

# Public Document Pack



Date: 12 January 2015  
Ask For: Charles Hungwe  
Direct Dial: (01843) 577186  
Email: charles.hungwe@thanet.gov.uk

## CABINET

**20 JANUARY 2015**

A meeting of the Cabinet will be held at **7.00 pm on Tuesday, 20 January 2015** in the Council Chamber, Council Offices, Cecil Street, Margate, Kent.

### Membership:

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

## A G E N D A

Item  
No

Subject

1. **APOLOGIES FOR ABSENCE**

2. **DECLARATIONS OF INTEREST**

To receive any declarations of interest. Members are advised to consider the advice contained within the Declaration of Interest form attached at the back of this agenda. If a Member declares an interest, they should complete that form and hand it to the officer clerking the meeting and then take the prescribed course of action.

3. **MINUTES OF PREVIOUS MEETING** (Pages 1 - 6)

To approve the summary of recommendations and decisions of the Cabinet meeting held on 13 November 2014, copy attached.

4. **MINUTES OF EXTRAORDINARY MEETING** (Pages 7 - 10)

To approve the summary of recommendations and decisions of the extraordinary Cabinet meeting held on 11 December 2014, copy attached.

5. **COUNCIL TAX - EMPTY HOMES PREMIUM** (Pages 11 - 16)

6. **BUDGET MONITORING REPORT 2014/15** (Pages 17 - 40)

7. **TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY - MID YEAR REVIEW REPORT 2014/15** (Pages 41 - 56)

8. **TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION POLICY STATEMENT AND ANNUAL INVESTMENT STRATEGY FOR 2015/16** (Pages 57 - 78)

Item  
No

Subject

9. **2015/16 BUDGET AND MEDIUM TERM FINANCIAL PLAN 2015-19**  
Report to Follow
10. **NOTICE OF MOTION NO.2 - DESIGNATION OF CONSERVATION AREA, CLIFTONVILLE** (Pages 79 - 128)
11. **WASTE REGULATIONS TEEP (TECHNICALLY, ENVIRONMENTALLY AND ECONOMICALLY PRACTICABLE TEST) REPORT** (Pages 129 - 134)
12. **ASSET MANAGEMENT - DISPOSALS** (Pages 135 - 158)
13. **ASSET MANAGEMENT - THEATRE ROYAL AND 19 HAWLEY SQUARE** (Pages 159 - 164)
14. **AGREEING NEW TENANCY CONDITIONS** (Pages 165 - 184)
15. **ADOPT REVISED HOUSING ASSISTANCE AND DISABILITY ADAPTATIONS POLICY 2014-2016** (Pages 185 - 230)
16. **THANET PARKWAY STATION** (Pages 231 - 236)
17. **ESTABLISHMENT OF EAST KENT SERVICES COMMITTEE AND ASSOCIATED ARRANGEMENTS** (Pages 237 - 282)

**Declaration of Interest form - back of agenda**

## CABINET

**Minutes of the meeting held on 13 November 2014 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, Fenner, King, Kirby, Poole, D Saunders, M Saunders and S Tomlinson

### **210. APOLOGIES FOR ABSENCE**

There were no apologies received at the meeting.

### **211. DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **212. MINUTES OF PREVIOUS SCHEDULED MEETING**

Councillor Johnston proposed, Councillor Nicholson seconded and Members agreed the minutes of the previous scheduled meeting held on 11 September 2014.

### **213. MINUTES OF EXTRAORDINARY MEETING**

Councillor Johnston proposed, Councillor Nicholson seconded and Members agreed the minutes of the extraordinary meeting held on 16 October 2014.

### **214. CORPORATE PERFORMANCE REPORT**

Members considered a summary of the progress made between April and September this year against the eleven priorities agreed within the 2012 – 2016 Corporate Plan. In the first half of this financial year 23 projects had been progressed to work towards the priorities, and 38 performance indicators have tracked performance.

Of the 23 projects being progressed 18 are on track and five are showing some slippage. The report gives accounts of what we are doing to mitigate any risks.

Cabinet noted that of the 38 performance indicators 28 were on target, seven were performing under target with management action being taken, and three were just below target.

Despite on-going resource challenges the Council was continuing to make progress in key areas of service delivery. The main positive features of performance in this half-year were:

- On-going progress towards delivery of the Dreamland Heritage Amusement Park;
- Excellent progress in the way we are using our selective licensing powers to counter poor housing conditions in some private rented homes;
- On-going improvement of play facilities in the area, including getting works on site for Thanet's new skate parks;
- Good progress being made on 13 initiatives within this years' Community Safety Plan;

- Continuing improvement of the Yacht Valley facilities at the Royal Ramsgate Harbour.

The following Members spoke under Council Procedure Rule 24.1:

Councillor Bayford;  
Councillor Bruce;  
Councillor D. Saunders;  
Councillor King.

Councillor E. Green proposed, Councillor Nicholson seconded and Members agreed that Cabinet notes the council's performance and consider the remedial actions listed (as set out in option 3.1 to the report).

## **215. BUDGET MONITORING - 2014/15**

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

### **The General Fund:**

The six months monitoring data provided indication of the potential outturn position, although there remains pressure to deliver a breakeven position for the current budget. Managers were carefully monitoring the situation over the coming months and corrective action will be taken where required to bring it back to a balanced budget position. Efforts were being made to find further efficiencies over the remainder of the year in order to get the balance. Controls over non-essential spending and the restriction on recruitment to where it is absolutely essential will continue.

### **Housing Revenue Account:**

The Housing Revenue Account had an overspend against budget of £172k and managers were working hard to find efficiencies.

### **Capital:**

A surplus on the Minimum Revenue Provision and Cabinet was reported and Cabinet was asked to agree the movement of the surplus on the Minimum Revenue Provision budget of £369k to the Capital Project Reserve to give stability to the current capital programme.

Members were asked to consider a number of virements that were required within the General Fund and HRA Capital Programmes; as detailed in Annex 3 and Annex 4 to the Cabinet report.

Councillor Binks spoke under Council Procedure Rule 24.1.

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

1. That Cabinet note the council's performance and consider the remedial actions listed (as set out in option 3.1 to the report);
2. To approve the movement of the surplus on the Minimum Revenue Provision budget of £369k to the Capital Project Reserve;
3. To note the General Fund capital outturn and agreed the budget virements detailed as per **Annex 3** of the Cabinet report for the General Fund capital programme;



4. To note the HRA capital outturn and agreed the budget virements as detailed as per **Annex 4** of the Cabinet report.

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

Cabinet agreed that Council ought to send the message that Council did not accept a situation where the district had long term empty properties which could be put to good use.

Speaking under Council Procedure Rule 24.1, Councillor Binks suggested and Members agreed that the text in the Cabinet report should have the wording “substantially” added to paragraph 1.0; first sentence to read as follows;

‘The Council Tax (Administration and Enforcement) (Amendment) (No.2) (England) Regulations 2012 give billing authorities the discretion to levy an empty homes premium of up to 50% on council tax payable in respect of dwellings that have been left empty and substantially unfurnished for two years or more.’

Councillor D. Saunders and Councillor King also spoke under Council Procedure Rule 24.1.

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

To approve going out to consultation for a month on introducing a “long term empty” premium for Council Tax. A report will be produced at the end of the period setting out the results and recommended next steps.

**217. BUDGET STRATEGY 2015-2016**

The budget proposal was developed within the context of the local government finance environment and the need for Cabinet to ensure that Council’s resources were managed efficiently and effectively. The Council was continuing to face significant cuts in Government funding over the next few years and with substantial savings already having been taken in recent years, it was becoming increasingly difficult to identify further savings without impacting on frontline services.

The budget proposals presented the revised outline funding position, increased Fees and Charges and a number of savings proposals which enabled Cabinet to recommend a balanced budget for 2015/16 to Council with the minimum impact on priority services.

Councillor Bayford spoke under Council Procedure Rule 24.1.

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

1. To approve the approach being used to develop the budget estimates for the General Fund;
2. To delegate authority be approved for the Cabinet Member for Financial Services and Estates and the Director of Corporate Resources to set the Council Tax base;
3. To recommend to Council the draft fees and charges for 2015-16;
4. To note the financial risk assessment for the General Fund Revenue Account that will be used to inform the setting of reserves for 2015-16, and the associated impact on the levels and types of reserves held;

5. To approve the General Fund capital budget proposals for 2015-16 to 2018-19;
6. To approve the HRA budget estimates for 2015-16 to 2018-19;
7. To approve the Housing Revenue Account Capital Budgets for 2015-16 to 2018-19 as detailed in Annex 2 to the Cabinet report.

**218. CCTV UPGRADE REPORT**

The Council's investment in its CCTV system had lasted well and provided excellent value for money. However, despite the continued maintenance work carried out since its installation in 1997, the system now needs upgrading.

Councillor Fenner spoke under Council Procedure Rule 24.1.

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

That the control room be retained in the medium term at its current location but with financial provision made to co-locate in the Cecil Street offices and a tender exercise undertaken for the replacement of the control system, cameras, and mobile CCTV equipment in accordance with Option A in Annex 1 of the Cabinet report.

**219. AGREEING NEW TENANCY CONDITIONS**

The Localism Act introduced the new tenancy standard which identified a series of changes to the types of tenancy agreements that can be granted by local housing authorities.

East Kent Housing on behalf Thanet District Council has been reviewing the current tenancy agreement in light of these changes. Extensive consultation has already been undertaken by East Kent Housing to produce the draft tenancy agreement in Annex 1 to the Cabinet report. In order to introduce a new tenancy agreement for all tenants a statutory process of consultation must now be followed and cabinet are being requested to allow this process to move forward.

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

To approve the consultation required to introduce these changes by serving the notice in accordance with the statutory requirements.

**220. ADOPTION OF ASSET MANAGEMENT STRATEGY**

Members acknowledged the need for a Corporate Asset Strategy that outlined a commitment to proactive corporate property and land asset management. The current asset strategy expired in 2011 and Cabinet was being asked to approve a new asset strategy that documented the key areas of focus. The proposed new strategy also introduced an improved disposal process.

Cabinet was advised that the proposed Asset Management Strategy had been considered by the Overview & Scrutiny Panel and recommend to Cabinet for approval.

Councillor Fenner spoke under Council Procedure Rule 24.1.

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

To approve the Corporate Property Asset Management Strategy 2014 – 2019.

**221. PIER YARD, RAMSGATE**

It was reported at Cabinet that a review of regeneration schemes for Ramsgate had identified Pier Yard as an area with potential to be designated as a town square and thus provided a focal point for the town, encouraging activities and events that would increase footfall and by doing this supported the economic development strategy.

Pier Yard's current use was predominantly for vehicles, as a throughput for access and as a car park. Traffic right of ways would not be stopped as part of any plans to pedestrianize. However car parking would need to be accommodated elsewhere in Ramsgate.

In recognition that Pier Yard had a number of existing uses and any development could impact a number of stakeholders including the harbour, maritime museum, harbour slipways, the Town Council, and the general public, it was proposed that a public consultation would be undertaken by Thanet District Council to seek views on the proposals to turn the area into a Town Square.

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

To give approval to Option 3.1 as detailed in the Cabinet report with the outcome of the public consultation being brought back to Cabinet by the latest Spring of 2015.

**222. BEACH MANAGEMENT PLAN**

The need for an audit of the facilities at Thanet beaches and bays was identified by the executive early on as it was important to know exactly what was required to be done to make the most of these facilities. The cost of beach management was around £1million per annum to local taxpayers through the Council.

Cabinet's view was that every penny spent in managing the beaches and bays as an investment in not only the district's tourism product but in the wellbeing of all local residents. There were a large number of stakeholders involved in developing this plan. The exercise was led by consultants.

The Council now had a huge task in developing project plans and engaging with stakeholders to take some of the larger aspirations of the plan forward. Through the reserves allocated to delivering the Destination Management Plan and Interreg funding; Consultants have been commissioned to develop a feasibility plan and proposal for a beach club at Ramsgate main sands.

Councillor D. Saunders and Councillor Bruce spoke under Council Procedure Rule 24.1.

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

That Cabinet adopt the Beach Management Plan and agree option 2 to the Cabinet report; to allow officers to take forward the required work as identified in paragraphs 3.2 and 3.3 of the report, subject to existing delegations and budgetary restrictions.

Meeting concluded: 8.35 pm

## EXTRAORDINARY CABINET

**Minutes of the extraordinary meeting held on 11 December 2014 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 Alexandrou, Bayford, Binks, Bruce, Edwards, Fenner, Gideon, Grove, C Hart, King, Lodge-Pritchard, Marson, Moores, Poole, D Saunders, M Saunders, M Tomlinson, S Tomlinson, Wells, Wiltshire, Wise, Worrow and Wright

### **223. APOLOGIES FOR ABSENCE**

There were no apologies received at the meeting.

### **224. DECLARATIONS OF INTEREST**

Councillor Johnston, Leader of Council informed the meeting that she had in the past attended a Save The Manston Airport Group meeting at which she gave a donation to the Group, sat at the top table at the AGM meeting and was entitled to vote. Mr Steven Boyle, Legal Services Manager & Monitoring Officer advised the meeting based on these representations that it was not his assessment that the Leader would be required to avoid voting on the Manston Airport agenda item at this meeting.

### **225. THANET LOCAL PLAN PREFERRED OPTIONS**

Cabinet was advised that Council had to meet its statutory obligations by developing and adopting the Local Plan that set out how Thanet District would coordinate and manage future growth and developments as well as promote regeneration and economic prosperity for the area. The Local Plan was also an important tool for attracting future investment into the District as it provided a vision for how the District would be developed to meet the future demand for housing and employment whilst ensuring the natural, built and historic environment was protected.

The Local Plan had to be prepared in compliance with the guidance set out in the National Planning Policy Framework; whose core principle was “to proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs.”

Development of the draft Plan was led by a Cabinet Advisory Group whose membership was cross party. Cabinet commended the work done by the Cabinet Advisory Group and officers who supported the process leading up to the drafting of the proposed preferred options for the Local Plan.

Cabinet Members received a detailed power-point presentation from Mr Ismail Mohammed, Strategic Planning Manager on the highlights of the content of the draft Thanet Local Plan, Preferred Options Document that included the strategic policies, future site allocations and development management policies. The presentation also set out the timeline for the key activities that had been undertaken and that would need to be done leading up to the adoption of an updated Thanet Local Plan.

The meeting noted some amendments that were made to the draft document and were highlighted in an addendum to the report.

The following Members spoke under Council Procedure Rule 24.1:  
 Councillor Bayford;  
 Councillor Bruce;  
 Councillor Cohen.

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

1. To approve the Draft Thanet Local Plan to 2031 Preferred Options Document and for the Council carry out a six week public consultation on the Draft Thanet Plan to 2031 Preferred Options Consultation and engage with wider local communities;
2. To delegate to the Director of Community Service in consultation with the Cabinet Member for Housing and Planning Services; to make any minor alteration to the approved Draft Thanet Local to 2031 Preferred Options Document that are considered necessary to ensure accuracy, reference and presentation for public consultation;
3. To set-up a Cabinet Advisory Group or Working Group to prepare the Area Action Plan Development Plan Document for the area of Manston Airport and its surrounding environ;
4. That the Draft Thanet Local Plan to 2031 Preferred Options Document (Annex 1) to the report be amended by deleting the section titled "New Primary School, Margate and Policy CM03" (page 189 of the Cabinet agenda);
5. That the Draft Thanet Local Plan to 2031 Preferred Options Document (Annex 1) to the report, insert: Policy H02G - Land at Melbourne Avenue, Ramsgate on page 122 before the section titled Cliftonville and Margate by deleting the section titled "New Primary School, Margate and Policy CM03" (page 189 of the Cabinet agenda).

## **226. MANSTON AIRPORT**

Cabinet consider a report back on the soft marketing exercise that officers had been tasked to undertake in order to determine the possibility of finding an indemnity partner if Council was to opt for CPO route for the Manston Airport site. The meeting heard that the Council had made every effort to work constructively with Party A including making several deadline extensions for submitting the information requested from potential indemnity.

Cabinet noted that the Section 151 Officer and the other statutory officers had reached their conclusions after fully considering what had been put forward and the implications. The method of analysis and the conclusions are also backed by Counsel's Advice. The Council had entered into a confidentiality agreement with Party A which was specifically requested by them.

Cabinet therefore noted the following four points in particular:

1. There was no stage by stage funding for a CPO. Unless the investment was in place, the prospects of a CPO were much diminished;
2. The new ownership of the site made it more difficult to mount a successful CPO argument;
3. The Council wanted to see a thriving, viable airport. Given all the past unsuccessful attempts to do this, a long-term business plan was simply an essential requirement;

4. Neither Government nor the County Council had come forward with any financial support to help the Council deal with this major project.

Cabinet agreed not to put at risk council tax payers' funds and not to adopt an indemnity partner which carried uncertainty.

The following Members spoke under Council Procedure Rule 24.1:

Councillor Bayford;  
Councillor Marson;  
Councillor Binks;  
Councillor S. Tomlinson;  
Councillor D. Saunders;  
Councillor Wells;  
Councillor Wiltshire;  
Councillor Cohen.

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 subject to obtaining written consent from Party A; relevant information is sent to the Minister of State for Transport for consideration.

Meeting concluded: 9.10 pm

This page is intentionally left blank



---

## **COUNCIL TAX – EMPTY HOMES PREMIUM**

To: **Cabinet – 20<sup>th</sup> January 2015**

Main Portfolio Area: **Financial Services and Estates**

By: **Cllr Rick Everitt, Cabinet Member for Financial Services and Estates**

Classification: **Unrestricted**

Ward: **All**

---

**Summary:** This report outlines proposals to introduce a council tax empty homes premium from 1 April 2015. This will result in council tax of 150 per cent being charged for properties that have been empty and substantially unfurnished for more than two years. This report gives details of the outcome of the consultation exercise which was undertaken following the Cabinet meeting on 13<sup>th</sup> November 2014.

### **For Decision**

---

#### **1.0 Introduction and Background**

The Council Tax (Administration and Enforcement) (Amendment) (No.2) (England) Regulations 2012 give billing authorities the discretion to levy an empty homes premium of up to 50% on council tax payable in respect of dwellings that have been left empty and substantially unfurnished for two years or more.

There are two exceptions:

- Where the property is left empty by a serving member of the armed forces, who is living elsewhere in accommodation provided by the Secretary of State for Defence; or where the property is the sole or main residence of a serving member of the armed forces, who is subject to a job related discount at an alternative address provided by the Secretary of State for Defence.
- Empty Annexes

The option of introducing a premium links to the Council's objectives which aim to reduce the number of empty properties in the area and should minimise the likelihood that properties become long-term empties.

After two years of remaining empty, properties may start to deteriorate and impact negatively on neighbourhoods which the Council are trying hard to avoid.

As at September 2014, 229 properties had remained empty for in excess of two years.

The New Homes Bonus is a grant paid by central government to local councils for increasing the number of homes and their use.

The New Homes Bonus is paid each year for 6 years. It's based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use. Introducing a long term empty premium could incentivise owners to bring properties back into use and therefore increase the New Homes Bonus payable to the council.

If the Council chose to adopt a 50% premium the properties identified above could theoretically generate up to an additional £140,000 of potential income per annum at current council tax levels. This represents the additional 50% which will be charged.

However, raising the charge does not guarantee collecting the monies due. Many of the older cases may have absent owners or unresolved probate issues. Tax avoidance tactics could also have a major impact on the level of potential income generated.

### Consultation

Following the Cabinet meeting of 13<sup>th</sup> November a consultation exercise was undertaken to seek views on whether to introduce the premium or not. The consultation ran for just over a month and was publicised on the website, through social media and the local media.

The consultation closed on Monday 15<sup>th</sup> December and the results were analysed shortly afterwards.

The question which was asked is detailed below:

***Do you agree with Thanet District Council introducing a 50% additional Council Tax charge from 1st April 2015, for properties that have been empty and substantially unfurnished for two years or more?***

Overall, 52 people replied to the consultation. 46 people (88.5%) agreed with the proposal and 6 people (11.5%) disagreed with the proposal. There were a number of additional comments made which have been collated and included as an appendix to this report.

From those that replied there is a clear overall majority agreeing with the proposal – albeit the overall number who replied wasn't substantial.

## **3.0 Options**

- 3.1 Introduce a "long term empty" premium for Council Tax from 1<sup>st</sup> April 2015. From those that replied to the consultation this reflects the majority view. This option is recommended.
- 3.2 Do not introduce a "long term empty" premium for Council Tax. From those that replied to the consultation this reflects the minority view.

## **4.0 Next Steps**

- 4.1 If the recommendation is agreed EK Services will work with the Council to introduce the Council Tax "long term empty" premium from 1<sup>st</sup> April 2015.

## **5.0 Corporate Implications**

### **5.1 Financial and VAT**

- 5.1.1 The additional income generated by the “long term empty” premium is shared amongst the Council and major precepting authorities proportionate to their share of the Council Tax.
- 5.1.2 The additional council tax that could be theoretically generated by introducing the premium is up to £140,000 per year. As mentioned previously there are unavoidable difficulties in collecting some of this money and tax avoidance tactics have to be carefully monitored.
- 5.1.3 The basic Council share could be up to £19,600. Additionally under an agreement with Kent County Council, 25% of their gain would be transferred to Thanet in recompense for making the change which is considerably to their advantage. This could bring Thanet up to an additional £24,850.

### **5.2 Legal**

- 5.2.1 Section 12(2) of the Local Government Finance Act 2012 and the regulations cited in this report allow local authorities in England to set a council tax rate for long-term empty properties of up to 150% of the normal liability.

### **5.3 Corporate**

EK Services are tasked to administer the Council Tax scheme in line with national legislation.

### **5.4 Equity and Equalities**

Data is not kept or requested from owners of empty properties other than name and address. Information on age, race, religion, disability, sexual orientation etc is not needed to administer the Council Tax scheme (apart from very few exceptions) so is not requested.

## **6.0 Recommendation**

- 6.1 Cabinet approve the introduction of the Council Tax “long term empty” premium from 1<sup>st</sup> April 2015.

## **7.0 Decision Making Process**

- 7.1 This is a key decision.

Contact Officer:	Andrew Stevens, Assistant Director, EK Services
Reporting to:	Paul Cook, Director of Corporate & Regulatory Services & Deputy 151 Officer

## **Annex List**

Annex 1	“Additional comments” received during the consultation period.
---------	--

## Background Papers

Title	Details of where to access copy
None	N/A

## Corporate Consultation Undertaken

Finance	Paul Cook, Director of Corporate Resources and s151 officer
Legal	

### Annex 1 – comments from the survey

NB – The comments below have been taken directly from the consultation responses. No corrections / amendments have been made to any of them.

I do not believe the Council will act fairly. I do not believe the Council will make a proper distinction between empty property and empty annexes. I do not believe the Council will help those who do not want to leave property in a poor state but have no funding to make repairs.

I don't feel that it's right. And I sure full of loopholes, that the people who should be effected itsnt

Does this include properties owned by the council? How do you propose to collect this tax from landlords/owners of properties who you are unable to contact or locate?

Charges should be re-considered for properties that have been removed from Council Tax by the Valuation Office. Some of the worst offenders for derelict and empty building are those that currently pay NO Council Tax at all and an increase of 50% will be an even bigger incentive for owners to make their properties physically worse in order to get an exemption.

Empty properties contribute to the rundown feel of a neighbourhood and can therefore add to anti-social behaviour (broken window effect). They are also a waste of a home - when we are crying out for more houses. It's always better in my opinion to reuse an existing property than build new ones. Renovating old homes and bringing them up to standards in terms of insulation and living condition also generates industry. A 50% additional council tax on empty homes - is likely to force landlords/homeowners to rethink leaving their property standing empty and therefore positively contribute to the health of a neighbourhood for all the reasons listed above.

Owners who leave their properties empty should be penalised financially. I think that the 50% additional council tax charge is a very good idea. Empty homes in Ramsgate, for example, make the town less attractive visually, attract vandalism, graffiti and fly tipping and mean that the properties are often poorly maintained. There is a housing shortage in Thanet, both in the privately rented and public housing stock, therefore, TDC should continue its policy of buying up empty properties in Ramsgate, Margate and Cliftonville and renovating them, to rent out.

I would like more action/ guidance for those who allow occupied properties to deteriorate.

Unless the property is the sole property of the owner and they are in hospital/care home etc, there should be some sort of charge made, although with no services being used a reduced charge should be adequate.

A few doors along from me a house is being left to fall into disrepair because the owner has gone into a care home and her family are reluctant to take and action, with an aging population and a need for homes for younger people in the area this is a real worry. Home owners should be motivated to ensure homes they gave responsibility for are maintained and used, this council tax premium is a great idea and could prompt many families in this situation to take positive action, freeing up homes for use and ensuring they are not neglected.

COUNCIL TAX IS FOR COUNCIL SERVICES - HOW CAN YOU DEMAND A TAX FROM EMPTY PROPERTY? IF THE PEOPLE DID WHAT YOU DO WE'D BE ARRESTED!

Thanet has more empty properties than the average nationally, and everything should be done to encourage owners to bring them back into use. Empty properties do no one any good, and there are far too many people without a decent home for properties to be left empty for no good reason.

Too many land, property developers sit on usable housing, they need to be forced into letting them, EG Freshwater have numerous empty flats in Arlington house, some have been empty for over thirty years, freshwater do not in any form contribute towards Thanet, they should be forced to let them, but i fear this Council will not do anything, and as they are the Freeholders TDC councillors should also foot part of the bill.,

I think if someone has a spare property which is empty unless they have a good reason! it should be put to good use.

It will be all too easy for any prudent property owner to avoid the additional charge by merely stating the property is occupied and putting forward a non-existent name. After a couple of years the "name then disappears without trace and the Council is unable to collect. Job done!

So long as the property is well maintained and secure, why should the council penalise a property owner, they are already paying full council tax.

I believe this should be extended to properties with boarded up retail unit/s where either 1. No attempt is being made to let the retail unit at a reasonable market rent or 2. The owner is not taking steps to change the use of the retail unit to residential if appropriate. I know there are difficulties getting improvements done when a landlord has no funds to get work done.

There are too many empty properties in Thanet and therefore this measure is a step in the right direction. Thanet is already too densely urban. We do not need or want any more new houses, rather we need to make better use of the existing housing provision. The road network in Thanet is already under strain and cannot support the addition of more cars which would inevitably result from building more houses.

Although discretion will need to be used for those who may have an empty property through bereavement (for example) which may be on the market but not selling.

## **BUDGET MONITORING REPORT 2014/15**

To: **Cabinet – 20 January 2015**

Main Portfolio Area: **Financial Services**

By: **Cllr Rick Everitt, Cabinet Member for Financial Services and Estates**

Classification: **Unrestricted**

Ward: **All**

---

**Summary: To inform Cabinet of the latest budget monitoring position against the General Fund, Housing Revenue Account and capital programme for 2014/15.**

### **For Decision**

---

#### **1.0 Introduction**

1.1 This report enables Cabinet to take an informed view of the likely financial out-turn for the General Fund, as well as the likely outturn on the Housing Revenue Account and capital programme for 2014/15 comparing the forecast spend against the budget for the year. The report summarises the main issues, with the detail being provided in the annexes.

#### **2.0 Summary Outturn Position for the General Fund 2014/15**

2.1 Monitoring has now been undertaken to November for the financial year 2014/15 and a breakeven position is anticipated. However, in achieving a breakeven position emerging pressures such as the on-going delivery of savings factored in as part of the 2014/15 Budget Build and the restructuring of Front Line Services have been assumed to be containable within existing resources. More detailed information covering the period to the end of November 2014 is shown below.

2.2 As indicated above savings factored in as part of the 2014/15 Budget Build will need to be carefully monitored in order to ensure that they are delivered as expected.

2.3 With eight months monitoring data we have a better indication of the potential outturn position, although there remains pressure to deliver a breakeven position in the main due to reduced parking income, the current position will be carefully monitored over the coming months and corrective action will be taken to bring it back to a balanced budget position.





### **Director of Community Services**

3.3 Currently within this area there is a projected overspend of around £82k.

- Delays in delivering savings attached to the Media Centre for the 2014/15 financial year are anticipated at £34k however, additional work is underway to progress this saving for 2015/16
- Reductions in property income primarily due to reduced income from Staffordshire Street Market and lower occupancy at Forresters Hall £57k
- Environmental Services are reporting a variance, in the main due to Pollution and reduced income streams £21k.
- Every effort is being made to offset within Service and increased income from Land Hire, savings resulting from External Funding and additional Search Income reduce this potential overspend (£30k).

### **Director of Corporate Resource**

3.4 Currently within this area there is a small anticipated underspend (£14k).

- Due to various minor savings being offered to contribute towards the corporate position.

### **General**

3.5 Financial Services will continue to work with Managers to achieve a balanced outturn position for the 2014/15 Financial year, given the current position as identified above this would leave £345k to be managed out over the remaining 4 months. Financial Services will be working on a post restructure review and It is anticipated that this could generate additional vacancy savings, additional income around Council Tax recoveries and better recovery rates around EKS debt recovery will further reduce this position.

#### 4.0 External income position at end of November 2014

A significant proportion of the Council's budget is reliant on external income. These include Grants and subsidies from Government as well as income generated from business rates and council tax. Other external funding comes from a variety of sources and can be reliant on meeting funding objectives. To give some context to this, the Council's Net budget requirement for 2014/15 is funded 27.61% Revenue Support Grant, 25.24% Retained Business Rates and 47.15% through Council Tax

Other External Income		Adverse (positive) variance against budget							RAG Status
Directorate	Original Budget	Fees and Charges	Land & Property	Sales	G'ment Grants	Interest	Other Grants & Cont	Total	
Chief Executive	-	-	-	-	-	-	-	-	0.00%
Director Corp Resources S151	(167)	-	-	97	(218)	-	-	(121)	72.46%
Director Of Operational Serv	(3,784)	(128)	(34)	(45)	(228)	-	(6)	(441)	11.65%
Head Of Built Environment	(897)	(36)	-	(21)	(17)	-	(6)	(80)	8.92%
Head Of Econ Dev Asset Manager	(2,118)	(133)	74	(108)	(394)	-	(56)	(617)	29.13%
Head Of Fin Serv Deputy S151	(2,958)	-	-	16	11	-	(61)	(34)	1.15%
Head Of Housing Services	(14,239)	4	-	(85)	(116)	(19)	(19)	(235)	1.65%
Head Of Operational Services	(3,052)	127	(3)	(72)	(5)	-	(493)	(448)	14.61%
Head Of Safer Neighbourhoods	(777)	(76)	-	(5)	(40)	-	(57)	(178)	22.91%
<b>Totals</b>	<b>(27,992)</b>	<b>(242)</b>	<b>37</b>	<b>(223)</b>	<b>(1,007)</b>	<b>(19)</b>	<b>(698)</b>	<b>(2,162)</b>	

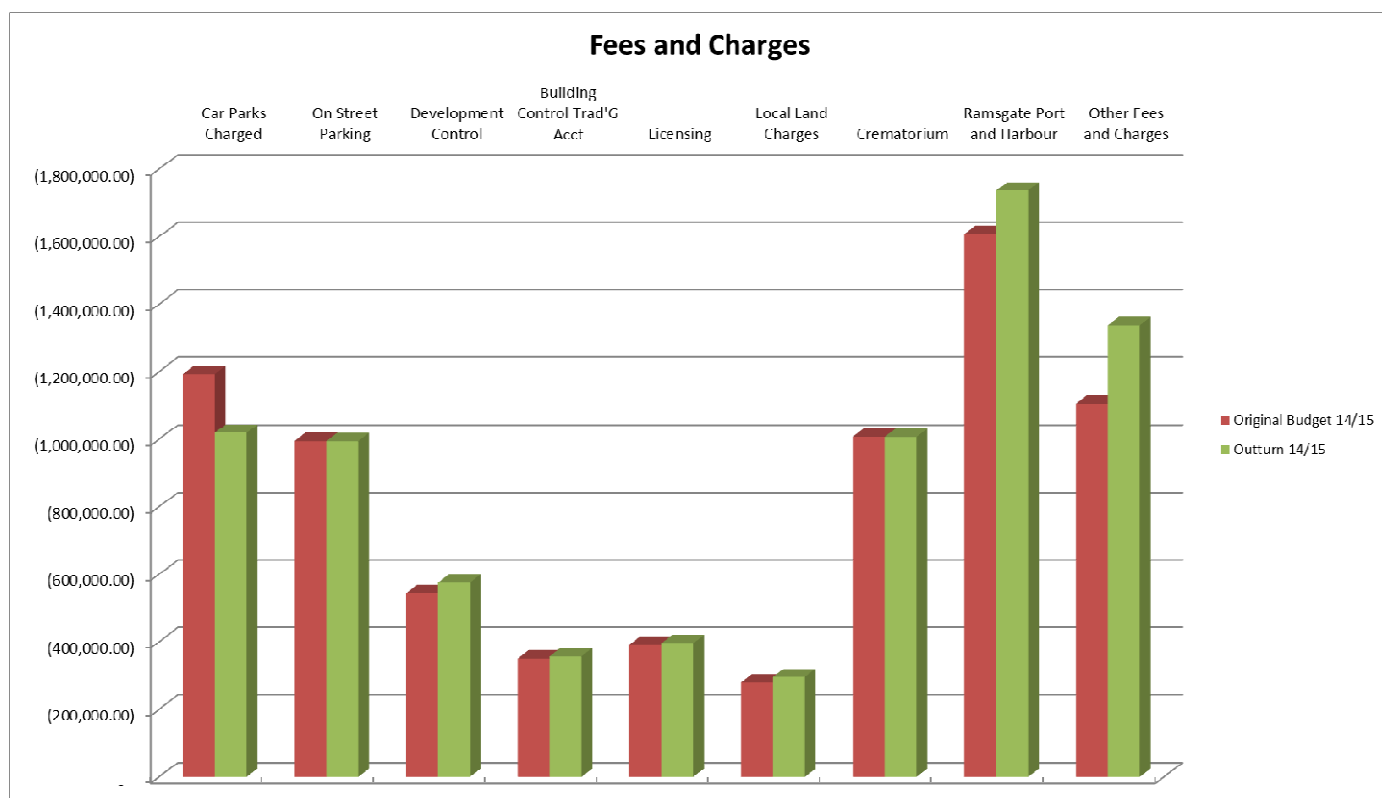
(note: Excludes HB Subsidy and Shared Services)

RAG Status: G = favourable or nil variance, A = up to 5% adverse variance or , R = > 5%

