

## CABINET

### Minutes of the meeting held on 20 January 2015 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

**Present:** Councillor Johnston (Chairman); Councillors Nicholson, Everitt, D Green, E Green and Harrison

**In Attendance:** Councillors: Bayford, Binks, Bruce, King, Marson, D Saunders, S Tomlinson and Wells

#### **227. APOLOGIES FOR ABSENCE**

There were no apologies received at the meeting.

#### **228. DECLARATIONS OF INTEREST**

Councillor Johnston said that she gave a donation to the Save Manston Group as previously declared.

#### **229. MINUTES OF PREVIOUS MEETING**

Councillor Nicholson proposed, Councillor Harrison seconded and Members agreed the minutes of the Cabinet meeting held on 11 November 2014.

#### **230. MINUTES OF EXTRAORDINARY MEETING**

Councillor Johnston proposed, Councillor Nicholson seconded and Members agreed the minutes of the extraordinary Cabinet meeting subject to the following amendments:

Point in Minute 226 be replaced by the following:-

Officers recommended (based on legal advice) that it was inappropriate to undertake a stage by stage approach to funding a CPO. Unless the investment was in place, the prospects of a CPO were much diminished.

#### **231. RECOMMENDATION FROM OVERVIEW & SCRUTINY PANEL FOLLOWING CALL IN OF THE MANSTON AIRPORT CABINET DECISION**

Cabinet debated the recommendation forwarded by the Overview and Scrutiny Panel. Members agreed that the Panel had conducted a good debate on the issue before coming up with a recommendation for Cabinet to consider.

Councillor Johnston proposed, Councillor Nicholson seconded and Members agreed the following:

1. That no further action be taken at the present time on a CPO of Manston Airport, on the basis that the Council has not identified any suitable expressions of interest that fulfil the requirements of the Council for a CPO indemnity partner and that it does not have the financial resources to pursue a CPO in its own right;
2. That this decision be reviewed by Cabinet on receipt of any new information from the Minister of Transport.

**232. COUNCIL TAX - EMPTY HOMES PREMIUM**

The proposals for introducing the Council tax on empty properties in the District would see properties that have been empty and substantially unfurnished for more than two years being levied. A public consultation was conducted, whose results show support for the proposal.

Councillor D. Saunders spoke under Council Procedure Rule 24.1.

Councillor Everitt proposed, Councillor Nicholson seconded and Members approved the introduction of the Council Tax “long term empty” premium from 1st April 2015.

**233. BUDGET MONITORING REPORT 2014/15**

Cabinet received an update against the General Fund, Housing Revenue Account and capital programmes for 2014/15 based on monitoring undertaken for the period to the end of November.

Eight months monitoring data was used and that reflected a better indication of the potential outturn position, although there remained pressure to deliver a breakeven position. The report provided assurance that Managers would be monitoring the budget performance over the coming months and taking corrective action where required to bring it back to a balanced budget position. The Council would continue to look for further efficiencies over the remainder of the year. Controls over non-essential spending and the restriction on recruitment to where it was absolutely essential would continue.

Councillors Bayford and Binks spoke under Council Procedure 24.1.

Councillor Everitt proposed, Councillor Nicholson seconded and Members Cabinet agreed the following:

1. To note the projected outturn position for 2014/15 for the General Fund;
2. To note the current Housing Revenue Account position;
3. To approve to transfer £1.443m within the HRA to the Earmarked HRA New Properties Reserve ready for the Delivery of the 2015-2018 HCA Affordable home programme;
4. To note the General Fund capital outturn and agree the budget virements detailed as per Annex 2 to the report; for the General Fund capital programme;
5. To note the HRA capital outturn and agree the budget virements as detailed as per Annex 3 of the report;
6. To note the position in relation to Procurement.

**234. TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY - MID YEAR REVIEW REPORT 2014/15**

Members were provided with an economic update for the 2014/15 financial year. This included information on the latest interest rate forecasts provided by Capita, the Council’s treasury management advisors.

