



Minutes of the meeting of the Cabinet held on 18 September 2024 when there were present:-

Chair: Cllr D Blackwell

Cllr W Gibson
Cllr M Fuller
Cllr T Gibson

Cllr R Lillis
Cllr S Mountford

VISITING MEMBERS

Cllrs N Benson, B Campagna, J Huntman, D Jones and G Watson.

APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr R Savage and Cllr B Palmer.

OFFICERS PRESENT

A Hutchings	- Chief Executive
C Adlem	- Director, Corporate & Customer
B Brook	- Assistant Director, Policy Performance & Customer
M Harwood-White	- Director, Commercial & Assets
I Butt	- Director, Place & Communities
D McLoughlin	- Assistant Director, Estates
A Law	- Assistant Director, Legal & Democratic Services
L Wosko	- Assistant Director, Finance & Procurement
S Worthington	- Democratic Services Manager
H Boyd	- Democratic Services Officer

117 DECLARATIONS OF INTEREST

There were none.

118 MINUTES

The Minutes of the meeting held on 13 August 2024 were agreed as a correct record and signed by the Chair.

119 FINANCIAL UPDATE – FIRST QUARTER STAGE

Cabinet considered the report from the Assistant Director, Finance & Procurement on the 2024/25 forecast for both the General Fund (GF) and the Housing Revenue Account (HRA) at the end of the first quarter.

The Portfolio Holder for Resources outlined the financial position and made reference to a proposal to allocate funding to three affordable housing schemes.

General Fund (GF) Revenue

The GF revenue was currently forecasted to show an underspend of £21,000. This underspend is primarily due to lower than budgeted pay awards and ongoing staff vacancies. There was, however, a shortfall of £200,000 in interest receivable income which will be closely monitored, with updates provided in future reports.

There was also an underspend of £41,000 due to the IT laptop replacement programme, which came in under budget. As this was earmarked IT reserve there was no impact on the GF Revenue.

General Fund (GF) Capital

It was initially reported that the GF Capital Fund was forecasted to have an overspend of £785,000. However, this was clarified as an underspend of £41,000. Since this forecast, Cabinet agreed in August to additional schemes for the Paddocks refurbishment, totalling £826,000. Additionally, there was an underspend from the Council laptop replacement programme, which came in £41,000 under budget.

Housing Revenue Account (HRA)

Both HRA Revenue and HRA Capital showed a nil variance at this stage.

While the HRA Capital forecast remained at nil variance, Cabinet was seeking approval for three affordable housing schemes at the following locations:

- Linden Way, Canvey Island
- Benderloch, Canvey Island
- Carlton Drive, Benfleet

Previously, £50,000 per scheme was approved by Cabinet for initial investigations. These investigations now confirmed the viability of these schemes. To proceed, an additional £2.034 million was required, with £20,000 payable in 2024/25 and £2.014 million in 2024/26.

The funding would come from £1.2 million in Right to Buy capital receipts, with the remainder sourced from other avenues, including any available Section

106 (s106) funds. Should borrowing be necessary, the financial impact on the HRA has been assessed and deemed affordable.

A Motion was moved by Cllr D Blackwell and seconded by Cllr W Gibson that the recommendations set out at paragraph 3.1 of the report be approved and this was agreed unanimously on a show of hands.

Resolved

- (1) To note the GF Revenue 2024/25 forecast outturn position as at the first quarter stage, an underspend of £21,000, as detailed in paragraph 5.
- (2) To note the GF Capital 2024/25 forecast outturn position as at the first quarter stage, an overspend of £785,000, as detailed in paragraph 6.
- (3) To note the HRA Revenue 2024/25 forecast outturn position as at the first quarter stage, a nil variance position, as detailed in paragraph 7.
- (4) To note the HRA Capital 2024/25 forecast outturn position as at the first quarter stage, a nil variance position, as detailed in paragraph 8.
- (5) To approve increases in the HRA Capital scheme and payments approval for three affordable housing schemes, as detailed in paragraphs 8.2 to 8.5, a total increase in scheme approval of £2.034m, 2024/25 payments approval of £20,000 and 2025/26 payments approval of £2.014m.