#### Key issues for external income

- Continued pressure on budgets within Maritime Services, accommodating reduced Windfarm activity and the on-going impact of not having a Ferry Operation in place. This can be further impacted by climate and better weather should result in increased income, with the opposite if poor weather is experienced.
- Car parking income in relation to off street parking is down, although this has been addressed in the budget for 2015/16 and beyond, it continues to be an issue in 2014/15 requiring additional savings elsewhere to offset. As above weather will have a major impact on this income stream and this is in part the reason for the lower than expected income this year.
- It is also worth highlighting here that although in some instances Income is shown as exceeding the original budget projections, in most instances this has been utilised to offset increased expenditure elsewhere.
- The Authority runs several trading accounts for income; in the main this is in areas where there is legislation that governs how you charge meaning that these are budgeted to run at nil cost to this Authority. Any surpluses generated through this arrangement need to be reinvested in the service and will not generate a contribution to the net requirement

## 5.0 Fees & Charges trends up to end of November 2014



### Top 5 Performing Fees and Charges

Performance Pack	Original Budget 14/15	Outturn 14/15	Total
Development Control	(545,000.00)	(575,400.00)	(30,400.00)
Food Safety	(120.00)	(46,430.00)	(46,310.00)
Operations - Income	(103,580.00)	(157,750.00)	(54,170.00)
Ramsgate Harbour	(1,504,850.00)	(1,579,070.00)	(74,220.00)
Margate Renewal -Delivery Team	-	(130,000.00)	(130,000.00)

### Under Performing Fees and Charges

Performance Pack	Original Budget 14/15	Outturn 14/15	Total
Car Parks Charged	(1,193,450.00)	(1,019,330.00)	174,120.00
Service And Facilities Charges	(11,130.00)	(7,160.00)	3,970.00
Broadstairs Harbour	(49,360.00)	(48,060.00)	1,300.00
Museums And Art Galleries	(26,400.00)	(25,320.00)	1,080.00
Building Control Service	(1,000.00)	-	1,000.00

## 6.0 Housing Revenue Account

Housing Revenue Account	Working Budget £'s	Outturn £'s	RAG Status
Income	(13,614)	(13,588)	-0.19%
Expenditure	12,613	10,972	-13%
Net Cost of Services not allocated to a specific service	1,532	1,514	-1%
Balance	(531)	(1,102)	

RAG Status: G = favourable or nil variance, A = up to 5% adverse variance or , R = > 5%

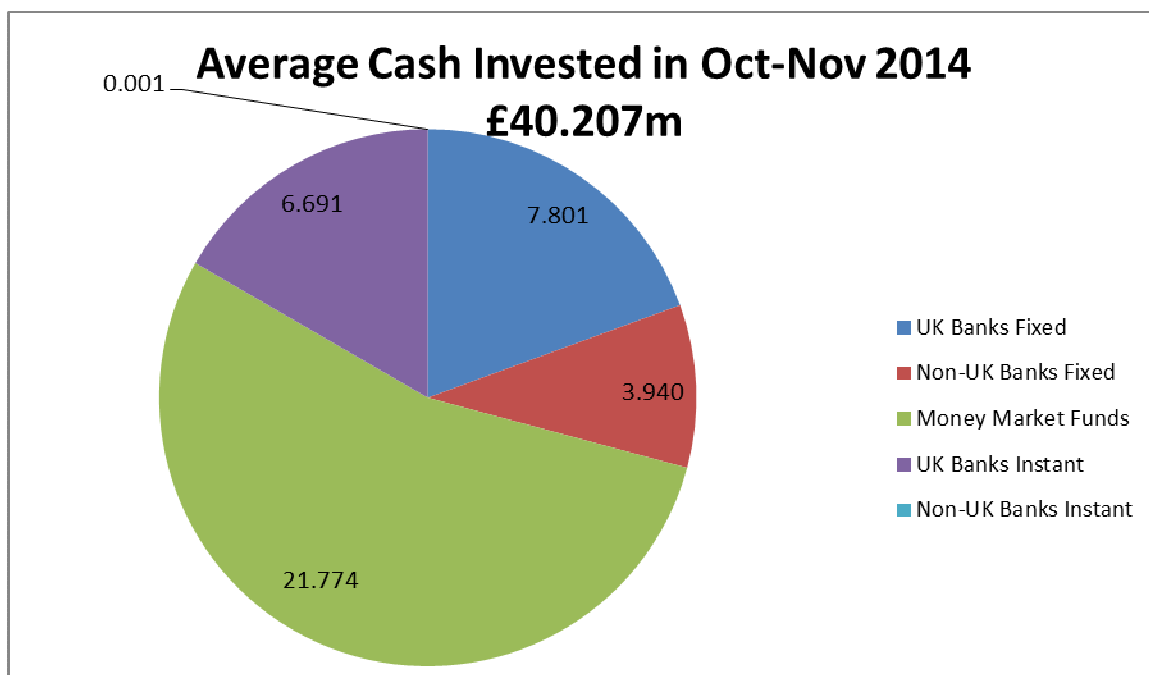
### 6.1 Key Highlights

- An overall underspend forecast for the year of £1.615m, a breakdown of which can be found at **Annex 1**.
- Within the overall forecast is a projected over achievement of income for dwelling rents (£79k), non –dwelling rents (£27k), services and facilities net (£36k) and recovered costs (£7k).
- Slippage in the Margate Intervention affordable homes programme forecast affordable rents will be under achieved by (£177k).
- Repairs and maintenance is projecting an underspend of £198k, (£168k) is due to delays in EKH procuring the painting and decorating contract and (£30k) various other day to day repairs budgets.
- A revenue contribution for preparation works for the development of the garage sites is unlikely to be fully utilised (£1.443m). The Council has negotiated to buy back the Freehold on some garages in preparation for site clearance but as the Council has successfully achieved (£1.3m) in HCA affordable home funding for a 2015-18 New build programme, future spend will need to adhere to grant conditions and timelines and therefore the capital and revenue budget have been re-profiled. As the contribution is unlikely to be fully utilised in this year it is proposed the funds £1.443m is moved to the HRA New Properties Reserve to assist with the funding of the 2015-18 New Build Programme. The capital expenditure funded from the HRA has been adjusted to reflect this and re-profiling in the capital programme **Annex 3**.

## 7.0 Treasury Management for Quarter 3 (Nov 2014)

### 7.1 Key Highlights

- The average Oct-Nov cash balance invested was £40.207m (Q2: £40.771m), ranging from £37.149m to £46.117m. The cash balance invested at the end of Nov was £38.898m.
- Investment interest income for the eight months to the end of Nov was £0.145m, at an average rate of 0.54%.



## 8.0 Capital Programme

- 8.1 Reports on the General Fund and HRA Capital programme are detailed in **Annex 2 and Annex 3**.
- 8.2 General Fund property receipts to the end of November 2014 are as detailed below

Property	Amount
20 Ozengell Place	£10,132.00
Land adj 191 Ramsgate Road	£27,500.00
Land at Dane Valley Road	£42,000.00
Less disposal costs	-£1,905.28
<b>Capital Receipt Balance</b>	<b>£77,726.72</b>

## 8.3 General capital investments at end of November 2014

The total capital investment expected in the year is as follows:

	£'s
<b>Programme approved on 13 Nov 2014 for 2014/15</b>	<b>18,415,787</b>
Add: additional projects	155,498
Less: projects reductions	-188,912
<b>Revised Programme for 2014/15</b>	<b>18,382,374</b>

Additions include £106k for the Sunshine Café and reductions include £141k for the

Newington Centre.

#### 8.4 General Capital Investment

The general capital investment programme includes the following major works:

- Dreamland Heritage Park
- Disabled Facilities Grants
- New Skate Parks
- Playground Upgrades
- Operational Services vehicle replacement programme

8.5 Members are asked to agree the budget virements detailed as per **Annex 2** for the General Fund capital programme.

#### 9.0 Housing capital investments at end of November 2014

9.1 The total capital investment expected in the year is as follows:

	£'s
<b>Programme approved on 13 Nov 2014 for 2014/15</b>	<b>14,043,79</b>
Less: projects reductions/slippage	-2,118,438
<b>Revised Programme for 2014/15</b>	<b>11,925,352</b>

#### Housing Capital Investment

9.2 The housing investment programme includes major works. It will:

- Maintain the Council's housing stock at Decent Home plus standard
- Increase housing stock through a long term Empty Property Programme
- Run an Intervention programme within the Cliftonville West and Central Margate area which sets out to transform the housing market in two of Britain's most deprived wards.

#### Key Reductions

- See paragraph 6.1 with regard to the 2015-18 New Build Programme.
- Phase 3 of the Newington Regeneration scheme is now complete (£43k) no longer required towards the new HRA Shop within the development as no further payments due.

## **10.0 Procurement Update**

### **10.1 Contracts let - £75k and above.**

A number of significant contracts have been let this year particularly in relation to the Dreamland project with contracts for Phase 1 Main Works, the Scenic Railway and Rides let. For a table of all contracts let see **Annex 4 – Contracts Let - £75k and above 2014**

### **10.2 Contract waivers approved**

Contract Standing Orders do allow where there is clear justification, the waiving of some of our local rules for procurement which are not captured by EU Procurement Directives. All applications are scrutinised to ensure that a waiver is applicable and that both probity and value for money will be achieved if approval should be given.

### **10.3 Procurement Strategy**

After an extensive review the revised Corporate Procurement Strategy was adopted by the Council early in 2014

### **10.4 Procurement Programme January 2015 – December 2015**

A programme of contracting requirements for contract spend of £75k and above for 2015 will be compiled based on the Procurement Initiation Forms received as part of budget monitoring.

## **11.0 Corporate Implications**

### **11.1 Financial**

11.1.1 The financial implications have been reflected within the body of the report.

### **11.2 Legal**

11.2.1 Section 151 of the 1972 Local Government Act requires a suitably qualified named officer to keep control of the Council's finances. For this Council, it is the Director of Corporate Resources, Paul Cook, and this report is helping to carry out that function.

### **11.3 Corporate**

11.3.1 Corporate priorities can only be delivered with robust finances and this report gives Members the opportunity to review the Council's current position.

### **11.4 Equity and Equalities**

11.4.1 There are no equity or equalities issues arising from this report.

## **12.0 Recommendations**

12.1 That Cabinet notes the projected outturn position for 2014/15 for the General Fund.

12.2 That Cabinet notes the current Housing Revenue Account position.

- 12.3 That Cabinet 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.
- 12.4 That Cabinet notes the General Fund capital outturn and agrees the budget virements detailed as per **Annex 2** for the General Fund capital programme.
- 12.5 That Cabinet notes the HRA capital outturn and agrees the budget virements as detailed as per **Annex 3**
- 12.6 That Cabinet notes the position in relation to Procurement

### **13.0 Decision Making Process**

- 13.1 In the budget setting process, Cabinet makes recommendations to Full Council and Council makes the final decision on the matter. Cabinet can thereafter monitor the performance of the budget and make decisions within the agreed budget framework. Any substantive decisions on this matter are subject to call-in.

#### **Annex List**

<b>Annex 1</b>	Housing Revenue Account Outturn Position
<b>Annex 2</b>	General Fund Capital Programme
<b>Annex 3</b>	HRA Capital Programme
<b>Annex 4</b>	Contracts let - 75k or above

#### **Background Papers**

none

#### **Corporate Consultation Undertaken**

Finance	Matthew Sanham – Corporate Finance Manager
Legal	n/a

#### Contact Officers:

Matthew Sanham (GF), Tel. (01843) 577227

Nicola Walker (HRA and Capital), Tel. (01843) 577236



# Agenda Item 6

## Annex 1

### Annex 1

Housing Revenue Account - 30 Nov 2014				
	2014/15 Original Budget Estimate £'000	2014/15 Working Budget Estimate £'000	2014/15 Outturn £'000	Variance £'000
<b>INCOME</b>				
Dwelling Rents (gross)	-12,785	- 12,815	- 12,722	93
Non-dwelling Rents (gross)	-179	- 179	- 206	- 27
Charges for services and facilities	-313	- 313	- 349	- 36
Contributions towards expenditure	-296	- 296	- 303	- 7
Other Charges for services & facilities	-11	- 11	- 8	3
				-
<b>Sub Total</b>	<b>- 13,584</b>	<b>- 13,614</b>	<b>- 13,588</b>	<b>26</b>
<b>EXPENDITURE</b>				
Repairs & Maintenance	3,377	3,377	3,179	- 198
Supervision and management-General	2,827	2,857	2,857	-
Supervision and management-Special	502	502	502	-
Rents, rates, taxes and other charges	311	311	311	-
Increased provision for bad or doubtful debts	220	220	220	-
Depreciation and impairments of fixed assets	2,285	2,285	2,285	-
Capital expenditure funded from HRA	2,655	2,655	1,212	- 1,443
Debt Management Costs	6	6	6	-
Non-service specific expenditure	400	400	400	-
				-
<b>Sub Total</b>	<b>12,583</b>	<b>12,613</b>	<b>10,972</b>	<b>- 1,641</b>
				-
<b>Sub Total: Net Costs of Services</b>	<b>- 1,001</b>	<b>- 1,001</b>	<b>- 2,616</b>	<b>- 1,615</b>
				-
HRA Investment Income	- 67	- 67	- 85	- 18
Debt Interest Charges	831	831	831	-
Government Grants and Contributions	0	-	-	-
Adjustments made between accounting basis and funding basis	768	768	768	-
				-
<b>Sub Total: Surplus(-)/Deficit for the Year</b>	<b>531</b>	<b>531</b>	<b>- 1,102</b>	<b>- 1,633</b>
<b>Movement To Reserves</b>				
Transfer to New Properties Earmarked Reserve				1,443
<b>HRA Surplus at 1 April 2014</b>	<b>- 5,664</b>	<b>- 5,664</b>	<b>- 5,664</b>	<b>- 5,664</b>
<b>Estimated HRA Surplus at 31 March 2015</b>	<b>- 5,133</b>	<b>- 5,133</b>	<b>- 6,766</b>	<b>- 5,854</b>

This page is intentionally left blank

## Annex 2

Capital Programme 2014/15	Revised Capital Budget 2014/15 to Cabinet 13 November 2014	Virement or Slippage Ext Funding	Virement or Slippage TDC	Revised Capital Budget 2014/15 to Cabinet 20 January 2015	Committed Spend to Date 30/11/14	Budget Remaining	Comments
---------------------------	--	----------------------------------	--------------------------	---	----------------------------------	------------------	----------

Business Services							
Dip/Workflow (Bid04)	72,310.38		-32,000.00	40,310.38	7,047.56	<b>33,262.82</b>	
Customer Relationship Management Agreement	82,400.00			82,400.00	82,400.00	<b>0.00</b>	
Payroll-HR System	275,000.00			275,000.00	0.00	<b>275,000.00</b>	

Community Services							
Sunshine Café – Externally Funded	0.00	81,790.00		81,790.00	0.00	<b>81,790.00</b>	The Council were successful in an external funding application for £1.89m for the Sunshine Café part of the Dreamland estate. £81,790 has been added to the capital programme for 2014/15 based on the anticipated profile of spend.
Disabled Facilities Grants – Externally Funded	1,107,983.00			1,107,983.00	1,107,983.00	<b>0.00</b>	
Disabled Facilities Grants - TDC Funded	406,376.53			406,376.53	228,086.82	<b>178,289.71</b>	
Dreamland- TDC Funded	6,387,438.91			6,387,438.91	5,153,310.01	<b>1,234,128.90</b>	
Dreamland – Externally Funded	2,698,368.71			2,698,368.71	540,521.97	<b>2,157,846.74</b>	
Empty Properties Initiative	63,750.00			63,750.00	0.00	<b>63,750.00</b>	
Historic Town Centre Grants – Externally Funded	1,082.86			1,082.86	-164.70	<b>1,247.56</b>	
Historic Town Centre Grants - TDC Contribution	1,082.86			1,082.86	-164.70	<b>1,247.56</b>	
Dalby Square – Externally Funded	1,638,000.00			1,638,000.00	3,952.66	<b>1,634,047.34</b>	
Dalby Square – TDC Funded	280,040.00			280,040.00	1,317.55	<b>278,722.45</b>	
Margate Housing Intervention - Loan scheme	1,000,000.00			1,000,000.00	0.00	<b>1,000,000.00</b>	
Margate Housing Intervention - KCC Units	78,750.00			78,750.00	0.00	<b>78,750.00</b>	

Capital Programme 2014/15	Revised Capital Budget 2014/15 to Cabinet 13 November 2014	Virement or Slippage Ext Funding	Virement or Slippage TDC	Revised Capital Budget 2014/15 to Cabinet 20 January 2015	Committed Spend to Date 30/11/14	Budget Remaining	Comments
<b>Community Services</b>							
Planning Projects	30,608.75		62,000.00	92,608.75	0.00	<b>92,608.75</b>	An additional £30,000 of budget has been added to Planning Projects, funded from revenue to support an I.T. Idox System Upgrade. Also, £32,000 budget has been transferred from the Dip/Workflow Project to Planning Projects.
Private Sector Housing - RHB	174,727.17			174,727.17	45,741.20	<b>128,985.97</b>	
Redevelopment of Newington Centre – Externally Funded	100,514.56	-100,514.56		0.00	0.00	<b>0.00</b>	The remaining £141,162.88 budget for the Re-generation of Newington Centre is no longer needed as Phase 3 has now transferred to Orbit housing association for development. The majority of the funding was from S106 planning receipts designated for affordable housing projects so the budget has been removed and re-allocated within the affordable housing programme.
Redevelopment of Newington Centre – TDC Funded	40,648.32		-40,648.32	0.00	0.00	<b>0.00</b>	
Skate park – Externally Funded	178,872.87			178,872.87	145,297.55	<b>33,575.32</b>	
Skate park – TDC Funded	33,610.00			33,610.00	0.00	<b>33,610.00</b>	
Jackey Bakers enhancements	50,000.00			50,000.00	0.00	<b>50,000.00</b>	
19 Hawley Square Refurbishment	89,707.90			89,707.90	89,707.90	<b>0.00</b>	
Broadstairs Town Centre Properties	42,500.00			42,500.00	0.00	<b>42,500.00</b>	
Public Conveniences	225,711.97			225,711.97	0.00	<b>225,711.97</b>	Planned works for Joss Bay toilets are due to commence in the new year under the Public Conveniences enhancement programme, due for completion prior to summer 2015.

Capital Programme 2014/15	Revised Capital Budget 2014/15 to Cabinet 13 November 2014	Virement or Slippage Ext Funding	Virement or Slippage TDC	Revised Capital Budget 2014/15 to Cabinet 20 January 2015	Committed Spend to Date 30/11/14	Budget Remaining	Comments
<b>Community Services</b>							
Warre Rec Car Park	0.00		130,000.00	130,000.00	0.00	<b>130,000.00</b>	£130,000 budget has been added for the Warre Rec Car Park (replacing the former Ramsgate swimming pool car park in Newington Road), being funded from the Repairs Reserve.
Swimming Pool /Sports Hall Essential Capital Repairs	100,000.00			100,000.00	0.00	<b>100,000.00</b>	
Swimming Pool Adjacent to Ramsgate Sports Centre	7,887.82			7,887.82	0.00	<b>7,887.82</b>	

<b>Operational Services</b>							
Allotments	32,888.13			32,888.13	0.00	<b>32,888.13</b>	
Coast Protection - Pegwell Bay	56,385.52			56,385.52	-1,986.34	<b>58,371.86</b>	
Coast Protection-Margate Old Town	67,884.61			67,884.61	10,203.42	<b>57,681.19</b>	
Cremator Works	5,716.62		-5,716.62	0.00	-5,909.00	<b>5,909.00</b>	The remaining £5,716.62 budget for Cremator Works is no longer needed as the final payments for project have been made and so has been removed.
Crematorium Office Upgrade	10,000.00			10,000.00	385.00	<b>9,615.00</b>	
Dane Valley Estate - Fencing	25,032.36		-25,032.36	0.00	0.00	<b>0.00</b>	The remaining £25,032.36 budget for Dane Valley Estate Fencing is no longer needed and has been removed.
Grounds Maintenance Replace Mowers and Vehicles	34,988.00			34,988.00	24,500.00	<b>10,488.00</b>	
Margate Cemetery - Extension	131,483.46			131,483.46	11,655.96	<b>119,827.50</b>	
North Thanet Coast Line Capital Sea Wall Construction Scheme	560,000.00			560,000.00	0.00	<b>560,000.00</b>	

Capital Programme 2014/15	Revised Capital Budget 2014/15 to Cabinet 13 November 2014	Virement or Slippage Ext Funding	Virement or Slippage TDC	Revised Capital Budget 2014/15 to Cabinet 20 January 2015	Committed Spend to Date 30/11/14	Budget Remaining	Comments
<b>Operational Services</b>							
Ramsgate Marina Eastern Pontoons – Externally Funded	130,692.53			130,692.53	130,692.53	0.00	
Ramsgate Marina Eastern Pontoons – TDC Funded	130,692.53			130,692.53	130,692.53	0.00	
Ramsgate Marina Water Supply Upgrade – Externally Funded	32,070.42			32,070.42	32,070.42	0.00	
Ramsgate Marina Water Supply Upgrade – TDC Funded	94,307.47			94,307.47	32,430.43	61,877.04	
Fuel Facilities, Ramsgate Harbour	80,000.00	-17,000.00		63,000.00	0.00	63,000.00	It was originally anticipated that the fuel barge would be part funded through the Yacht Valley Interreg project (£17k), however the funding had to be used by the end of September and so was utilised on other infrastructure improvements at the harbour.
Replacement of Waste Collection Fleet – Externally Funded	143,387.91			143,387.91	140,796.90	2,591.01	
Replacement of Waste Collection Fleet – TDC Funded	889,167.00		-20,000.00	869,167.00	382,702.87	486,464.13	The Replacement of Waste Collection Fleet budget has been reduced by £20,000 as this amount was to be funded from the sale proceeds of old vehicles, due to the capital receipt de-minimus levels they do not meet the capital receipt criteria and so will now be treated as a revenue receipt.
Waste DLO	33,000.00		9,000.00	42,000.00	19,810.13	22,189.87	An additional budget of £9,000 has been added to Waste DLO, funded from revenue, for a new roll-out of bins.
Waste Transfer Station	216,522.00			216,522.00	0.00	216,522.00	
Playground Enhancement Programme	200,000.00			200,000.00	199,880.00	120.00	
Vattenfall Pegwell Community Projects	50,000.00			50,000.00	0.00	50,000.00	
Yacht Valley Project – Externally Funded	124,595.88	19,108.29		143,704.17	72,873.04	70,831.13	A contribution of £19,108.29 was received from Kent County Council towards works at Military Road arches and has been included.
Yacht Valley Project – TDC Funded	124,600.27			124,600.27	72,873.04	51,727.23	

Capital Programme 2014/15	Revised Capital Budget 2014/15 to Cabinet 13 November 2014	Virement or Slippage Ext Funding	Virement or Slippage TDC	Revised Capital Budget 2014/15 to Cabinet 20 January 2015	Committed Spend to Date 30/11/14	Budget Remaining	Comments
---------------------------	--	----------------------------------	--------------------------	---	----------------------------------	------------------	----------

Total	<b>18,340,787.32</b>	<b>-16,616.27</b>	<b>77,602.70</b>	<b>18,401,773.75</b>	<b>8,658,707.75</b>	<b>9,743,066.00</b>	
-------	----------------------	-------------------	------------------	----------------------	---------------------	---------------------	--

Capital Salaries	<b>75,000.00</b>			<b>75,000.00</b>			
------------------	------------------	--	--	------------------	--	--	--

Grand Total	<b>18,415,787.32</b>	<b>-16,616.27</b>	<b>77,602.70</b>	<b>18,476,773.75</b>			
-------------	----------------------	-------------------	------------------	----------------------	--	--	--

## Funding of Capital Programme

						Income as at 30 November 2014	
General Fund Capital Programme	Brought Forward Balance External Funding 2013/14	Brought forward Balance TDC from 2013/14	Capital Budget External Funding 2014/15	Capital Budget TDC 2014/15	Virement or Slippage	TDC	External Funding to Date
<b>Breakdown of the 2014/15 Programme</b>	5,552,534.12	6,647,853.29	2,546,613.00	10,923,094.36	-7,193,321.02	10,238,715.23	8,238,058.52
<b>Funded By</b>							
Capital Project Reserves		1,594,704.15		431,000.00	280,979.94	2,306,684.09	
Unallocated Receipts		548,689.22				548,689.22	
Estimated Income from the sale of assets		43,660.75		842,094.36	-576,682.36	77,726.72	
New Homes Reserve		207,000.00				207,000.00	
Repairs Reserve					130,000.00	130,000.00	
Maritime Reserve				150,000.00	-69,500.00	80,500.00	
Unringfenced Grants Reserve					8,570.00	8,570.00	
Contribution from Revenue		275,000.00			94,400.00	369,400.00	
Housing Right to Buy Receipts		89,707.90				89,707.90	
Prudential Borrowing		3,889,091.27		9,500,000.00	-7,200,000.00	6,189,091.27	
<b>External Funding</b>	5,552,534.12		2,546,613.00		138,911.40		3,321,139.02
<b>Sub Total</b>	<b>5,552,534.12</b>	<b>6,647,853.29</b>	<b>2,546,613.00</b>	<b>10,923,094.36</b>	<b>-7,193,321.02</b>	<b>10,007,369.20</b>	<b>3,321,139.02</b>
<b>Surplus/Shortfall</b>	0.00	0.00	0.00	0.00	0.00	231,346.03	4,916,919.50
<b>Less future budgeted borrowing</b>						-6,189,091.27	
<b>Current shortfall in capital receipts</b>						<b>231,346.03</b>	



HRA CAPITAL REPAIRS FUND BUDGET MONITORING 14-15								
Details	Budget Approved by Cabinet in Nov	Virement	Budget to be Approved by Cabinet in Jan	Committed Spend to Date 01/12/14	Budget Remaining	EKH Forecast Spend	Adverse or Favourable	Comment
<b>EAST KENT HOUSING MANAGED BUDGETS</b>								
SOIL STACK HARBOUR TOWERS	645		645	0	645	645	0	
RE ROOFING 12/13	681		681	0	681	-	-681	
KITCHEN & BATH REPLACEMENTS 12/13	54,395		54,395	54,395	0	54,395	0	
STRUCTURAL REPAIRS 12/13	24,201		24,201	0	24,201	-	-24,201	
REPLACE WINDOWS & DOORS 13/14	1,265		1,265	1,265	0	1,265	0	
KITCHEN & BATH REPLACEMENTS 13/14	3,000		3,000	0	3,000	3,000	0	
ELECTRICAL REWIRING 13/14	20,662		20,662	19,823	839	19,823	-839	
HEATING 13/14	8,567		8,567	8,563	4	8,567	0	
PLANNED REFURBISHMENTS 13/14	22,442		22,442	22,442	0	22,442	0	
STRUCTURAL REPAIRS 13/14	4,825		4,825	4,825	0	4,825	0	
THERMAL INSTALLATION 13/14	318		318	318	0	318	0	
DISABLED ADAPTATIONS 13/14	10,958		10,958	10,958	0	10,958	0	
ESTATE IMPROVEMENTS 13/14	22,239		22,239	19,205	3,034	19,205	-3,034	
RE-ROOFING 14/15	110,000		110,000	-4,725	114,725	20,000	-90,000	There are concerns that the roofing programme £90k will not be delivered in 2014/15 as currently there is no contractor in place and East Kent Housing are working on the procurement of a new contractor for 2015.
REPLACEMENT WINDOWS & DOORS 14/15	20,000		20,000	10,322	9,678	20,000	0	
REPLACE KITCHEN & BATH 14/15	1,015,000		1,015,000	755,820	259,180	1,015,000	0	
ELECTRICAL WIRING 14/15	120,076		120,076	48,623	71,453	120,076	0	
HEATING 14/15	415,000		415,000	331,354	83,646	415,000	0	
FIRE PRECAUTION 14/15	207,153		207,153	24,400	182,753	95,000	-112,153	
REFURBISHMENT 14/15	63,529		63,529	0	63,529	-	-63,529	
STRUCTURAL REPAIRS 14/15	80,000		80,000	54,250	25,750	80,000	0	
THERMAL INSULATION 14/15	50,000		50,000	25,895	24,105	30,000	-20,000	
RAINWATER GOODS 14/15	25,000		25,000	4,679	20,321	5,000	-20,000	
DISABLED ADAPTATIONS 14/15	220,500		220,500	87,539	132,961	220,500	0	
ESTATE IMPROVEMENTS 14/15	230,764		230,764	0	230,764	-	-230,764	Thanet District Council has instructed that the Estate Improvement budget £230,764 is earmarked for the compliance of the recently announced EU directive that requires single heat source supplies in Tower Blocks to have individual energy saving meters by December 2016.

EAST KENT HOUSING MANAGED BUDGETS								
ESTATE REPOINTING 14/15	100,000		100,000	22,991	77,009	100,000	0	East Kent Housing have advised that it is unlikely that the lift refurbishment/replacement programme £260,000 will commence in this financial year and is likely to slip into 2015/16. EKH are currently re-evaluating the lift replacement works required and the Council are awaiting a written report that details a new refurbishment/replacement programme.
LIFT REFURSBISHMENT 14/15	260,000		260,000	0	260,000	-	-260,000	
<b>SUB Total</b>	<b>3,091,220</b>	<b>0</b>	<b>3,091,220</b>	<b>1,502,942</b>	<b>1,588,278</b>	<b>2,270,626</b>	<b>-820,594</b>	
THANET DISTRICT COUNCIL MANAGED BUDGETS							TDC Forecast Spend	
NEWINGTON CENTRE DEVELOPMENT	45,894	-43,438	2,456	2,456	0	-	-45,894	The remaining budget of £43,438 in relation to the HRA Shops within the Newington Re-generation programme is no longer required as Phase 3 of the project has now transferred to Orbit Housing Association and the new shop is fully operational
PURCHASE OF SUITABLE PROPERTIES	163,167		163,167	0	163,167	-	-163,167	
EMPTY PROPERTIES PROGRAMME	3,990,984		3,990,984	2,526,415	1,464,569	3,990,984	0	
MARGATE INTERVENTION	4,230,525		4,230,525	576,455	3,654,070	4,230,525	0	
BUY BACK SCHEME	100,000		100,000	0	100,000	100,000	0	
WORKS TO TRINITY SQ PROPS	100,000	-75,000	25,000	0	25,000	75,000	-25,000	Works to the Trinity Square property will commence in the New Year but is unlikely to be completed by financial year end and it is recommended that £75,000 of funds are slipped into 2015-16 to finalise the work
NEW BUILD PROGRAMME	2,092,000	-2,000,000	92,000	0	92,000	10,000	-2,082,000	The Council has negotiated to buy back the Freehold on some garages in preparation for the New Build Programme. It is likely that £2m of the funds will not be utilised by year end and the programme has been re-profiled due to the Grant award from the HCA 2015-18 Affordable Housing Programme. As some of this money is allocated from a revenue contribution to capital there is a recommendation that the revenue funding is set aside in the new properties reserve to facilitate the new build programme from 2015 onwards.
EKH LOAN	230,000		230,000	0	230,000	230,000	0	
	10,952,570	-2,118,438.00	8,834,132	3,105,326	5,728,806	8,636,509	-2,316,061	
<b>Total</b>	<b>14,043,790</b>	<b>-2,118,438.00</b>	<b>11,925,352</b>	<b>4,608,267</b>	<b>7,317,084</b>	<b>10,907,135</b>	<b>-3,136,655</b>	

Funded By	Revised Budget Approved 13th November Cabinet	Adjustment	Revised Budget to be Approved Jan Cabinet
Major Repairs Allowance & Reserve	3,137,114		3,137,114
Revenue Contribution	2,930,167	- 1,718,438	1,211,729
HCA Ramsgate Empty Property Round 1	107,008		107,008
HCA Ramsgate Empty Property Round 2	640,000		640,000
DCLG Cluster bid Funding	1,441,971		1,441,971
RTB 1-4-1 Receipts	200,000		200,000
Capital RTB Receipts	400,000	-400,000	-
New Properties Reserve	5,187,530		5,187,530
<b>Total</b>	<b>14,043,790</b>	<b>- 2,118,438.00</b>	<b>11,925,352</b>

This page is intentionally left blank

# Agenda Item 6

## Annex 4

### Contracts let - £75k and above - 2014

### Annex 4

Service	Contractor	Description	Type of Contract	Contract Value	Contract Start Date	Contract End Date
Community Services	Coombs (Canterbury) Ltd	Phase 1 Main Works, Dreamland	TDC Contract	£4,927,346.00	10/11/2014	07/06/2015
Operational Services	HAGS-SMP Ltd	Playground Equipment	ESPO Framework	£100,000.00	27/10/2014	31/12/2014
Community Services	Sutcliffe Play Ltd	Playground Equipment	ESPO Framework	£99,880.00	27/10/2014	22/12/2014
Community Services	Wheelscape Ltd	Skatepark Construction – Ramsgate and Broadstairs	TDC Contract	£143,200.00	14/10/2014	21/01/2015
Operational Services	Metric Group Ltd	Pay and Display Parking machine maintenance	TDC Contract	£110,716.80	01/10/2014	30/09/2018
Community Services	David Littleboy	Acquisition of Heritage Rides	TDC Contract	£115,000.00	26/09/2014	16/03/2015
Community Services	Joe Rospo Building Contractors Ltd	Roof Renewal and Alterations	TDC Contract	£81,824.37	22/09/2014	08/02/2015
Community Services	Topbond Plc	Scenic Railway, Dreamland, Margate: Structure Restoration	TDC Contract	£1,843,583.00	01/09/2014	29/05/2015
Community Services	WGH Ltd	Scenic Railway Track and Trains – Dreamland, Margate	TDC Contract	£899,456.00	10/07/2014	29/05/2015
Operational Services	Halls Fuel Ltd	Fuel for Operational Services and Maritime Operation	KCC Contract	£1,165,750.00	01/07/2014	30/06/2016
Operational Services	Solent Marine Ltd	Eastern Outer Marina Pontoon Replacement	TDC Contract	£256,585.00	16/06/2014	30/09/2014
East Kent Services	Jadu Ltd	Provision of an Integrated Webform Solution to support CRM	TDC Contract	£142,600.00	20/05/2014	19/05/2017

<b>Service</b>	<b>Contractor</b>	<b>Description</b>	<b>Type of Contract</b>	<b>Contract Value</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>
Community Services	Jenner (Contractors) Ltd	Rehabilitation and conversion of 2 existing residential properties	TDC Contract	£684,789.00	19/05/2014	19/12/2014
Community Services	DCB (Kent) Ltd	Measured Term Contract – Kitchen and Bathroom refurbishment Works	TDC Contract	£3,000,000.00	01/04/2014	31/03/2020
Community Services	Canon (UK) Ltd	High Volume Copiers	Central Buying Consortium Framework	£139,149.20	25/03/2014	24/03/2019

---

## TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY – MID YEAR REVIEW REPORT 2014/15

To: **Cabinet – 20<sup>th</sup> January 2015**

Main Portfolio Area: **Finance**

By: **Councillor Everitt, Cabinet Member for Financial Services and Estates**

Classification: **Unrestricted**

---

**Summary:** **This report summarises treasury management activity and prudential/treasury indicators for the first half of 2014/15.**

### **For Decision**

---

#### **1 Background**

1.1 The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising investment return.

1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

1.3 Accordingly treasury management is defined as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

#### **2 Introduction**

2.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2011) was adopted by this Council on 24 April 2014.