No changes were proposed to the Treasury Management Strategy for 2014/15 as approved by Council on 2 October 2014. The report set out the Council's capital plans, alongside the latest position against the associated prudential indicators.

The meeting was advised of the Council's current investment portfolio. The Council held £37.243m of investments as at 30 September 2014 for which the yield was 0.55% against a benchmark of 0.35%. Cabinet confirmed that the approved limits within the Annual Investment Strategy were adhered to during this period. New borrowing of £1m was undertaken within the first six months of the year and no debt re-scheduling had taken place.

Councillor Everitt proposed, Councillor Nicholson seconded and Members agreed to:

1. Approve the Cabinet report and agree the prudential and treasury indicators that are shown in the report;
2. Recommend the report to Council.

**235. TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION POLICY STATEMENT AND ANNUAL INVESTMENT STRATEGY FOR 2015/16**

The report considered by Cabinet covered the Council's capital plans (including prudential indicators), Minimum Revenue Provision policy, treasury management strategy and investment strategy.

Councillor Everitt proposed, Councillor Nicholson seconded and Members agreed to recommend to Council the following:

1. The Capital Plans, Prudential Indicators and Limits for 2015/16 to 2017/18, including the Authorised Limit Prudential Indicator;
2. The Minimum Revenue Provision (MRP) Policy;
3. The Treasury Management Strategy for 2015/16 to 2017/18 and the Treasury Indicators;
4. The Investment Strategy for 2015/16 contained in the Treasury Management Strategy, including the detailed criteria.

**236. 2015/16 BUDGET AND MEDIUM TERM FINANCIAL PLAN 2015-19**

Cabinet considered the draft budget strategy for the General Fund, Housing Revenue Account and Capital programme for 2015-16, and the draft Medium Term Financial Plan for 2015-19. Members noted that Council had reduced government funding in 2015-16 following the 2013 Spending Review and the 2014 Autumn Statement. Those reductions were already assumed in the Medium Term Financial Strategy (MTFS) 2014-18. The MTFS was approved as part of 2014-15 budget setting.

Councillor Everitt proposed, Councillor Nicholson seconded and Cabinet recommended to Council the following:

1. The draft Medium Term Financial Plan at Annex 1 to the report;
2. The draft General Fund Revenue budget estimates for 2015-16 to 2018-19 and the resulting budget requirement for 2015-16;

3. The level of general reserves be held at £2,177k, and specific earmarked reserves be used as identified in Annex 5;
4. The HRA budget estimates for 2015-16 to 2018-19 and the HRA services charges as shown at Annex 3 of the report;
5. That Members agree to a 10% reduction in the grant to minor preceptors as per section 3.26;
6. That Members approve the General Fund and Housing Revenue Account Capital Budgets for 2014-16 as detailed at Annexes 2 and 4 to the report;

Cabinet also agreed the following:

1. To delegate the approval of the EK Housing Management Fee to the Director of Community Services in consultation with the Portfolio Holder for Housing and Planning;
2. To delegate decisions on the use of reserves up to and including £100k per movement to the Director of Corporate Resources and Section 151 Officer in liaison with the Portfolio Holder for Finance and the relevant service Portfolio Holder where appropriate.

**237. NOTICE OF MOTION NO.2 - DESIGNATION OF CONSERVATION AREA, CLIFTONVILLE**

Members considered the results of the public consultation exercise into the proposal to designate a new conservation area at Ethelbert Road and Athelstan Road, Cliftonville West Ward undertaken from the 22 September 2014 until Friday 31 October 2014.

The public consultation exercise had shown that the area under consideration was generally recognised as having a special character and appearance worth safeguarding and there was widespread support for the designation of the conservation area at Ethelbert Road and Athelstan Road. The public also showed support for measures to control certain permitted developments and alterations within the area identified by use of an Article 4 Direction.

