of rents and notify tenants not less than 28 days prior to the proposed date of change. The Council is required under the Local Government and Housing Act 1989 to ensure that the Housing Revenue Account does not fall into a deficit position.

Council Strategy and Council Plan Refresh 2021/22

Background:

This report set out the refreshed Council Strategy and Council Plan. The report advised that the Council Strategy set out the Council's key priorities, the outcomes that the Council expected to achieve and the programmes that would deliver this. The report further stated that the Council Plan was the delivery plan which set out the measures that would be used to track performance against the Council's key priorities.

The report asked the Cabinet to recommend to Full Council on 18 February 2021, adoption of the refreshed Strategy and Plan, as set out in appendices 1 and 2 to the report.

The Business Support Overview and Scrutiny Committee considered this report on 28 January 2021 and its comments were set out in an addendum report.

A Diversity Impact Assessment (DIA) had been completed in relation to the updated Council Plan and Strategy, as set out in Appendix 3 to the report.

Decision **Decision:** **number:**

The Cabinet noted the comments of the Business Support Overview and Scrutiny Committee set out in the addendum report.

14/2021 The Cabinet recommended to Full Council the adoption of the refreshed Council Strategy and Council Plan as set out in Appendices 1 and 2 to the report respectively.

Reasons:

The Council Strategy sets the high-level objectives for the Council and is underpinned by the Council Plan which includes the detailed performance measures and delivery plans explaining how the strategic objectives are to be met. Agreement of the proposed Council Strategy and Plan will ensure continued delivery of the objectives and effective monitoring of performance.

Cabinet, 2 February 2021

Capital and Revenue Budgets 2021/22

Background:

This report presented proposals for the capital and revenue budgets for 2021/2022. It was noted that the Cabinet had considered initial budget proposals on 17 November 2020, which had been developed in accordance with the principles set out in the Medium Term Financial Strategy (MTFS). The MTFS had identified a potential revenue shortfall of £11.710million in 2021/2022.

The report stated that at time of writing, there was still a deficit of £2.393 million to resolve. Options were being considered to address this prior to the Council's budget setting meeting on 18 February 2021.

The report highlighted the impact of Covid-19 on the budget, with the provisional settlement confirming the principle that the Government would continue to support local authority spending and income pressures arising from the Covid-19 pandemic, as had been assumed in the MTFS and Draft Budget. The Draft Budget therefore did not reflect any Covid-19 related pressures or income since it was not possible to forecast either with any reasonable accuracy. During the development of the MTFS, a total of £13.009million of general fund Covid-19 related pressures had been identified. These were not included in the forecast gap of £11.710million but were instead reflected in a section called Risk: the Ongoing Financial Impact of Covid-19. Work was ongoing to refine these pressures and replace those reflected in the MTFS with updated forecasts.

The current capital programme for 2021/2022 was £443.134 million, with a further £55.523million estimated for proposed additions to the programme for the next financial year, as detailed at section 13 of the report.

It was noted that budget proposals had been referred to all the Overview and Scrutiny Committees for consideration. The Overview and Scrutiny Committees' views together with the recommendations of the Business Support Overview and Scrutiny Committee (28 January 2021) were set out for Cabinet in an addendum report.

The report set out the requirements under equality legislation and it was noted that an overarching Diversity Impact Assessment would be included in the budget report to Full Council on 18 February 2021.

Decision number:

Decision:

The Cabinet noted the recommendations from overview and scrutiny committees as summarised in Appendix 1 to the report.

15/2021

The Cabinet recommended to Council that the net revenue budget summarised at Appendix 2 to the report, should be set at £350.009million, and that this should be funded by a

Cabinet, 2 February 2021

4.994% increase in Council Tax for 2021/22 with the equivalent Band D figure at £1501.31.

- 16/2021** The Cabinet recommended to Council the capital budget proposals, as set out in Table 7 and Table 8 in the report.
- 17/2021** The Cabinet recommended to Council the fees and charges set out at Appendix 5 to the report;
- 18/2021** The Cabinet recommended to Council the Flexible Use of Capital Receipts Strategy set out at Appendix 6 to the report;
- 19/2021** The Cabinet requested the Chief Finance Officer to calculate the formal requirements under Sections 30 to 36 of the Local Government Finance Act 1992 for resolution by Special Council on 18 February 2021.