2.2 The primary requirements of the Code are as follows:

---

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
- Receipt by the full council of an annual Treasury Management Strategy Statement (including the Annual Investment Strategy and Minimum Revenue Provision Policy) for the year ahead, a **Mid-year Review Report** and an Annual Report (stewardship report) covering activities during the previous year.
- Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Governance and Audit Committee.

2.3 This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the 2014/15 financial year to 30 September 2014;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure (prudential indicators);
- A review of the Council's investment portfolio for 2014/15;
- A review of the Council's borrowing strategy for 2014/15;
- A review of any debt rescheduling undertaken during 2014/15;
- A review of compliance with Treasury and Prudential Limits for 2014/15.

2.4 There have not been any key changes to the Treasury and Capital Strategies during the first half of 2014/15. On 2 October 2014 Council resolved that (i) minimum credit ratings criteria for Viability, Financial Strength and Support no longer be included in the Council's TMSS, and accordingly that there be one Medium Quality investment category (with a money limit of £5m), instead of two.

**3.0 Capita's Economic update (issued by the Council's treasury advisor, Capita on 27 October 2014)**

**3.1 Economic performance to date and outlook (issued by Capita on 27 October 2014)**

**3.1.1 UK**

3.1.1.1 After strong UK Gross Domestic Product (GDP) quarterly growth of 0.7%, 0.8% and 0.7% in quarters 2, 3 and 4 respectively in 2013, (2013 annual rate 2.7%), and 0.7% in Q1, 0.9% in Q2 and a first estimate of 0.7% in Q3 2014 (annual rate 3.1% in Q3), it appears very likely that strong growth will continue through 2014 and into 2015 as forward surveys for the services and construction sectors, are very encouraging and business investment is also strongly recovering. The manufacturing sector has also been encouraging though the latest figures indicate



a weakening in the future trend rate of growth. However, for this recovery to become more balanced and sustainable in the longer term, the recovery needs to move away from dependence on consumer expenditure and the housing market to exporting, and particularly of manufactured goods, both of which need to substantially improve on their recent lacklustre performance. This overall strong growth has resulted in unemployment falling much faster through the initial threshold of 7%, set by the Monetary Policy Committee (MPC) last August, before it said it would consider any increases in Bank Rate. The MPC has, therefore, subsequently broadened its forward guidance by adopting five qualitative principles and looking at a much wider range of about eighteen indicators in order to form a view on how much slack there is in the economy and how quickly slack is being used up.

The MPC is particularly concerned that the current squeeze on the disposable incomes of consumers should be reversed by wage inflation rising back above the level of inflation in order to ensure that the recovery will be sustainable. There also needs to be a major improvement in labour productivity, which has languished at dismal levels since 2008, to support increases in pay rates. Most economic forecasters are expecting growth to peak in 2014 and then to ease off a little, though still remaining strong, in 2015 and 2016. Unemployment is therefore expected to keep on its downward trend and this is likely to eventually feed through into a return to significant increases in pay rates at some point during the next three years. However, just how much those future increases in pay rates will counteract the depressive effect of increases in Bank Rate on consumer confidence, the rate of growth in consumer expenditure and the buoyancy of the housing market, are areas that will need to be kept under regular review.

3.1.1.2 Also encouraging has been the sharp fall in inflation (CPI), reaching 1.2% in September, the lowest rate since 2009. Forward indications are that inflation is likely to fall further in 2014 to possibly 1%. Overall, markets are expecting that the MPC will be cautious in raising Bank Rate as it will want to protect heavily indebted consumers from too early an increase in Bank Rate at a time when inflationary pressures are also weak. A first increase in Bank Rate is therefore expected in Q2 2015 and they expect increases after that to be at a slow pace to lower levels than prevailed before 2008 as increases in Bank Rate will have a much bigger effect on heavily indebted consumers than they did before 2008.

3.1.1.3 The return to strong growth has also helped lower forecasts for the increase in Government debt by £73bn over the next five years, as announced in the 2013 Autumn Statement, and by an additional £24bn, as announced in the March 2014 Budget - which also forecast a return to a significant budget surplus, (of £5bn), in 2018-19. However, monthly public sector deficit figures have disappointed so far in 2014/15.

### **3.1.2 U.S.**

3.1.2.1 In September, the Federal Reserve continued with its monthly \$10bn reductions in asset purchases, which started in December 2013. Asset purchases have now fallen from \$85bn to \$15bn and are expected to stop

on 29th October 2014, providing the economic outlook remains strong. First quarter GDP figures for the US were depressed by exceptionally bad winter weather, but growth rebounded very strongly in Q2 to 4.6% (annualised).

- 3.1.2.2 The U.S. faces similar debt problems to those of the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth, although the weak labour force participation rate remains a matter of key concern for the Federal Reserve when considering the amount of slack in the economy and monetary policy decisions.

### **3.1.3 Eurozone**

- 3.1.3.1 The Eurozone (EZ) is facing an increasing threat from weak or negative growth and from deflation. In September, the inflation rate fell further, to reach a low of 0.3%. However, this is an average for all EZ countries and includes some countries with negative rates of inflation. Accordingly, the European Central Bank (ECB) took some rather limited action in June to loosen monetary policy in order to promote growth. In September it took further action to cut its benchmark rate to only 0.05%, its deposit rate to -0.2% and to start a programme of purchases of corporate debt. However, it has not embarked yet on full quantitative easing (purchase of sovereign debt).

- 3.1.3.2 Concern in financial markets for the Eurozone subsided considerably during 2013. However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy, (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise for some countries. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed.

### **3.1.4 China and Japan**

- 3.1.4.1 Japan is causing considerable concern as the increase in sales tax in April has suppressed consumer expenditure and growth. In Q2 growth was -1.8% q/q and -7.1% over the previous year. The Government is hoping that this is a temporary blip.

- 3.1.4.2 As for China, Government action in 2014 to stimulate the economy appeared to be putting the target of 7.5% growth within achievable reach but recent data has raised fresh concerns. There are also major concerns as to the creditworthiness of much bank lending to corporates and local government during the post 2008 credit expansion period and whether the bursting of a bubble in housing prices is drawing nearer.

## **3.2 Capita's Interest rate forecasts (issued by Capita on 27 October 2014)**

- 3.2.1 The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Bank rate	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%	1.75%	2.00%	2.25%	2.50%
5yr PWLB rate	2.50%	2.70%	2.70%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.50%	3.50%	3.50%	3.50%
10yr PWLB rate	3.20%	3.40%	3.50%	3.60%	3.70%	3.80%	3.90%	4.00%	4.10%	4.10%	4.20%	4.20%	4.30%	4.30%
25yr PWLB rate	3.90%	4.00%	4.10%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	4.90%	4.90%	5.00%
50yr PWLB rate	3.90%	4.00%	4.10%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%	4.80%	4.90%	4.90%	5.00%

3.2.2 Capita Asset Services undertook a review of its interest rate forecasts on 24 October. During September and October, a further rise in geopolitical concerns, principally over Ukraine but also over the Middle East, plus fears around Ebola and an accumulation of dismal growth news in most of the ten largest economies of the world and also on the growing risk of deflation in the Eurozone, had sparked a flight from equities into safe havens like gilts and depressed PWLB rates. However, there is much volatility in rates as news ebbs and flows in negative or positive ways. This latest forecast includes a first increase in Bank Rate in quarter 2 of 2015.

3.2.3 Capita's PWLB forecasts are based around a balance of risks. However, there are potential upside risks, especially for longer term PWLB rates, as follows: -

- A further surge in investor confidence that robust world economic growth is firmly expected, causing a flow of funds out of bonds and into equities.
- UK inflation being significantly higher than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

3.2.4 Downside risks currently include:

- The situation over Ukraine poses a major threat to EZ and world growth if it was to deteriorate into economic warfare between the West and Russia where Russia resorted to using its control over gas supplies to Europe.
- Fears generated by the potential impact of Ebola around the world
- UK strong economic growth is currently mainly dependent on consumer spending and the potentially unsustainable boom in the housing market. The boost from these sources is likely to fade after 2014.
- A weak rebalancing of UK growth to exporting and business investment causing a weakening of overall economic growth beyond 2014.
- Weak growth or recession in the UK's main trading partner - the EU, inhibiting economic recovery in the UK.
- A return to weak economic growth in the US, UK and China causing major disappointment in investor and market expectations.
- A resurgence of the Eurozone sovereign debt crisis caused by ongoing deterioration in government debt to GDP ratios to the point where financial

markets lose confidence in the financial viability of one or more countries and in the ability of the ECB and Eurozone governments to deal with the potential size of the crisis.

- Recapitalisation of European banks requiring more government financial support.
- Lack of support by populaces in Eurozone countries for austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.
- Italy: the political situation has improved but it remains to be seen whether the new government is able to deliver the austerity programme required and a programme of overdue reforms. Italy has the third highest government debt mountain in the world.
- France: after being elected on an anti austerity platform, President Hollande has embraced a €50bn programme of public sector cuts over the next three years. However, there could be major obstacles in implementing this programme. Major overdue reforms of employment practices and an increase in competitiveness are also urgently required to lift the economy out of stagnation.
- Monetary policy action failing to stimulate sustainable growth in western economies, especially the Eurozone and Japan.
- Heightened political risks in the Middle East and East Asia could trigger safe haven flows back into bonds.
- There are also increasing concerns at the reluctance of western central banks to raise interest rates significantly for some years, plus the huge QE measures which remain in place (and may be added to by the ECB in the near future). This has created potentially unstable flows of liquidity searching for yield and, therefore, heightened the potential for an increase in risks in order to get higher returns. This is a return to a similar environment to the one which led to the 2008 financial crisis.

#### **4 Treasury Management Strategy Statement and Annual Investment Strategy Update**

- 4.1 The Treasury Management Strategy Statement (TMSS) and revised TMSS for 2014/15 were approved by this Council on 6 February 2014 and 2 October 2014 respectively.
- 4.2 There are no policy changes to the revised TMSS for 2014/15 other than as described in section 2.4; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

#### **5.0 The Council's Capital Position (Prudential Indicators)**

- 5.1 This part of the report is structured to update:
- The Council's capital expenditure plans;
  - How these plans are being financed;

- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

## 5.2 Prudential Indicator for Capital Expenditure

This table shows the revised estimates for capital expenditure and the changes since the capital programme was agreed at the Budget.

Capital Expenditure	2014/15 Original Estimate £m	Current Position – Actual at 30/09/14 £m	2014/15 Revised Estimate £m
General Fund	13.441	2.694	18.416
HRA	6.505	2.621	14.044
<b>Total</b>	<b>19.946</b>	<b>5.315</b>	<b>32.460</b>

The revised estimate includes carry-forward from the previous year of £12.137m General Fund and £6.861m HRA. £7.200m for the Alongside Quay project has also been taken out of the General Fund revised estimate.

The 2014/15 full year budget under-spend as at 30/09/14 includes £8.084m for Dreamland (General Fund) and £8.424m for Empty Property, Intervention and New Build programmes (HRA). These amounts are budgeted to be spent by the 2014/15 year-end.

## 5.3 Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

Capital Expenditure	2014/15 Original Estimate £m	Current Position – Actual at 30/9/14 £m	2014/15 Revised Estimate £m
Unsupported	19.946	5.315	32.460
<b>Total spend</b>	<b>19.946</b>	<b>5.315</b>	<b>32.460</b>
Financed by:			
Capital receipts	1.908		1.633
Capital grants	2.393		10.444
Capital reserves	3.490		10.912
Revenue	2.655		3.057
<b>Total financing</b>	<b>10.446</b>		<b>26.046</b>
<b>Borrowing need</b>	<b>9.500</b>		<b>6.414</b>

The revised estimate includes carry-forward from the previous year of £12.137m General Fund and £6.861m HRA. £7.200m for the Alongside Quay project has also been taken out of the General Fund revised estimate.

#### 5.4 Changes to the Prudential Indicators for the Capital Financing Requirement, External Debt and the Operational Boundary

The table shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period. This is termed the Operational Boundary.

##### Prudential Indicator – Capital Financing Requirement

We are on target to achieve the forecast Capital Financing Requirement.

##### Prudential Indicator – External Debt / the Operational Boundary

	2014/15 Original Estimate £m	Current Position – Actual at 30/9/14 £m	2014/15 Revised Estimate £m
<b>Prudential Indicator – Capital Financing Requirement</b>			
CFR – non housing	33.256		26.460
CFR – housing	20.869		20.874
Total CFR	54.125		47.334
<b>Net movement in CFR</b>	<b>8.487</b>		<b>5.562</b>
<b>Prudential Indicator – External Debt / the Operational Boundary</b>			
Borrowing	43.000	28.055	43.000
Other long term liabilities*	11.000	3.730	11.000
<b>Total debt</b>	<b>54.000</b>	<b>31.785</b>	<b>54.000</b>

\* On balance sheet PFI schemes and finance leases etc (including the leisure centre deferred credit). Excludes the amount owed to KCC for the Westwood spine road construction as classified as a current liability.

#### 5.5 Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, borrowing will only be for a capital purpose. Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2014/15 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

	2014/15 Original Estimate £m	Current Position – Actual at 30/09/14 £m	2014/15 Revised Estimate £m
Gross borrowing	36.900	28.055	30.659
Plus other long term liabilities*	0.642	3.730	3.560
Total gross borrowing	37.542	31.785	34.219
* CFR (year end position)	54.125		47.334

\* On balance sheet PFI schemes and finance leases etc (including the leisure centre deferred credit). Excludes the amount owed to KCC for the Westwood spine road construction as classified as a current liability.

The Section 151 Officer reports that no difficulties are envisaged for the current or future years in complying with this prudential indicator.

A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited, and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

Authorised limit for external debt	2014/15 Original Indicator £m	Current Position – Actual at 30/09/14 £m	2014/15 Revised Indicator £m
Borrowing	48.000	28.055	48.000
Other long term liabilities*	14.000	3.730	14.000
Total	62.000	31.785	62.000

\* On balance sheet PFI schemes and finance leases etc (including the leisure centre deferred credit). Excludes the amount owed to KCC for the Westwood spine road construction as classified as a current liability.

## 6 Investment Portfolio 2014/15

- 6.1 In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As set out in Section 3, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the 0.5% Bank Rate. Indeed, the Funding for Lending scheme has reduced market investment rates even further. The potential for a prolonging of the Eurozone sovereign debt



crisis, and its impact on banks, prompts a low risk and short term strategy. Given this risk environment, investment returns are likely to remain low.

- 6.2 The Council held £37.243m of investments as at 30 September 2014 (£31.851m at 31 March 2014) and the investment portfolio yield for the first six months of the year is 0.55% against a benchmark (average 7-day LIBID rate) of 0.35%. The constituent investments are:

Sector	Country	Up to 1 year £m	1 year – 370 days £m	Total £m
<b>Banks</b>	UK	12.692	2.200	14.892
<b>Banks</b>	Sweden	3.940	0.000	3.940
<b>Money Market Funds</b>	UK	18.411	0.000	18.411
<b>Total</b>		<b>35.043</b>	<b>2.200</b>	<b>37.243</b>

- 6.3 The Section 151 Officer confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2014/15.
- 6.4 The Council's budgeted investment return for 2014/15 is £0.148m, and performance for the first half of the financial year is above budget at £0.112m.

## 6.5 Investment Risk Benchmarking

Investment risk benchmarks were set in the 2014/15 Treasury Management Strategy Statement (TMSS) for security, liquidity and yield. The mid-year position against these benchmarks is given below.

### 6.5.1 Security

The Council's maximum security risk benchmark for the current portfolio, when compared to historic default tables, is:

- 0.05% historic risk of default when compared to the whole portfolio.

The security benchmark for each individual period is:

	370 days	2 years	3 years	4 years	5 years
<b>Maximum</b>	<b>0.05%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

Note: This benchmark is an average risk of default measure, and would not constitute an expectation of loss against a particular investment.

The Chief Executive can report that the investment portfolio was maintained within this overall benchmark for the first half of this financial year.

### 6.5.2 Liquidity

In respect of this area the Council seeks to maintain:

- Bank overdraft - £0.5m
- Liquid short term deposits of at least £10m available with a week's notice.



- Weighted Average Life benchmark is expected to be 0.5 years, with a maximum of 1.0 year.

The Chief Executive can report that liquidity arrangements were adequate for the first half of this financial year.

This authority does not currently place investments for more than 370 days due to the credit, security and counterparty risks of placing such investments.

### 6.5.3 Yield

Local measures of yield benchmarks are:

- Investments – Internal returns above the 7 day LIBID rate

The Chief Executive can report that the yield on deposits for the first half of the financial year is 0.55% against a benchmark (average 7-day LIBID rate) of 0.35%.

### 6.6 Investment Counterparty criteria

The current investment counterparty criteria selection approved in the revised TMSS is meeting the requirement of the treasury management function.

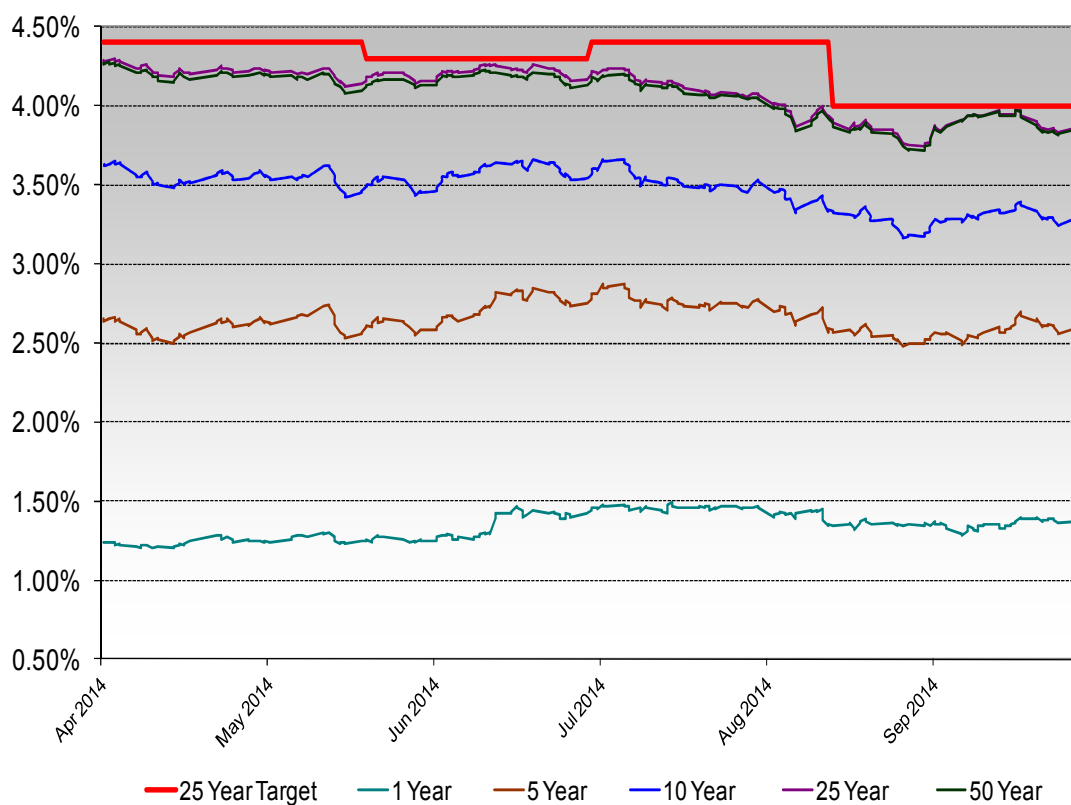
## 7 Borrowing

- 7.1 The Council's capital financing requirement (CFR) original estimate for 2014/15 is £54.125m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. The Council has borrowings of £28.055m (table 5.5) and has utilised an estimated £26.070m of cash flow funds in lieu of borrowing. This is a prudent and cost effective approach in the current economic climate but will require ongoing monitoring in the event that upside risk to gilt yields prevails.
- 7.2 Due to the overall financial position and the underlying need to borrow for capital purposes (the capital financing requirement - CFR), new external borrowing of £1.000m was undertaken from the PWLB during the first half of this financial year. This loan started on 24 September 2014 and is repayable at maturity on 24 September 2064. The annual rate of interest is fixed at 3.87%. In addition, new external borrowing of £1.800m was undertaken from the PWLB on 23 October 2014. This loan is repayable by equal instalments of principal over a 21 year term and has a fixed annual interest rate of 3.08%.
- 7.3 As outlined below, the general trend has been a decrease in interest rates during the six months across longer dated maturity bands, but a rise in the shorter maturities, reflecting in part the expected rise in the Bank rate.
- 7.4 Further borrowing may be undertaken during this financial year and options will be reviewed in due course in line with market conditions.
- 7.5 The graph and table below show the movement in PWLB certainty rates for the first six months of the year to 30 September 2014.

## 7.6 PWLB certainty rates, half year ended 30th September 2014

(Please note that the graph below is unable to show separate lines for 25 and 50 year rates at some points as those rates were almost identical)

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.20%	2.48%	3.16%	3.75%	3.73%
Date	10/04/2014	28/08/2014	28/08/2014	29/08/2014	29/08/2014
High	1.48%	2.86%	3.66%	4.29%	4.26%
Date	15/07/2014	04/07/2014	20/06/2014	02/04/2014	01/04/2014
Average	1.34%	2.65%	3.67%	4.10%	4.17%



7.7 Debt rescheduling opportunities have been limited in the current economic climate and consequent structure of interest rates. During the first six months of the year, no debt rescheduling was undertaken. The Council is currently under-borrowed to address investment counterparty risk and the differential between borrowing and investment interest rates. This position is carefully monitored.

7.8 The Council's budgeted debt interest payable for 2014/15 is £1.133m and performance for the first half of the financial year is below budget at £0.513m.

## 8 Treasury Management Indicators

### 8.1 Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2014/15 Original Indicator	2014/15 Revised Indicator
Non-HRA	8.9%	6.0%
HRA	6.0%	5.9%

### 8.2 Upper Limits on Variable Rate Exposure – This identifies a maximum limit for variable interest rates based upon the debt position net of investments.

**Upper Limits on Fixed Rate Exposure** – Similar to the previous indicator, this covers a maximum limit on fixed interest rates.

Both of these are shown in the below table:

	2014/15 Original Indicator £m	Current Position – Actual at 30/09/14 £m	2014/15 Revised Indicator £m
<b>Upper limits on fixed interest rates</b>			
Debt only	62.000	28.055	62.000
Investments only	45.000	25.503	45.000
<b>Upper limits on variable interest rates</b>			
Debt only	62.000	0.000	62.000
Investments only	45.000	11.740	45.000

### 8.3 Maturity Structures of Borrowing

These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing.

	2014/15 Original Upper Limit	Current Position – Actual at 30/09/14	2013/14 Revised Upper Limit
<b>Maturity structure of fixed rate borrowing</b>			
Under 12 months	50%	21%	50%
1 year to under 2 years	50%	1%	50%
2 years to under 5 years	50%	8%	50%
5 years to under 10 years	55%	39%	55%
10 years to under 20 years	50%	7%	50%
20 years to under 30 years	50%	14%	50%
30 years to under 40 years	50%	7%	50%
40 years to under 50 years	50%	4%	50%
50 years and above	50%	0%	50%

The current position shows the actual percentage of fixed rate debt the authority has within each maturity span. None of the upper limits have been breached.

## **9 Options**

- 9.1 That Members approve this report and agree the prudential and treasury indicators that are shown.

## **10 Corporate Implications**

### **10.1 Financial and VAT**

- 10.1.1 There are no financial or VAT implications arising directly from this report.

### **10.2 Legal**

- 10.2.1 This report is required to be brought before the Governance and Audit Committee, Cabinet and Council for approval, under the CIPFA Treasury Management Code of Practice.

### **10.3 Corporate**

- 10.3.1 This report evidences that the Council continues to carefully manage the risk associated with its treasury management activities.

### **10.4 Equity and Equalities**

- 10.4.1 There are no equity or equality issues arising from this report.

## **11 Recommendations**

- 11.1 Following approval of this report on 10 December 2014 by the Governance & Audit Committee, that Cabinet:
- Approves this report and agrees the prudential and treasury indicators that are shown in this report.
  - Recommends this report to Council.

## **12 Decision Making Process**

- 12.1 This report is to go to Council for approval. The Council meeting is on 5 February 2015.

## **13 Disclaimer**

- 13.1 This report is a technical document focussing on public sector investments and borrowings and, as such, readers should not use the information contained within the report to inform personal investment or borrowing decisions. Neither Thanet District Council nor any of its officers or employees makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein (such information being subject to change without notice) and shall not be in any way responsible or liable for the contents hereof

and no reliance should be placed on the accuracy, fairness or completeness of the information contained in this document. Any opinions, forecasts or estimates herein constitute a judgement and there can be no assurance that they will be consistent with future results or events. No person accepts any liability whatsoever for any loss howsoever arising from any use of this document or its contents or otherwise in connection therewith.

Contact Officer:	Paul Cook, Director of Corporate Resources & Section 151 Officer, extn 7617
Reporting to:	Madeline Homer, Acting Chief Executive

#### **Corporate Consultation Undertaken**

Finance	N/A
Legal	N/A

This page is intentionally left blank

---

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

To: **Cabinet – 20<sup>th</sup> January 2015**

Main Portfolio Area: **Finance**

By: **Councillor Everitt, Cabinet Member for Financial Services**

Classification: **Unrestricted**

---

**Summary:** **This report is to provide Cabinet with the proposed Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy for 2015/16 for approval.**

### **For Decision**

---

## **1.0 INTRODUCTION**

### **1.1 Background**

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

CIPFA defines treasury management as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

## 1.2 Reporting requirements

The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

**Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report covers:

- the capital plans (including prudential indicators);
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

**A mid year treasury management report** – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether the treasury strategy is meeting the strategy or whether any policies require revision.

**An annual treasury report** – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

### Scrutiny

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Governance and Audit Committee.

## 1.3 Treasury Management Strategy for 2015/16

The strategy for 2015/16 covers two main areas:

### Capital issues

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

### Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, CLG MRP Guidance, the CIPFA Treasury Management Code and CLG Investment Guidance.



## **1.4 Training**

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Training was last undertaken by members on 25 June 2014 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

## **1.5 External service providers**

The Council uses Capita Asset Services, Treasury Solutions as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

The Council uses the ICD Portal to invest or redeem trades in its Money Market Funds (MMFs). The portal provides advanced reporting tools so that the authority can assess its exposure to certain banks or countries.

Some investments via the ICD portal are made via JP Morgan who act as a clearing house for six of the nine MMFs the Council currently uses. The clearing house allows the authority to make several investments in different MMFs but only requires one payment to the clearing house, therefore saving the authority costs in CHAPS fees.

## **2.0 THE CAPITAL PRUDENTIAL INDICATORS 2015/16 – 2017/18**

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

### **2.1 Capital expenditure**

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital expenditure £m	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Non-HRA	6.689	18.416	4.229	3.703	3.397
HRA	3.958	14.044	10.944	10.072	3.392
<b>Total</b>	<b>10.647</b>	<b>32.460</b>	<b>15.173</b>	<b>13.775</b>	<b>6.789</b>

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Capital expenditure £m	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Non-HRA	6.689	18.416	4.229	3.703	3.397
HRA	3.958	14.044	10.944	10.072	3.392
<b>Total</b>	<b>10.647</b>	<b>32.460</b>	<b>15.173</b>	<b>13.775</b>	<b>6.789</b>
<b>Financed by:</b>					
Capital receipts	1.756	1.633	1.067	0.718	0.475
Capital grants	4.703	10.444	2.930	2.165	1.652
Capital reserves	1.324	10.912	5.259	3.303	3.085
Revenue	0.593	3.057	1.251	2.884	0.567
<b>Net financing need for the year</b>	<b>2.271</b>	<b>6.414</b>	<b>4.666</b>	<b>4.705</b>	<b>1.010</b>

Other long term liabilities: The above financing need excludes other long term liabilities, such as PFI and leasing arrangements which already include borrowing instruments.

## 2.2 The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

The CFR includes any other long term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council had £3.900m of long term liabilities (excluding pensions) as at 31 March 2014.

The Council is asked to approve the CFR projections below:

£m	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
<b>Capital Financing Requirement</b>					
CFR – non housing	20.898	26.460	26.470	26.315	26.224
CFR – housing	20.874	20.874	23.607	27.282	27.282
<b>Total CFR</b>	<b>41.772</b>	<b>47.334</b>	<b>50.077</b>	<b>53.597</b>	<b>53.506</b>
<b>Movement in CFR</b>	<b>(0.003)</b>	<b>5.562</b>	<b>2.743</b>	<b>3.520</b>	<b>(0.091)</b>

<b>Movement in CFR represented by</b>					
Net financing need for the year (above)	2.271	6.414	4.666	4.705	1.010
Less HRA – loan repayments and downward revaluations*	(1.656)	0.000	(0.828)	0.000	0.000
Less MRP/VRP and other financing movements	(0.618)	(0.852)	(1.095)	(1.185)	(1.101)
<b>Movement in CFR</b>	<b>(0.003)</b>	<b>5.562</b>	<b>2.743</b>	<b>3.520</b>	<b>(0.091)</b>

*\*The CFR treatment of downward revaluations to HRA non-current assets is under review by the Department of Communities and Local Government (requiring both Ministerial and Treasury approval) and accordingly is subject to change.*

### 2.3 Minimum revenue provision (MRP) policy statement

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

CLG regulations have been issued which require the full Council to approve **an MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:

For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

- **Existing practice** - MRP will follow the existing practice outlined in former CLG regulations (option 1).

This option provides for an approximate 4% reduction in the borrowing need (CFR) each year.

From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be:

- **Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3);

This option provides for a reduction in the borrowing need over approximately the asset's life.

There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made (although there are transitional arrangements in place).

Repayments included in annual PFI or finance leases are applied as MRP.

## 2.4 Core funds and expected investment balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year end balances for each resource and anticipated day to day cash flow balances.

Year End Resources £m	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Fund balances / reserves	2.177	2.177	2.177	2.177	2.177
Capital receipts	1.756	1.633	1.067	0.718	0.475
Earmarked reserves	16.757	8.207	8.146	8.646	8.846
<b>Total core funds</b>	<b>20.690</b>	<b>12.017</b>	<b>11.390</b>	<b>11.541</b>	<b>11.498</b>
Working capital*	38.235	33.115	33.043	33.605	32.752
Under/over borrowing	10.620	13.115	13.043	13.605	12.752
<b>Expected investments</b>	<b>27.615</b>	<b>20.000</b>	<b>20.000</b>	<b>20.000</b>	<b>20.000</b>

\*Working capital balances shown are estimated year end; these may be higher mid-year.

## 2.5 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

## 2.6 Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Non-HRA	3.1%	6.0%	8.0%	8.5%	8.1%
HRA	7.1%	5.9%	6.5%	6.9%	6.2%

The estimates of financing costs include current commitments and the proposals in this budget report.

## 2.7 Incremental impact of capital investment decisions on council tax

This indicator identifies the revenue costs associated with proposed changes to the three year capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

### Incremental impact of capital investment decisions on the band D council tax

£	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
<b>Council tax - band D *</b>	(4.41)	(11.43)	(17.93)	(16.20)	20.98

*\*The 2017/18 estimate is higher than the other years because, being the final year estimate, there is no comparison shown in the Treasury Management Strategy Statement for last year. In other words, the incremental 2017/18 estimate reflects the full cost of the 2017/18 capital programme. The main element of the 2017/18 estimate is the Minimum Revenue Provision charge.*

## 2.8 Estimates of the incremental impact of capital investment decisions on housing rent levels

Similar to the council tax calculation, this indicator identifies the trend in the cost of proposed changes in the housing capital programme recommended in this budget report compared to the Council's existing commitments and current plans, expressed as a discrete impact on weekly rent levels.

### Incremental impact of capital investment decisions on housing rent levels

£	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
<b>Weekly housing rent levels *</b>	(0.14)	0.08	1.17	1.43	1.91

This indicator shows the revenue impact on any newly proposed changes, although any discrete impact will be constrained by rent controls.

*\*The 2017/18 estimate is higher than the other years because, being the final year estimate, there is no comparison shown in the Treasury Management Strategy Statement for last year. In other words, the incremental 2017/18 estimate reflects the full cost of the 2017/18 capital programme.*

## 2.9 HRA ratios

£	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
<b>HRA debt £m</b>	20.869	20.869	23.602	27.277	27.276
<b>HRA rents £m</b>	12.390	12.994	12.959	13.217	13.480
<b>Ratio of debt to rents %</b>	168.4%	160.6%	182.1%	206.4%	202.3%

£	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
<b>HRA debt £m</b>	20.869	20.869	23.602	27.277	27.276
<b>Number of HRA dwellings</b>	3,034	3,035	3,093	3,127	3,139
<b>Debt per dwelling £</b>	6,878	6,876	7,631	8,723	8,690

## 3.0 BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

### 3.1 Current portfolio position

The Council's treasury portfolio position at 1 April 2013, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

£m	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
<b>External Debt</b>					
Debt at 1 April	26.122	27.252	30.659	33.814	37.112
Expected change in Debt	1.130	3.407	3.155	3.298	1.102
Other long-term liabilities (OLTL) at 1 April	0.642	3.900	3.560	3.220	2.880
Expected change in OLTL	3.258*	(0.340)	(0.340)	(0.340)	(0.340)
<b>Actual gross debt at 31 March</b>	<b>31.152</b>	<b>34.219</b>	<b>37.034</b>	<b>39.992</b>	<b>40.754</b>
The Capital Financing Requirement	41.772	47.334	50.077	53.597	53.506
<b>Under / (over) borrowing</b>	<b>10.620</b>	<b>13.115</b>	<b>13.043</b>	<b>13.605</b>	<b>12.752</b>

*\*Leisure centre deferred credit.*

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2015/16 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

The Section 151 Officer reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

### 3.2 Treasury Indicators: limits to borrowing activity

**The operational boundary.** This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

Operational boundary £m	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Debt	43.000	42.000	42.000	42.000
Other long term liabilities	11.000	12.000	12.000	12.000
Total	54.000	54.000	54.000	54.000

**The authorised limit for external debt.** A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
2. The Council is asked to approve the following authorised limit:

Authorised limit £m	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Debt	48.000	47.000	47.000	47.000
Other long term liabilities	14.000	15.000	15.000	15.000
Total	62.000	62.000	62.000	62.000

Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime. This limit is currently:

HRA Debt Limit £m	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
HRA debt cap	27.792	27.792	27.792	27.792
HRA CFR	20.874	23.607	27.282	27.282
HRA headroom	6.918	4.185	0.510	0.510

### 3.3 Capita's economic and interest rate forecast (issued by Capita on 28 October 2014)

The Council has appointed Capita Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives the Capita central view.

