



# Cabinet

## Minutes

Monday, 13 November 2023 at 14:00

Councillor Smith (Leader & Portfolio Holder for Finance, Governance and Major Projects) (in the Chair), Councillors Bensly (Portfolio Holder for Tourism, Culture & Coastal), Candon (Portfolio Holder for Economic Development & Growth), Plant (Deputy Leader & Portfolio Holder for Operational Property and Asset Management) & Wells (Portfolio Holder for Environment & Sustainability, Waste and Licensing).

Also in attendance

Ms S Oxtoby (Chief Executive Officer); Ms C Whatling (Monitoring Officer), Mrs N Hayes (Executive Director - Place), Ms K Sly (Executive Director - Finance), Mr C Furlong (Executive Director - Housing Assets), Mrs N Turner (Head of Housing Assets), Mrs S Wintle (Corporate Services Manager), Ms L Snow (Finance Manager); and Mr D Zimmerling (IT Support)

Councillors Wainwright and Jeal attended as observers to the meeting.

### **01 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Flaxman-Taylor.

### **02 DECLARATIONS OF INTEREST**

There were no declarations of interest declared at the meeting.

### **03 ITEMS OF URGENT BUSINESS**

There were no urgent items of business to be discussed.

## 04 MINUTES

The minutes of the meeting held on the 9 October 2023 were confirmed.

## 05 URN 23-160 - ANNUAL PROGRESS REPORT ON THE EQUALITY ACTION PLAN

Cabinet received and considered the Head of Organisational Developments report.

The Leader presented the report and advised that the report summarised the progress to deliver Great Yarmouth Borough Council's Equality Action Plan for 2021-2023.

Key achievements so far included sector-defining work to contribute to the Government's ambition to make the UK the most accessible tourism destination for disabled people in Europe.

The report also included a summary of the Council's workforce profile. There is good evidence that the workforce represents the local population, particularly in relation to ethnicity. This is an excellent indicator that recruitment practices promote race equality, and it also means that the Council performs strongly on workforce representation compared to other UK local authorities.

The Equality, Diversity & Inclusion Policy was also presented to Cabinet, following full consultation with Executive Leadership Team (ELT), UNISON and the Joint Consultative Working Group (JCWG).

The Leader thanked the Head of Organisational Development and her team for putting the policy and report together.

Councillor Wainwright made reference to the policy and thanked the Officers for their work on putting it together, he made reference to the requirement from one of the Labour Party Members requiring an adapted chair within the Chamber and he was informed this was on order and was being treated with the upmost priority.

Cabinet **RESOLVED** to :

1. Review and consider the progress made over the last 12 months against the Council's Equality Action Plan 2021-2023 (summarised below and in detail at Appendix A).
2. Consider the workforce profile, and the extent to which this reflects the diversity of the local population (set out in detail at Appendix B).
3. Consider and approve a draft Equality, Diversity and Inclusion Policy at Appendix C
4. Give delegated authority to the Head of Organisational Development to make minor and/or consequential amendments to the Policy for the purpose of keeping it up to date, clarifying its content or interpretation, correcting any errors or omissions, updating it in accordance with changes in legislation, and/or caselaw, or with changes in the management structure.
5. Note the latest Census 2021 findings for Great Yarmouth, attached at Appendix D.

## **06 URN 23-173 - TREASURY MANAGEMENT MID YEAR REVIEW 2023/24**

Cabinet received and considered the Executive Director, Resources report. The Leader presented the report and advised that the Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Council to approve treasury management semi-annual and annual reports.

This report included the new requirement in the 2021 Code, mandatory from 1st April 2023, of quarterly reporting of the treasury management prudential indicators. The non-treasury prudential indicators are incorporated in the Council's normal quarterly Capital report.

The Council's treasury management strategy for 2023/24 was approved by Council on 21st February 2023.

This report provided a monitoring position for the first six months of the 2023/24 financial year.

The Leader paid tribute to the Council's Executive Director, Resources who had recently accepted a new job with another authority and wished her all the best in her new role, he stated that the Executive Director had been a fantastic asset to the Council and would be missed by all.

Councillor Wainwright echoed the comments made by the Leader and agreed that the Executive Director would certainly be missed.

Cabinet **RESOLVED** to **recommend to Council** :-

1. Approve the treasury management half yearly report for 2023/24 and the amended target as outlined at 9.10.

## **07 URN 23-181 - 2023/24 PERIOD 6 GENERAL FUND AND HOUSING REVENUE ACCOUNT BUDGET MONITORING**

Cabinet received and considered the Executive Director, Resources report. The Leader advised that the report presented the budget monitoring forecast position for the General Fund and Housing Revenue Account and their respective capital programmes for the financial year 2023/24 as at September 2023. This report compares the actual expenditure and income position at the end of September 2023 to the general fund budget for 2023/24 and presents a forecast position for the current year.

Cabinet **RESOLVED** to :-

1) Note the content of the report and the revised forecast for the General Fund and Housing revenue Account for 2023/24.

2) Approve the updated General Fund capital programme (Appendix E).

3) Approve additional HRA capital budget of £104,000 to be financed from HRA revenue reserves to fund the digital upgrade of the sheltered alarm system.

**08 URN 23-174 - MEDIUM TERM FINANCIAL STRATEGY REVIEW 2024/25 TO 2026/27**

Cabinet received and considered the Executive Director, Resources report.