Reasons:

The Constitution required that Cabinet's budget proposals must be referred to Council for consideration and approval. The Council is required by statute to set a budget and Council Tax Levels by 11 March each year.

Risk Strategy Annual Review

Background:

This report provided details of the annual review of the Risk Strategy. The report stated that the Risk Management Strategy was reviewed annually to ensure that it remained up to date and continued to reflect the Council's approach to risk management. The latest review of the Risk Management Strategy was attached as Appendix 1 to the report.

Due to the impact of Covid-19, it had not been possible to agree the 2021/22 Risk Strategy in September 2020. Therefore, this report now presented the 2021/22 Risk Strategy.

The annual review had been considered by the Audit Committee on 5 January 2021, details of which were set out in section 5 of the report. The Business Support Overview and Scrutiny Committee had also considered this report on 28 January 2021 and its comments were set out in an addendum report.

Decision number:

Decision:

The Cabinet noted the comments of the Audit Committee, as set out in section 5 of the report and the comments of the Business Support Overview and Scrutiny Committee, as set out in the Addendum Report.

Cabinet, 2 February 2021

20/2021 **The Cabinet approved the revised 21/22 Risk Management Strategy at Appendix 1 to the report as setting out the Council's approach to Risk Management.**

Reasons:

The establishment of a corporate framework for risk management is recommended by CIPFA and SOLACE and will complement and support the work already being carried out within each directorate to manage risks.

Treasury Management Strategy 2021/22

Background:

This report provided details of the Council's Treasury Management Strategy for 2021-2022. The Strategy had been prepared in line with CIPFA's Local Authority Treasury Management Code and set out the Council's borrowing requirement and strategy in respect of investments. It also provided details of the Council's current portfolio position and set out the prudential and treasury indicators that would be used to monitor and measure treasury performance.

The Audit Committee had considered this report on 5 January 2021 and its comments were set out in paragraph 4 of the report.

A Diversity Impact Assessment had been undertaken on the Treasury Management Strategy, as set out in Appendix B to the report.

Decision number: ***Decision:***

The Cabinet noted the comments of the Audit Committee, as set out in section 4 of the report.

21/2021 **The Cabinet recommended approval of the Treasury Management Strategy 2021/22, as set out in Appendix A to the report, to Full Council.**

22/2021 **The Cabinet approved the Treasury Management Practices, as set out in Appendix C to the report.**

Reasons:

Cabinet has the responsibility to make recommendations to Full Council on the approval of the Council's Treasury Management, Investment Strategy and Minimum Revenue Provision Policy Statement and has responsibility for the implementation of the Treasury Management Practices and associated schedules.

Cabinet, 2 February 2021

Upper Upnor Conservation Area Appraisal - Request to go to Public Consultation

Background:

This report requested approval for public consultation on a revised Upper Upnor Conservation Area Appraisal, replacing the previous version from 2004 which required updating. The revised document also provided an opportunity to introduce a new format for future Conservation Area Appraisals in Medway which followed that of other authorities in Kent (and more widely) and was fully supported by Historic England.

The public consultation was planned to be for a minimum of six weeks in Spring/Summer 2021. Following the consultation a final draft appraisal would be presented to Cabinet for consideration and adoption.

Decision number: **Decision:**

23/2021 **The Cabinet agreed:**

- (i) To commence public consultation on the draft Upper Upnor Conservation Area Appraisal (paragraph 3.1 Option A) as set out in Appendix 3 to the report.**
- (ii) For use in the formation of future conservation area appraisals, the general conservation information in appendices 1 and 2 to the report.**

Reasons:

To achieve significant potential benefits and comply with the duty to produce and hold public consultation on Conservation Area Appraisals.

The Upper Upnor Conservation Area Appraisal will support the continued conservation and enhancement of the historic environment through defining the historic, architectural and townscape qualities that make the Upper Upnor Conservation Area special.