120 CORPORATE PERFORMANCE SCORECARD Q1 2024/25

Cabinet considered the report of the Assistant Director, Performance Policy & Customer setting out the performance figures for the Corporate Performance Scorecard for quarter 1 2024/25.. The Portfolio Holder for Resources stated that the indicators provide an overview of the key service outcomes relevant to the Council's priorities, as outlined in the current corporate plan:

People

Of the 9 indicators

- 6 met or exceeded their target
- 3 were below target

Of the indicators that fell short, 2 related to homelessness, where performance was affected by a shortage of suitable accommodation. The third related to swimming lesson participation, which was impacted by recruitment challenges.

Place

Out of 4 indicators

- 1 exceeded its target
- 2 were below target
- 1 is pending government published data before it can be updated.

One of the below target indicators involved property re-letting, which was delayed due to staffing issues, contractor response time and other unforeseen challenges. The other is due to planning applications and is expected to be above target when reported at Quarter 2.

Environment

Out of the 7 indicators

- 6 met or exceeded their target
- 1 was below target.

The below target indicator noted an increase in grass verge cutting requests, attributed to significant grass growth. However, no default notices were issued as the cutting schedule was maintained in line with contractual obligations.

Enablers

Out of the 8 indicators

- 7 met or exceeded their target.
- 1 was below target.

The below target indicator relates to the number of customers using the e-billing service for Council Tax and Business rates, which has remained static over the past year. Further investigation will determine whether the target itself needs adjustment.

No areas of performance were identified for referral to the Overview and Scrutiny committee.

Resolved

That Cabinet notes the report and continues to monitor performance.

121 **CUSTOMER RELATIONSHIP MANAGEMENT (CRM) SYSTEM – BUSINESS CASE**

The Portfolio Holder for Special Projects & Assets introduced a report on a proposed customer relationship management system to Cabinet.

He advised that the purpose of the report was to seek Cabinet approval for the Council to invest in a new Customer Relationship Management (CRM) system as a key step towards modernising the way that residents and businesses interact with the Council to access information, request support and access services.

Recent improvements had been made to the website to enable e-forms for Council Tax, Benefits and Business Rates; however, many services were still only accessible during office hours. Some service areas provide a generic email address for out of hours contact, but these requests are processed manually, with little automation involved.

The Council's current CRM system which is used exclusively by the First Contact customer services team, lacks integration with other back-office systems. Customers do not receive automated updates on their requests, which leads to unnecessary follow-up contact with the Council.

This approach is at odds with how modern services are typically accessed in all other areas of life, where processes are much more automated and can be completed at the customer's convenience.

The Council aims to adopt a digital first approach improving customer satisfaction and creating more efficient workflows. Investing in a new CRM system would be a significant step towards modernisation, with the creation of a new website acting as the "front door" for service access and the CRM serving at the "back office" for service delivery. This would complement the aim of embedding new ways of working as per the Council's Transforming Together programme. This would result in a move away from face to face access, but this would remain in place for those who struggle to access the CRM facility. This would result in an uplift in customer and Member experience.

It was estimated that implementing the new CRM system would result in almost 8,000 hours of efficiency savings. A further 7,000 plus hours was expected from reductions in phone calls, walk-ins and emails as more services would be accessible online. Overall, this is projected to deliver £389,000 in cashable efficiency savings.

The Cabinet was reassured that a reduction in head count was not the primary driver for the project and that redundancies would not be used to fund it. While there would be a reduction in staff, this would be achieved through natural attrition, such as retirements or resignations, over the course of an 18 month period. This approach minimises the impact on staff while ensuring the Council can achieve its efficiency savings.

This initiative would transform and modernise the services available to residents and businesses, aligning them with how other services are accessed in both the public and private sectors. The proposed outputs include:

- New customer workflows
- eForms
- A self-service customer portal
- A member portal, allowing members to raise requests on behalf of residents
- A website “front end” for accessing information and making service requests
- Integration with back office systems

These enhancements would streamline customer interactions and improve the overall experience, enabling quicker and more efficient responses to queries.

