

9 March 2022		ITEM: 12
		Decision: 110608
Cabinet		
Report on Asset Related Savings		
Wards and communities affected: All Wards	Key Decision: Key	
Report of: Councillor Mark Coxshall, Cabinet Member for Regeneration, Strategic Planning and External Relationships		
Accountable Assistant Director: David Johnson – Asset Manager		
Accountable Director: Sean Clark – Corporate Director of Resources and Place Delivery		
This report is public		

Executive Summary

Members have received a number of reports on the budget pressures that Thurrock Council face with agreement of the budget for 2022/23 at full Council on 23 February 2022. A forecast deficit of £14.3m remains for the following two years.

The Cabinet report on 7 July 2021 targeted reductions of £1m through Assets was identified though this has been subsequently reduced to £850k. The closure of the Thameside building was identified as a possible contributor towards this target. A final decision on the future of the building has not yet been made due to ongoing discussions with the community as reported to Cabinet in January 2022 - therefore full year savings from the Thameside Complex will not be made for 2022/23.

This report updates Cabinet on those discussions regarding a potential asset transfer to the community. The report recommends that these discussions continue with a further Cabinet report in July 2022 at the latest to make a final decision on the building.

1. Recommendations:

- 1.1 That Cabinet note the main points from the discussions with the community and through the ongoing wider Roundtable meetings; and
- 1.2 That Cabinet support the relevant Portfolio Holders and Officers to continue with further discussions with the community over the future of

the Thameside building and related services and that a recommendation is made to Cabinet for final decision no later than July 2022.

2. Background

- 2.1 The Cabinet has received reports regularly since 7 July 2021 on the council's financial forecasts and projected two-year budget pressure of £34m. The budget for 2022/23 was agreed at full Council on 23 February 2022. A forecast deficit of £14.3m remains for the following two years.
- 2.2 Thurrock Council, like all councils nationally, face pressures every year but, since 2018, has managed to meet these pressures through commercial income generation.
- 2.3 As this is no longer possible, the main focus of meeting these challenges going forward is through expenditure reduction and, as one of the larger cross-council budgets, a targeted reduction in the cost of the council's assets was identified.
- 2.4 The Thameside building was identified as a potential saving with a net cost in excess of £0.5m per annum. In addition, the building requires significant investment, currently estimated at £16m, after only minor capital works over the last decade.

3. Community Asset Transfer

- 3.1 Community Asset Transfer (CAT) is a process that allows a community organisation to take over publicly-owned land or buildings in a way that recognises the public benefits that the transfer will bring. It involves the transfer of the responsibility for an asset from the Council to a community group or voluntary organisation. This can be done through either a transfer of management responsibility or short or long term lease and is an option for the Thameside Complex.
- 3.2 As reported to Cabinet in January 2022, to date, conversations with the community group leading the development of asset transfer proposals have been positive. There is however still significant work required by the community on a business plan which is not now expected to be received by the council until the end of March 2022. Receipt of a detailed business plan will enable full consideration of the proposals by the council in order to make recommendations to Cabinet for a final decision.
- 3.3 The council will also promote the community asset transfer opportunity more widely in line with the Asset Disposal Policy and Collaborative Communities Framework to ensure that any other interested community organisations are aware of the Thameside Complex, as well as other opportunities, and that the council is considering its future. Other groups would then be able to submit alternative proposals or seek to engage with the group already developing their business plan.

- 3.4 A final decision on the future of the Thameside building should be made no later than July 2022 to enable at least part-year savings for 2022/23 and/or clarity on the financial and service implications for 2023/24 and beyond.
- 3.5 The Thameside building will therefore not close before the end of July 2022. All services operating within the building will continue including bookings for the Thameside theatre and engagement activities at Thurrock Museum. Grays Library will also continue to operate from the building as usual. The Registry Office and Registrars service will move to the new Civic Offices building in the coming months as previously planned.

