

CABINET

19 OCTOBER 2010

MEDWAY RENAISSANCE – POST MARCH 2011

Portfolio Holder: Councillor Rodney Chambers, Leader

Report from: Robin Cooper, Director of Regeneration, Community and Culture

Summary

This report considers the cessation of funding by the Homes and Communities Agency from 31 March 2011 and seeks authorisation to commence formal consultation with staff on the closure of the Medway Renaissance Unit as no future funding has been identified.

1. Budget and Policy Framework

- 1.1 Service policy implications are a matter for Cabinet.
- 1.2 Employment matters are a Council side function.

2. Background

- 2.1 Medway Renaissance was set up in 2005 when funding was allocated by the Office of the Deputy Prime Minister for 3 years to 2008. Additional funding was allocated by Communities and Local Government and later by the Homes and Communities Agency to continue funding Medway Renaissance until March 2011.
- 2.2 Medway Renaissance is unique in the Thames Gateway in that it is part of the Council, but is dedicated to the delivery of the Council's regeneration aims. Key to this has been the facilitation and promotion of major activities and it has been responsible for a number of complex and extensive projects.
- 2.3 The Unit recharges £1million (in 2010/11) to the Homes and Communities Agency for staffing and overhead costs.
- 2.4 Indications at this stage are to expect no Government funding for Medway Renaissance post March 2011.

- 2.5 The Unit has helped to deliver or significantly progressed the following Government funded schemes in the last 3 years.
1. Strood Centre and Infrastructure
 2. Rochester Riverside (jointly with SEEDA)
 3. Corporation Street
 4. Chatham Roads
 5. Chatham Waterfront Bus Station
 6. Development Briefs for various sites
 7. Chatham Waterfront
 8. Chatham Public Realm
 9. Queen Street, Chatham
 10. Medway Park
 11. Parklands North Kent (the Council is the accountable body for around £10million of projects across North Kent)
 12. A228 Ropers Lane to Grain (jointly with funding from National Grid)
 13. Quality Public Transport projects
 14. Urban Traffic Management Scheme
 15. Gillingham Station.
- 2.6 The approved 3 year budget for the above including the costs of Medway Renaissance are £71,715,219. Additionally, it has progressed development at Temple and on Chatham Waterfront and been involved in a number of other projects including on low carbon economies.
- 2.7 The Unit has contributed greatly to the success of Medway and its achievements cannot be underestimated.
- 2.8 With the Council currently having to consider significant reductions in its budgets for the next 4 years and without any guarantee of funding from Government, it is necessary to consult on closing the Unit from 31 March 2011.

3. Implications for Medway Council

- 3.1 Without funding and with significantly declining Council funding over the next 4 years there is no realistic prospect of maintaining Medway Renaissance. It may be that projects will arise with the forthcoming announcement on Local Enterprise Partnerships, or across North Kent, but at present there are no such proposals, it is an uncertain landscape with uncertain funding and certainly not on any basis with which the Council can do anything but propose the closure of the Medway Renaissance Unit and delegating to the Director of Regeneration, Community and Culture the decision on residual functions from the team.
- 3.2 The Medway Renaissance Unit employs 18 employees and 2 consultants. Other external consultants are used at times. In addition the Business Support Department employs 1 employee as a PR Manager paid for by Medway Renaissance.

- 3.3 It is anticipated that this would result in compulsory redundancies albeit the option of redeployment will be pursued in the first instance. Staff affected will have been informed in advance of the Cabinet meeting and if Cabinet agrees the recommendations, then the formal consultation period will begin on 29 October 2010. The proposed timetable for consultation with staff and trade unions is attached at Appendix 1.
- 3.4 Clearly at this stage it is difficult to predict the actual number of redundancies and associated costs. In the event of no staff being successfully redeployed then the estimated redundancy costs will be in the region of £200,000. There is no budget provision for this expenditure. However the directorate is forecasting a one off underspend in the current financial year as a result of the waste contract, so this can be accommodated within the underspend.

4. Risk management

- 4.1 The major risks by not agreeing to consult on the closure of Medway Renaissance is that the council will continue to have an unfunded liability of £1million per annum. The only realistic action therefore is to close the Unit.

5. Diversity Impact Assessment

- 5.1 The Council has a duty in relation to race, gender and disability equality in service provision. It must assess whether any proposed changes have a disproportionately negative effect on people within these areas, which as a result may be contrary to these statutory obligations.
- 5.2 A diversity impact assessment screening exercise has been carried out and is attached at Appendix 2. The impact will be monitored closely to ensure that any unidentified and unintended negative impact is recognised and responded to.