Annual Average %	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Dec 2014	0.50	2.50	3.90	3.90
Mar 2015	0.50	2.70	4.00	4.00
Jun 2015	0.75	2.70	4.10	4.10
Sep 2015	0.75	2.80	4.30	4.30
Dec 2015	1.00	2.90	4.40	4.40
Mar 2016	1.00	3.00	4.50	4.50
Jun 2016	1.25	3.10	4.60	4.60
Sep 2016	1.25	3.20	4.70	4.70
Dec 2016	1.50	3.30	4.70	4.70
Mar 2017	1.50	3.40	4.80	4.80
Jun 2017	1.75	3.50	4.80	4.80
Sep 2017	2.00	3.50	4.90	4.90
Dec 2017	2.25	3.50	4.90	4.90
Mar 2018	2.50	3.50	5.00	5.00

Until 2013, the economic recovery in the UK since 2008 had been the worst and slowest recovery in recent history. However, growth has rebounded during 2013 and especially during 2014, to surpass all expectations, propelled by recovery in consumer spending and the housing market. Forward surveys are also currently very positive in indicating that growth prospects are strong for 2015, particularly in the services and construction sectors. However, growth in the manufacturing sector and in exports has weakened during 2014 due to poor growth in the Eurozone. There does need to be a significant rebalancing of the economy away from consumer spending to manufacturing, business investment and exporting in order for this initial stage in the recovery to become more firmly established. One drag on the economy is that wage inflation has been lower than CPI inflation so eroding disposable income and living standards, although income tax cuts have ameliorated this to some extent.

This therefore means that labour productivity must improve significantly for this situation to be corrected by warranting increases in pay rates. In addition, the encouraging rate at which unemployment has been falling must eventually feed through into pressure for wage increases, though current views on the amount of hidden slack in the labour market probably means that this is unlikely to happen in the near future. The US, the main world economy, faces similar debt problems to the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth.

The current economic outlook and structure of market interest rates and government debt yields have several key treasury management implications:

- As for the Eurozone, concerns in respect of a major crisis subsided considerably in 2013. However, the downturn in growth and inflation during



the second half of 2014, and worries over the Ukraine situation, Middle East and Ebola, have led to a resurgence of those concerns as risks increase that it could be heading into deflation and a triple dip recession since 2008. Sovereign debt difficulties have not gone away and major concerns could return in respect of individual countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise to levels that could result in a loss of investor confidence in the financial viability of such countries. Counterparty risks therefore remain elevated. This continues to suggest the use of higher quality counterparties for shorter time periods;

- Investment returns are likely to remain relatively low during 2015/16 and beyond;
- Borrowing interest rates have been volatile during 2014 as alternating bouts of good and bad news have promoted optimism, and then pessimism, in financial markets. During July to October 2014, a building accumulation of negative news has led to an overall trend of falling rates. The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in later times, when authorities will not be able to avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt;
- There will remain a cost of carry to any new borrowing which causes an increase in investments as this will incur a revenue loss between borrowing costs and investment returns.

### 3.4 Borrowing strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is relatively high.

Against this background and the risks within the economic forecast, caution will be adopted with the 2015/16 treasury operations. The Section 151 Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in long and short term rates* (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.
- *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast*, perhaps arising from a greater than expected increase in the anticipated rate to US tapering of asset purchases, or in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still lower than they will be in the next few years.

Any decisions will be reported to the appropriate decision making body at the next available opportunity.

### Treasury management limits on activity

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

£m	2015/16	2016/17	2017/18
<b>Interest rate exposures</b>			
	<b>Upper</b>	<b>Upper</b>	<b>Upper</b>
Limits on fixed interest rates:			
• Debt only	62.000	62.000	62.000
• Investments only	45.000	45.000	45.000
Limits on variable interest rates			
• Debt only	62.000	62.000	62.000
• Investments only	45.000	45.000	45.000
<b>Maturity structure of fixed interest rate borrowing 2015/16</b>			
	<b>Lower</b>	<b>Upper</b>	
Under 12 months	0%	50%	
12 months to under 2 years	0%	50%	
2 years to under 5 years	0%	50%	
5 years to under 10 years	0%	55%	
10 years to under 20 years	0%	50%	
20 years to under 30 years	0%	50%	
30 years to under 40 years	0%	50%	
40 years to under 50 years	0%	50%	
50 years and above	0%	50%	

### 3.5 Policy on borrowing in advance of need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

The Council has some flexibility to borrow funds this year for use in future years. The Section 151 Officer may do this under delegated power where, for instance, a sharp rise in interest rates is expected, and so borrowing early at fixed rates will be economically beneficial or meet budgetary constraints. Whilst the Section 151 Officer will adopt a cautious approach to any such borrowing, where there is a clear business case for doing so borrowing may be undertaken to fund the approved capital programme or to fund future debt maturities.

Borrowing in advance will be made within the constraints that:

- The authority would not look to borrow more than 18 months in advance of need.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

### **3.6 Debt rescheduling**

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

All rescheduling will be reported to Cabinet at the earliest meeting following its action.

### **3.7 Municipal Bond Agency**

It is likely that the Municipal Bond Agency, currently in the process of being set up, will be offering loans to local authorities in the near future. It is also hoped that the borrowing rates will be lower than those offered by the Public Works Loan Board (PWLB). This Authority intends to make use of this new source of borrowing as and when appropriate.

## **4.0 ANNUAL INVESTMENT STRATEGY**

### **4.1 Investment policy**

The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance

Notes (“the CIPFA TM Code”). The Council’s investment priorities will be security first, liquidity second, then return.

In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk.

Continuing regulatory changes in the banking sector are designed to see greater stability, lower risk and the removal of expectations of Government financial support should an institution fail. This withdrawal of implied sovereign support is anticipated to have an effect on ratings applied to institutions. This will result in the key ratings used to monitor counterparties being the Short Term and Long Term ratings only. Viability, Financial Strength and Support Ratings previously applied will effectively become redundant. This change does not reflect deterioration in the credit environment but rather a change of method in response to regulatory changes.

As with previous practice, ratings will not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

Investment instruments identified for use in the financial year are listed in section 5 under the ‘specified’ and ‘non-specified’ investments categories. Counterparty limits will be as set through the Council’s treasury management practices.

## **4.2 Creditworthiness policy**

The primary principle governing the Council’s investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council’s prudential indicators covering the maximum principal sums invested.

The Section 151 Officer will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines

which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.

The minimum rating criteria uses the lowest common denominator method of selecting counterparties and applying limits. This means that the application of the Council's minimum criteria will apply to the lowest available rating for any institution. For instance, if an institution is rated by two agencies, one meets the Council's criteria, the other does not, the institution will fall outside the lending criteria. Credit rating information is supplied by Capita Asset Services our treasury consultants, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating watches (notification of a likely change), rating outlooks (notification of a possible longer term change) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating watch applying to a counterparty at the minimum Council criteria may be suspended from use, with all others being reviewed in light of market conditions.

The criteria for providing a pool of high quality investment counterparties (both specified and non-specified investments) is:

- Banks 1 - good credit quality – the Council will only use banks which:
  - i. are UK banks; and/or
  - ii. are non-UK and domiciled in a country which has a minimum sovereign long term rating of AAA;
 and have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):
  - i. Short term – F1 (or equivalent)
  - ii. Long term – A (or equivalent)
- Banks 2 – Part nationalised UK banks – Lloyds Banking Group and Royal Bank of Scotland Group. These banks can be included if they continue to be part nationalised or they meet the above criteria;
- Banks 3 – The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time;
- Bank subsidiary and treasury operations - The Council will use these where the parent bank has the necessary ratings outlined above;
- Building societies: The Council will use all societies which meet the ratings/criteria for banks outlined above;
- Money market funds (including enhanced money market funds) – AAA;
- UK Government (including gilts and the DMADF);
- Local authorities, parish councils, community councils, companies controlled by the Council (either alone or with other Local Authorities) etc;
- Supranational institutions.

A limit of £5m will be applied to the use of investments with a maturity of over 364 days but not more than 370 days.

**Country and sector considerations** - Due care will be taken to consider the country, group and sector exposure of the Council's investments. In part, the country selection will be chosen by the credit rating of the sovereign state in Banks 1 above. In addition:

- no more than £5m will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies;
- sector limits will be monitored regularly for appropriateness.

**Use of additional information other than credit ratings.** Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating watches/outlooks) will be applied to compare the relative security of differing investment counterparties.

**Time and monetary limits applying to investments.** The time and monetary limits for institutions on the Council's counterparty list are as follows (these will cover both specified and non-specified investments):

	Fitch Long Term Rating (or equivalent)	Money Limit	Time Limit
<b>Higher quality</b>	<b>AA-</b>	<b>£6m per institution</b>	<b>370 days</b>
<b>Medium quality</b>	<b>A</b>	<b>£5m per institution</b>	<b>370 days</b>
<b>Part nationalised</b>	<b>N/A</b>	<b>£7m per institution</b>	<b>370 days</b>
<b>Debt Management Account Deposit Facility</b>	<b>AAA</b>	<b>unlimited</b>	<b>6 months</b>
<b>Money market Funds (including enhanced money market funds)</b>	<b>AAA</b>	<b>£6m per fund</b>	<b>370 days</b>
<b>Local authorities, parish councils, community councils, companies controlled by the Council (either alone or with other Local Authorities), Supranational institutions etc</b>	<b>N/A</b>	<b>£4m per institution</b>	<b>370 days</b>

The proposed criteria for specified and non-specified investments are shown in section 5 for approval.

#### 4.3 Country limits

The Council has determined that it will only use approved counterparties from the UK (irrespective of the UK sovereign credit rating) or other countries with a minimum sovereign credit rating of AAA from Fitch (or equivalent). This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

Country restrictions on banks/investments (no more than £5m to be placed with any non-UK country which must have a minimum sovereign long term rating of AAA) do not apply to money market funds (including enhanced money market funds). The Council only invests in sterling denominated money market funds (including enhanced money market funds).

#### 4.4 Investment strategy

**In-house funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

**Capita's Investment returns expectations (issued by Capita on 28 October 2014).** Bank Rate is forecast to remain unchanged at 0.5% before starting to rise from quarter 2 of 2015. Bank Rate forecasts for financial year ends (March) are:

2015/16 1.00%  
2016/17 1.50%  
2017/18 2.50%

There are downside risks to these forecasts (i.e. start of increases in Bank Rate occurs later) if economic growth weakens. However, should the pace of growth quicken, there could be an upside risk.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year for the next eight years are as follows:

2015/16 0.90%  
2016/17 1.50%  
2017/18 2.00%  
2018/19 2.50%  
2019/20 3.00%  
2020/21 3.00%  
2021/22 3.25%  
2022/23 3.25%  
Later years 3.50%

**Investment treasury indicator and limit** - total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity

requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit: -

<b>Maximum principal sums invested &gt; 364 days</b>			
<b>£m</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
Principal sums invested > 364 days (but not more than 370 days)	£5m	£5m	£5m

For its cash flow generated balances, the Council will seek to utilise its instant access and notice accounts, money market funds and deposits (overnight to 370 days) in order to benefit from the compounding of interest.

#### **4.5 Investment risk benchmarking**

These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or Annual Report.

Security - The Council's maximum security risk benchmark for the current portfolio, when compared to these historic default tables, is:

- 0.05% historic risk of default when compared to the whole portfolio.
- Liquidity – in respect of this area the Council seeks to maintain:
  - Bank overdraft - £0.5m
  - Liquid short term deposits of at least £10m available with a week's notice.
  - Weighted average life benchmark is expected to be 0.5 years, with a maximum of 1.0 year.

Yield - local measures of yield benchmarks are:

- Investments – internal returns above the 7 day LIBID rate

And in addition that the security benchmark for each individual year is:

	370 days	2 years	3 years	4 years	5 years
<b>Maximum</b>	<b>0.05%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

Note: This benchmark is an average risk of default measure, and would not constitute an expectation of loss against a particular investment.

#### **4.6 End of year investment report**

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.



## 5.0 TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

The CLG issued Investment Guidance in 2010, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which operate under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council adopted the Code and will apply its principles to all investment activity. In accordance with the Code, the Section 151 Officer has produced its treasury management practices (TMPs). This part, TMP 1(1), covering investment counterparty policy requires approval each year.

### 5.1 Annual investment strategy

The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of the annual treasury strategy for the following year, covering the identification and approval of the following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments that the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Council is:

**Strategy guidelines** – The main strategy guidelines are contained in the body of the treasury strategy statement.

### 5.2 Specified investments

These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government (such as the Debt Management Account deposit facility, UK treasury bills or a gilt with less than one year to maturity).
2. Supranational bonds of less than one year's duration.
3. Local authorities, parish councils, community councils, companies controlled by the Council (either alone or with other Local Authorities).
4. Pooled investment vehicles (such as money market funds including enhanced money market funds) that have been awarded a high credit rating by a credit

rating agency. For category 4 this covers pooled investment vehicles, such as money market funds including enhanced money market funds, rated AAA by Standard and Poor's, Moody's and/or Fitch rating agencies.

5. A body that is considered of a high credit quality (such as a bank or building society). For category 5 this covers bodies with a minimum short term rating of F1 (or the equivalent) and minimum long term rating of A (or the equivalent) as rated by Standard and Poor's, Moody's and/or Fitch rating agencies.
6. Any part nationalised UK bank or building society.
7. Any subsidiary and treasury operations where the parent bank or building society has the necessary ratings outlined above.
8. The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time.

Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies, as set out in this report.

### **5.3 Non-specified investments**

Non-specified investments are any other type of investment (i.e. not defined as specified above). The Council may only use non-specified investments with a maturity of no more than 370 days and which otherwise meet the criteria for specified investments in section 5.2 above.

### **5.4 The monitoring of investment counterparties**

The credit rating of counterparties will be monitored regularly. The Council receives credit rating information (changes, rating watches and rating outlooks) from Capita Asset Services as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Section 151 Officer, and if required new counterparties which meet the criteria will be added to the list.

### **5.5 Use of external fund managers**

It is the Council's policy not to use external fund managers for any part of its investment portfolio.

## **6.0 OPTIONS**

Following approval of this report on 10 December 2014 by the Governance and Audit Committee, that Cabinet:

- Approves this report and recommends that it is approved by full Council.
- Does not approve this report and does not recommend that it is approved by full Council, thereby not complying with the Treasury Management Code of Practice.

## **7.0 CORPORATE IMPLICATIONS**

### **7.1 Financial**

The financial implications are highlighted within this report.

## **7.2 Legal**

There are no legal implications arising directly from this report.

## **7.3 Corporate**

Failure to undertake this process will impact on the Council's compliance with the Treasury Management Code of Practice.

## **7.4 Equity and Equalities**

There are no equity or equality issues arising from this report.

## **8.0 RECOMMENDATIONS**

Following approval of this report on 10 December 2014 by the Governance and Audit Committee, Cabinet is recommended to approve this report, including each of the key elements of this report listed below, and recommend them to Council:

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

## **9.0 DECISION MAKING PROCESS**

Under the Treasury Management Code of Practice it is required that this report is sent to Council for its approval.

Following Cabinet's approval, this report must go to Council as part of the Medium Term Financial Strategy.

## **10.0 DISCLAIMER**

This report is a technical document focussing on public sector investments and borrowings and, as such, readers should not use the information contained within the report to inform personal investment or borrowing decisions. Neither Thanet District Council nor any of its officers or employees makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein (such information being subject to change without notice) and shall not be in any way responsible or liable for the contents hereof and no reliance should be placed on the accuracy, fairness or completeness of the information contained in this document. Any opinions, forecasts or estimates herein constitute a judgement and there can be no assurance that they will be consistent with future results or events. No person accepts any liability whatsoever for any loss howsoever arising from any use of this document or its contents or otherwise in connection therewith.

Contact Officer:	Paul Cook, Director of Corporate Resources & Section 151 Officer, extn 7617
Reporting to:	Madeline Homer, Acting Chief Executive

**Corporate Consultation Undertaken**

Finance	N/A
Legal	N/A

---

## NOTICE OF MOTION No.2 – DESIGNATION OF CONSERVATION AREA, CLIFTONVILLE

To: **Cabinet – 20<sup>th</sup> January 2015**  
**Council – 25<sup>th</sup> February 2015**

Main Portfolio Area: **Housing and Planning Services**

By: **Councillor D. Green, Cabinet Member for Strategic Economic Development Services**

Classification: **Unrestricted**

Ward: **Cliftonville West**

---

### Summary:

**The report considers 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. It seeks a recommendation to Council regarding the designation of the Conservation Area, for the adoption of the Ethelbert Road and Athelstan Road Character Appraisal and Management Plan and agreement to the boundary of the proposed area. It also seeks a recommendation regarding the designation of an Article 4(2) Direction within the area.**

### For Decision

---

#### 1.0 Introduction and Background

- 1.1 A motion was put to Council on 27th February 2014 to designate further Conservation Areas in Cliftonville. Officers recommended that potential Conservation Areas in Cliftonville should be designated, beginning with those areas most at threat from detrimental change.
- 1.2 A report was submitted to Cabinet on 31 July 2014 where it was agreed that the Ethelbert and Athelstan Road areas could be progressed for adoption as a designated Conservation Area, subject to public consultation. Officers were also asked to prepare, consult and undertake the formal designation of an Article 4 Direction in respect of the proposed area.
- 1.3 A six week public consultation exercise was undertaken from the 22 September 2014 until Friday 31 October 2014 and representations received have been considered. Considerable effort was made to ensure that as many people as possible were aware of the consultation exercise, including online questionnaire, emails, letters to owner/occupiers, press releases and drop-in sessions. The results of the consultations have been appended to this report.

- 1.4 The public consultation exercise has shown that the area is generally recognised as having a special character and appearance worth safeguarding and there is overall support for the designation of the conservation area at Ethelbert Road and Athelstan Road. Support was also given for measures to control certain permitted developments and alterations within the area identified by use of an Article 4 Direction.
- 1.5 The consultation also showed support to the various measures put forward in the Management Plan for the proposed Conservation Area.

## **2.0 The Current Situation**

- 2.1 In 2010, following the designation of the Dalby Square area, Thanet District Council commissioned *The Conservation Studio* to report on whether there was further potential to designate conservation areas in Cliftonville West Ward. The end result of this work – funded by English Heritage – was the production, by the Conservation Studio, of Draft Designation documents and Management Plans for six defined areas in the Ward including Ethelbert Road and Athelstan Roads, Cliftonville Cliff Top, Northdown Road, Grotto Hill, Edgar and Sweyn Road, Norfolk and Warwick and Surrey Roads. These documents have been available on the Council's website since February 2014. All of the documents need updating.
- 2.2 The areas are of considerable architectural interest where streets, spaces and buildings remain relatively unaltered. In pursuit of improving the social and economic standing of Cliftonville West Ward the Council is therefore proposing to continue the process towards designating these areas as Conservation Areas. Conservation Area designation is not intended to prevent change or adaption but simply to ensure that any proposals for change are properly considered. Generally, conservation area designations sustain and/or enhance the value of properties within the area.
- 2.3 Officers have reviewed and produced a character appraisal document for Ethelbert Road and Athelstan Road which has also been amended following consultation.
- 2.4 This report seeks that the Ethelbert and Athelstan Road area (highlighted in on the annex 1) 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.
- 2.5 The remaining areas should form the basis of a management plan to progress forward for consultation with members of the public for consideration as designated Conservation Areas in the suggested order below:-
- 1 Edgar Road/Sweyn Road
  - 2 Norfolk Road/Warwick Road/Surrey Road
  - 3 Clifton Place/Grotto Gardens
  - 4 Northdown Road
  - 5 Clifftop

## **3.0 Next Steps**

- 3.1 The Council is required to undertake a public consultation to the remaining areas which will provide an opportunity for members of the public to comment on the intention as a whole, the timing of the phasing and also the order of priority. That Officers also prepare, consult and undertake the formal designation of an Article 4 Direction in the Ethelbert and Athelstan Road Conservation Area.

#### **4.0 Corporate Implications**

##### **4.1 Financial and VAT**

The proposals are expected to be taken forward within current budgets.

##### **5.0 Legal**

5.2.1 There are no adverse legal implications in taking this forward.

##### **5.3 Corporate**

5.3.1 The proposals support the corporate plan:-

- \* Priority 1 – Support the growth of economy
- \* Priority 2 - To tackle disadvantage across our district
- \* Priority 3 - To support our community

#### **6.0 Recommendations**

6.1 That the Cabinet approve and recommend to Council the Ethelbert and Athelstan Road area be adopted as a designated Conservation Area and that this be communicated to all parties involved;

6.2 That officers prepare, consult (including with internal stakeholders) and undertake the formal designation of an Article 4 Direction in respect of this area;

6.3 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.

#### **7.0 Decision Making Process**

7.1 This is key decision to go to Cabinet subject to call in.

7.2 This matter is to be taken to Council on 25<sup>th</sup> February 2015

Future Meeting: Council	Date: 25 February 2015
-------------------------	------------------------

Contact Officer:	Jacob Amuli, Conservation Officer
Reporting to:	Simon Thomas, Planning Manager

#### **Annex List**

Annex 1	Proposed Ethelbert Road and Athelstan Road Conservation Area and Management Plan
Annex 2	Public Consultation Summary

#### **Corporate Consultation Undertaken**

Finance	Matthew Sanham, Finance Manager (Service Support)
Legal	Peter Reilly, Litigation Solicitor

This page is intentionally left blank





**PROPOSED ETHELBERT ROAD AND  
ATHELSTAN ROAD CONSERVATION AREA  
CHARACTER APPRAISAL AND MANAGEMENT  
PLAN**



Thanet District Council,  
PO Box 9, Cecil Street,  
Margate, Kent, CT9 1XZ

January 2015

## Contents

### Executive Summary

## PART 1 THE PROPOSED ETHELBERT ROAD AND ATHELSTAN ROAD CONSERVATION AREA – CHARACTER APPRAISAL

### Executive Summary

#### 1 Introduction

- 1.1 Summary of the special interest of the proposed Ethelbert Road and Athelstan Road Conservation Area
- 1.2 The control of conservation areas
- 1.3 Community involvement

#### 2 Location and setting

- 2.1 Location and context
- 2.2 Setting, topography and geology
- 2.3 Biodiversity

#### 3 Historical development

- 3.1 Archaeology
- 3.2 The development of Margate
- 3.2 The development of the proposed Ethelbert Road and Athelstan Road Conservation Area
- 3.4 Activities

#### 4 Spatial analysis

- 4.1 General character and plan form
- 4.2 Focal points, focal buildings, views and vistas
- 4.3 Boundaries
- 4.4 Public realm

#### 5 The buildings of the conservation area

- 5.1 Building types and dates
- 5.2 Listed buildings
- 5.3 Locally listed buildings
- 5.4 Positive buildings
- 5.5 Building styles, materials and colours

#### 6 The extent of intrusion or damage

- 6.1 Key negative features
- 6.2 Summary of issues

## **PART 2 THE PROPOSED ETHELBERT ROAD AND ATHELSTAN ROAD CONSERVATION AREA - MANAGEMENT PLAN**

### **1 Introduction**

- 1.1 The purpose of the Management Plan
- 1.2 Relevant documents
- 1.3 Summary of issues

### **2 Recommended actions**

- 2.1 The control of new development
- 2.2 The protection of views
- 2.3 The public realm
- 2.4 The control of car parking and traffic
- 2.5 The control of unlisted buildings (Article 4 Directions)
- 2.6 Building condition and the role of grant aid
- 2.7 Advertising and shopfronts
- 2.8 The Local list
- 2.9 Site specific recommendations
- 2.10 Education and guidance
- 2.11 Monitoring and review

### **3 Action Plan**

### **4 Contact details**

## **APPENDICES**

Appendix 1 Proposed Ethelbert Road and Athelstan Road Conservation Area Map

## EXECUTIVE SUMMARY

Cliftonville in east Margate is a well preserved seaside resort, and most of the original streets, spaces and buildings remain relatively unaltered. Built to high standards of design and construction from the 1860s onwards, the buildings provide a fine example of historic seaside architecture which is compatible in quality to similarly dated seaside developments elsewhere in England. Against this remarkable survival must be balanced the fact that today, the Margate Central and Cliftonville West wards are amongst the most deprived wards in the south east.

In their report following a visit to Margate, the Urban Panel of the Commission for Architecture and Built Environment (CABE) stated that “Cliftonville could, by a different fluke of social history and demographics, be one of the most desirable parts of the country to live”. For the past few years, the District Council and its partners have been taking a strategic approach towards the social and economic regeneration of Margate Central and West Cliftonville, as evidenced by the designation of new conservation areas, the provision of grant aid, and the provision of new planning policies and guidance. A successful future can often be secured by keeping and improving that which is best from the past.

Cliftonville has also been identified as important part of the local heritage by officers of the District Council, by English Heritage (this Appraisal was in the main grant funded by English Heritage), and by the local community, which has been consulted on the draft of this document.



*Athelstan Road*

*Ethelbert Road*

Conservation Area designation is not intended to prevent change or adaptation but simply to ensure that any proposals for change are properly considered. Restoration of the historic built environment will not impede its regeneration, and, indeed, designation will enable the District Council as the planning authority to incrementally improve the appearance of the buildings and the spaces between them, providing an impetus for private investment. Further work is being done by the District Council under separate initiatives to encourage larger residential units and the creation of more owner-occupied property.

Designation of a new conservation area should follow an evaluation of the area concerned. This document provides a detailed analysis of the special interest of the proposed Ethelbert Road and Athelstan Road Conservation Area and identifies those features and qualities which make the area worthy of designation. It also provides proposals for enhancements (the ‘Management

Plan'), most of which will be the responsibility of either Thanet District Council or Kent County Council (as Highways Authority). All of the recommendations will, of course, be subject to funding and staff resources being made available.

The production of up-to-date Character Appraisals assists the Council in making decisions on planning applications within or on the edges of the Conservation Area. Character Appraisals also help the local community understand what is 'special' about their area and encourages local involvement in the planning process. Whilst some of the recommendations in the Management Plan will have to remain aspirational for the time being, it is considered good practice to identify where improvements are needed so that actions can be taken promptly if, and when, funding becomes available.

Other conservation areas may be designated in Cliftonville as part of a review of the Cliftonville area which commenced in the summer of 2010.



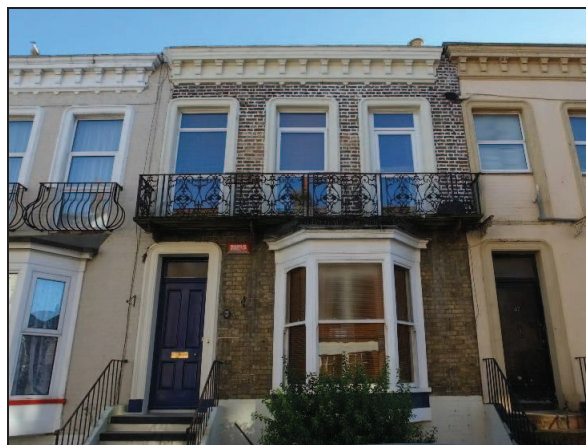
## PART 1 – THE PROPOSED ETHELBERT ROAD AND ATHELSTAN ROAD CONSERVATION AREA CHARACTER APPRAISAL

### 1 INTRODUCTION

#### 1.1 Summary of the special interest of the proposed Ethelbert Road and Athelstan Road Conservation Area

These two distinctive roads form part of the larger late Victorian and Edwardian suburb of Cliftonville, located on the eastern edge of the old fishing village of Margate. The two main streets run parallel to each other between Northdown Road in the south and Western Esplanade in the north, from where there are wide views over open land and (hidden) high cliffs to the sea. Another view of special merit is the view down Ethelbert Road towards the sea which focuses on the cream and orange tower of the 1930s Lido. The streets were developed with family houses, small hotels or guest houses at about the same time (1869) that the prestigious Cliftonville Hotel was opened in adjoining Dalby Square.

Most of the properties in the Conservation Area are shown as complete on the 1872 map and provide a variety of architectural styles, although the majority have Italianate details and are two or three storeys high. These buildings sit back from the pavement forming continuous (or almost continuous) terraces, with small front gardens which are frequently bounded by original cast iron railings. Other architectural features such as first floor balconies with decorative iron railings, canted bay windows, decorative stucco details, large sashed windows and some original front doors all add to the special interest of the Conservation Area. Several of the terraced groups sit half a storey above pavement level, providing basement rooms below and sweeping front staircases above. The survival of original cast iron railings in many locations is of special note.



*Italianate houses in Athelstan Road*

Nos. 2-12 Athelstan Road are tall (four storey) properties with gables facing the street and facades of red and brown brick, which have a more Gothic influence to their style. Brown London stock brick, painted stucco and natural slate roofs are the most common materials, although in Ethelbert Road, Nos. 40 to 62 have a more Edwardian character (they date to the early 1900s) and are built using red brick with small decorative gables at second floor level. Whilst most of the buildings are in residential uses, there are also a few other uses including

one group of commercial uses in the Depository at the southern end of Athelstan Road. This is one of two individual buildings of note in the proposed Conservation Area and is a substantial four storey brick warehouse dating to c1900 with ground floor business premises.



*Edwardian houses in Ethelbert Road*



*Pettman Depository*

Issues facing the Conservation Area include the serving of an Article 4 Direction to control front gardens, boundaries and roof details; possible additions to Thanet District Council's 'Local List' of significant buildings; the enhancement of both private and public spaces within the Conservation Area; the control of new development; the use of colour; the poor condition of some of the existing historic buildings; and the protection of important views.

## **1.2 The control of conservation areas**

Conservation areas are designated under the provisions of Section 69 of the *Planning (Listed Buildings and Conservation Areas) Act 1990*. A conservation area is defined as “an area of special architectural or historic interest the character or appearance of which it is desirable to preserve or enhance”.

Section 71 of the same Act requires local planning authorities to formulate and publish proposals for the preservation and enhancement of these conservation areas. Section 72 also specifies that, in making a decision on an application for development within a conservation area, special attention must be paid to the desirability of preserving or enhancing the character or appearance of that area.

In response to these statutory requirements, this document defines and records the special architectural and historic interest of the proposed Ethelbert Road and Athelstan Road Conservation Area and identifies opportunities for enhancement. It is in conformity with the published English Heritage guidance as set out in *Understanding Place: Conservation Area Designation, Appraisal and Management*. Additional government guidance regarding the management of historic buildings and conservation areas can be found in 'National Planning Policy Framework' (NPPF), published in March 2012.

This document therefore seeks to:

- Define the special interest of the proposed Ethelbert Road and Athelstan Road Conservation Area and identify the issues which threaten its special qualities.
- Provide guidelines to prevent harm and also achieve the enhancement of the Conservation Area (in the form of the 'Management Proposals Plan').

### **1.3 Community involvement**

Informal consultations were carried out with the local community on the proposals for the new Cliftonville conservation area designations in October 2010, after which a Character Appraisal and Management Plan for each of the proposed conservation areas was prepared including this proposed Ethelbert Road and Athelstan Road Character Appraisal and Management Plan. This early engagement highlighted issues and aspirations in Cliftonville, which informed the preparation of the character appraisal.

This Character Appraisal and Management Plan for Ethelbert Road and Athelstan Road Conservation Area was a subject of a six week public consultation between 22nd September 2014 and 30th October 2014 and subsequently amended in light of the feedback received before being put before the Cabinet for final approval. Finally, the Character Appraisal and Management Plan will be approved by the Council as a material document for development management purposes.



## 2 LOCATION AND LANDSCAPE SETTING

### 2.1 Location and context

The proposed Ethelbert Road and Athelstan Road Conservation Area is located within the western part of Cliftonville, a 19<sup>th</sup> century expansion of the medieval port of Margate, which lies immediately to the west. Margate is located on the Isle of Thanet, a coastal district at the eastern extremity of the county of Kent in south east England. Margate, Ramsgate and Broadstairs are the principal settlements in Thanet District, and each is famous for its seaside setting and attractive historic town centres.

Margate is approximately 76 miles south east of London by road and is accessed via the M2 and the A299, the Thanet Way. Railway routes lead to Canterbury, Dover and along the north coast via Herne Bay and Whitstable to London.

The proposed Ethelbert Road and Athelstan Road Conservation Area abuts the Margate Conservation Area to the west, the Dalby Square Conservation Area to the east, and the proposed Northdown Road Conservation Area to the south. To the immediate north, the proposed Esplanade Conservation Area lies along the seafront, separating the proposed Ethelbert Road and Athelstan Road Conservation Area from the promenade and beach.

The Conservation Area lies within the Cliftonville West Ward of Thanet District Council. The area of Cliftonville is 2.7 hectares and the population (in the 2001 census) was 12,900. Demographically, the population is predominantly white European.



*The Conservation Area looks over the sea from its northern boundary*

### 2.2 Landscape setting, topography and geology

Margate is located over solid chalk, with high chalk cliffs rising to either side of the beach and harbour in the centre of the town. The Dane valley rises gently southwards through the town from this beach. Cliftonville lies on roughly level ground on the eastern cliff tops above the town about 20 metres above sea level, although cuts have been made through the cliffs in previous

centuries to allow access to the sandy beaches below. Two of these, Newgate Gap and Hodges Gap, lie within the proposed Cliftonville Cliff Top Conservation Area. A slight north to south incline in ground level reinforces the opportunities for long views over the seascape to the north of these cliffs. To the south of Northdown Road, the land falls steeply – this is most evident in the proposed Grotto Hill Conservation Area.