Cabinet then considered the recommendations that the Ethelbert and Athelstan Road area (highlighted in annex 1 of the Cabinet report) plan be adopted as a designated Conservation Area and that officers prepare, consult and undertake the formal designation of an Article 4 Direction in respect of this area.

Councillors Bayford and Marson spoke under Council Procedure Rule 24.1.

Councillor D. Green proposed, Councillor Nicholson seconded and Members agreed the following:

1. To approve the Ethelbert and Athelstan Road area be adopted as a designated Conservation Area and that this be communicated to all parties involved and the matter be reported to Council for information;
2. That officers prepare, consult (including with internal stakeholders) and undertake the formal designation of an Article 4 Direction in respect of this area;

3. That the remainder of the areas are progressed as part of a management plan towards consultation with members of the public for consideration as designated Conservation Areas. Part of this process will include consultation of an Article 4 Direction for each area.

**238. WASTE REGULATIONS TEEP (TECHNICALLY, ENVIRONMENTALLY AND ECONOMICALLY PRACTICABLE TEST) REPORT**

The conclusions of the Technical, Environmental and Economic Practicability test carried out for recycling in Thanet under the Waste England and Wales Regulations 2011 (amended) were reported to the meeting. The assessment concluded that the impact of moving to fully separated kerbside sorting of recyclable material would not be economically practicable at this stage, even though this would pass the technical and environmental tests.

Councillor Harrison proposed, Councillor Nicholson seconded and Members agreed that the current collection methodology be retained in Thanet for the present as full kerbside sorting is not economically feasible, but the system is reviewed when significant changes to the collection service are being proposed.

**239. ASSET MANAGEMENT - DISPOSALS**

The Council used its property assets for a range of purposes including direct delivery of services, revenue generation and supporting corporate plan objectives. The current general fund portfolio was diverse and was reviewed regularly in relation to ensuring the property holding continued to provide the best output for the council.

Councillor Bayford spoke under Council Procedure Rule 24.1.

Councillor Everitt proposed, Councillor Nicholson seconded and Cabinet agreed to the sites contained in Table 1 below as being surplus and authorise the estates team to progress through the disposal framework.

Table 1

Annex Number	Asset Number	Site	Proposal
1	455/1-1	4c York Street, Ramsgate	Dispose of freehold for capital receipt.
2	402/1-1	Bell Meadow St Nicholas-at-Wade	Dispose of freehold for the benefit of the community
3	No asset no	Princes Road Store Ramsgate	Dispose of freehold for capital receipt.
4	1808/1-2	Leigh Road Security hut and adj land Ramsgate	Dispose of freehold for capital receipt
5	317/3-1	Land at Steven Court, Ramsgate	Leased for many years to the residents of Steven Court who use as garden land, disposal freehold subject to charge to remain as garden land.
6	388/2-various	York Gate House, Broadstairs and Broadstairs Pavillion	Disposal of freehold for capital receipt.
7	59/1-1	Land at Covell's Row Margate	Disposal of freehold for capital receipt
8	12/5-2	Former promenade toilets adj to Seaview Terrace Margate	Disposal of freehold for capital receipt
9	No asset no.	Land at Clarendon Road Margate	Disposal of freehold for capital receipt.

#### **240. ASSET MANAGEMENT - THEATRE ROYAL AND 19 HAWLEY SQUARE**

Cabinet considered proposals put forward to procure an operator for the Theatre Royal Margate and 19 Hawley Square through an OJEU process, offering the combined estates on a long leasehold to support the capital investment required. Councillor Everitt confirmed that 16A Hawley Square was included in the disposal.

Councillors Wells and M. Tomlinson spoke under Council Procedure Rule 24.1.

Councillor Everitt proposed, Councillor Nicholson seconded and Cabinet agreed to allow officers to follow an OJEU process to procure an operator for the Theatre Royal Margate and 19 Hawley Square. This will ensure that both premises are contractually tied together and offering them on a long leasehold will support the capital investment required. Cabinet also authorises the estates team to progress through the disposal framework.