6. Financial and legal implications

- 6.1 The financial implications are summarised in the body of the report.
- 6.2 Any possible redundancies are subject to consultation with employees and trade unions. Formal consultation will commence on 29 October 2010 and will end on 6 December 2010, subject to Cabinet's decision. Officers' delegated authority only applies to reorganisations where there are no significant or policy implications and therefore Cabinet is asked to recommend to Council that delegated authority is given to the Director of Regeneration, Community and Culture, to consider any alternative proposals presented by employees and the trade unions. The process of redundancies will be in accordance with the Council's organisational change policy and procedure.

7. Recommendations

- 7.1 That Cabinet authorises the Director of Regeneration, Community and Culture to undertake consultation with staff and trade unions on the proposal to close the Medway Renaissance Unit from 31 March 2011.
- 7.2 That Cabinet recommends to Council to authorise the Director of Regeneration, Community and Culture:
- (i) to consider and determine all consultation responses received in respect of the affected posts within the Medway Renaissance Unit and the post identified within the Business Support Department;
 - (ii) to determine the residual functions from the Medway Renaissance Unit.

8. Suggested reasons for decision

- 8.1 To respond to the cessation of funding from the Homes and Communities Agency.

Lead officer contact

Robin Cooper, Director – Regeneration, Community & Culture, Gun Wharf, 01634 331323, robin.cooper@medway.gov.uk

Background papers

None

PROPOSED TIMETABLE

Dates	Actions	Actioned By
<i>PRE EARLY CONSULTATION</i>	Prepare proposal for approval at Cabinet	Robin Cooper/HR
	Complete Diversity Impact Assessment and forward to Equalities Officer for consideration	Robin Cooper/HR
11 October 2010 9.15am	Brief Unions and staff on Cabinet paper/proposals, timetable and process	Robin Cooper/HR/Trade Unions
19 October 2010	Cabinet Report	Robin Cooper
29 October 2010	Meet with staff and trade unions to commence formal consultation	Robin Cooper/ Lisa Morgan
29 October 2010	Issue formal section 188 letter to trade unions	HR
29 October 2010	Issue formal consultation letter to staff	Robin Cooper/ Lisa Morgan
November 2010	Hold 1:1 meetings with staff directly affected	Robin Cooper/HR
25 November 2010	Full Council	Robin Cooper
6 December 2010	End of formal consultation process with staff and trade unions. Final date for comments or counter proposals.	Staff /Unions
W/C 6 December 2010	Consider any counter proposals put forward and respond to staff and unions	Robin Cooper/HR
13 December 2010	Prepare and issue redundancy notices. <i>Appeals against redundancy to be lodged within 7 days of notice letter being issued.</i> Issue redeployment letters and add staff to redeployment register	Manager/HR
20 December 2010	Final date to lodge any appeals against redundancy	Staff
January 2011	Appeal hearings against selection for redundancy to be held asap after receipt of appeal letter	Senior Manager not previously involved/HR
February 2011	Update report to Employment Matters Committee on redundancy numbers	HR

Diversity Impact Assessment

Directorate Regeneration, Community & Culture	Name of Function or Policy or Major Service Change Medway Renaissance		
Officer responsible for assessment Robin Cooper, Director Regeneration, Community & Culture		Date of assessment 1 October 2010	New or existing? New
Defining what is being assessed			
1. Briefly describe the purpose and objectives	<p>This Diversity Impact Assessment reviews the potential impact of the proposed loss of the funding for Medway Renaissance.</p> <p>Medway Renaissance is a Local Regeneration Partnership in Medway which has been set up by Medway Council and is funded by the Homes and Communities Agency (HCA) through the Thames Gateway Programme.</p> <p>The service delivers a number of Government funded projects to strategically direct the regeneration of key areas of Medway:</p> <p>Chatham Centre and Waterfront Rochester Riverside Strood Riverside Temple Waterfront Strood Town Centre Gillingham Town Centre Economic Growth Community infrastructure Culture Other waterfront projects</p> <p>Funding for the projects associated with this service was time limited and continuation was dependent upon confirmation from the government. The current round was due to come to an end in March 2011. The Government has announced that it doesn't intend to continue the funding. There has also been an impact from the economic downturn on the capacity of partners to support this work.</p> <p>An exit strategy is being developed to ensure outstanding work will be concluded or handed over.</p> <p>The proposed cuts will bring forward the termination of the Medway Renaissance team. Separate assessments are taking place in relation to the impact on staff at a Council wide level.</p>		
2. Who is intended to benefit, and in what way?	Under the circumstance it is not possible to answer this question.		
3. What outcomes are wanted/required	The termination of Medway Renaissance will be undertaken in a way that does not disproportionately impact on, or unfairly disadvantage, any sections of the community.		