### 3 HISTORICAL DEVELOPMENT

#### 3.1 Archaeology

Archaeological remains are frequently found in the Cliftonville and Margate areas. The remains of all periods from the Neolithic to Modern are recorded within the area and consist of both burial and settlement archaeology.

Archaeological remains of Roman date have been recorded within the Dalby Square Conservation Area and there is a high potential for further remains of this and other periods to be present there.

Romano-British activity seems to cluster around both sides of the Dane valley leading to the present harbour with most of the activity concentrated at the seaward end of the valley on both high ground and further down the valley sides. Activity is similarly recorded further inland, also along the valley sides. A Romano-British cremation burial dating to between 75 and 125 AD was found by workmen excavating a trench in Arthur Road, Cliftonville. The pit contained a carinated urn in Upchurch Ware filled with ashes and burnt human bone, and was accompanied by a stamped Samian platter. The burial is recorded by the workmen as having been truncated by former Victorian ground works and sealed by a floor. Other Roman burials are known from the Britannia Public House, Fort Hill site, located to the west of Cliftonville.

#### 3.2 The development of Margate

Margate developed from a minor medieval port to a seaside resort from the mid-18<sup>th</sup> century onwards. By 1800 the town had assembly rooms, residential squares, bathing establishments, libraries and theatres, all designed to cater to the needs of aristocratic visitors – the only class of society to take ‘holidays’. In 1828 increased numbers resulted in Holy Trinity Church being built on what was then the eastern edge of the town, close to what was to become Ethelbert Road, as a chapel-of-ease to St John’s – it was soon extended to provide 800 rented pews and 1,200 free seats. In 1845 the land which was to later develop as Cliftonville was still fields with a Coastguard Station on the cut through the high cliffs which dropped down to the beach (now Hodges Gap). The arrival of the railway in 1846, and the addition of a further line and station in 1863, changed the type of visitor to the town from a limited number of wealthy long stay guests to a greater number of short stay visitors with less per capita income.



1821 Extract map



1872 Ordnance Survey Map extract

The town's established place in public consciousness was a good foundation for creating a new resort in Cliftonville, a resort that reversed the popular perception that Margate was increasingly becoming an attraction to the pleasure-seeking working classes. Cliftonville's distance from the town centre, and its open cliff-top walks, were promoted as part of its exclusivity – Cliftonville was a place where one stayed to improve one's health and peace of mind, all year around if necessary. In 1824 Clifton Baths were built to provide an opportunity to bath in heated seawater 'for the nobility and gentry', and in 1855 Thomas Pettman leased the cliff-top shoreline from the Marquis of Conyngham so he could access his Bathing Platform down one of the old gaps on the cliff face (Newgate Gap) which had been created by farmers collecting seaweed from the beach. At this time other major land-owners in Cliftonville included the Church Commissioners and charities such as the Bethlehem Hospital and the Ragged School Union.

The exclusivity of Cliftonville was bolstered by the area's relative isolation. Until the building of a tramway in 1901 the only method of transport from Margate's stations was by horse brake. Access was improved in the late 1880s by the building of Marine Drive which completed the seafront thoroughfare from Buenos Ayres to Eastern Esplanade. Between 1880 and 1899 the station of the London, Chatham and Dover Railway Company was known as 'Margate and Cliftonville' (it was later to be known as 'Margate West'). Plans for a branch line from Margate to Cliftonville, with a terminus at the rear of Dalby Square, were first proposed in 1893 but were never implemented.



*Athelstan Road 1918*



*Athelstan Road 1919*

The association of the area with a 'better class of person' became the key selling point for the new resort. The entry for Cliftonville in the *Ward Locke Guide* of 1903 stated:

*It is the most exclusive and aristocratic part of Margate. It cannot be said too often that there are two Margate's and that Cliftonville has scarcely anything in common with the area frequented by the vulgar tripper. Cliftonville has magnificent hotels with their private orchestras and admirable cuisine catering for all types of continental clientele. It has been often said that on a Sunday morning between Newgate Gapway and Hodges Flagstaff one may see the prettiest and best dressed women in Europe'.*

The centrepiece of this 'Margate New Town' was Dalby Square, with a massive terrace of seven houses, Warrior Crescent, on the south side. This space had been laid out by the 1850s, and was originally called Ethelbert Square, the name being changed to Dalby Square in the 1870s after the then mayor (and local builder), Thomas Dalby Reeve, who also owned both the Clifton



Baths and the Hall by the Sea. The Reeve family was one of the early developers of the Cliftonville estate, and Dalby Reeve's son Arthur, after whom Arthur Road is named, married George Sanger's daughter Harriet. George Sanger and his brother John Sanger, who is buried in Margate Cemetery, were circus proprietors who were famous for their equestrian spectacles. They leased the Agricultural Hall at Islington and their show was eventually purchased in 1874 by the American showman P T Barnum.

In 1868 the Cliftonville Hotel, located at the eastern end of Dalby Square, was opened. It is noted that at that time it sat *'on an island site in the middle of corn fields'*. The hotel had 250 bedrooms, a dining room which could hold over 300 people, a ballroom, a palm court and facilities for croquet, tennis and archery amidst formal gardens along the cliff top. In all, the hotel provided the accommodation for about 50% of all hotel guests in Cliftonville, but by 1890 this figure had dropped to around 15% as so many other hotels had been built.

Another important contribution to the locality was provided by the large number of private schools. A resort guide of 1893 described Cliftonville as:

*'The end of the town affected by visitors who like a good address, and also by ladies' schools, if one may judge by the endless chain of them travelling churchwards on Sundays.'*

Northdown Road was developed from the 1870s onwards– it is shown as nearly completely built-up as far as Harold Road on the 1899 Map, although in 1900 less than 12 shops are recorded. However, by 1912 many of these new houses had been converted into commercial premises, no doubt assisted by the provision of the new tramway from Margate town centre in 1899. St Paul's Church (now St Michael and St Bishoy's Church) and its vicarage were built by 1873 and St Stephen's Wesleyan Church was opened in 1876 – they are all in Northdown Road. St Anne's Roman Catholic Church was built on the Eastern Esplanade in 1926.

In 1900 the Cliftonville Hydro Hotel with 110 bedrooms was opened, later being renamed the Grand Hotel (from 1956 this formed part of Butlins). By 1900 a grid pattern of streets off Northdown Road had also been completed (Edgar, Swayne, Godwin, Harold, Norfolk and Surrey Roads), all with a mixture of houses and guest houses along them. In 1913 'Bobby's' was opened as a department store in Northdown Road, although it closed in 1973.

Along the seafront, the Oval, a former school cricket field, was excavated in 1897 and an amphitheatre created with a new bandstand being added in 1903. This area became the centre of Cliftonville's entertainments for the next 50 years with many concerts and other events taking place. In 1906 mixed sea bathing was finally allowed in Margate, and by 1913 donkey (or 'Jerusalem pony') rides were being provided by local gypsies along the sea shore.

After World War 1 the Borough of Margate was increasingly seeing Cliftonville as the prime attraction of the town and in 1920 the Council acquired the cliff top land from Sacketts Gap to the Borough's eastern boundary – 61 acres in all. This land was used to provide new public walks and pleasure grounds, continuing the 19<sup>th</sup> century concept of promoting Cliftonville as a health-giving place where the benefits of sea water and sea air were unparalleled.

The Clifton Baths site was acquired by John Henry Iles, the promoter of Dreamland and Ramsgate Dog Track, in the early 1920s, and the buildings were built over and redeveloped by 1926 as the complex which later became known as the Lido. The attractions included a café, cinema, and concert hall as well as an open air seawater bathing pool on foreshore land which

was leased from the Council – this could accommodate up to 1,000 bathers. The growth of Cliftonville during this period between the late 19th and the early part of the 20th century is demonstrated by the number of Cliftonville school children – around 2,000 in 1885 and about 5,000 in 1922.



*The Lido in 2011*



*Some properties in Ethelbert Road appear to be still in use as family homes*

Cliftonville continued to thrive until World War 2, and Dalby Square particularly was noted for the prestigious hotels, guest houses and convalescent homes which fronted it. However, the War saw the evacuation of schools to other parts of the country and most never returned. Warrior Crescent suffered bomb damage and was only partially reconstructed after the War – it was finally demolished in its entirety in 1988.

From the 1960s onwards the provision of cheap holidays to Spain and other exotic locations completed a process which had begun some 30 years earlier. Many of the bigger hotels closed or were converted into flats, the demolition of the Cliftonville Hotel in 1961 being particularly disastrous as it was replaced with a poorly designed complex of buildings which are currently used as a café, public house, bowling alley and other leisure-related facilities.

### **3.3 The development of the proposed Ethelbert Road and Athelstan Road Conservation Area**

By 1845 development from Margate town centre had only reached as far as what was to become Ethelbert Road, which today forms the western boundary of Cliftonville. The National Freehold Land Society first leased out plots from Ethelbert Road to Godwin Road, but development was very slow until the 1860s, after which further incremental expansion from the older centre began with the construction of both terraced and detached houses, many of which were built as boarding houses or hotels.

Most of the area appears to have been built between the mid-1860s and the early 1870s. The 1872 map confirms that by this time, part of the west side of Ethelbert Road had been completed, and all of the east side, as well as both sides of Athelstan Road. Ethelbert Crescent, Ethelbert Terrace, and the rather mixed group of houses between Ethelbert Terrace and Cliff Terrace, appear to have been built at the same time, and are also shown on the 1872 map. New gardens had also been laid out along the cliff tops in front of Ethelbert Crescent,

drawing visitors beyond the Clifton Baths at the eastern end of Cliff Terrace. The large Depository, which still provides a focal point today, was an addition of c1900, infilling part of what is shown in 1872 as a large garden between Athelstan Road and Dalby Road. A large gap remained along the west side of Ethelbert Road until the early 20<sup>th</sup> century, this being filled in the 1900s. In 1914 the Baptist Chapel in Ethelbert Road was built. After World War 2 many of the houses in Ethelbert Road and Athelstan Road were sub-divided into flats, although today a few remain in single family use.



*Ethelbert Road*



*Athelstan Road*

### 3.4 Activities

The Conservation Area is mainly in residential uses, with most of the buildings (but not all) having been divided into flats or houses in multiple occupation (HMO's). Whilst a detailed survey has not been carried out, there may be only a handful of houses still in single family occupation, the most concentrated group possibly being along the east side of Ethelbert Road where the properties are smaller. There is at least one hotel, the Rockery Hotel at No. 27 Ethelbert Road, but two much larger hotels, shown on the modern map at Nos. 16-22 and Nos. 28-32 Athelstan Road, appear to now be in use as Houses in Multiple Occupation's.



*The Depository, Athelstan Road*



*The former Baptist Chapel, Ethelbert Road*

The Depository includes some offices and storage facilities, and although auctions are still held on the premises, one section of the three bay frontage facing Athelstan Road is boarded up. Repairs are needed to the whole building, including the signage on the front (*F L Pettman Ltd Depository*). Immediately next door, but lying within the proposed Northdown Road Conservation Area, a modern single storey building which fronts onto the open space facing Northdown Road is used as the Northdown Road Car Wash Centre and as the Autohaus Clutch and Brake Repair Centre. There is further evidence for vacant residential property, the most noticeable being No. 65 Ethelbert Road, which is boarded up.



## 4 SPATIAL ANALYSIS

### 4.1 General character and plan form

The proposed Ethelbert Road and Athelstan Road Conservation Area was built as part of the development of Cliftonville in the 1860s and 1870s. Most of the buildings retain a cohesion of building form, materials, details and orientation to the street because they were virtually all built within this short period of time. The Depository of c1900 stand out because it is completely different in terms of both use and appearance. The original two or three storey buildings were built as houses or small hotels and all retain a domestic character, with a common building line and regimented facades. Nearly all of the buildings within the Conservation Area are considered to be of sufficient architectural and historic interest to be considered as of positive contribution to the character and appearance of the area and some may merit local listing. There is only one small pocket of new development, a curved block of flats which is located so discretely behind Nos. 2-20 Ethelbert Road that it is almost invisible from the public view point.

The proposed Conservation Area is mainly made up from two main streets, Ethelbert Road and Athelstan Road, which run parallel to each other between Northdown Road to the south and Ethelbert Terrace/Ethelbert Crescent, in the north and include Ethelbert Gardens . The two streets provide two high quality prestigious terraces which overlook the open space, currently used as a public car park, which is located on the cliff tops overlooking the sea. The Lido complex of buildings lies slightly to the west in the adjoining Margate Conservation Area, the clock tower being a focal point in views down Ethelbert Road. To the east there is an open space formally occupied by the Little Oasis Crazy Golf Course. Narrow garden accesses form part of the original layout and can be seen between Ethelbert Road and Athelstan Road, and along part of the back boundary to properties on the west side of Ethelbert Road.

Two small cul-de-sacs lie on the west side of Ethelbert Road, the first called Ethelbert Gardens and dating to c1910, and the second, an unusual group of four semi-detached cottages called Randolph Square arranged around a small courtyard. These probably date to c1900. It is noticeable that Athelstan Road is much wider than Ethelbert Road, providing the latter street with a more enclosed and domestic character. The line of the principal roads forms part of the grid pattern of streets which is one of the distinctive features of the Cliftonville area. These lie to the north and south of Northdown Road which forms the 'spine' of Cliftonville. Northdown Road bends slightly but most of the roads leading off it are at right angles to it, providing triangular-shaped plots of land, as can be seen in Dalby Square.

There are no public spaces or trees in the Conservation Area although immediately adjacent are the open spaces of the Cliftonville Cliff Top which are used as the Lido, a large public car park, and the former Crazy Golf Course.

### 4.2 Focal points, focal buildings, views and vistas

#### Focal points and focal buildings:

The simple grid pattern of streets, and the cohesive development on either side of each road, means that there are no focal points and that no one building stands out apart from the Depository on the east side of Athelstan Road. This is by far the largest building in the Conservation Area and although the side elevation facing Northdown Road is very plain, the front elevation facing Athelstan Road is heavily decorated with terracotta details, cast iron windows, and arcaded brickwork above the arched windows.



*The Depository in Athelstan Road is the largest building in the Conservation Area and the Lido provides a focal point*

### Views and vistas

Views along each of the two main streets are of note, particularly down Ethelbert Road, where they focus on the tower to the Lido. Otherwise the best views are just outside the Conservation Area, from Ethelbert Terrace and Ethelbert Crescent, from where there are long vistas over the sea beyond the promenade, open spaces and cliff tops. The beach below is hidden from these views due to the height of the cliffs. Less appealing views can be seen at the back of the properties, which reveal modern alterations and poorly maintained facades.



*The view along Ethelbert Road terminates in the Lido tower and the sea beyond*



*View along Athelstan Road towards the sea*

## **4.4 Boundary Treatments**

The orientation of the buildings to the street, with small front gardens or basement areas, means that front boundaries are extremely important in the Conservation Area although unfortunately they have been neglected, removed or altered in many locations. Where there are basements, the front steps are often particularly important and many are bounded by their original plinth walls with cast iron railings of various designs. Back boundaries facing the back accesses tend to be flint, as can also be seen in Ethelbert Gardens, but in the front, they are mainly brick or



rendered brick with decorative cast iron railings. The preservation and possible restoration of these historic boundaries is an issue which is further considered in the Management Plan.



*Varied cast iron railings in Athelstan Road*

Typical details include low rendered plinth walls with a variety of cast iron railings, including spear-headed or slightly chunky Gothic, both along the west side of Ethelbert Road. Many of the original railings also remain on the east side of the road as these houses have basements and the railings were not removed during World War 2.



*More cast iron railings in Athelstan Road and Ethelbert Road*

Typically, the railings to the steps have a narrow flat top and the railings to the basement areas have spear-heads. Athelstan Road also retains some interesting boundary details, including, along the east side, low brick walls with more chunky cast iron railings with flower motifs, which are contained by stucco piers which are topped by ogee-shaped copings. Along the west side, there are several good groups of cast iron railings with spear heads or, facing the pavement, a very low rendered wall and taller highly decorative cast iron railings with inter-twining curved sections of iron topped by spear heads. Along the west side of Athelstan Road, there are some unusual cast iron railings made of circles of cast iron with a three leaf flower motif, topped by matching uprights. Another unusual detail in the same part of the Conservation Area is provided by cast iron railings with circle motifs and more spear heads.

#### 4.5 Public realm

The public realm covers the spaces between the buildings including pavements, roads, street lighting, street furniture, and any other features of local significance. Most of them will be the responsibility of the Highways Department of Kent County Council.

There is little original floorscape in the Conservation Area apart from some setted or stone slabbed gutters and narrow (150 mm) granite kerbing. These can be seen in many locations in the Conservation Area. Decorative cast iron coal holes do remain in the pavements outside the houses in several locations, often set into the original sandstone flag. The remains of early 19<sup>th</sup> century gas lamps can be seen in front of Pettman's Depository.



*A cast iron coal hole cover in Athelstan Road*



*Granite setts and kerb detail, Ethelbert Road*

Otherwise, the features are all modern – steel street lights, modern black and white street name plates (black lettering on white), and tarmacadam (or concrete slab) pavements and carriageway surfaces.

## 5 THE BUILDINGS OF THE CONSERVATION AREA

### 5.1 Building types and dates

Nearly all of the buildings in the proposed Conservation Area were built as family houses or as small hotels or guest houses in the late 1860s and early 1870s. The Depository, a large brick building of c1900 is the only other non-residential buildings in the Conservation Area.

### 5.2 Listed buildings

There are currently no listed buildings in the proposed Conservation Area.

### 5.3 Locally listed buildings

There are currently no locally listed buildings in the proposed Conservation Area, but the Management Plan includes a recommendation to add the following buildings to the emerging Local List:

- The Depository, Athelstan Road
- Nos. 31 and 35 Ethelbert Road (as good examples of unaltered 'positive' buildings)



*The Depository, Athelstan Road*

### 5.4 Positive buildings

Most of the buildings in the proposed Conservation Area are undoubtedly of locally importance and contribute positively in shaping the character of the area. Buildings identified as being of positive contribution to the character will vary, but commonly they will be good examples of relatively unaltered historic buildings where their style, detailing and building materials provides the streetscape with interest and variety. Most importantly, they make a positive contribution to the special interest of the conservation area.



There will be a general presumption in favour of retaining those buildings which make a 'positive' contribution to the character or appearance of a conservation area. Proposals to demolish such buildings will therefore be assessed against the same broad criteria as proposals to demolish listed buildings. This implies therefore that such will be retained in the future unless a special case can be made for demolition.

## 5.5 Building styles, materials and colours

Most of the buildings in the proposed Conservation Area are typical of the mid-Victorian period and were built following the fashion of the time, which was for classical detailing in the Italianate style. Mainly arranged in terraced form, they are simple, tall buildings, often with the ground floor set at half a storey above street level, allowing for a basement level where cooking and other domestic necessities took place. The majority are only two windows wide and many also have bay windows to add interest and variety to the street scene. The railings which define the front boundaries link to other railings to the front steps and sometimes to first floor balconies. These buildings have moulded parapets, concealing a shallow pitched roof which would have originally been slated. The windows are often defined by hood moulds, supported on scrolled corbels. Front doors, where they remain, tend to be four panelled timber doors, the panels being defined by heavy mouldings. Painted stucco is the most common material, with other elevations of brown London stock brick. Later properties, such as the Edwardian terrace along the west side of Ethelbert Road, are built using red brick.



*Red brick houses*



*Large windows*

Along the east side of Ethelbert Road, a long row of houses is notable for its huge first floor windows, including Nos. 31 and 35 Ethelbert Road, which are the best preserved houses in the Conservation Area. They both retain their original sash windows, panelled front doors, and first floor and front boundary railings. The terrace of which these two form a part is also notable for its modillion eaves cornice, canted ground floor and basement windows, and curved window and door architraves. Most of this group appears to have remained as single family units which may explain why they are better preserved. Further north, the buildings are four storeys high, with similar details and one of them (Darren Dean) has a first floor balcony with modern railings but its original iron columns and metal-sheet curved roof.



*No. 31 Ethelbert Road*

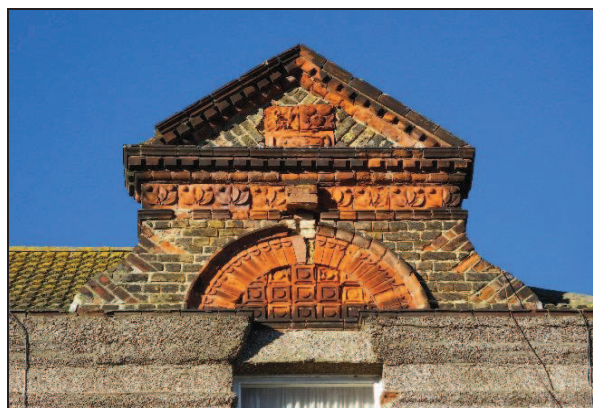


*Traditional windows*

Athelstan Road contains taller (three or four storeys) buildings, but still arranged in paired or terraced form. Canted bays windows are often defined by channelled stucco, decorative cornice details, and heavy eaves details to the bay window roofs. Cast iron balcony railings and window guards also add prestige. Stucco embellishments include corner quoins and white painted window architraves with curved tops. Many of the slated roofs can be just seen (due to the narrowness of the roads) although some have been replaced in artificial slate or concrete. Whilst nearly all of the windows have been replaced, many of the original front doors remain. Unusually, Nos. 2-12 have gables facing the street with red and brown brick polychrome front elevations, canted bays and round headed windows, all in a Gothic style of the later part of the 19<sup>th</sup> century.



*Nos. 2-12 Athelstan Road*



*Terracotta sunflower decoration on building*

There are two other buildings of merit within the Conservation Area which are not houses including the Depository. The Depository, which dates to c1900, is a five storey block, with a rather bland side elevation facing the open site towards Northdown Road. All of the decoration is on the Athelstan Road side, with curved brickwork over three shopfronts. One of these is completely boarded up and a further one is in urgent need of repair. Above, the elevation is six windows wide, the windows retaining their original cast iron frames. The building is decorated with terracotta panels at ground and second floor level and curved brickwork panels above each window. A historic name sign for 'F L Pettman Ltd Depository' is in need of attention

## 6 THE EXTENT OF INTRUSION OR DAMAGE

### 6.1 Key negative features

This Character Appraisal concludes that the most significant *negative* features of the proposed Ethelbert Road and Athelstan Road Conservation Area are (street by street):

#### Ethelbert Road

##### *Spatial:*

- Untidy car parking on both public and private land
- The advertising hoarding on the flank wall of No. 1 Ethelbert Terrace
- Further signage relating to the Lido Stores on the same flank wall
- Flat roofed modern garages facing the street
- Modern steel street lights of little merit
- Views of the backs of some of the adjoining terraces are poor, with glimpses of poor quality extensions and poorly maintained buildings
- Poorly maintained street surfaces and pavements
- Inappropriate and poor quality front boundaries such as concrete blockwork and timber palisade fencing
- The loss of historic front boundary railings, and the poor condition of remaining boundary details
- The few front gardens which remain are largely untended

##### *Buildings:*

- Satellite dishes on front elevations facing the street (sometimes more than one per building)
- Upvc windows and modern front doors
- Fake stone cladding on one building
- The use of garish colours for brickwork, stucco details, cast iron details, front boundaries etc
- Much of the original London stock brickwork has been painted
- Poorly maintained buildings with evidence of neglect
- No. 65 Ethelbert Road are both Buildings-at-Risk
- Use of modern roof materials
- Some very poor quality roof extensions
- Visible gas meters on front elevations
- Some of the large first floor windows on the east side of the street have been half blocked to reduce their size

#### Athelstan Road

##### *Spatial:*

- Dominance of parked cars and traffic
- Poor quality pavements often disturbed by statutory undertakers
- Street signage and other signs are of poor quality
- Poor quality views along the back of Ethelbert Crescent



- Informal and untidy off-street car parking in several locations, including in front of the Depository and behind No. 1 Ethelbert Crescent
- The remaining gas lamps in front of the Depository need to be restored
- Modern steel street lights of little merit
- Poorly maintained street surfaces and pavements
- Inappropriate and poor quality front boundaries such as concrete blockwork and metal scaffolding poles
- The loss of historic front boundary railings, and the poor condition of remaining boundary details
- The front areas between the pavement and the houses are largely untended
- Back gardens have sometimes been converted into car parking

*Buildings:*

- Evidence of poorly maintained buildings, with peeling paint
- Some garish paint colour schemes with no co-ordination of colours along the street
- Many of the slate roofs have been changed to concrete (although they are not easily visible from the street)
- Bay window balconies at first floor have had their original railings removed and one has been replaced with concrete blockwork and scaffolding poles as a railing
- Functional but poorly detailed new access staircases or ramps to front doors
- Neglected front steps and front boundaries, with historic railings in need of repair or replacement
- Two properties have had their original roofs replaced with dominant mansard roofs
- Visible satellite dishes on front elevations (some properties have more than one)
- The Depository is in urgent need of repairs and restoration

Ethelbert Gardens

*Spatial:*

- Poor quality pavements although some historic street surfaces remain (granite kerbs and setted gutters)
- The flint wall along the north side of the street is in need of repair
- Modern single storey garages face the street
- Some untidy off-street car parking
- Congested car parking

*Buildings:*

- Poor quality brickwork which has been painted in a variety of colours, sometimes somewhat garish
- Some boarded-up windows
- Upvc windows and front doors
- Many of the houses are in need of basic maintenance including front boundary repairs

## 6.2 Summary of issues

Taking the ‘negative features’ identified above into account, the following issues are considered to be the most pressing matters which need to be addressed by the Management Plan for the proposed Ethelbert Road and Athelstan Road Conservation Area:

### **The control of new development**

- Ensuring that all new development is of the highest possible standards

### **The protection of views**

- Protecting and enhancing the important views into, out of, and around the Conservation Area

### **The public realm**

- Upgrading the space between the buildings – the pavements, street surfaces, street lighting and signage

### **The control of car parking and traffic**

- Providing guidance to reduce traffic and control car parking

### **The control of unlisted buildings (Article 4 Directions)**

- Preserving and enhancing the existing historic buildings in the Conservation Area, particularly:
  - Front boundaries
  - The creation of car parking areas
  - Roof materials and chimneys
  - Painting of previously unpainted surfaces

### **Building condition and the role of grant aid**

- The need for repairs and restoration works, including the need for grant aid

### **Advertising and shopfronts**

- Improving shopfronts and signage in the proposed Conservation Area

### **The Local list**

- Suggestions for Local Listing

### **Site specific recommendations**

- Buildings at Risk – the Depository, No 65 Ethelbert Road

### **Education and guidance**

- Education and publicity, including encouraging civic pride and a sense of place

### **Monitoring and enforcement**

- Providing a strategy to carry forward the recommendations in the Management Plan
- Continuing to monitor the condition of the proposed Conservation Area, including regular updates of the Management Plan
- Taking record photographs on a four year cycle to assist with monitoring and to use in any future enforcement proceedings

## **PART 2 THE PROPOSED ETHELBERT ROAD AND ATHELSTAN ROAD CONSERVATION AREA MANAGEMENT PLAN**

### **1 INTRODUCTION**

#### **1.1 The purpose of the Management Plan**

Part 1 of this document, the *Character Appraisal*, has identified the special positive qualities of the proposed Ethelbert Road and Athelstan Road Conservation Area which make the conservation area unique. Part 2 of this document, the *Management Plan*, builds upon the positive features and addresses the negative features which have been identified to provide a series of recommendations for improvement and change, most of which are the responsibility of Thanet District Council or Kent County Council.

The involvement and approval of the local community in the formulation and delivery of these documents helps to strengthen their status and will hopefully mean that the various actions identified in the Management Plan will have greater impact and longevity. For Ethelbert Road and Athelstan Road, this has been achieved through the current six week public consultation exercise. Any necessary amendments will be made before the final version of the document is completed. The document will be adopted by the Council as a 'material' document for development control purposes.

#### **1.2 Relevant documents**

The structure and scope of this document is based on the suggested framework published by English Heritage in *Guidance on the management of conservation areas* (2005). Both the Conservation Area Character Appraisal and the Management Plan should be subject to regular monitoring and reviews, as set out in section 3.

*Other relevant documents include:*

- The Planning (Listed Buildings and Conservation Areas) Act 1990
  - This Act sets out the legislative background for the control of conservation areas and listed buildings.
- National Planning Policy Framework (NPPF)
  - This provides the government policies which relate to the historic built environment, and is accompanied by detailed guidance on the interpretation of the National Planning Practice Guidance.
- The Kent Design Guide
  - This advocates high quality design for all new development and provides detailed guidance.

*Documents produced by Thanet District Council:*

- The emerging Thanet Local Plan (which will replace the Thanet Local Plan 2006)
- The Margate Renewal Study (undated but post-2006)
  - This document was commissioned by the Margate Renewal Partnership to carry out a study of the drivers of deprivation in Margate Central and Cliftonville West

Wards and make recommendations on future regeneration activity to tackle deprivation.

- Conservation Areas in Thanet – Conservation Areas Management Plan (March 2008)
  - This document sets out the Council's approach to the management of the conservation areas within Thanet – it draws on both national and local planning policies

*Documents produced by Thanet District Council which relate specifically to Cliftonville:*

- West Cliftonville Neighbourhood Renewal Area (2006)
  - This report produced by Thanet District Council and consultants identifies the need to improve the housing stock in four parts of Thanet including Cliftonville West, and provides some policy guidance.
- The Cliftonville DPD (February 2010)
  - This document provides planning policies for the Cliftonville West Renewal Area (in advance of the Core Strategy) to be used to inform development control decisions on the large number of planning applications which are submitted in the area – its main thrust is to enhance the existing building stock in terms of physical condition and use (particularly the reduction in number of poor quality flats and their replacement with family houses), encourage community pride in the area, and support the growth of high quality tourism-related facilities. One of the outcomes of this DPD is the imposition of a surcharge on local landlords which is aimed at encouraging a reduction in the number of small residential units, and an increase in the number of family dwellings within the Cliftonville area.

### **1.3 The scope of this Management Plan**

This Management Plan has been drawn up following detailed survey work of the proposed Ethelbert Road and Athelstan Road Conservation Area. Its recommendations relate specifically to the Conservation Area, and it is not intended to include general advice about the control of conservation areas, which is set out in the Council's document *Conservation Areas in Thanet – Conservation Areas Management Plan* (March 2008 presently under revision). This document also includes advice about the quality of new development which will be needed in all of Thanet's conservation areas, and may be amended and updated in the future once the current work on the new conservation areas in Cliftonville is complete.

## 2 RECOMMENDED ACTIONS

The following recommendations are based on the key negative features and issues identified as part of the Character Appraisal. Some of them may have to remain aspirational for the time being, but it is considered 'good practice' to identify possible actions which could be implemented in the future if the funding becomes available. Other recommendations rely upon the District Council providing sufficient staff resources to ensure that the proposed actions are carried forward. All of the recommendations particularly rely upon a successful partnership between the District Council and the local community, assisted by Kent County Council as appropriate.

### 2.1 The control of new development

The closely packed nature of the buildings within the proposed Conservation Area means that there are few, if any, sites where new development might be possible. The only vacant site lies next to the access road on the west of Ethelbert Road. To the north, a similar backland site has recently been developed with a curved block of flats which is virtually invisible from the street. In a number of locations, particularly facing the back access roads, poorly designed single storey garages have been built which make a negative contribution to the character of the area.

The immediate threat from poor quality new development therefore relates principally to alterations to the existing buildings, all of which are considered to be 'positive' and therefore of sufficient architectural and historic interest to merit special treatment. In the past, some of these buildings have suffered from the following:



*Examples of poorly designed dormers in the Conservation Area*

- Over dominant and poorly detailed roof dormers
- Badly designed extensions
- The loss of architectural details such as cornicing or balconies
- The insertion of modern windows or front doors, usually in uPVC
- The loss or unsympathetic alteration of front boundaries, including new access pathways, staircases and the creation of car parking areas
- The insertion of modern garages

In general, all new development in the proposed Conservation Area must be of the highest possible standard and should adhere to guidance provided within the following documents:

- The Kent Design Guide
- Thanet District Council's Conservation Areas in Thanet – Conservation Areas Management Plan (March 2008)

All applications will need to include a Design and Access Statement, which should, as a minimum, describe the type of development proposed and how it relates to its immediate context. Detailed drawings showing this relationship to neighbouring buildings may be required and must be accurate. The applicant must set out clearly the types of materials to be used and the detailed design of all elements of the new or extended building. Detailed drawings showing all elevations must be provided, along with large scale drawings showing architectural details. Property owners or their agents are also encouraged to contact the Council's planning department before submitting their application so that informal advice on the acceptability of their proposals can be provided at any early stage.

***Recommendation 1:***

- *The District Council will seek to ensure that all new development in the proposed Ethelbert Road and Athelstan Road Conservation Area is of the highest possible standard and adheres to national policies and to guidance provided in the Kent Design Guide and within Thanet District Council's own policy framework.*
- *The District Council will encourage new development that complements the established urban grain and relate to their context.*

**2.2 The protection of views**

There are important views along both Ethelbert Road and Athelstan Road, but the most outstanding views can be seen from the northern ends of the roads over the Western Esplanade and the Lido complex to the sea. Some of this open land is also used as a Council car park and the former Crazy Golf Course.

This area lies within the proposed Cliftonville Cliff Top Conservation Area and the open nature of this area should be retained. As opportunities present themselves, the enhancement of this area with more planting and higher quality public open space would be welcomed. No further buildings should be allowed (unless relating to leisure activities and very carefully designed) and modern buildings should be removed if possible.