The “Introduction to Conservation Area Appraisals” and “Conservation Area Design Guidance” for use in future Conservation Area Appraisals will assist in the production of future conservation area appraisals and their consistency.

Medway-Wide Public Space Protection Orders

Background:

This report provided the background to Public Space Protection Orders (PSPOs) and the status of two lapsed PSPOs in Medway relating to dog fouling and dogs on leads.

Cabinet, 2 February 2021

A four-week public consultation had taken place which had received 100 responses, the majority of which were in support of the renewal of the lapsed PSPOs.

The report had been considered by the Regeneration, Culture and Environment Overview and Scrutiny Committee on 14 January 2021, details of which were set out in section 5 of the report.

Decision number: ***Decision:***

The Cabinet noted the comments of the Regeneration, Culture and Environment Overview and Scrutiny Committee, as set out in section 5 of the report.

24/2021 The Cabinet recommended Full Council to approve the Medway wide dog-fouling and dogs on leads (by direction) PSPOs for a period of 3 years.

Reasons:

To continue to enforce dog fouling and dogs being on leads when directed to do so.

To increase responsible dog ownership and the promotion of excellent dog care and control.

To create high levels of enjoyment for all users in our parks and open spaces environment.

To provide a safe environment for all users of our parks and open spaces including dog owners and their pets.

South Thames Gateway Building Control Partnership Business Plan 2021/2024

Background:

This report provided details of the South Thames Gateway Building Control Partnership Business Plan for 2021/2024 and the associated Delivery Plan.

The Business Plan, as set out in the Exempt Appendix to the report, outlined how the building control function would be delivered on behalf of the partnership Councils (currently Medway, Canterbury, Gravesham and Swale) up until 2024 and indicated what the contributions would be for 2021/22.

Cabinet, 2 February 2021

**Decision
number:**

Decision:

25/2021

The proposed Business Plan for 2021-2024 and Delivery Plan for the South Thames Gateway Building Control Partnership, as set out at the Exempt Appendix to the report, was approved by the Cabinet and the Cabinet noted the proposed contribution of £127,342 for 2021-2022.

Reasons:

The constitution of the Joint Committee requires approval of the Business Plan for the following year by the Cabinet of each Partner Authority.

Early Help (Parenting) Task Group Report

Background:

This report provided the final report of the Early Help (Parenting) Task Group, including findings and recommendations. The Task Group had made twelve recommendations which were aimed at developing parenting support in Medway from a universal offer that was easily accessible by all to more targeted support services where needed. It detailed that the vision was for parenting support to be delivered in a cohesive way, consistently applied by all agencies across Medway and to be accessed without stigma or difficulty in access.

The Children and Young People Overview and Scrutiny Committee considered the report at its meeting held on 7 January 2021 and Members' comments were set out in section 6 of the report.

A Diversity Impact Assessment would be completed when the Parenting Support Strategy was drafted.

**Decision
number:**

Decision:

The Cabinet noted the comments from the Children and Young People Overview and Scrutiny Committee, as set out at section 6 of the report.

26/2021

The Cabinet approved the recommendations made by the Early Help (Parenting) Task Group, as set out in Appendix 1 to the report.

Reasons:

The recommendations, as agreed by the Task Group, aim to help develop parenting support in Medway from a universal offer that is easily accessible by all, to more targeted support services where needed. The vision is for parenting support to be delivered in a cohesive way, consistently applied by all agencies across Medway and to be accessed without stigma or difficulty in access.

Cabinet, 2 February 2021

Sufficiency Report 2020

Background:

This report provided details of the annual refresh of the statutory Sufficiency Report. This detailed how the Council, through working with all its partner agencies, would meet the placement needs of current and future Children in Care and Care Leavers and improve their outcomes, in light of the Council's understanding of their needs and the current provision.

The report marked an interim year as Medway mobilised and embedded initiatives needed, as a matter of urgency, to address the pressures created by the highest number of children in care Medway had seen. The work being undertaken would set the benchmark for the five-year improvement plan and the report set out high level outcomes for the service.

The Children and Young People Overview and Scrutiny Committee had considered the report on 7 January 2021 and its comments were set out at section 4 of the report

Decision number:

Decision:

The Cabinet noted the comments from the Children and Young people Overview and Scrutiny Committee, as set out at Section 4 of the report.