The cost of the new CRM system and website is estimated to be between £850,000 and £1.05 million. It was mentioned that due to a lack of previous investment there is a need for a significant outlay; had there been incremental updates over the years the overall cost would have been similar.

A total of £389,000 in cashable efficiency savings is projected, which will cover the annual licencing cost.

There were risks associated with purchasing a new cloud based CRM but these would be mitigated by the numerous advantages the system would bring. If approved, the project would clearly demonstrate to residents that the Council is committed to modernisation and cost saving initiatives, ensuring more efficient service delivery and better customer experiences.

If the project was approved, the plan was to award contracts following the tender process in December, with implementation scheduled to take place between January 2025 and March 2026.

The Leader noted that this initiative represented a long overdue, significant step forward for the Council. It would result in improved experiences for residents, aligning the Council’s services with modern expectations and enhancing overall customer satisfaction.

A Motion moved by Cllr D Blackwell and seconded by Cllr T Gibson that the recommendations set out at paragraph 3.1 of the report be approved was agreed unanimously on a show of hands.

Resolved

- (1) To approve the business case presented alongside this report.
- (2) To approve creation of a new CRM capital scheme, with total scheme approval of £764,000, and payments approvals of £549,000 in 2024/25, £197,000 in 2025/26 and £18,000 in 2026/27.
- (3) To approve for the CRM capital scheme to be funded by an appropriation from the IT earmarked reserve.

122 VOLUNTARY AND COMMUNITY SECTOR BUILDING AND LAND LEASING POLICY

The Portfolio Holder for Special Projects & Assets introduced the report setting out details of a voluntary and community sector buildings and land leasing policy for Cabinet's approval.

The report sought Cabinet approval for the Voluntary and Community Sector (VCS) Building and Land Lease Policy. This policy was considered by the Asset Review Board on 2 September 2024, where Members supported the draft policy and requested that it be presented to Cabinet for further consideration.

Currently the Council had 50 assets leased to voluntary and community groups. The policy aimed to ensure a consistent approach to all aspects of leasing Council assets to the VCS promoting fairness, consistency and transparency in how assets were valued, how rents were set, how discounts were applied, the occupational terms offered and the way in which premises were allocated to VCS organisations. It would apply to all Council properties that cannot reasonably achieve full market rent, as agreed by the Asset Review Board.

The policy would operate in line with the Acquisitions and Disposal Policy adopted earlier this year (2024). The Policy consists of four key elements;

- An open and transparent allocation process
- A valuation and rent negotiation process
- A rent subsidy application process
- A lease through draft Heads of Terms

An organisation status as a VCS would be determined by its "not for personal profit" status and would include various types of incorporated and unincorporated organisations.

The policy was designed to ensure that Council owned assets occupied by VCS organisations were fully maximised for the benefit of residents. There would be discounts of up to 50% of the agreed market rent, although, in exceptional circumstances where a VCS may still result in a financial unviable service, an additional discount may be considered by the Director of Commercial & Assets, in consultation with the Section 151 Officer. It was important to note that no other interested parties would be involved and these arrangements would be for a limited time.

Discounts would otherwise be based on the scoring matrix which evaluates how sustainable the organisation is and how it supports the borough and why the relevant property is the most suitable for the organisation. The maximum score is 65 which achieves a 50% discount. Organisations with lower scores would receive lower discounts.

It was noted that there was an error on Appendix 3 to the policy:

(A) Financial resources	No Change
8.3.1 Contribution towards Castle Point Borough Council Priorities	(B) Contribution towards Castle Point Borough Council Priorities
(B) Benefit to the Borough as a whole	(C) Benefit to the Borough as a whole
(C) Suitability of the Property for the VCS organisation	(D) Suitability of the Property for the VCS organisation

A Motion moved by Cllr D Blackwell and seconded by Cllr T Gibson that the recommendations set out at paragraph 3.1 of the report be approved was agreed unanimously on a show of hands.