***Recommendation 2:***

- *The District Council will seek to ensure that all development respects the setting of the Conservation Area and important views are protected and enhanced particularly over the neighbouring proposed Cliftonville Cliff Top Conservation Area. All proposals must be accompanied by a thorough analysis of the potential impact on views through the area and how key strategic views will be protected.*

**2.3 The public realm**



The public realm includes all of the space between the buildings in the Conservation Area which is not privately owned, such as the roads, pavements, street lighting, street name plates, and street furniture (litter bins, seats, and other features). It is assumed that the back access roads to the west of Ethelbert Road, and between Ethelbert Road and Athelstan Road, are in (shared) private ownership. There are three main areas of concern where improvements would be welcome:

- Street lighting – this is currently provided by plain steel ‘hockey stick’ standards, of no special interest;
- Street name plates – although some historic street name plates remain elsewhere in Cliftonville, made from enamel, the signage in this Conservation Area is totally modern and consists of metal nameplates, with black letters on a white background, supported on short grey aluminium posts;
- Pavement surfaces – these are mainly tarmacadam, but are edged with probably 19<sup>th</sup> century granite kerbs as well as being frequently enlivened by a slab of sandstone paving surrounding the original circular decorative cast iron coal hole – many of the pavements have been disfigured with trenching by utility providers;



*Improvements are needed to the pavements and street lights in the Conservation Area*

Improvements could include:

- Replacing the existing street lights with those more in keeping with the character of the area;
- The use of a common palette of colours for street lights, street nameplates and other street furniture would provide a recognisable ‘branding’ of the area, although this would need to be very carefully controlled in the future with regular maintenance and repainting;
- Copying some of the wall-mounted historic street name plates which can be seen elsewhere in Cliftonville – these are rectangular with recessed corner details and white lettering on black (it might be necessary to adjust the design so the new plates can be positioned on poles rather than fixed to individual buildings, due to problems with their future maintenance);

- The replacement of the tarmacadam pavements with a more sympathetic, linking to the York stone slabs (with their coal holes) and granite kerbs;

**Recommendation 3:**

- *The Council will seek to procure a co-ordinated approach to public realm works via consultation between all relevant Council Departments/stakeholders etc. including Highways, Planning, Conservation/Regeneration and Utility companies;*
- *The District Council will ensure the retention of any surviving historic streetscape features including existing granite kerbs and cast iron coal holes in any improvement scheme;*
- *The Council will seek to procure funding for the implementation of sympathetic environmental enhancement schemes within the conservation area.*

**2.4 The control of car parking and traffic**

On-street car parking is a dominant in many locations, particularly in Ethelbert Gardens. Untidy off-street parking has been noted at the north eastern end of Athelstan Road, where a former garden to No. 1 Ethelbert Crescent has been concreted over. It may be possible to reduce the impact of on-street car parking by the creation of carefully designed parking bays, which could incorporate planting and new street trees (which are totally lacking in the area at the moment). However, any such scheme would need to be allied to improvements in Cliftonville in general, including (possibly) the introduction of a Residents' Parking Scheme. Fast moving through traffic might also be reduced by such measures, and a further improvement might be the creation of new one-way systems, which would need to include very carefully detailed traffic calming measures. Over-dominant road markings, barriers, and safety rails must all be avoided as these are alien intrusions in any conservation area.



*Car parking in front of the Depository is regrettable*

**Recommendation 4:**

- *As and when funding permits, the District Council and Kent County Council could consider ways of reducing the impact of on-street car parking and traffic;*



- *The District Council will resist the creation of new off-street car parking spaces (see 2.5 The control of unlisted buildings (Article 4 Directions) below;*
- *Traffic signage will be reduced as far as possible and redundant signs removed;*
- *All proposals will have to be undertaken in line with other initiatives in the Cliftonville area as a whole.*

## **2.5 The control of unlisted buildings (Article 4 Directions)**

The District Council is required to both 'preserve and enhance' the character of the Conservation Area, and one increasingly common method of achieving this is to serve an Article 4 Direction. This brings under planning control a number of changes to family dwelling houses which would otherwise be considered 'permitted development'.

The classes of development which can be controlled by an Article 4 Direction include:

- Changing roof materials, installing rooflights, and works to chimneys
- Painting previously unpainted stonework or render
- Installing new windows or doors
- The addition of a porch
- Changes to the front boundary (where they are not already controlled by existing planning constraints)
- The creation of a vehicular hardstanding in the front garden



*Protect the boundaries to these historic buildings in Ethelbert Road*

Many of the properties in the Conservation Area are not in use as family dwellings (i.e. as a single unit) but have been divided into flats or HMOs. For these buildings, permitted development rights are already much lower, so, for instance, planning permission would normally be needed to insert new plastic windows or to change the roof material. For these buildings, an Article 4 Direction could still be used to control front boundaries, the creation of car parking spaces, and external redecoration.

**Recommendation 5:**

- *The District Council will consider serving an Article 4 Direction to bring under planning control the items listed above;*
- *The District Council will provide local property owners with written guidance about the Article 4 Direction;*
- *The District Council will consider providing grant aid to property owners to help with the additional costs of traditional materials;*

**2.6 Building condition and the role of grant aid**

A consistent problem within the proposed Conservation Area is the poor standard of maintenance in many properties. This has resulted in:

- The loss of architectural features such as decorative stucco work, railings, and boundary walls;
- The replacement of original features with inappropriate modern fittings such as front doors, windows, and boundary treatments;
- Inappropriate and unsympathetic additions to existing properties, such as roof dormers and extensions;
- The use of inappropriate modern materials for repairs, such as concrete roof tiles, which can be seen on many of the properties.



*These properties in Athelstan Road would benefit from grant aid to restore lost architectural features*

The District Council acquired a Heritage Lottery Fund (HLF) grant in December 2012 for funding for a new grant scheme to cover Dalby Square Conservation Area. It is possible that this scheme could be extended, or a new scheme applied for the Ethelbert Road and Athelstan Road Conservation Area at some stage in the future. Other funding agencies, apart from the HLF, include English Heritage, Thanet District Council, Kent County Council and the Homes and Communities Agency (HCA).

**Recommendation 6:**

- *The District Council will consider providing guidance on the use of traditional materials and details, which will be circulated to all property owners in the Conservation Area;*
- *The District Council will consider apply for a grant scheme to assist property owners in the Ethelbert Road and Athelstan Road Conservation Area*

**2.7 Advertising and shopfronts**

The only shopfront in the Conservation Area is in the Depository in Athelstan Road (see also section 2.10 *Site specific recommendations*), which is a large very prominent building in very poor condition. The whole frontage is in urgent need of improvement, including the shopfront and the lettering. Just outside the Conservation Area boundary, a large advertising hoarding is located on the flank elevation of No. 1 Ethelbert Terrace above two smaller signs advertising local shops. All of these features are negative in their impact.



*The frontage to the Depository is in need of restoration*

**Recommendation 7:**

- *The District Council will explore ways of improving the appearance of the Depository*

**2.8 The Local list**

There is currently no Local List for Cliftonville. With the publication of PPS5 in March 2010, locally listed buildings have become an important 'heritage asset' of particular significance where they also lie within a designated conservation area. The preparation of a Local List for the whole of Cliftonville may therefore be seen as a priority, but meanwhile, this document includes recommendations for new locally listed buildings as follows:

- The Depository, Athelstan Road (the largest building in the Conservation Area of c1900 with a fine façade facing Athelstan Road)

- Nos. 31 and 35 Ethelbert Road (built in the late 1860s and recommended for local listing as good examples of unaltered 'positive' buildings)

**Recommendation 8:**

- *The District Council will work with the local community to produce a new Local List for Cliftonville.*

**2.9 Site specific recommendations**

The following sites are noted as being particularly in need of restoration, repair or enhancement:

Building at Risk: The Depository, No 65 Ethelbert Road

This building is apparently in partial use. One of the three shopfronts is completely boarded up and a further one has been heavily altered. The lettering above the shopfront (F L Pettma Ltd Depository) is in urgent need of restoration. Whilst the interior has not been inspected, the poor condition of the front elevation suggests that the building as a whole is not being well maintained. The District Council needs to contact the owners to see if improvements can be carried out.

Building at Risk: No 65 Ethelbert Road

This building is boarded up and neglected.



*No. 65 Ethelbert Road*

**Recommendation 9:**

- *The District Council will encourage the improvement and repair of the three sites detailed above.*

**2.10 Education and guidance**



There is currently little evidence of civic pride in the Cliftonville area as a whole although there are several active residents' groups which each relate particularly to one small area. Some of these have already been involved in the public consultation exercise which was undertaken in October 2010 to gauge public reaction to the designation of conservation areas in Cliftonville. However, there appears to be no such group in the Ethelbert Road and Athelstan Road Conservation Area, but the formation of such a group should be encouraged and nurtured by the District Council.

The possible 'branding' of the area, using new street name plates, new street lighting, new street trees and other enhancements will provide some focus to the local community and give the area a greater 'sense of place'.

***Recommendation 10:***

- *The District Council, working in partnership with Kent County Council and other stakeholders, will continue to encourage greater civic pride in the Cliftonville area through the use of its statutory powers and possible grant aid;*
- *The production of publicity material about the Conservation Area should be made available via the Council's website.*

**2.11 Monitoring and review**

Local authorities are required by law to periodically review their conservation areas and the preparation of Character Appraisals and Management Plans is part of this obligation. Indeed, in the past keeping Character Appraisals and Management Plans up to date has been a Key Performance Indicator in the Best Value assessment of local authorities, and as a result, a five year review cycle is now considered to be best practice.

Over the next five years the District Council should therefore be expected to regularly review the content of this document, to carefully monitor change within the Ethelbert Road and Athelstan Road Conservation Area, and to involve the community in any proposals for enhancement (subject of course to the funding being available).

***Recommendation 11:***

*The District Council should therefore:*

- *Carry out periodic reviews of the effectiveness with which the service addresses pressures for change.*

### **3 ACTION PLAN**

This Action Plan sets out a list of priorities for future actions, most of which will be the responsibility of Thanet District Council or Kent County Council.

#### **Immediate Actions (next six months)**

- Designate the Ethelbert Road and Athelstan Road Conservation Area
- Adopt the Ethelbert Road and Athelstan Road Conservation Area Character Appraisal and Management Plan as a material document for development management purposes

#### **Medium term actions (six month to one year)**

- Produce a short publicity leaflet about the Character Appraisal and Management Plan via the Council's website
- Take action on the sites requiring action as set out in section 2.9
- Approve additions to the new Local List for Cliftonville

#### **Longer term actions (one to three years)**

- Review and update the Ethelbert Road and Athelstan Road Conservation Area Management Plan
- Update the baseline photographic survey of the Ethelbert Road and Athelstan Road Conservation Area
- Consider a grant scheme for the Conservation Area
- Prepare enhancement schemes for the public realm
- Prepare Shopfront Guidance for Cliftonville
- Consider public realm improvements and car parking/traffic management schemes for the Conservation Area (in association with other initiatives in Cliftonville)

#### **Far future actions (three to five years)**

- Review the Ethelbert Road and Athelstan Road Conservation Area Character Appraisal
- Continue to protect important views across, into and out of the Conservation Area.

#### **4 CONTACT DETAILS**

**For all enquiries relating to conservation areas and historic buildings, please contact:**

Planning Services  
Thanet District Council  
P O Box 9  
Cecil Street  
Margate  
Kent CT9 1XZ

Tel: 01843 577150

Email: [planning.services@thanet.gov.uk](mailto:planning.services@thanet.gov.uk)

**For information about archaeology in Thanet, contact:**

The Trust for Thanet Archaeology  
The Antoinette Centre  
Quex Park  
Birchington  
Kent CT7 0BH

Tel: 01843 843088

[www.thanetarch.co.uk](http://www.thanetarch.co.uk)

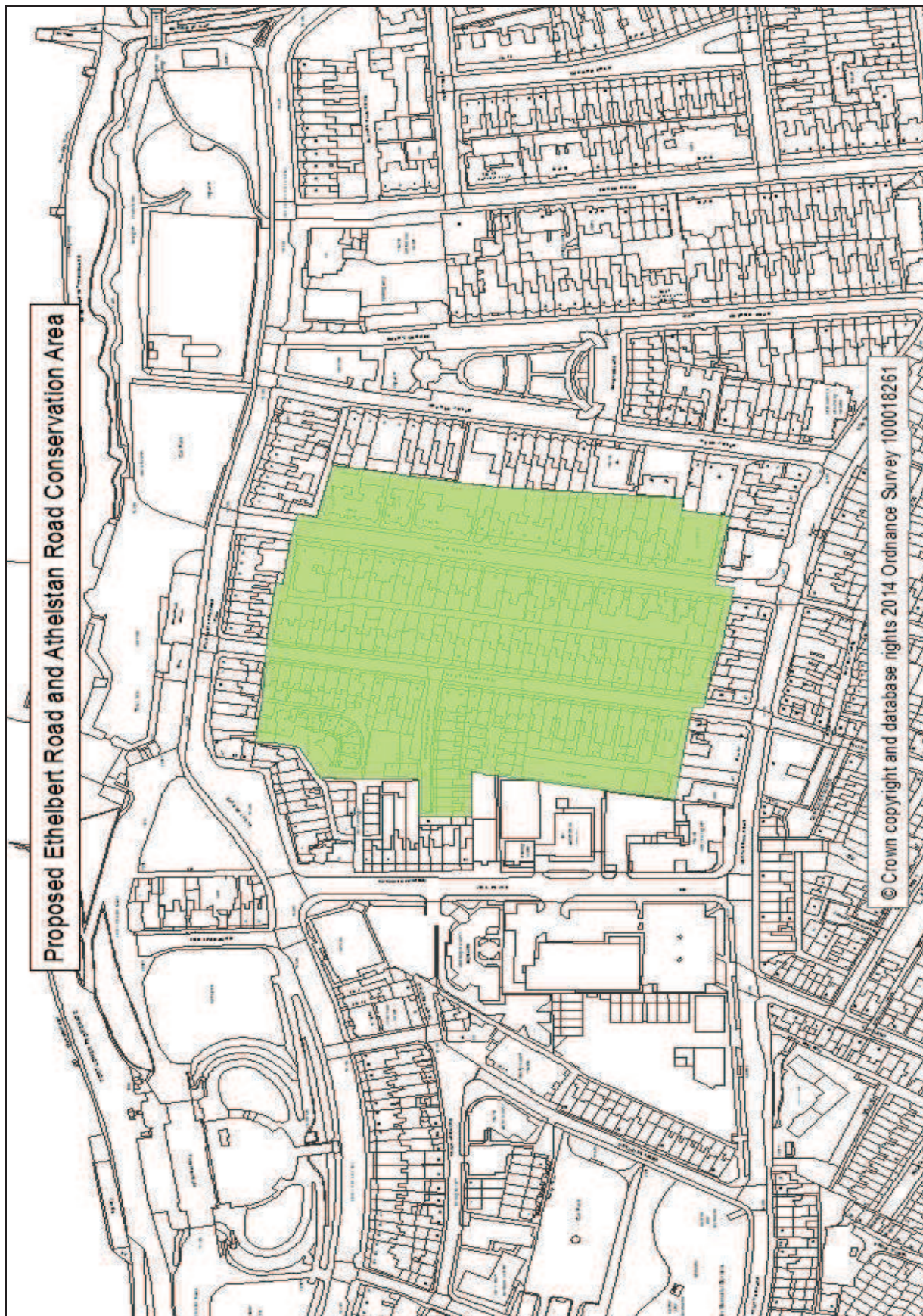
**For information about the history of Thanet, contact:**

The Centre for Kentish Studies  
County Hall  
Maidstone  
Kent ME14 1XX

Tel: 01622 694379

Email: [archives@kent.gov.uk](mailto:archives@kent.gov.uk)







### Conservation Consultation

**Date:** 17<sup>th</sup> November 2014

#### Introduction

A motion was put to Council on 27<sup>th</sup> February 2014 to designate further Conservation Areas in Cliftonville. Officers recommended that potential Conservation Areas in Cliftonville should be designated, beginning with those areas most at threat from detrimental change.

A report was submitted to Cabinet on 31 July where it was agreed that the Ethelbert and Athelstan Road areas could be progressed for adoption as a designated Conservation Area, subject to public consultation. Officers were also asked to prepare, consult and undertake the formal designation of an Article 4 Direction in respect of the proposed area.

It was agreed the remainder of the areas would be progressed as part of an overall Conservation Area management plan, subject to public consultation: Edgar Road and Sweyn Road; Norfolk Road, Warwick Road and Surrey Road; Clifton Place and Grotto Gardens; Northdown Road and Clifftop. Part of the process would include consultation on introducing an Article 4 Direction.

#### Methodology

For this consultation we used a digital campaign, comprising an online survey and consultation webpages providing further information on the consultation and Conservation Areas. We contacted local community groups, elected members and the local MP to inform them of the consultation and encourage them to circulate the information to interested residents. The consultation email was also available to anyone who wished to submit their comments separately.

We organised a mail out, sending over 400 letters to owner/occupiers and the landlords of the affected areas, directing them to the online information and survey, which included a summary leaflet of the main consultation document. We also gave a copy of this letter to all the letting agents in Northdown Road.

The Communications Team sent out two press releases during the consultation period and placed two adverts in the local paper. Hard copies of the documents were also produced and made available to the Gateway and Cliftonville Library for the public to view.

Two drop-in sessions were arranged and held at the Resort Studios (formerly known as the Depository Building) in Ethelbert Road, which was one of the areas that would be affected by the proposed conservation designation. Posters were produced to advertise these drop-ins, along with maps, photos and other conservation materials produced for residents to view and hand out to those who were interested. These included the Draft Management Proposal, summary leaflet, hard copy surveys and comment cards; these were available to residents who wanted to put forward comments that were related to the consultation or other topics that were brought up.

The consultation was also advertised in the staff briefing slides to raise awareness of the consultation internally.

## **Data Received:**

### **Online Survey**

23 responses were received through the online survey. 19 people agreed that the draft character appraisal document accurately describes the character and qualities of the proposed Ethelbert Road and Athelstan Road Conservation Area; with one person disagreeing and 3 partially agreeing.

The comments that were put forward were in partial agreement that the document accurately describes the character and qualities of the proposed Conservation Area, however there were suggestions that certain areas of these roads were more important than stated in the document and that these should be better maintained, such as No 22 and 23 Ethelbert Road; a Dairy and a Grocer.

Other comments highlighted that so much had already been done to the properties that there was not much left in terms of original features, as they had already been stripped out.

Another comment suggested that many properties' facades have been ruined by unscrupulous landlords. They feel that, even with an Article 4 Direction in place, there is insufficient enforcement of breaches, for example property owners only being obliged to replace windows with more UPVC, rather than revert back to their original splendour.

All 23 people agreed with the summary of special interest of the Conservation Area contained within the draft Conservation Area Character Appraisal. Some comments were submitted relating to the significance of the direct sea view running at the end of the road and how the area needs to be helped back to its former glory. It was pointed out that this kind of change to the environment has a positive impact on the people in that community.

Another comment suggested that Athelstan Road appears to be mentioned less in the document in terms of residential houses, although it is just as special as Ethelbert, being grand and impressive in its own right.

22 people agreed with the various measures put forward in the Draft Management Plan Proposals and 2 people disagreed. The comments indicated that there is agreement with the designation, however it needs to be rolled out much more quickly to the other streets in Cliftonville and should be implemented in one go. It was stated that insensitive building work has already taken place in these roads, undermining the idea of conservation and the visual impact on these streets – Edgar Road in particular which was considered more at risk and a priority – and therefore what remains should be safeguarded.

Other comments also suggested that they would like to see the conservation designation implemented in the other areas more quickly or simultaneously, building on the positive momentum for change in all areas of architectural significance. It was felt that this would be a positive step for everyone.

Of the two people that disagreed, one suggested that they did not agree that one of the properties in Athelstan Road should be allowed to remain the same and further measures should be taken, such as returning the property to a cream colour, mirroring the adjoined property.

The other comment stated that they would be in agreement with the Management Proposal, subject to there not being any additional costs to landlords, as in the Selective Licensing Scheme. They would much prefer improvements to be made to the seafront area, including quaint cafés with pavement seating, rather than arcades.

21 people said they would support measures to control certain developments and alterations within the area, by making an Article 4(2) Direction. 1 person said they would not support an Article 4(2) Direction and 1 person partially agreed. No comments were put forward in this section.

### **Drop-in Session Comments**

30 people attended the drop in session held, with 15 coming to the first session and 15 to the second. The attendees were a combination of home owners and landlords and were from the two main affected roads and from the surrounding areas, which had been identified as potential Conservation Areas.

At the drop-in sessions, several people filled out comment cards. These comments suggested that conservation grants would help owners to restore their property's character; others complained that the red brick church in Ethelbert Road had been demolished in 2013 with no consultation.

Other comments given were regarding No.26 Ethelbert Road being a dangerous eyesore, which should have a compulsory purchase order put on it and auctioned to someone who would restore and care for it.

### **Consultation Email Comments**

These were a mixture of those in favour of the designation and those against. The more negative comments suggested that they have seen the general condition and desirability of the area rise and fall over the years, and that designation would add little value to improving the quality of the area. It was suggested the council should focus its efforts and invest in resources that would improve the quality of life of the residents in Ethelbert and Athelstan Road, in terms of safety and security in the area. It was suggested that there was no building or property of special interest from these roads, that was above and beyond any other road in the area and they would like the council to confirm its proposed funding budget to preserve and enhance the street scene.

It was suggested that housing people from outside Thanet has resulted in the deterioration of living standards in this area, which has had a significant impact on the value of properties. Landlords feel they have lost good tenants, and owner-occupiers have moved out of the area when the crime rate has soared. It is felt that current tenants have no desire to improve their quality of life.

Another resident believed there were many supporting factors in favour of a Conservation Area, however the council would need to fund the improvements and enforce the restrictions that result from it being declared a Conservation Area. This resident had little confidence in the desired improvements actually happening.

The more positive comments received centred around residents from the neighbouring roads; specifically Warwick Road, who were greatly in favour of the proposed designation and want to be part of it. They want to ensure the conservation status happens quickly, to enable all Cliftonville residents to benefit from the conservation designation. It was felt that enforcing the conservation designation now will protect more buildings from disappearing or being disrespectfully treated.

One resident indicated that they have recently moved to Cliftonville from the Dalston area in London, where a successful conservation scheme had been in place for over thirty years and therefore they strongly support the proposed scheme.

Some residents partially agreed with the Conservation Area designation, suggesting that although they support the measures that will slow or stop the degradation of the historic town, they would like to express concerns as to the effectiveness of the proposal. They were concerned at the wording used in the consultation document action plan, such as “Review”, “Update”, “Consider” and “Prepare”, which were not words that proposed action.

These residents have also suggested that they believe many local people will support the intention of this document in an effort to maintain the history and character of Cliftonville. They feel action should be taken to stop unscrupulous landlords, property owners and tenants making changes to the outside of the properties, which have a visually detrimental effect.

Another positive response stated the Conservation Area designation was an excellent idea and would hopefully protect these houses from inappropriate alterations, development and importantly their position on or near the seafront. It is felt the views to the sea should be protected from any development or buildings above the cliffs edge. This particular resident believes protecting Margate’s wonderful array of architecture could help bring in visitors to Margate and Cliftonville.

Another resident asked for the proposed conservation to be implemented as soon as possible, as they wholeheartedly support this initiative. However, they did believe that the phased approach was damaging to the rest of the proposed Cliftonville Conservation Areas, as these areas will continue to suffer from poor development and potentially attract more developers who will see there is a limited time from in which to get inappropriate development approved. There were also concerns raised that the assessment reports and appraisals were written in 2010/2011 and that the years of delay in implementing the conservation areas was unacceptable.

Another resident is in favour of the proposal, however they are concerned about the levels of antisocial behaviour from tenants and slumlords neglecting their properties and feel the abandoned vehicles in this area were overshadowing any good that can be done there as a residential area. The resident understands they are desperately needed in order to improve the environment, however feel the owner-occupiers are being driven out by these issues.

#### **Other issues not directly related to the conservation consultation:**

There were some suggestions and issues that arose during the consultation that were not directly related to the conservation proposal; one of these was the subject of CCTV. Some residents felt there were certain issues in these two roads, for example vandalism and youths congregating in large groups. They suggested introducing CCTV to help with this situation.

There were also some concerns regarding street cleansing and how these streets always appear to be messy. Providing bins and increased street cleaners in this area was a suggestion put forward.

There were a number of landlords concerned about the Selective Licensing Scheme and how the money raised by it has been spent. There were suggestions that it had been a Stealth Tax, as there were no clear indications as to what the money had been used for. The landlords' understanding was that the Selective Licensing Scheme was to help improve living conditions; however they feel there have been no improvements seen.

It was also highlighted that parking was difficult at night in Athelstan Road and additional parking nearby would greatly help the residents who live there.

### **Conclusion Summary / Recommendations:**

Overall support was particularly high in favour of the proposed Conservation Area designation. Residents from both Ethelbert and Athelstan Road and the surrounding areas said they found this consultation topic an uplifting prospect and were keen to protect and preserve original features of the buildings within the Conservation Area and support improvements.

It is clear that these residents have great pride in their homes and showed concern for the properties and their future. It was evident, however, that although the residents greatly support the designation and what it represents, they are concerned that it will not go ahead, or will never reach its full potential. Furthermore, many residents feel let down by landlords who are not doing anything to make the living conditions here better. A great deal of encouragement was therefore needed at the drop-ins, to get the residents to complete the survey, email their comments though or submit comments on the cards available.

The landlords that responded to the consultation and were greatly in favour of the Conservation Area designation, were apprehensive that they would need to provide more money to the council, as they did with the Selective Licensing Scheme and then nothing more would happen, indicating a lack in confidence in the end result.

The home owners who were in favour of the proposed designation also had concerns about the Conservation Area designation going ahead due to the levels of criminal activity in the area. They felt strongly that until this is properly addressed, the designation will have little impact.

The other main concern expressed was in relation to the timing of designating the conservation area, and they all wanted it to proceed immediately and without further delays. They believed that a phased approach could be potentially damaging if a separate consultation was held each time, as this would allow landlords a window of opportunity to make further changes to their properties outside the conservation guidelines. Many residents felt the constant delays had led to the special features of this area becoming needlessly damaged or lost.

Along with the support for the Conservation Area designation and willingness to preserve original features, there is a current perception that this area houses run down eyesores and has 'no-go zones' in the evening and this led to many other topics being brought up that were not directly linked to the conservation consultation. The comment cards were beneficial for these other comments that needed to be addressed.

When looking at the Article 4(2) Direction specifically, support was high to remove some of the permitted rights and make the restrictions more enforceable. There were residents who felt that under the current circumstances, further measures should be taken to enforce the Conservation Area regulations and that some properties should revert back to their original features. These residents were concerned that the Article 4(2) Direction would not be enough.

In terms of location for the public drop-ins, it was a success. Residents found the Resort Studios building easily accessible and in-keeping with the conservation topic. The attendance may have not been as high, if the consultation for these two roads in particular, was not located close by.

It is evident when considering all the responses generated by the consultation and especially when speaking with the residents directly at the drop-in sessions, that although residents are widely in favour of the proposed designation, they have reservations. These primarily focus on how much the Conservation Area designation will cost homeowners to implement, what funding would be available to help preserve and protect the properties and, if designated, would the Conservation Area actually reach its full potential when taking into account the current high crime rate in the area, the look of the area and the people who reside here. It is clear that many of the residents have misunderstood the Conservation Area concept and once they were given the correct information, their understanding and perceptions changed.

It is recommended that for any future Conservation Area designation proposals, the correct information and reasons for why certain things are done, should be communicated to the residents at the first opportunity, enabling the residents to fully understand what a Conservation Area is and how it will affect them – both positively and negatively.

It is also recommended that future Conservation Area designation proposals be rolled out as one exercise, in response to residents' feedback and supported by the fact that further damaging alternations could be made to other properties within the other proposed Conservation Area roads, whilst they are waiting for the designation to be approved.

---

## **Waste Regulations Technical, Environmental and Economic Practicability Test**

To: **Cabinet – 20<sup>th</sup> January 2015**

Main Portfolio Area: **Operational Services**

By: **Cllr Harrison, Cabinet Member for Operational Services**

Classification: **Unrestricted**

Ward: **All wards**

---

**Summary:** **To set out 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).**

### **For Decision**

---

#### **1.0 Introduction and Background**

1.1 The Technical, Environmental and Economic Practicability (TEEP) test required to meet the requirements of the Waste England and Wales Regulations 2011 (amended) is attached at Annex 1. This follows work undertaken by Eunomia Ltd for the East Kent Waste Partnership, using joint funding provided by the Kent Resource Partnership. This assessment needed to be carried out by 1<sup>st</sup> January 2015, but has been affected significantly by a great degree of uncertainty at a national level about its application and the way this needs to be done. This uncertainty still exists and more useful guidance has only been produced within the last few months.

#### **2.0 Assessment**

2.1 The results of the assessment undertaken by Eunomia are set out in Annex 1 leading to the recommendations in Section 4 of this report.

#### **3.0 Corporate Implications**

##### **3.1 Financial**

3.1.1 The assessment concludes that the impact of moving to fully separated kerbside sorting of recyclate would not be economically practicable at this stage, even though this would pass the technical and environmental tests. This would need to be reviewed annually and at the end of the lifespan of the current collection vehicles, when these were being considered for replacement. However, the value of the recyclate and risks of the council managing this directly, together with the assessed cost of operating the kerbside sorting system, would still be issues.

##### **3.2 Legal**

3.2.1 The Council is obliged under the Waste Regulations to undertake regular TEEP assessments of its recycling system, especially when making key decisions about how this is undertaken.

### **3.3 Corporate**

- 3.3.1 Although there could be quality advantages in moving to a full kerbside sort of recycling material and this could be achieved technically, the financial implications both of the change, and the downstream costs would not be affordable at this stage.

### **3.4 Equity and Equalities**

- 3.4.1 The current system operated by the council places fewer demands on people with restricted mobility in terms of pre-sorting of recyclable material.

### **4.0 Recommendation**

- 4.1 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.

### **5.0 Decision Making Process**

- 5.1 This is a non-key decision which can be made by Cabinet.

Contact Officer:	Gavin Waite, Head of Operational Services
Reporting to:	Mark Seed, Director of Operational Services

### **Annex List**

Annex 1	Waste Regulations Compliance Review
---------	-------------------------------------

### **Background Papers**

<b>Title</b>	<b>Where to Access Document</b>
TEEP Assessment undertaken by Eunomia Ltd on behalf of the East Kent Waste Partnership	Available from Gavin Waite, Head of Operational Services

### **Corporate Consultation Undertaken**

Finance	Matthew Sanham, Finance Manager (Service Support)
Legal	Steven Boyle, Legal Services Manager



# Thanet District Council

## Waste Regulations Compliance Review

### Annex 1

## 1. Introduction

- 1.1 Eunomia Research and Consulting Ltd were tasked, through the East Kent Waste Partnership, to prepare a report on Thanet District Council's compliance with the Waste England and Wales Regulations 2011 (amended).
- 1.2 Under these regulations the council is required, by 1<sup>st</sup> January 2015, to demonstrate that the separation of 4 recyclable materials (glass, metal, paper and plastic) meets the necessary criteria. This is measured by testing the collection methodology against two tests; 'necessity' and 'practicability'. These tests have been designed to allow authorities to continue to collect co-mingled recycling (rather than kerbside sorting which separates the materials at source) if they meet one or both of the tests.
- 1.3 The assessment report by Eunomia reaches the conclusion that the current collection methodology meets the economic element of the practicability test and therefore further separation of materials is not required to be considered in order to meet the requirements of the regulations.

## 2. Current Collection Methodology

- 2.1 The current collection methodology is that, from the group of four materials, paper and card are collected separately at source by the council and all other recyclate is collected as co-mingled. This is then separated at a Material Recovery Facility, where the collected material is sorted by mechanical means under a contract through Kent County Council.

## 3. Test 1: Necessity

- 3.1 Eunomia have concluded that collecting the 4 materials separately at source under a weekly recycling collection system would lead to a small increase in the quantity collected. Further, they conclude that it may lead to an increase in the quality of material collected and a significant reduction in the contamination currently being seen.
- 3.2 While it is questionable that a weekly collection of recycling would work effectively in Thanet, (and indeed due to the number of communal properties it is questionable whether an increase in quantity as well would be achieved), a kerbside sort collection would certainly lead to an increase in quality. This is demonstrated by other authorities who use this type of scheme and produce high quality materials. The council would agree with Eunomia that, according to this test, it may be 'necessary' to collect the 4 materials separately.
- 3.3 On this basis the 'Necessity Test' would indicate the need for a change to source separation of recycling, but we need to also look at the 'Practicability Tests' to demonstrate if the council would comply with the regulations, without the need for a change the existing collection method.

## 4. Test 2: Practicability

- 4.1 Three elements are used as part of the practicability test to judge compliance with the regulations; technically practicable; environmentally practicable, and economically practicable.
- 4.2 Eunomia consider that a separate collection of the materials is technically possible as other authorities similar to Thanet currently utilise this approach.
- 4.3 Eunomia have undertaken a modelling exercise comparing the current modelled costs against a range of other collection options (kerbside sort, co-mingled weekly and comingled

fortnightly – the final two assume full co-mingled and no separate collection of paper and card as is currently the case).

- 4.4 Their analysis shows that the kerbside sort option will deliver greater environmental benefits. While this method will see a greater number of vehicles employed this is offset by the increased quality of the material collected.
- 4.5 However, their analysis further indicates that separate collections appear not to be economically practicable.

## **5. Results and Recommendations from Eunomia**

- 5.1 The Eunomia report suggests that the separation of recyclate, under the provisions of the regulations is necessary but not practical as detailed in the extract below,

“...separate collection appears to not be economically practicable due to the significant margin between operational costs, and the additional financial risk associated with reliance on the material markets. The Council could also look to take a view on any likely knock-on costs of separate collection, which might further support this argument”.

- 5.2 While the report suggests that separate collections would increase costs by 8.1%, based on current material values, a number of further risks and challenges would also need to be considered if separate collections were to be implemented
- 5.3 The most economic option for separate collections would be based on the council selling the recyclate directly to the market rather than providing it free to KCC. This approach can be economically viable (depending on the price of materials), and when the market is good can lead to significant income levels. However, the risk associated with price fluctuation within the volatile world wide commodity market would be borne by the council, rather than KCC as is currently the case. This could have a significant impact on the council's finances. The council would need to consider carefully what its view on price risk is and whether the possibility of lower material prices could constitute a clear risk of separate collections representing 'excessive cost'.
- 5.4 The council receives an Enabling Payment from KCC of just over £500k per annum to cover additional costs of collection, based on KCC managing the recycling income from collected material. However, the current levels of funding from KCC would be withdrawn if the council was to sell the material directly to the commodity market instead.
- 5.5 Any change to an alternative collection methodology would almost certainly make the current fleet of 6 'tri-stream vehicles' redundant that were procured in 2013. The financial loss of the sale of these on the second hand market, together with other related costs associated with a change (for example additional containers) would be significant.
- 5.6 However, when the current vehicle life cycle comes to an end in 2019 this would be an opportunity to re-consider the kerbside sort approach. Any assessment would need to fulfil the TEEP requirements anyway, and it may be prudent to incorporate this within the on-going modelling to compare present and future costs.

## **6. Implications for the council**

- 6.1 Based on the Eunomia report, no change is required to recycling collections as the regulations are being met.

**7. Recommendations**

- 7.1 That the existing collection methodology is retained by the council.
- 7.2 That the council incorporate the TEEP requirements within on-going collection modelling and review.