4. Roundtable Meetings

- 4.1 Meetings with interested representatives of the community took place on 22 September, 30 November, 13 December 2021 and 25 January 2022. Cabinet should note that the second meeting had been planned for an earlier date in October but was deferred due to the tragic death of Sir David Amess MP, along with all Council meetings in Thurrock and across Essex at that time.
- 4.2 The Portfolio Holders for Regeneration, Strategic Planning & External Relationships and Adults & Communities and various officers represented the council.
- 4.3 Whilst the first meeting was mainly about ensuring the strength of feeling in the community was known, along with challenges to the rationale for closure and concerns over the impact on cultural services, the following meetings have concentrated on a proposal from the community to manage the building and related services. This has provided an opportunity for engagement with a wide range of representatives from different organisations interested in the future provision of culture, arts and heritage services and activities from the Thameside Complex including library services and will inform the emerging business plan.
- 4.4 In addition, meetings have also taken place with individuals and groups as part of ongoing engagement to develop a shared Cultural Strategy for Thurrock with partners.

5. Issues, Options and Analysis of Options

- 5.1 There are three clear options relating to the Thameside building:
- Do nothing. This is not recommended as the ongoing revenue cost is prohibitive, significant capital investment would be required and the necessary improvements to the Cultural offer will not be made;
 - Close the building. While Cabinet recognised in July 2021 that the building is not considered fit for purpose in the medium to long-term, this is not recommended at this time whilst meaningful discussions are taking place with the community representatives; or

- Continue with discussions and the development of a business case that could see a community organisation taking over the Thameside building including the transformation of the building and related cultural services. Recommended in principle but with a final decision to be made no later than July 2022 to ensure savings can be made and the future is clear to all interested parties.

5.2 Whilst there has also been discussion about the future of the library situated in the building, any decision on possible relocation is linked to the future of the building.

6. Reasons for Recommendation

6.1 The recommendations allow for ongoing discussions with community representatives to determine the future of the Thameside building.

7. Consultation (including Overview and Scrutiny, if applicable)

7.1 The future of the Thameside building was subject to debate at the Corporate Overview and Scrutiny Committee on 16 November 2021, with community representatives at four separate Roundtable meetings and with affected staff.

8. Impact on corporate policies, priorities, performance and community impact

8.1 Whilst the decision is about the future of a building, it is difficult to separate that decision from the impact on the services currently provided within it. Running parallel to these discussions is the development of a new cultural strategy that will be presented in due course.

9. Implications

9.1 Financial

Implications verified by: **Jonathan Wilson**
Assistant Director, Finance

Savings of circa £500k are currently targeted from the closure of the Thameside building. Delays in decision making to explore alternative options with the community have impacted on achieving a full year saving in 2022/23.

The outline business case currently being proposed by the community also requires ongoing financial support, on a reducing basis. A full and detailed business plan is expected to be received by the council by the end of March 2022. This will need to be considered and recommendations made for a decision by Cabinet no later than July 2022.

9.2 Legal

Implications verified by: **Mark Bowen**
Interim Head of Legal Services

The Council is generally empowered to dispose of assets which are underperforming or surplus to requirements. Each asset will need to be checked to ensure its formal ownerships and appropriation enable general disposal with terms to be confirmed. Any proposal would also need to be considered against the provisions of the Public Contracts Regulations 2015 and the public subsidy regime.

9.3 Diversity and Equality

Implications verified by: **Rebecca Lee**
**Team Manager – Community
Development and Equalities**

The Asset Disposal Policy sets out considerations for bringing agility to land and property assets so that the delivery of the Council's goals and objectives are realised in a sustainable manner, at the right time and on budget. The policy itself will be the subject of a Community Equality Impact Assessment to mitigate the risk of negative impact on citizens, communities and workforce currently located at Thameside. Where community assets are identified for disposal, the process set out for the implementation of the CAT Policy and principles of the Collaborative Communities Framework will be applied, this includes the completion of CEIA's on a case by case basis, engagement with the voluntary and community sector, and an assessment of social value that includes support for Thurrock's recovery from COVID-19 and building resilience within communities and voluntary sector networks.

9.4 Other implications (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, and Impact on Looked After Children

The Thameside is used for a range of purposes including direct service delivery, use by community groups and residents. The council recognises the value and positive impact culture, arts and heritage can have on the health and wellbeing of residents and this will be reflected in the new strategy.

Staff and volunteers based at the Thameside building have been kept informed of the ongoing considerations about the future of the building since July 2021 including the possible implications for the services where appropriate. They have also been actively engaged in the development of the Cultural Strategy.

Due to the lack of capital investment in the building and its age, it does not currently have a positive impact on the council's carbon emissions.

10. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None

11. Appendices to the report

- None

Report Author

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