#### **241. AGREEING NEW TENANCY CONDITIONS**

East Kent Housing on behalf Thanet District Council had been reviewing the current tenancy agreement in light of these changes. In order to introduce a new tenancy agreement for all tenants; a statutory process of consultation had now been undertaken and the final draft of the tenancy agreement and its conditions was brought before Cabinet for consideration.

Councillor Nicholson proposed, Councillor Harrison seconded and Members agreed the following:

1. The granting of new tenancies in accordance with the Council's approved Tenancy Policy on the new conditions of tenancy set out in the tenancy agreement template attached at Appendix 1 to the Cabinet report; with effect from 1st April 2015;
2. That Notice of Variation under Section 103 of the Housing Act 1985 be served on all existing tenants varying the terms of all existing tenancies to those new conditions of tenancy as set out in the draft tenancy agreement template at Appendix 1 to the Cabinet report; with effect from 1st April 2015.

**242. ADOPT REVISED HOUSING ASSISTANCE AND DISABILITY ADAPTATIONS POLICY 2015-2019**

The Council had a policy that had been adopted in 2003 and last revised in 2009. The proposed policy update was being suggested in order to cover current Council priorities. A full consultation had been undertaken leading up to the final document that was brought to Cabinet for adoption.

Councillor Nicholson proposed, Councillor Harrison seconded and Members adopted the policy and provide delegated authority to the Head of Housing in consultation with the Portfolio Holder to develop further grant and loan schemes within the scope of this policy.

**243. THANET PARKWAY STATION**

Members received an update on the progress of the Parkway Station Project.

Councillors Bayford and Binks spoke under Council Procedure 24.1.

Councillor Nicholson proposed, Councillor Harrison seconded and Cabinet noted the current position with regard to progress on the Thanet Parkway Station and confirmed their support for the project, subject to the consultation.

**244. ESTABLISHMENT OF EAST KENT SERVICES COMMITTEE AND ASSOCIATED ARRANGEMENTS**

Members discussed the proposed revised collaboration arrangement for East Kent for those authorities in East Kent which were still sharing services through East Kent Services and East Kent Human Resource Partnership. They also considered a revised committee structure and operating arrangements and a proposed administrative collaboration agreement. Members were advised that once implemented the East Kent Joint Arrangements Committee would cease to exist.

Councillor E. Green proposed, Councillor Nicholson seconded and Members agreed option 7.1 of the Cabinet report which proposed that Members 'approve the proposed arrangements and collaboration agreement.'

Cabinet further recommended to Council that Members:

- i) Approve the operating arrangements, terms of reference and rules of procedure at Schedules 1 and 2 for a new joint committee to be known as the East Kent Services Committee;

- ii) Adopt the Protocol on Scrutiny of the East Kent Services Committee set out at Schedule 3;
- iii) Reaffirm the collaboration objectives and partnership values set out at Schedule 4;
- iv) Agree that each Council (with the approval of each executive) appoints two executive members and two substitute executive members to the East Kent Services Committee. Thereafter each Council to appoint members in accordance with its own constitution;
- v) Approve the arrangements for the discharge of functions and delegations contained in Schedule 5 to this report;
- vi) Authorise their respective Chief Executives to discharge the powers and functions as described in the section of this report headed "The Proposed Collaboration Agreement" together with any other functions as may be appropriate to ascribe to them in the proposed collaboration agreement;
- vii) Agree that the revised arrangements at 1 to 6 above, are effective from 10:30 am on 11 February 2015 subject to the Cabinets and Councils of each of the authorities having made the decisions set out at 1 to 8 in identical terms;
- viii) Authorise the respective chief executives to approve on behalf of their respective councils a collaboration agreements incorporating the above resolutions and any other necessary terms to the ensure efficient and equitable delivery of the collaboration objectives and partnership values as set out in this report.

Meeting concluded: 8.30 pm