Resolved

To approve the Voluntary and Community Sector Buildings and Land Lease Policy, as set out in Appendix 1.

123 LEASE OF A SECTION OF THE COUNCIL OFFICES AT KILN ROAD, THUNDERSLEY TO CAVS

The Portfolio Holder for Special Projects & Assets introduced a report which sought Cabinet approval to lease part of the Council offices at Kiln Road, Thundersley to Castle Point Association of Voluntary Services (CAVS).

He advised that since Covid the Council operates a hybrid working environment which presented an opportunity for the Council to best use the building, working towards creating a community hub with various stakeholders.

CAVS was an invaluable organisation providing information, advice and guidance to voluntary and community organisations to develop solutions for local issues. Organisations are matched with potential volunteers, aimed at improving their communities. They work with existing voluntary sector providers to extend their schemes, as well as local statutory bodies to identify and develop new services addressing specific local need, including working with vulnerable young people, children and families, social isolation, health and well-being.

CAVS currently holds a 6 year lease until July 2028 occupying part of the first floor in The White House to the rear of the Kiln Road offices. The space currently occupied was not as modern as the Council offices, which provides an improved location to operate the service for the staff and user groups.

The space for CAVS to occupy would be 118m² or 2.6% of the unoccupied floor space. This is 2 rooms and a smaller separate office space. Residents would continue to have access to CAVS services requiring an informal

discussion about personal circumstances and guidance and support could be provided. This provides an opportunity for the Council to support CAVS as a community partner by improving access to services within a more accessible Council office building.

The Council would need to invest in some new stud partition walling to future proof the adaptation of the office accommodation that will remain available on the ground floor. An indicative budget estimate of £10,000 would enable other user groups, to be determined in the future, to be able to operate independently.

An independent valuation prepared in July 2024 suggested a proposed rent of £10,150 per annum which aligns with the Voluntary and Community Sector Building and Land Leasing Policy, discussed and agreed prior to this report.

CAVS currently leases part of the White House for £11,535 per annum plus a very small recharge for insurance costs. The recommendations in this report would see the existing lease terminated and replaced with a new lease at the lower value of £10,150 per annum. However, under the proposed lease the Council will be able to charge a service charge to CAVS, in essence share some of the costs the Council currently incurs. This service charge has been estimated at £6,200 per annum with, additionally, £6,000 in business rates.

In terms of the financial impact on the Council, the net reduction in rent is £1,385 and net increase in rates is £7,000, a total of £8,385. It is reasonable to assume that a portion of the service charge covers costs which would otherwise have been the sole responsibility of the Council but, even if it is assumed that 50% of the service charge (£3,100) does this, the overall cost to the Council caused by the move of CAVS would be £5,285. It is expected that identification of minor savings and efficiencies can take place to cover this cost.

This was an opportunity to assist a local community partner and a step closer to achieving the Council's community hub vision.

The Leader was pleased that this initiative had successfully progressed and welcomed CAVS' move into the main building. It was good to be able to support the voluntary and community sector in this way.

A Motion moved by Cllr D Blackwell and seconded by Cllr T Gibson that the recommendations set out at paragraph 3.1 of the report be approved was agreed unanimously on a show of hands

Resolved

- (1) To approve the Heads of Terms (Appendix 1) and grant a lease for part of the Council Offices to CAVS.

- (2) To delegate authority to the Assistant Director, Estates, in consultation with the Section 151 Officer and the Portfolio Holder for Special Projects & Assets, to negotiate and agree the final detailed lease terms.
- (3) To approve the early termination of the existing lease held by CAVS in respect of part of the White House.
- (4) To approve an appropriation from the General Fund General Reserve to the Estates & Asset Management policy line for £10,000 to fund enabling works required to compartmentalise the space to be let from the rest of the building.

124 MATTERS REFERRED FROM OVERVIEW & SCRUTINY COMMITTEE

There were none.

The meeting closed at 7.27 pm.

Chair

Date

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