---

## **ASSET MANAGEMENT – DISPOSALS**

To: **Cabinet – 20<sup>th</sup> January 2015**

Main Portfolio Area: **Finance & Estates**

By: **Cllr R Everitt**

Classification: **Unrestricted**

Ward: **All**

---

**Summary: To seek the agreement of Cabinet to progress disposal of surplus land and property within the adopted asset disposal process.**

### **For Decision**

---

#### **1.0 Introduction and Background**

- 1.1 The Council uses 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 is diverse and is reviewed regularly in relation to ensuring the property holding continues to provide the best output for the council. Consideration is given to serving the community, operational facilities and business requirements.
- 1.2 Asset management is a proactive activity that includes monitoring asset performance, maintenance liability, revenue generation and capital appreciation. Assets held on the register that are considered to be surplus are reviewed by the Corporate Asset Management Group and Corporate Management Team who now present their recommendations to Cabinet.

#### **2.0 The Current Situation**

- 2.1 A new Property Disposal Process was approved by Cabinet on 13th November 2014, it is now adopted and the properties and land (annexes 1 through to 9) are considered surplus and require disposal. The property disposal process is attached (annex 10) for reference purposes.
- 2.2 The medium term financial plan documents the continuing financial constraints that the Council has over the next four years. The Council needs to reduce the corporate portfolio if it is to achieve the financial targets in the financial plan and by reducing the liabilities it will put less pressure on the Council to raise and pass on cost increases for service provision.
- 2.3 The property and land identified below have been chosen because they do not fulfil their function, in some instances the community will be better placed to maintain them, in others the return of investment does not justify the significant capital costs required to bring them back into good condition.

2.4 The proposed sites listed for disposal are below:-

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	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.

### 3.0 Options

3.1 The alternative options for each asset are described fully in the annexes.

### 4.0 Corporate Implications

#### 4.1 Financial and VAT

4.1.1 The list of disposals shows a budgeted income of approximately £38,000. However most of this budgeted income is gross of liabilities and with rising costs it is not sustainable income.

4.1.2 Release of surplus council assets will in some instances produce capital receipts to fund priorities aligned to the corporate plan. Should the Council fail to obtain sufficient capital receipts to fund the capital programme then the programme will be put at risk of non-delivery.

4.1.3 Retaining surplus sites costs the Council in management time, insurance, repairs, capital and health and safety liabilities.

## 4.2 Legal

4.2.1 Provided that the disposals of assets are dealt with through the agreed process there are no residual legal issues.

## 4.3 Corporate

4.3.1 This report has been prepared with reference to the Adopted Disposal Process approved by Cabinet on the 19<sup>th</sup> November 2014.

4.3.2 The disposals have been chosen with care to ensure that each disposal contributes towards the Corporate aims.

## 4.4 Equity and Equalities

4.4.1 The council's equality duty has been assessed in relation to the elements of this report, but it is not considered that these will compromise the rights and requirements of any group in relation to the adoption of the recommendation.

## 5.0 Recommendations

5.1 That Cabinet agree to the sites contained in Table 1 above as being surplus and authorise the estates team to progress through the disposal framework.

## 6.0 Decision Making Process

6.1 This is a key decision which can be taken by Cabinet.

Contact Officer:	Edwina Crowley, Head of Economic Development and Asset Management
Reporting to:	Ged Lucas, Interim Community Services Director

## Annex List

Annex 1 - 9	Proposed asset disposal list requiring Cabinet decision and site plans
Annexe 10	Adopted Property Disposal Process

## Corporate Consultation Undertaken

Finance	Nicola Walker, Finance Manager HRA, Capital & External Funding
Legal	Steven Boyle, Legal Services Manager

This page is intentionally left blank



### Annex 1

#### 4c York Street, Ramsgate – disposal of freehold for capital receipt

<b>Name and address of land/property</b>	4c York Street, Ramsgate
<b>Current Description</b>	Vacant shop unit, investment portfolio
<b>Rental received p.a. / gross yield</b>	NIL

<b>Current use of land/property</b>
<ul style="list-style-type: none"> <li>Vacant lock up shop unit</li> </ul>

<b>Use, condition and maintenance issues</b>
<ul style="list-style-type: none"> <li>Currently vacant</li> <li>Property in poor condition with structural and on-going maintenance issues</li> <li>Damage caused to adjacent property</li> <li>Property between others in private ownership</li> </ul>

<b>Alternatives</b>
<ul style="list-style-type: none"> <li>Retain and re-let but would require considerable expenditure</li> </ul>

<b>Advantages / Case for disposal of the land/property</b>
<ul style="list-style-type: none"> <li>There is no funding allocated to undertake the capital works to this property which are expected to be significant.</li> <li>The return of funds employed in any capital programme would not return a good investment for the Council</li> </ul>

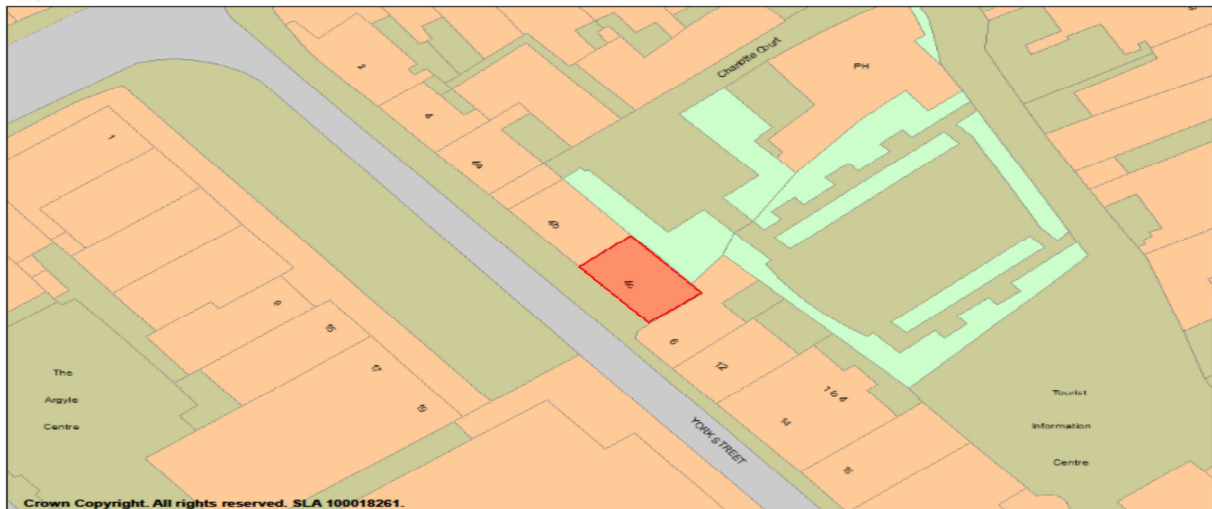
<b>Issues which may inhibit disposal of the land/property</b>
<ul style="list-style-type: none"> <li>None identified.</li> </ul>

<b>Recommendation</b>
<ul style="list-style-type: none"> <li>That the land is progressed through the disposal framework.</li> </ul>

#### PLAN

**Title: 4c York Street, Ramsgate**

Map Notes:



Crown Copyright. All rights reserved. SLA 100018261.  
Date: 07/11/2014 Scale: 1:350

This page is intentionally left blank

Annex 2

Bell Meadow, St Nicholas at Wade – disposal of freehold for community benefit

<b>Name and address of land/property</b>	Bell Meadow, St Nicholas at Wade
<b>Current Description</b>	Recreation Ground
<b>Rental received p.a. / gross yield</b>	Nil

<b>Current use of land/property</b>
<ul style="list-style-type: none"> <li>Leased to Parish Council for use as Recreation Ground</li> </ul>

<b>Use, condition and maintenance issues</b>
<ul style="list-style-type: none"> <li>Parish Council is responsible for maintenance</li> </ul>

<b>Alternatives</b>
<ul style="list-style-type: none"> <li>Continue to lease.</li> </ul>

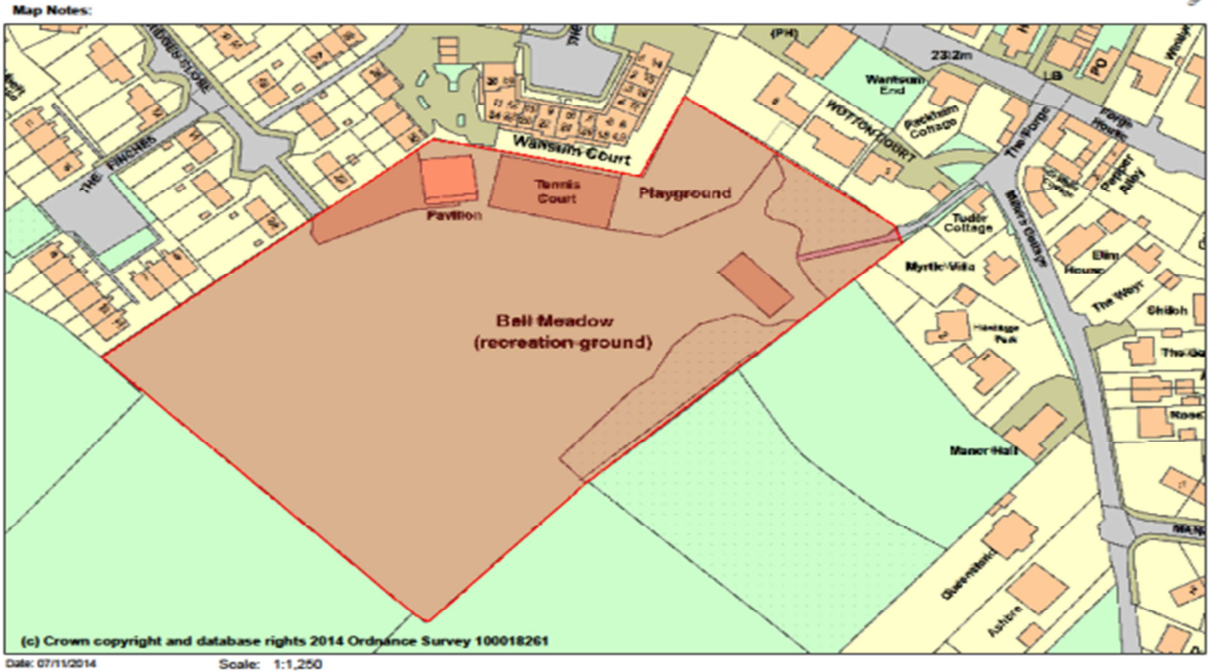
<b>Advantages / Case for disposal of the land/property</b>
<ul style="list-style-type: none"> <li>Disposal would relieve TDC management costs and maintenance and liability issues in the future.</li> </ul>

<b>Issues which may inhibit disposal of the land/property</b>
<ul style="list-style-type: none"> <li>None identified.</li> </ul>

<b>Recommendation</b>
<ul style="list-style-type: none"> <li>That the land is progressed through the disposal framework.</li> </ul>

PLAN

Title: Bell Meadow Recreation Ground, St Nicholas at Wade



This page is intentionally left blank

**Annex 3**

**Princes Road Store, Ramsgate – disposal of freehold for capital receipt**

<b>Name and address of land/property</b>	Princes Road Store
<b>Current Description</b>	Vacant Store, operational building
<b>Rental received p.a. / gross yield</b>	NIL

<b>Current use of land/property</b>
<ul style="list-style-type: none"> <li>Property is currently vacant and council has no operational use for building.</li> </ul>

<b>Use, condition and maintenance issues</b>
<ul style="list-style-type: none"> <li>Store formerly used by Environmental Health but now vacant</li> <li>Blockwork store in poor condition</li> <li>Corrugated metal building of poor quality</li> </ul>

<b>Alternatives</b>
<ul style="list-style-type: none"> <li>Lease as an investment but requires capital funding and not considered a good return of funds employed.</li> </ul>

<b>Advantages / Case for disposal of the land/property</b>
<ul style="list-style-type: none"> <li>Disposal would net a capital receipt</li> </ul>

<b>Issues which may inhibit disposal of the land/property</b>
<ul style="list-style-type: none"> <li>None identified.</li> </ul>

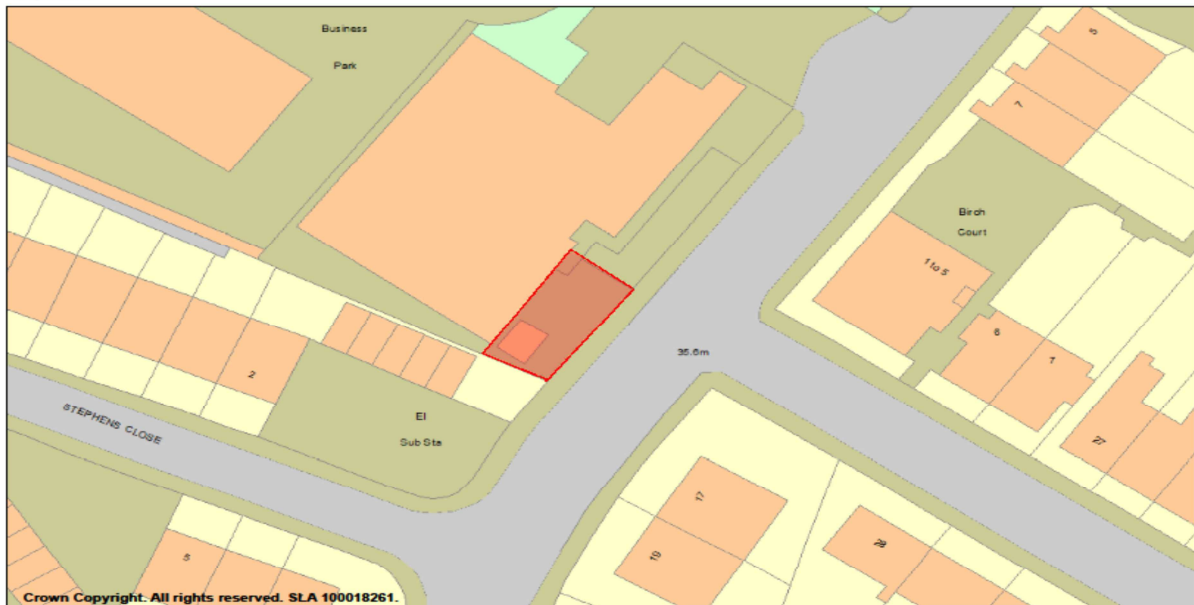
<b>Recommendation</b>
<ul style="list-style-type: none"> <li>That the land is progressed through the disposal framework.</li> </ul>

**PLAN**

**Title: princes Road Store, Ramsgate**



Map Notes:



This page is intentionally left blank

# Agenda Item 12

## Annex 4

### Annex 4 – Security Hut and verge land, Leigh Road, Ramsgate – disposal of freehold for capital receipt

<b>Name and address of land/property</b>	Leigh Road Security hut and adjacent land
<b>Current Description</b>	Security hut and grassed land, investment portfolio
<b>Rental received p.a. / gross yield</b>	NIL

<b>Current use of land/property</b>
<ul style="list-style-type: none"> <li>• Security hut is currently vacant</li> <li>• Land is laid to grass and banks towards industrial estate</li> </ul>

<b>Use, condition and maintenance issues</b>
<ul style="list-style-type: none"> <li>• The property is in poor condition.</li> </ul>

<b>Alternatives</b>
<ul style="list-style-type: none"> <li>• Estates have been advertising for let but no interest.</li> </ul>

<b>Advantages / Case for disposal of the land/property</b>
<ul style="list-style-type: none"> <li>• Disposal would relive TDC of maintenance, insurance and liability issues</li> </ul>

<b>Issues which may inhibit disposal of the land/property</b>
<ul style="list-style-type: none"> <li>• None identified.</li> </ul>

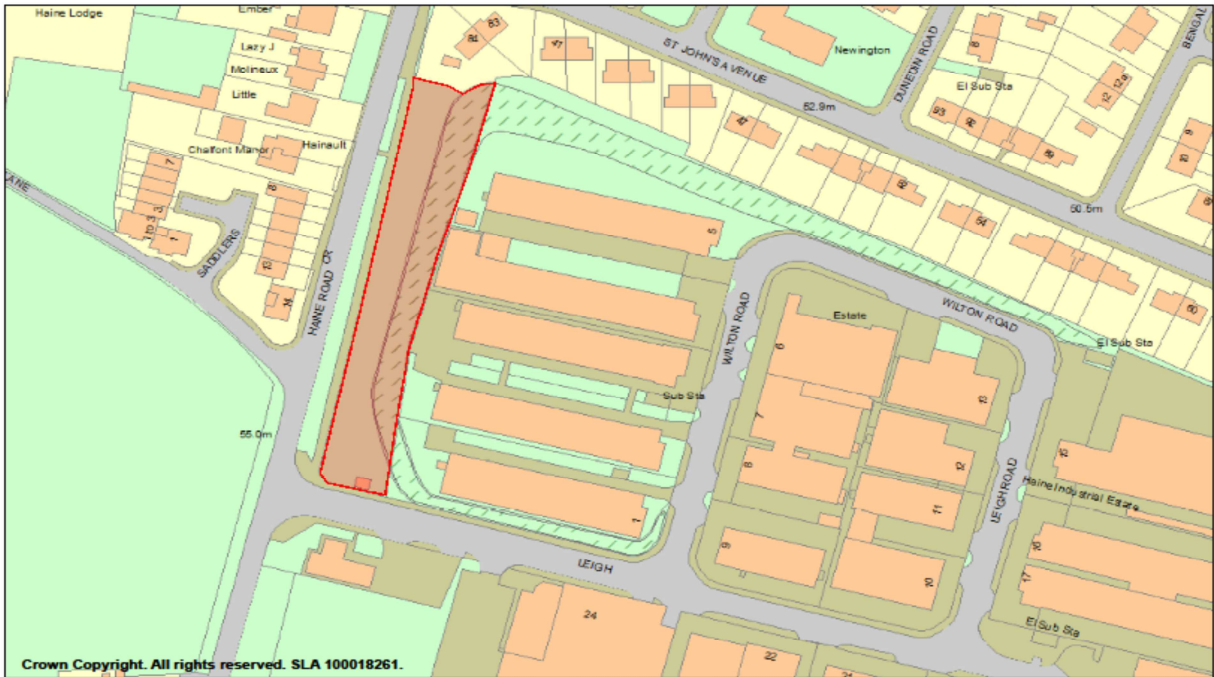
<b>Recommendation</b>
<ul style="list-style-type: none"> <li>• That the land is progressed through the disposal framework.</li> </ul>

PLAN

**Title: Leigh Rd Security Hut 7 adjacent land, Ramsgate**



**Map Notes:**



Date: 07/11/2014

Scale: 1:1,250



# Agenda Item 12

## Annex 5

### Annex 5 - Land at Steven Court, Ramsgate – disposal of freehold for capital receipt

<b>Name and address of land/property</b>	Land at rear of Steven Court, Pegwell Road, Ramsgate, investment portfolio
<b>Current Description</b>	Amenity land for use by tenants of Steven Court
<b>Rental received p.a. / gross yield</b>	£400 per annum

<b>Current use of land/property</b>
<ul style="list-style-type: none"> <li>Licensed for many years to tenants of Steven Court for use as amenity land</li> </ul>

<b>Use, condition and maintenance issues</b>
<ul style="list-style-type: none"> <li>None</li> </ul>

<b>Alternatives</b>
<ul style="list-style-type: none"> <li>None</li> </ul>

<b>Advantages / Case for disposal of the land/property</b>
<ul style="list-style-type: none"> <li>Adjacent land to rear of Court stairs recently sold to its owners</li> <li>Disposal would relieve TDC of any liability</li> <li>Alternative uses considered but discounted, land would be subject to a covenant to continue use as amenity land.</li> </ul>

<b>Issues which may inhibit disposal of the land/property</b>
<ul style="list-style-type: none"> <li>None identified.</li> </ul>

<b>Recommendation</b>
<ul style="list-style-type: none"> <li>That the land is progressed through the disposal framework.</li> </ul>

**PLAN**

**Title: Land at rear of Steven Court, Pegwell Rd, Ramsgate**



Map Notes:



Crown Copyright. All rights reserved. SLA 100018261.

Date: 07/11/2014

Scale: 1:750

This page is intentionally left blank

### Annex 6 - York Gate House and Pavilion, Broadstairs – disposal of freehold for capital receipt

• Name and address of land/property	• York Gate House & Pavilion Broadstairs
Current Description	Residential /commercial, investment portfolio
Gross rental received p.a.	£17,730

<b>Current use of land/property</b>	
•	Occupied under a mix of residential /commercial tenancies:
•	Lower ground floor occupied under a licence granted from 8/1/1999 at a current fee of £2,000 pa
•	2 bed ground floor occupied under a 6 year service tenancy at a current rent of £10,200 pa
•	2 bed 1 <sup>st</sup> floor flat occupied under a 7 year lease at a current rent of £5,520pa
•	2 bed 2 <sup>nd</sup> floor flat – 125 year lease sold on 21/12/1992 under right to buy legislation at a ground rent of £10 per annum
•	Pavilion let on £20,000 per annum 50 year lease, recent extension abutting York Gate house

<b>Use, condition and maintenance issues</b>	
•	York Gate House leases have been granted on an internal repairing basis and the Council is responsible for all external and structural works
•	There is significant capital works required to roof, refurbishment of drainage, wiring, windows. On-going renewal/repair/maintenance required to the building
•	Management issues with the mix of tenures
•	Service charge provisions within the various agreements do not allow for effective recharge for any works carried out so all costs to repair would be out of the Council's funds
•	There are insufficient funds to undertake the works required.
•	Access to York Gate House via the Pavilion is limited creating operational and management issues

<b>Alternatives</b>	
•	There is little opportunity to renegotiate lease terms on more favourable conditions for the council.

<b>Advantages / Case for disposal of the land/property</b>	
•	York Gate House and the Pavilion offered together would have marriage value, ie a sum greater than the two individual parts.
•	Reduction of on-going management, maintenance, insurance costs.
•	Transfer liabilities to freeholder.

<b>Issues which may inhibit disposal of the land/property</b>	
•	Purchaser would take over existing tenancy arrangements for both premises

<b>Recommendation</b>	
•	That the land is progressed through the disposal framework.

PLAN

Title: York Gate House



Map Notes:



# Agenda Item 12

## Annex 7

### Annex 7 – Land at Covells Row, Margate – disposal of freehold for capital receipt

<b>Name and address of land/property</b>	Land at Covell's Row, Margate
<b>Current Description</b>	Unregulated parking area,
<b>Plan number</b>	
<b>Rental received p.a. / gross yield</b>	None

<b>Current use of land/property</b>
<ul style="list-style-type: none"> <li>Level, rectangular shaped site providing parking for several cars on a non-charged basis.</li> <li>The site measures approximately 96 sq metres.</li> </ul>

<b>Use, condition and maintenance issues</b>
<ul style="list-style-type: none"> <li>Used for parking of cars by local businesses, maintenance, insurance and management costs borne by TDC</li> </ul>

<b>Comment from Planning and Legal</b>
<ul style="list-style-type: none"> <li>Detailed planning advice is required in relation to the site.</li> <li>Legal Services advise that there are no covenants, which would affect sale of the site.</li> </ul>

<b>Alternatives</b>
<ul style="list-style-type: none"> <li>Retain as unauthorised parking area.</li> <li>Dispose/let to adjoining properties.</li> </ul>

<b>Advantages / Case for disposal of the land/property</b>
<ul style="list-style-type: none"> <li>The Council has no obligation to retain the land as a parking area which will in the future require surfacing at a cost to the Council.</li> <li>The site provides no income to the Council but could provide a modest capital receipt and provide useful parking for adjoining commercial occupiers or potential development if merged with adjoining property interests.</li> </ul>

<b>Issues which may inhibit disposal of the land/property</b>
<ul style="list-style-type: none"> <li>Opposition from local businesses.</li> </ul>

<b>Recommendation</b>
<ul style="list-style-type: none"> <li>To agree to the principle of sale, subject to the formal disposal framework.</li> </ul>



This page is intentionally left blank

# Agenda Item 12

## Annex 8

### Annex 8 - Former Promenade Toilets Seaview Terrace, Margate – disposal of freehold for capital receipt disposal of freehold for capital receipt

<b>Name and address of land/property</b>	Former promenade toilets adjacent to Seaview Terrace, Margate
<b>Current Description</b>	Disused public conveniences, operational building
<b>Plan number</b>	
<b>Rental received p.a. / gross yield</b>	None

<b>Current use of land/property</b>
The toilets were closed to the public and taken out of operational use many years ago and have since remained vacant.

<b>Use, condition and maintenance issues</b>
<ul style="list-style-type: none"> <li>• Whilst the building is closed, its condition has deteriorated and is now a considerable maintenance concern with significant liabilities.</li> <li>• The condition of the building detracts from the works being undertaken to improve the Sea Bathing site and the Councils DMP.</li> </ul>

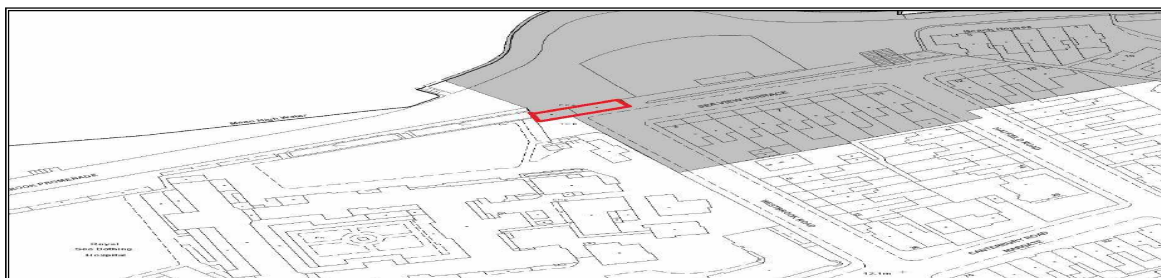
<b>Comment from Planning and Legal</b>
<ul style="list-style-type: none"> <li>• Planning have previously advised that the building is located in a conservation area and next to an important listed building (Sea Bathing Hospital). However changes of use will be considered through the planning process.</li> <li>• Legal Services advise that there are no covenants, which would restrict disposal of the site.</li> </ul>

<b>Alternatives</b>
<ul style="list-style-type: none"> <li>• The Council has no need to retain this facility.</li> </ul>

<b>Advantages / Case for disposal of the land/property</b>
<ul style="list-style-type: none"> <li>• Disposal should encourage redevelopment of the area, which would improve the visual impact of the site.</li> <li>• There are no operational intentions to reopen the toilets which would require significant capital investment.</li> <li>• Capital receipt.</li> </ul>

<b>Issues which may inhibit disposal of the land/property</b>
<ul style="list-style-type: none"> <li>• Onerous issues associated with supporting the adjoining highway structure and therefore may affect capital receipt value.</li> </ul>

<b>Recommendation</b>
<ul style="list-style-type: none"> <li>• To agree to the principle of sale, subject to the formal disposal framework.</li> </ul>



This page is intentionally left blank



# Agenda Item 12

## Annex 9

### Annex 9 - Land at Clarendon Road, Margate disposal of freehold for capital receipt

<b>Name and address of land/property</b>	Land at Clarendon Road, Margate
<b>Current Description</b>	Overgrown narrow strip of land
<b>Plan number</b>	
<b>Rental received p.a. / gross yield</b>	None

<b>Current use of land/property</b>
<ul style="list-style-type: none"> <li>Narrow strip of land adjoining the road and rear gardens of Madeira Road residential properties and enclosed with a post and rail fence. Very overgrown with ivy and trees/shrubs. Appears un-level.</li> <li>The site measures approximately 75 sq.m.</li> </ul>

<b>Use, condition and maintenance issues</b>
<ul style="list-style-type: none"> <li>The land is currently vacant and very overgrown and the Council's maintenance is reactive. The site provides a liability for maintenance with no return.</li> </ul>

<b>Comment from Planning and Legal</b>
<ul style="list-style-type: none"> <li>Detailed planning advice is required in relation to the site.</li> <li>Title search being undertaken.</li> </ul>

<b>Alternatives</b>
<ul style="list-style-type: none"> <li>Licence to adjoining properties which would generate little revenue to the Council and may fragment site.</li> <li>Retain as existing, including liability</li> </ul>

<b>Advantages / Case for disposal of the land/property</b>
<ul style="list-style-type: none"> <li>The Council has no obligation to retain the land which will in the future require clearing at a cost to the Council.</li> <li>Complaints have been received from adjoining residents regarding the condition of the land.</li> <li>The site provides no income to the Council but could provide a modest capital receipt.</li> </ul>

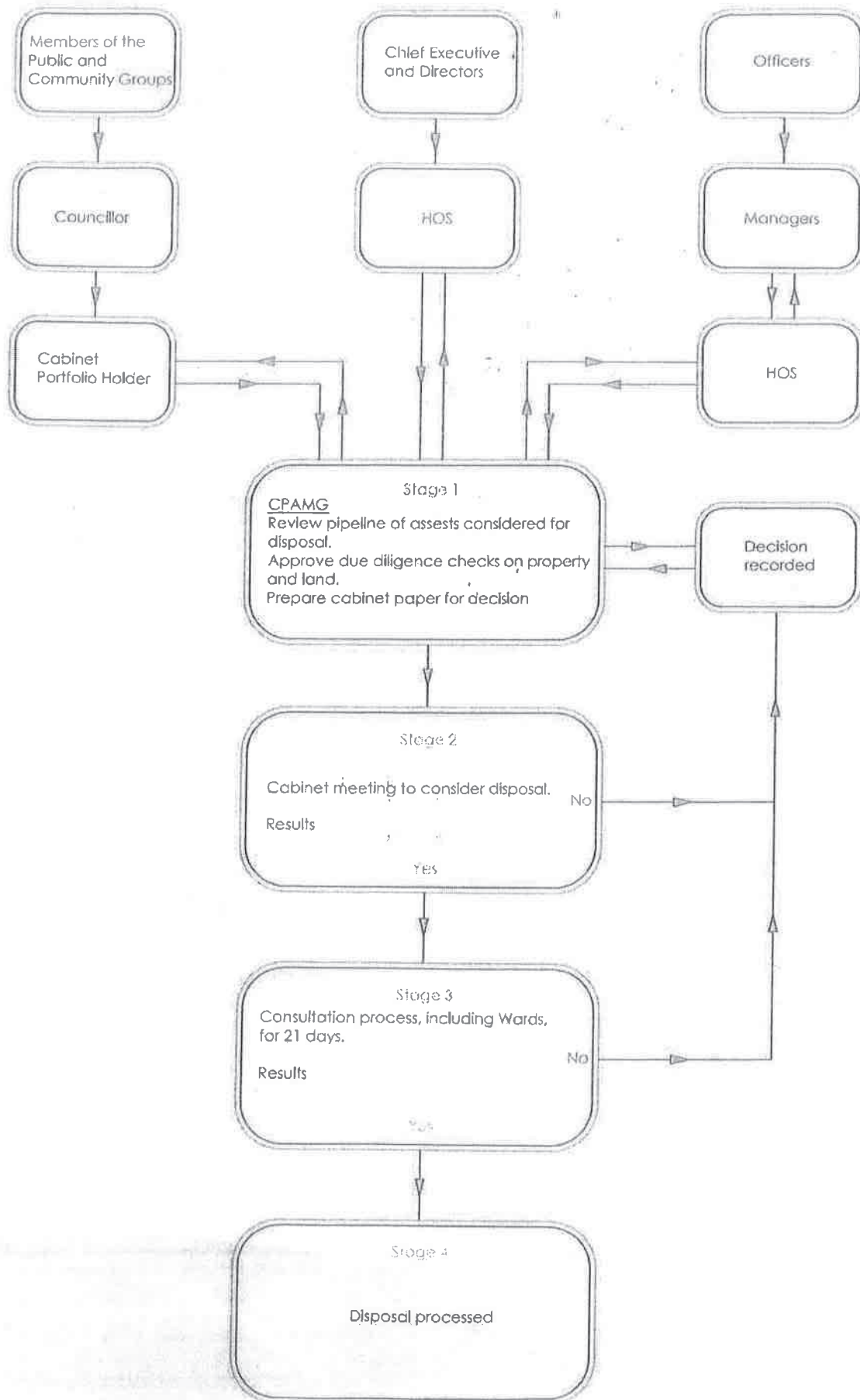
<b>Issues which may inhibit disposal of the land/property</b>
<ul style="list-style-type: none"> <li>None known.</li> </ul>

<b>Recommendation</b>
<ul style="list-style-type: none"> <li>To agree to the principle of sale, subject to the formal disposal framework.</li> </ul>



This page is intentionally left blank

Schematic Diagram – Disposal Process



This page is intentionally left blank

---

## **THEATRE ROYAL MARGATE & 19 HAWLEY SQUARE**

To: **Cabinet – 20<sup>th</sup> January 2015**

Main Portfolio Area: **Finance & Estates**

By: **Cllr R Everitt**

Classification: **Unrestricted**

Ward: **All**

---

**Summary:** **To seek the agreement of Cabinet 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.**

### **For Decision**

---

#### **1.0 Introduction and Background**

- 1.1 The Council acquired the Theatre Royal Margate, one of the oldest working theatres in the country, in 2007 after the previous owners fell into financial difficulties. The District Council were instrumental in setting up a new trust to operate the Theatre (which is listed Grade II\*) and acquired the adjacent 19 Hawley Square (listed Grade II) from Orbit Housing Association in 2011, with a view to expanding the Theatre's facilities and improving its sustainability. The second Trust failed in 2012, before plans could be developed.
- 1.2 The Council recognises the strategic value of retaining a historic theatre of such national importance and its role in the continued development of Margate as a cultural destination.
- 1.3 To support the on-going operation of the Theatre Royal Margate, the Council entered into a management agreement with Your Leisure (Kent) Ltd (YLK) in 2012. This interim measure, reviewed annually, allows the Theatre to remain open and to continue to build its audience base. However, a long term arrangement that also addresses the need for significant investment needs to be found in order to secure its future.

#### **2.0 The Current Situation**

- 2.1 Both the Theatre and 19 Hawley Square have suffered from a lack of maintenance for many years.
- 2.2 The structural condition of the Theatre Royal is reasonable but deteriorating. The building requires re-roofing and extensive brickwork repairs. Back of house facilities are primitive, front of house facilities virtually non-existent and the Theatre requires re-wiring and a new heating system.