27/2021 The Cabinet approved the Sufficiency Report, as set out in Appendix 1 to the report.

Reasons:

Publication of the updated Sufficiency Report will enable the Council to fulfil its statutory requirement to take steps to secure, so far as is reasonably practicable, sufficient accommodation for Children in Care within the local area and will enable Medway to act strategically to address gaps in provision and meet the demand.

Medway Development Company Ltd Update

Background:

This report updated the Cabinet, as shareholder, about the first six residential developments being progressed by the Medway Development Company Ltd (MDC) and the Getting Building Fund project at Britton Farm, Gillingham. The six residential developments were Waterfront Chatham, Britton Farm, Garrison Point, White Road, Mountbatten House / Upper Mount and Queen Street.

The report also sought authority to loan funds to the newly created subsidiary Medway Development Company (Land and Projects) Limited (MDC(L&P)) to enable

Cabinet, 2 February 2021

the company to purchase land from the Council and advised the Cabinet about the level of financial risk of the overall venture.

The report was the fourth update report to the Cabinet as a shareholder of MDC, with the most recent update having been considered by Cabinet on 4 September 2020. A report had also been presented to the Cabinet on 15 December 2020 in relation to the Getting Building Fund. A recent Audit review of MDC had recommended six monthly reporting to the Cabinet and so for 2021 this report would be the first of two updates.

The report was accompanied by two exempt appendices. These set out details of funding to date for MDC projects and cashflow for MDC.

Decision number: ***Decision:***

The Cabinet noted the updates to progress on the six residential schemes, and the Getting Building Fund project, in particular the successful completion of the White Road scheme of 20 new homes.

The Cabinet noted the investment made by Medway Development Company Ltd to date as set out in Exempt Appendix 1 to the report.

The Cabinet noted the level of financial risk and reward environment in the cashflow at Exempt Appendix 2.

28/2021 The Cabinet agreed to provide loans at commercial rates to Medway Development Company (Land and Projects) Limited for the Waterfront Chatham and Garrison Point developments.

29/2021 The Cabinet agreed to delegate authority to the Chief Legal Officer in consultation with the Leader of the Council to agree and complete the necessary property transfers, loan agreements and any other legal documentation to provide the sites and funding for the Waterfront Chatham and Garrison Point developments to Medway Development Company (Land and Projects) Limited.

Reasons:

To continue the regeneration of Chatham as Medway's "city centre" with the provision of high quality riverside housing, public realm and an improved retail offer.

Cabinet, 2 February 2021

Medway Commercial Group Ltd - Six Monthly Report

Background:

This report provided a six-monthly progress report on Medway Commercial Group's (MCG) performance for quarter 2 to quarter 3, 2020-21.

The report advised that to the end of Quarter 3 of the current financial year, MCG had posted an operating profit of £342,794, with the loss before tax inclusive of the Medway Council Management Fee being £94,761. The year-end forecast for 2020-2021 was for an operating profit of £629,864. Profit before tax, including management fees to Medway Council was forecast to be breakeven.

The report advised that Covid-19 restrictions had limited the expansion of telecare services beyond the existing customer base to safeguard elderly and frail clients. Trials of additional telecare technology had been initiated, with Adult Social Care, to assess the viability of new products, improve service reach and to inform cost efficiencies for long-term care support packages. The full results of the system trials would be included in the next six-monthly performance report to Cabinet.

The report also set out that the Recruitment Service had supported the Council in recruiting interim and temporary staff throughout the financial year, in support of council services. This had supported the Council to reduce the overall number of interim staff through the conversion of roles from temporary to permanent, or the termination of temporary contracts. During December 2020, the recruitment service had provided additional temporary staff to the Council and public health in support of the Covid-19 rapid testing centres

Decision **Decision:**
number:

The Cabinet noted the six-monthly performance report for MCG for the period Quarter 2 and Quarter 3 (2020-2021).

Reasons:

When Cabinet agreed to establish MCG it was agreed that regular monitoring reports would be provided to Cabinet.

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Leader of the Council

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Date

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