The Leader presented the report and advised that the Council receives a refresh of the Medium-Term Financial Strategy annually which is revised in light of known spending pressures taking into account the wider economic context. There is a legal requirement to set an annual budget and set the Council tax each year and part of this includes a number of preparatory reports and pieces of work that are prepared in support of setting the budget one being the update of the Council's Medium Term Financial Strategy (MTFS).

The MTFS sets out the context within which the financial planning for the Council is undertaken and the priorities (the business strategy) that will mitigate future funding gaps. The MTFS also includes the latest financial projections for the three years that are covered by the strategy and have been informed by known pressures in the current year and levels of inflation and interest rates. This is ahead of the provisional settlement announcement and the detailed work on the service budgets for 2024/25.

There continues to be significant uncertainties around funding for Local Government as the sector faces continued inflationary pressures for both day to day revenue spend and capital projects. The challenges that the Borough Council are facing are not unique, with reports of all tiers of authorities facing continued financial pressures being made public on a regular basis, it flags the pressures facing the sector and the need for timely decisions on local government funding reviews.

The economic climate of high inflation and interest rates and demand for services for example temporary housing has impacted on the financial position of the Council in a significant way. It is a legal requirement to set a balanced budget each year and there will be a need to identify and deliver significant savings and additional income in the short term to medium term in addition to using reserves to manage the risks.

The assumptions included in the MTFS will be subject to review as the detail of the 2024/25 budget is finalised.

Cabinet **RESOLVED** to recommend to Council :-

1. The updated Medium Term Financial Strategy (MTFS) and the key themes of the business strategy as outlined at Section 8;
2. Continue with the business rates pool for 2024/25 subject to the finalisation of the forecasts for 2024/25 and the outcome local government finance settlement, to delegate authority to the Section 151 Officer in consultation with the Leader to approve.

## **09 URN 23-153 - GYN TRANSFER PROJECT**

Cabinet received and considered the Executive Director, Property and Housing Assets report.

The Portfolio Holder for Economic Development and Growth, Councillor Candon presented the report and advised that the Councils Contract with GYN terminates on 30th September 2024. The Cabinet authorised a process whereby the Council complete an asset purchase from GYN of those assets needed/left at the date of transfer, transferring the service back to the Council into a GYBC Company structure.

This process has now commenced with the appointment of a project lead in late August to oversee the insourcing of the service. This report is intended to seek a steer from Cabinet and make recommendations to Council on important decisions that will inform the direction of travel and therefore the mobilisation of the new service. The key areas discussed are the host vehicle for the service and fleet procurement.

In June 2023, the Cabinet decision was to bring the service back into the Council via a newly-formed Local Authority Trading Company (LATCO) or the existing LATCO, GYS. Since then officers have explored a third option which would be to bring the service back as an in-house workforce or what used to be known as a DLO or a Direct Labour Organisation. Independent legal advice has been sought via Browne Jacobsen who have prepared an options report and evaluation of all 3 options. The report is attached at Appendix 1.

Within each of the options the indicative set up costs have been considered, along with the annual support costs. At this stage these do not include all support costs for example IT software support as this level of detail is not available. It can be assumed that these costs are currently a charge into GYN through the overhead charging mechanism and therefore will be a cost that will continue to be charged whatever the delivery vehicle.

Based on the legal opinion of Browne Jacobson and the considerations set out above, the recommendation is to insource the service to provide an in-house workforce. This option, in particular, provides the Council with complete control over the service and importantly, will not create added pressures on the GYS Management to absorb another service into the business and allows to continue its progress in delivering its improvement plan.

The recommendation is not consistent with the original Cabinet decision to insource the GYN into a Council-owned company structure. Therefore, this report is seeking Cabinet approval to change that decision in respect of insourcing the service into an in-house workforce rather than a new or existing LATCO as originally agreed.

In addition to this, the current fleet that is being used by GYN is aged (up to 10 years old), in poor condition and have high levels of maintenance on a regular basis and comes at a significant cost at £7,030 per van. This gives a poor perception of the service and as they break down regularly, they impact on the productivity of the service. In summary, the current fleet is not viable and needs to be replaced. Irrespective of the delivery model, a decision on the fleet procurement needs to be made to enable the procurement timetable and the fleet to be in operation for the commencement of the new arrangement for September 2024.

Based on the evaluation of the options to procure new fleet, it is recommended that the Council procure the fleet using the TPPL framework and that the fleet is procured through a lease agreement as the costs are spread over the life of the lease and it would make an estimated saving of £378,253 plus interest charges over the cost of purchasing the fleet outright.

The Portfolio Holder for Tourism, Culture and Coastal made reference to the Fleet Strategy within the report and commented that anything that could continue to be worked on to ensure the Green Strategy remained a priority when looking at the fleet should be looked into.

The Portfolio Holder for Environment and Sustainability, Waste and Licensing commented that the Council was somewhat ahead that other Authorities in delivering a green fleet strategy but advised that this required a lot of work on the infrastructure.

Councillor Wainwright asked for reassurance that the currently ageing fleet of vehicles used would not be transferred across to GYBC, this was confirmed.

The Leader and Portfolio Holder for Operational Property and Assets paid tribute to the Executive Director, Property and Housing Assets for the fantastic piece of work completed around this project.

Cabinet **RESOLVED** to **recommend to Council** :-

1. Approval to the services currently delivered by GYN be insourced and delivered by a direct labour organisation (DLO)
2. Approval of the budget of £1,802,420 to enable the procurement of the fleet as outlined in the report using the TPPL framework; and
3. Approval of the budget of £145,000 to fund the set-up costs and enable the support services to be provided as outlined in the report to facilitate delivery of the project.

The meeting ended at: TBC