4. What factors/forces could contribute/detract from the outcomes?	<u>Contribute</u> Good exit planning Consultation	<u>Detract</u> An exit plan is not produced and implemented Consultation doesn't take place.
5. Who are the main stakeholders?	The residents and businesses of Medway, Government agencies and The Medway Renaissance Team	
6. Who implements this and who is responsible?	Director of Regeneration, Community & Culture	
Assessing impact		
7. Are there concerns that there <u>could</u> be a differential impact due to <i>racial/ethnic groups</i>?	YES	
	NO	
What evidence exists for this?	The projects delivered by Medway Renaissance contributed to the regeneration of Medway and was for the benefit of everyone. Therefore it is not envisaged that the termination of Medway Renaissance will disproportionately impact on, or unfairly disadvantage racial and ethnic groups. However, as this is taken forward any unforeseen implications will be taken into account	
8. Are there concerns that there <u>could</u> be a differential impact due to <i>disability</i>?	YES	
	NO	
What evidence exists for this?	The projects delivered by Medway Renaissance contributed to the regeneration of Medway and was for the benefit of everyone. Therefore it is not envisaged that the termination of Medway Renaissance will disproportionately impact on, or unfairly disadvantage people due to a disability. However, as this is taken forward any unforeseen implications will be taken into account.	
9. Are there concerns that there <u>could</u> be a differential impact due to <i>gender</i>?	YES	
	NO	
What evidence exists for this?	The projects delivered by Medway Renaissance contributed to the regeneration of Medway and was for the benefit of everyone. Therefore it is not envisaged that the termination of Medway Renaissance will disproportionately impact on, or unfairly disadvantage gender groups. However, as this is taken forward any unforeseen implications will be taken into account.	
10. Are there concerns there <u>could</u> be a differential impact due to <i>sexual orientation</i>?	YES	
	NO	
What evidence exists for this?	The projects delivered by Medway Renaissance contributed to the regeneration of Medway and was for the benefit of everyone. Therefore it is not envisaged that the termination of Medway Renaissance will	

	disproportionately impact on, or unfairly disadvantage people due to their sexual. However, as this is taken forward any unforeseen implications will be taken into account.	
11. Are there concerns there <u>could</u> be a have a differential impact due to <i>religion or belief</i>?	YES	
	NO	
What evidence exists for this?	The projects delivered by Medway Renaissance contributed to the regeneration of Medway and was for the benefit of everyone. Therefore it is not envisaged that the termination of Medway Renaissance will disproportionately impact on, or unfairly disadvantage people due to their religion or belief. However, as this is taken forward any unforeseen implications will be taken into account.	
12. Are there concerns there <u>could</u> be a differential impact due to people's age?	YES	
	NO	
What evidence exists for this?	The projects delivered by Medway Renaissance contributed to the regeneration of Medway and was for the benefit of everyone. Therefore it is not envisaged that the termination of Medway Renaissance will disproportionately impact on, or unfairly disadvantage people due to their age. However, as this is taken forward any unforeseen implications will be taken into account.	
13. Are there concerns that there <u>could</u> be a differential impact due to <i>being trans-gendered or transsexual</i>?	YES	
	NO	
What evidence exists for this?	The projects delivered by Medway Renaissance contributed to the regeneration of Medway and was for the benefit of everyone. Therefore it is not envisaged that the termination of Medway Renaissance will disproportionately impact on, or unfairly disadvantage people due to being transgender or transsexual. However, as this is taken forward any unforeseen implications will be taken into account	
14. Are there any <i>other</i> groups that would find it difficult to access/make use of the function (e.g. speakers of other languages; people with caring responsibilities or dependants; those with an offending past; or people living in rural areas)?	YES	However, as this is taken forward any unforeseen implications will be taken into account.
	NO	
What evidence exists for this?		
15. Are there concerns there <u>could</u> be a have a differential impact due to <i>multiple discriminations</i> (e.g. disability and age)?	YES	However, as this is taken forward any unforeseen implications will be taken into account.
	NO	
What evidence exists for this?		

Conclusions & recommendation		
16. Could the differential impacts identified in questions 7-15 amount to there being the potential for adverse impact?	YES	However, as this is taken forward any unforeseen implications will be taken into account.
	NO	
17. Can the adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or another reason?		
Recommendation to proceed to a full impact assessment?		
NO	This function/ policy/ service change complies with the requirements of the legislation and there is evidence to show this is the case. As far as we are aware there is no impact in relation to pregnancy or maternity in relation to these proposals.	
	What is required to ensure this complies with the requirements of the legislation? (see DIA Guidance Notes)?	Recommend informing the Regeneration Ambassadors to determine whether there is any unintentional impact. The Council can then put in place mitigating actions if anything is found.
YES	Give details of key person responsible and target date for carrying out full impact assessment (see DIA Guidance Notes)	

Planning ahead: Reminders for the next review		
Date of next review		
Areas to check at next review (e.g. new census information, new legislation due)		
Is there <i>another</i> group (e.g. new communities) that is relevant and ought to be considered next time?		
Signed Director of Regeneration Community and Culture	1 October 2010	