- 2.3 The structural condition of 19 Hawley Square is derelict. The property has been unoccupied for many years and water penetration from the roof over a long period of time has caused extensive damage to its interior, and to the adjacent property. This is currently being addressed through works that the Council is putting in place.
- 2.4 The Council remains responsible for the majority of maintenance costs associated with the Theatre, and provides an annual subsidy for its programme with contributions currently from Kent County Council and the Arts Council. It has sole responsibility for all costs associated with 19 Hawley Square.
- 2.5 The Council are committed to supporting the regeneration of Margate and the wider district. The Theatre Royal is of major historical significance and the Council would like to try to secure a sustainable operating model to enable it to continue as a Theatre.

### **3.0 Options**

- 3.1 The Council does not have the funds to continue subsidising the Theatre to current levels.
- 3.2 The Council could try to sell the freehold of both the Theatre Royal and 19 Hawley Square. However, there is very little market for a poorly maintained Theatre. Whilst a freehold sale may be possible for the Theatre Royal, the uses for it are extremely limited and it may be that the building is bought, closed and then not brought back into use for many years. Margate will lose the opportunity to use the building as part of its regeneration plans. 19 Hawley would be expected to raise a reasonable capital receipt.
- 3.3 The Council have been working with experts to look at operational models that would increase the chances of the Theatre becoming a viable entity. It is agreed that the Theatre requires reconfiguring if it is to increase sales which will only work if the two estates are combined, enabling the Theatre to share space and facilities with 19 Hawley. Subject to planning permission the upper floors of 19 Hawley could be used as hotel accommodation or other commercial use (either run directly by the Theatre Operator or by subletting the area) with the profit used to support the Theatre. However, the scale of investment required to realise this ambition is significant and requires a development partner / long-term operator.
- 3.4 The suggested way forward is to package the Theatre Royal and 19 Hawley Square together and to procure through an open procurement process (OJEU) a suitably qualified organisation to gain funding to invest in both properties. This would allow both the existing operator and other professional theatre operators an equal opportunity to bid.
- 3.5 The buildings would be offered on long leasehold, and therefore this requires Cabinet approval. A long lease needs to be offered (in excess of 20 years) to attract investment and to enable long-term planning and fund-raising.

### **4.0 Corporate Implications**

#### **4.1 Financial and VAT**

- 4.1.1 Retaining the sites costs the Council in management time, insurance, repairs, capital and health and safety liabilities. Future maintenance costs for the Theatre and 19

Hawley Square are estimated to be in excess of £100,000 per year. Disposal on a long leasehold will therefore deliver significant savings.

4.1.2 VAT advice will be sought prior to going through the OJEU process.

4.1.3 Costs associated with the procurement process will be covered within existing resources.

#### 4.2 Legal

4.2.1 Provided that the disposal of these assets is dealt with through the agreed process there are no residual legal issues.

4.2.2 Planning has confirmed that the Theatre falls under the category of Sui-Generis\* A use on its own to which any change of use will require planning permission. Contained within this category are Theatres, Scrap yards, Nightclubs, Petrol stations, Launderettes, Taxi businesses, Amusement centres, Casinos, Large HMOs. There is no permitted change, except casino to D2.

19 Hawley Square has a number of potential uses subject to planning permission

#### 4.3 Corporate

4.3.1 This report has been prepared with reference to the Adopted Disposal Process approved by Cabinet on the 19<sup>th</sup> November 2014 and the Asset Disposal Paper also submitted to Cabinet on 20<sup>th</sup> January.

4.3.2 The medium term financial plan (attached to the Asset Disposal Paper) documents the continuing financial constraints that the Council has over the next four years. The Council needs to reduce the corporate portfolio if it is to achieve the financial targets in the financial plan and by reducing the liabilities it will put less pressure on the Council to raise and pass on cost increases for service provision.

#### 4.4 Equity and Equalities

4.4.1 The council's equality duty has been assessed in relation to the elements of this report, but it is not considered that these will compromise the rights and requirements of any group in relation to the adoption of the recommendation.

### 5.0 Recommendations

5.1 That Cabinet agree 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.

### 6.0 Decision Making Process

6.1 This is a key decision which can be taken by Cabinet.

Contact Officer:	Edwina Crowley, Head of Economic Development and Asset Management
Reporting to:	Ged Lucas, Interim Community Services Director

## **Annex List**

Annex 1	Plan showing the Theatre Royal and 19 Hawley Square
---------	---

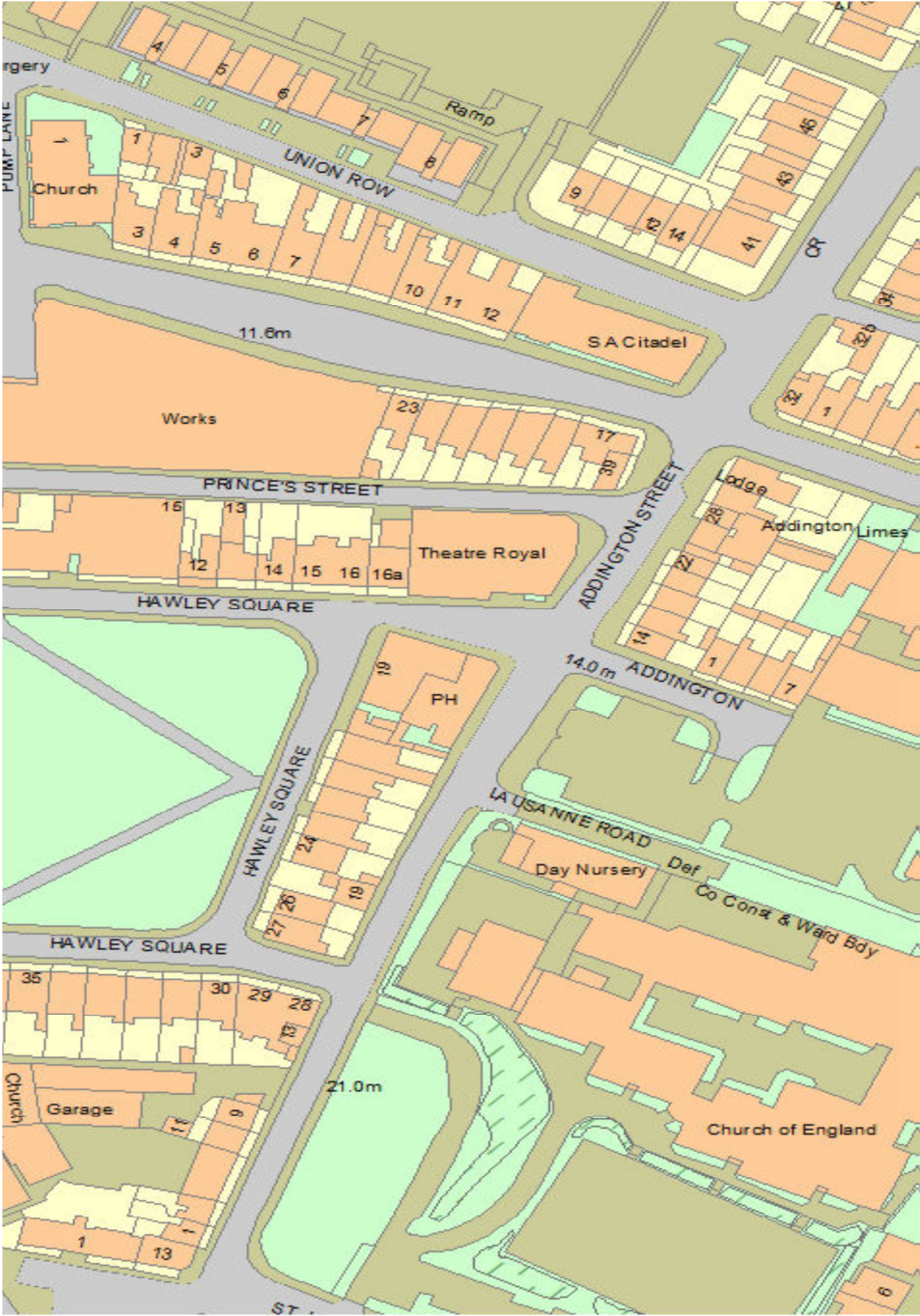
## **Corporate Consultation Undertaken**

Finance	Nicola Walker
Legal	Steven Boyle, Legal Services Manager



Agenda Item 13  
Annex 1

Theatre Royal and 19 Hawley Square,



Not to scale

This page is intentionally left blank

---

## AGREEING NEW TENANCY CONDITIONS

To: **Cabinet - 20<sup>th</sup> January 2015**

Main Portfolio Area: **Housing and Planning Services**

By: **Councillor Richard Nicholson, Cabinet Member for Housing and Planning Services**

Classification: **Unrestricted**

Ward: **All Wards**

---

**Summary:** In order to implement the Council's adopted Tenancy Strategy there is a need to develop new forms of tenancy agreement. While existing tenants will continue to enjoy the same secure 'lifetime' tenancies as they have previously, there is a need to ensure consistency in respect of tenancy conditions across all Council tenancy agreements.

At its meeting on the 13<sup>th</sup> November 2014 Cabinet approved a draft tenancy agreement template to be consulted on. The consultation process has been completed and this report advised on the outcome of this consultation and recommends the approval of the new tenancy agreement template attached at Appendix 1.

### **For Decision**

---

#### **1.0 Introduction and Background**

- 1.1 The Localism Act 2011 introduced reforms relating to social housing tenure which came into effect from 1 April 2012 with the introduction of the new Tenancy Standard published by the Tenant Services Authority.
- 1.2 Cabinet has already approved a Tenancy Strategy as required by the Act which provides high level guidance to the providers of affordable housing in the district regarding the type and term of tenancies to be granted.
- 1.3 In summary the Strategy has introduced the following key changes to the type of tenancies it will grant:
- Following successful completion of their introductory tenancy, new tenants will be granted a five year, flexible (fixed term) tenancy.
  - Lifetime tenancies will continue to be offered to specific groups of applicants e.g. older tenants applying for sheltered housing.
- 1.4 Existing tenants are not to be affected by the new Policy and will continue to enjoy 'Lifetime' tenancies. However, there is a need to ensure that all Council tenancies are, as far as possible, subject to the same conditions of tenancy. It is therefore proposed that there should be a new tenancy agreement for:
- Existing secure, 'Lifetime' tenants

- New secure, flexible tenants
- Introductory tenants

1.5 It must be stressed that existing tenant's rights under their current tenancy agreement remain unchanged and that they will continue to enjoy secure, 'lifetime' tenancies.

1.6 The conditions of tenancy for secure tenants were last reviewed some years ago and it is considered necessary to change the conditions of tenancy to ensure they reflect updated legislation, regulations and current priorities for the Council and its tenants. In particular the new conditions seek to strengthen and clarify tenancy terms so as to enable the Council to deal effectively with Anti-Social behaviour and nuisance behaviour.

1.7 In consultation with East Kent Housing and the Council's legal service it was decided that the best way of ensuring consistency in respect of the new agreements was to develop a standard tenancy agreement template containing a standard set of conditions but with each new agreement having a different cover clearly describing the type of tenancy that had been granted.

## **2.0 Consultation**

2.1 Tenant representatives were consulted during the development of the new conditions of tenancy and a Preliminary Notice was served under Section 103(2) of the Housing Act 1985 which provided tenants with a six week period within which to submit comments.

2.2 There have not been any significant, formal responses to the Preliminary Notice and it is believed this is largely due to early tenant involvement in the development of the new conditions. The main clauses that have been reviewed are 3.6.2 regarding laminate flooring and 3.9.5 regarding commercial vehicles.

## **3.0 Options**

The options in respect of the policy are as follows:

3.1 Option A: To approve the draft tenancy agreement template attached at Appendix 1 so that for new tenants the new tenancy agreements can start to be used with immediate effect and for existing tenants a statutory notice can be served to enable the tenancy conditions to be varied.

3.2 Option B: To recommend amendments to the draft agreements.

3.3 Option C: To maintain the existing agreement for existing tenants and only introduce the new agreement for new tenants.

## **4.0 Evaluation of Options**

4.1 Option A is the recommended option as it is necessary for new tenancies to be introduced if the Council is to implement the Tenancy Strategy it has already adopted.

4.2 Option B is not recommended as it fails to demonstrate any commitment to implementing the Tenancy Strategy or to taking pro-active action to address problems of anti-social behaviour or to meeting housing need by making best use of the social housing stock. It would also result in tenants living next to each other being on different tenancy agreements.

4.3 Option C is not recommended as the agreements have been subject to a consultation process and any further changes could require further consultation with tenants.

## **5.0 Corporate Implications**

- 5.1 Comment from the Section 151 officer. "The printing and postage costs indicated can be accommodated within existing budgets and no resource implication has been advised in respect of the draft Tenancy Agreement"
- 5.2 Comment from the Solicitor to the Council: "The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make".
- 5.3 Comment from the Equalities Officer: "This report does not specifically highlight any equalities implications however, in discharging their responsibilities, members are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>."

## **6.0 Financial**

- 6.1 The only significant resource implication directly arising from this report are the postage costs relating to the statutory notification process. The estimated cost of this is £2,500 for the Final 28 day Notice to be served on all. The costs can be met from HRA budgets.

## **7.0 Legal**

- 7.1 The adoption of the Tenancy Strategy by cabinet in November 2013 and by Full Council in February 2014 places a requirement on the council to deliver the strategy and this includes a review of the tenancy agreement.
- 7.2 The Housing Act 1985 sets out the legal process that the council must follow in order to make changes to the tenancy agreement and this report forms part of this process.

## **8.0 Corporate**

- 8.1 The Tenancy Strategy and the strategy decisions contained within it meet the council's corporate priorities for improving housing in the district.

## **9.0 Equity and Equalities**

- 9.1 The tenancy agreements directly reflect the new forms of tenancy set out in a Tenancy Strategy that has been approved by Cabinet. An Equality Assessment was undertaken in respect of the Tenancy Strategy.

## **10.0 Recommendations**

- 10.1 That Cabinet Approves:

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 with effect from 1<sup>st</sup> April 2015.

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 with effect from 1<sup>st</sup> April 2015.

## **11.0 Decision Making Process**

- 11.1 This is a Key decision for Cabinet.

Contact Officer:	Tanya Wenham, Head of Housing Services, Ext 7006
Reporting to:	Ged Lucas, Director of Community Services

### **Annex List**

Annex 1	Draft Tenancy Conditions
---------	--------------------------

### **Background Papers**

<b>Title</b>	<b>Details of where to access copy</b>
Tenancy Strategy	Website

### **Corporate Consultation Undertaken**

Finance	Nicola Walker, Finance Manager, HRA, Capital and External Funding
Legal	Steven Boyle, Legal Services Manager



# YOUR TENANCY AGREEMENT

## Section one: About this Tenancy Agreement

This tenancy agreement sets out the basic conditions of your tenancy and explains what we, Thanet District Council, as your landlord are responsible for and what you are responsible for as a tenant. It also explains your rights as a tenant and ours as the landlord.

There are six sections to this agreement Page no

### Section One:

Introduction to your tenancy agreement ..... 1

### Section Two:

Tenancy types.....2  
 • Introductory tenancy.....2  
 • Secure tenancy.....2  
 • Secure flexible tenancy .....2

### Section Three:

Your responsibilities as tenant .....3  
 • Paying your rent.....3  
 • Living in your home .....3  
 • Anti social behaviour and nuisance.....3  
 • Domestic abuse.....4  
 • Tenancy fraud.....5  
 • Repairs, improvements and making alterations.....5  
 • Access to your home.....5  
 • Gardens.....6  
 • Parking .....6  
 • Keeping pets and animals.....7  
 • Health & safety and hygiene .....7  
 • If you want to end your tenancy .....8

### Section Four:

Your rights ..... 10

### Section Five:

Our rights and responsibilities as landlord..... 12  
 • Repairs and maintenance responsibilities ..... 12  
 • Managing your tenancy ..... 12

• Information sharing..... 12  
 • If we want to end your tenancy ..... 13  
 • Notices..... 14  
 • Complaints..... 14

### Section Six:

Definitions..... 15

By signing this Tenancy Agreement you are entering into a legally binding contract with Thanet District Council. If there is anything you do not understand you can ask us to explain this to you or you can get advice from one of our offices or independent advice from the Citizens' Advice Bureau or Shelter. If you want we can read this document to you.

We will not interfere with your right to live peacefully in your home unless one of the following applies:

- You break any of the conditions of this agreement.
- We need to carry out major repairs or redevelopment of your home and we cannot do this unless you move out. In this case we will offer you suitable alternative accommodation while we do this work.
- We need access to your home to carry out service checks and repairs or other work.
- There is any other reason under the Housing Act 1985 or any future law.

If you are joint tenants each of you is responsible for keeping to all the conditions set out in this agreement. Even if one tenant leaves the property, the other tenant must still keep to these conditions which include the condition to pay the rent.

Your responsibilities under this agreement apply to you, your family, your friends and relatives and anyone else living in or visiting your home. This includes children.

If you break the terms of the tenancy agreement we may take action against you. There is a range of legal action we can take depending on which part of the agreement you have broken. We can only evict you if the court agrees that there is a legal reason to do so. If you are evicted we may not have any duty to re-house you and your eviction may also affect your ability to be re-housed by another social landlord.

On some occasions special conditions may apply to your tenancy. These may be personal to you or relate to the

home you live in. We will tell you about these special conditions in your offer of tenancy.

Reference is made in this tenancy agreement to your tenant handbook. This handbook provides more information about your tenancy but does not form part of the tenancy agreement.

By signing this agreement you also agree that officers managing your home may check the status of any benefit claim you may make to help you pay your rent.

## Section 2: Tenancy types

---

### 2.1 Introductory tenancy

Your introductory tenancy will last for a 12 month trial period. At the end of this trial period if you have not broken any of the tenancy conditions your tenancy will become a secure tenancy or a secure flexible tenancy.

If during your introductory tenancy you break any of the tenancy conditions we may take action to end your tenancy and it is possible you will be evicted from your home.

If we want to end your tenancy or extend it for a further six months we will give you a 'notice of proceedings for possession' or a 'notice of extension' whichever is appropriate. You can ask us to review our decision to serve you notice.

Introductory tenants do not have as many legal rights as secure tenants. Details of your rights under this agreement are set out in section four.

### 2.2 Secure tenancy

A secure tenancy does not have an expiry date. If you have a secure tenancy we will not interfere with your right to live in your home unless you break any of the conditions of your tenancy agreement. If we need to take legal action to end your tenancy we cannot evict you from your home without a court of law agreeing that there is a legal reason to do this.

### 2.3 Secure flexible tenancy

This tenancy is a secure tenancy for a fixed term. The length of this fixed term will be set out in your offer of tenancy letter. You have the right to request a review of the length of the term of the flexible tenancy you are being offered if you do not think this is in accordance with the Council's policy. You must do this in writing within 21 days of the date you were offered the flexible tenancy. During the fixed term we will not interfere with your right to live in the property unless you break any of the conditions of your tenancy. If we need to take legal action to end your tenancy because you have broken any of the terms of your tenancy agreement we cannot evict you from your home without a court of law agreeing that there is a legal reason to do this.

Unless the tenancy is ended early because you have broken the terms of the agreement or you decide to bring your tenancy to an end the flexible tenancy will last for the period set out in your offer of tenancy letter.

Nine months before the end of your tenancy we will review your housing need and the way you have conducted your tenancy. If we decide not to renew your tenancy we will give you at least six months' notice of our decision.



## Section 3. Your responsibilities as tenant

### 3.1 Paying your rent and money owed to the Council

- 3.1.1 You must pay your rent** (which may include service charges as part of the rent) and you must pay it on time. Your rent is due every week from the date at the beginning of the agreement and must be paid every Monday in advance. If you prefer to pay fortnightly or monthly you must still make sure that you pay your rent in advance.
- 3.1.2** If you are joint tenants you are each responsible for paying all rent and charges when they are due. If one joint tenant leaves the property they will still be equally responsible for any rent or charges until the joint tenancy ends.
- 3.1.3** If you apply for help to pay your rent it is your responsibility to complete the necessary benefit claim forms and provide all the required information. You must tell the benefits service of any changes that may affect your entitlement to help with your rent and it is your responsibility to ensure that you have a bank account into which help to meet the cost of your rent may be paid.
- 3.1.4** If you have any difficulty paying your rent, you or someone acting on your behalf should contact us immediately. If you want someone else to talk to us on your behalf they will need your written permission to do so.
- 3.1.5** If you do not pay your rent or rent arrears we can take Court proceedings to evict you from the property. These proceedings will incur additional charges such as Court fees and legal costs which are recoverable from you.
- 3.1.6** If you are evicted because you do not pay your rent this may affect your chances of being rehoused by us or another social landlord.
- 3.1.7** If your tenancy ends you must pay in full any rent or costs which you owe. If you are joint tenants we can recover all money owed to us from either you or both of you.
- 3.1.8** We may deduct any money you owe Thanet District Council from any money we owe you.

### 3.2 Living in your home

- 3.2.1** You, your family and visitors must not use the property for anything other than a private home.
- 3.2.2 You must live at the property** and it must be your only or main home.
- 3.2.3** You must not run a business from the property without first obtaining our written permission. Before we consider granting or refusing permission to run a business we consider factors such as the amount of noise generated, any nuisance that may be caused to your neighbours or whether damage will occur to the property. Even if our consent is given, in the capacity as landlord, you may also still need to obtain planning permission for a change of use.
- 3.2.4** You must keep the property clean and in good condition at all times, this includes not causing a nuisance or smell in a communal area which results from the unsanitary condition of your property.
- 3.2.5** You must tell us if you are going to be away from the property for more than 4 weeks and give us a contact address in the event of any emergency. If you are claiming help to pay your rent you must ensure that you comply with benefit rules during the period you are away.
- 3.2.6** You must not allow your home to become overcrowded by allowing other people to live or stay with you on a permanent basis. Overcrowding is where the number of people living in your home is more than the law allows.
- ### 3.3 Anti-social behaviour and nuisance
- 3.3.1 You must be considerate of your neighbours** and not unreasonably interfere with their enjoyment of their property.
- 3.3.2** You and any joint tenant are responsible for your own behaviour and that of your children, friends, relatives and visitors while they are at your home. This includes how you and they behave in any areas such as landings, stairways, foyers, lifts, courtyards, gardens, parking areas and garage areas.

3.3.3 You and anyone who lives in or visits your home must not harass, intimidate, abuse or cause a nuisance, annoyance or disturbance to neighbours, local residents, visitors to the area, employees, agents or contractors of the Council or any other person living in, visiting or engaging in a lawful activity in the locality of your home.

**Examples of behaviour that might be considered to be causing harassment, intimidation and abuse include but are not limited to:**

- Physical or verbal abuse including racist behaviour or language
- Threatening behaviour
- Stalking
- Writing threatening or abusive material including posts on social media and graffiti
- Making false or malicious complaint about the behaviour of any other person

**Examples of behaviour that might be considered to be causing nuisance, annoyance or disturbance include but are not limited to:**

- Causing unreasonable noise such as playing loud music, shouting or screaming, door slamming.
- Installing laminate flooring in flats.
- Banging on floors or party walls.
- Threatening or intimidating behaviour.
- Arguing, fighting, swearing, using offensive language, drunken behaviour.
- Physical violence or assault.
- Stalking
- Persistent or offensive phone calls, texts and/or emails.
- Sending indecent or abusive material.
- Posting and sending offensive material on social networking sites.
- Cyber bullying and trolling.
- Deliberate damage to property or another person's home or possessions.
- Graffiti and writing threatening and or abusive material.
- Allowing animals to foul communal areas and failing to clear up after them.
- Selling drugs or committing other criminal behaviour.(please note these need to be reported to the police)

- Dumping or hoarding rubbish either on communal land (including bin areas) or in your own garden or property. This includes items of household furniture or appliances or car parts.
- Keeping your garden in an untidy state so that it is unkempt or attracts vermin.
- Driving dangerously cars or motorcycles in the local area.
- Carrying out repairs to any vehicle in gardens, garage areas, parking bays or estate roads or verges so as to cause a nuisance to others.
- Driving mini motor cycles in public spaces and communal areas on estates.

3.3.4 If the Council believes it appropriate, you may be required to attend mediation to help resolve a neighbour dispute. You must not unreasonably refuse to attend such mediation if you are asked to do so.

3.3.5 You and anyone who lives in or visits your home must not discriminate against anyone living in, visiting or engaging in a lawful activity in the locality of your home, because of their race, colour, religion or belief, nationality, gender or gender identity, age, mental or physical disability or sexual orientation or for any other reason.

3.3.6 **You must not** use the property or the area close to your home for any criminal or immoral purposes. This includes but is not limited to:

- Cultivating, manufacturing, selling, possessing, or storing drugs.
- Selling alcohol, tobacco or fake goods.
- Using the property to store stolen goods.
- Dealing in pornography.
- Prostitution.
- Keeping illegal or unlicensed firearms or weapons at the property.

## 3.4 Domestic abuse

3.4.1 You or anyone who lives in your home must not use or threaten to use violence or abuse (including physical, psychological, sexual, emotional abuse, or restricting financial control), or intimidate any person (including children) living with you.

3.4.2 If you do, and that person or their children have to leave your home because of your behaviour, we may take legal action against you; this could result in us evicting you from your home.

## 3.5 Tenancy Fraud

3.5.1 You and anyone who lives in your home must not commit fraud in respect of your tenancy. This includes illegal subletting and knowingly or recklessly making a false statement or withholding information in order to obtain a tenancy.

**We may take legal action** to end your tenancy if you behave in any of these ways. This would include asking the Court to give us possession of your home or criminal proceeding which could result in a two year prison sentence.

## 3.6 Repairs, improvements and making alterations to your home

3.6.1 **You must not put up a satellite dish without first obtaining written permission from the Council.** Permission will normally be granted if you live in a house. If you live in a flat you will need to obtain any necessary planning permission first before applying.

3.6.2 If you live in a flat or maisonette above ground floor and you fit laminate flooring you must ensure that it has adequate noise insulation to ensure that it does not cause a nuisance to adjoining flats. If laminate flooring is deemed to be contributing to a noise nuisance you will be required to remove it.

3.6.3 **You must let us and our contractors know** of any repair needed or damage caused to the property within a reasonable time of you becoming aware of this.

3.6.4 **You must not** damage or destroy the fabric of the building or any fixtures and fittings at the property.

3.6.5 **You are responsible** for the actions of any person you allow into the property and will be liable to pay for damage caused by their actions to any part of the property or communal internal or external areas.

3.6.6 You, other persons living in the property or your visitors must not interfere with any security and safety equipment located in any communal block, for example by jamming open security doors or fire doors, or by letting in strangers who do not have identification.

3.6.7 **You are responsible** for the cost of replacing any key and changing any lock (if your keys are lost). If all keys, including sheds, outbuildings and window locks are not handed in at the end of your tenancy you will be charged the cost of changing the locks.

3.6.8 **You are responsible** for carrying out some internal repairs to your home at your own expense. Examples of the type of repair we consider to be the tenants' responsibility can be found in your tenant's handbook.

3.6.9 **You are responsible** for maintaining the internal decoration of the property to a reasonable standard.

3.6.10 **You must not** remove or damage any fixture or fitting from either the property or the communal areas of the property. You will be recharged for the cost of repairs for damage resulting from your wilful or negligent action and for the replacement of any fixtures or fittings in the property that you damage or destroy.

3.6.11 We may also charge you for the cost of any works for which you are responsible and that the Council has had to carry out because you have not done them.

## 3.7 Access to your home

3.7.1 **You must** allow Council employees and their authorised agents and contractors to enter the property at reasonable hours on request for the purposes of inspecting the property or carry out any works. You must allow our employees and people we authorise into your home to:

- Carry out an inspection.
- Carry out a gas safety check.
- Carry out an electrical safety check.
- Carry out repairs or improvements that may be necessary.
- Carry out an investigation to locate a leak

- affecting another property
- Inspect a neighbouring property.
- Discuss any issues relating to your tenancy.

3.7.2 Unless otherwise agreed, we will give you at least 24 hours' notice.

3.7.3 **In an emergency** such as a flood or a gas leak we may need to get into your home without notice. If we have to do this we will make sure that your home is secure when we leave.

3.7.4 We will repair any damage caused by us forcing our way into your home unless it was a result of your carelessness or neglect.

3.7.5 You will be recharged any costs incurred gaining access to your home to conduct the annual gas safety inspection.

## 3.8 Gardens

3.8.1 If your property has a garden you must keep this tidy and not allow your garden to become a nuisance to other neighbours. You should keep lawns cut and hedges trimmed.

3.8.2 If you have a communal garden you must not install or erect anything without our permission. These include but are not limited to:

- Install a trampoline
- Leave a paddling pool with water unattended
- Erect a shed or greenhouse without our permission
- Plant shrubs or trees without our permission
- Fence or section off any of the area
- Bury any deceased animals

3.8.3 **You must** make sure that your refuse is put out ready for collection in accordance with the Council's waste collection and recycling service.

3.8.4 If you live in a flat or maisonette, you may be expected to deposit rubbish in the bins provided in the designated area. You must use these bins and not leave household waste in any other parts of the internal communal areas or external areas.

3.8.5 You must not deposit or allow rubbish to accumulate in your garden. We may charge you the costs for clearing any rubbish that you have not disposed of correctly.

3.8.6 **You must not** use the garden or the drive to the property to store, load or unload materials such as scrap metal. If you do we may remove the items and charge you for doing this. We will give you written notice that we will be removing the items.

3.8.7 **You must not** erect a greenhouse, garage or shed at the property without our written permission. We may withdraw our permission if the building causes nuisance or becomes unsafe. If we grant you permission in our capacity as landlord you may still require planning permission and/or comply with building regulations.

3.8.8 **You must not** build a fish pond, swimming pool, water feature or patio in your garden without our written permission. If we give you permission to carry out this work you will have to remove these at the end of your tenancy at your own expense. If we have to remove these items we will charge you the cost of this.

3.8.9 **You must not** remove, replace or reposition any hedge or fence at the property without getting our written permission.

3.8.10 **You must not** plant large types of trees in your garden for example leylandii, conifers, willow, oak, ash and so on. These may damage the structure of your home and cause subsidence.

3.8.11 **You must not** allow any hedge to grow more than two metres high or overhang pavements or your neighbours' gardens.

3.8.12 If you continually fail to look after your garden and it is considered an eyesore we may ask you to move to a property without a garden. If you refuse we may ask the Court to end your tenancy. You may also be charged the cost of clearing your garden when your tenancy ends.

## 3.9 Parking

3.9.1 You, your visitors and those who live with you **must not** park any vehicle anywhere on or near your property other than a hard standing or area intended for parking. You and your visitors must not drive across a kerb to access your property unless it has been dropped in accordance with the regulations of the Highway Authority.

3.9.2 **You must not** park or leave any motor home, trailer, caravan or boat anywhere on the property or in communal areas without our written permission.

3.9.3 Any motor vehicle kept at your property or in any communal area **must be taxed** or registered SORN with DLVA and not be in a derelict condition.

3.9.4 **You must not** allow anyone to sleep in a caravan or other vehicle parked on the property.

3.9.5 Commercial vehicles over 7.5 tonnes must not be parked on your property or in any communal parking areas.

3.9.6 **You must not** park or leave a vehicle, trailer, caravan or boat anywhere that may block access for any vehicles; this includes blocking garages or restricting access to garages.

## 3.10 Keeping pets and animals

3.10.1 **You must not** keep any pet or animal which causes a nuisance, annoyance or disturbance to neighbours or others living in the local area.

3.10.2 You must not keep more than one dog in the property.

3.10.3 **You will** need our written permission to keep a pet if you live in a property that does not have its own garden as the pet may need outdoor exercise. When considering whether to grant permission we will consider among other things:

- The type and size of your pet.
- The type and size of your home.
- The number of people living in your home.
- Access to the road and open space.

3.10.4 You, your friends and relatives and any other person living or visiting you **must not** keep or bring to the property any animal which has been classified as dangerous under legislation.

3.10.5 **You must not** allow your pet or animal to foul in the internal communal areas or external area. If you have a garden and your pet fouls the garden area you must clear up any mess daily to prevent any health hazards, including smells, and to prevent the garden from becoming unsightly.

3.10.6 **You must** ensure that no animal or pet kept at the property prevents an employee, contractor or agent of the Council gaining access to the property.

3.10.7 **You should** appoint someone to look after your animal or pet in the event you are unable to look after it yourself.

3.10.8 **You must not** keep livestock or farm animals at the property.

3.10.9 **You will be responsible** for providing and maintaining any fencing specifically needed to control your pet and if you live in a property with shared areas you will be responsible for the proper exercise of your pet away from the property.

3.10.10 If you wish to keep pigeons or birds in a pigeon loft or aviary or chickens you will need our written permission. We will not give permission for you to keep cockerel/s. When considering whether to grant permission we will consider among other things:

- Whether the neighbours have been consulted and agree to the proposal
- The size of your garden.
- The number of birds you wish to keep
- How built up the area is in which you live

3.10.11 **We will** ask you to remove any animal that you do not have our permission to keep or any animal which is unsuitable or causes a nuisance.

3.10.12 If you keep a pet that is causing a nuisance/ annoyance or disturbance to your neighbours we will ask you to have your pet re-homed. If you do not do this we may take legal action to have your pet removed and this could involve action to end your tenancy. We will charge you the cost for taking such action.

## 3.11 Health & Safety and Hygiene

3.11.1 **You must not** tamper with the gas or electricity supplies or with the meters in your home. You must use a registered Gas Safe engineer to have any gas appliances installed, including cookers.

3.11.2 **By law** all homes with gas appliances must have a safety check every year. We will try to arrange



for an annual gas safety inspection at a time that suits you. If we cannot carry out the inspection because you do not respond to our request to let us into your home we will serve a seven day notice telling you when we will call. If you do not let us in we will force entry to carry out the safety check. We will take reasonable care in forcing entry and we will secure your home as we leave. When the Council needs to carry out the annual gas safety check or in an emergency, when either the property or a person's safety is at risk, we may require immediate access to the property. If the property is unoccupied the Council may force entry into the property to deal with the emergency. The property will be properly secured and repaired as necessary (unless entry was necessary as a result of your carelessness or neglect).

- 3.11.3 If we need to force entry because of your failure, carelessness or neglect we will charge you the cost of this and the cost of any repairs that may be required.
- 3.11.4 **You must not** keep any dangerous or inflammable goods or materials or substances in or on the premises apart from those required for general household use.
- 3.11.5 **You must not** bring in or store mopeds, motorised scooters or motorbikes inside the property or in any internal communal areas.
- 3.11.6 If you live in a flat or maisonette **you must not** leave rubbish, furniture or any of your belongings in any internal or external communal areas of the property at any time. You must not store bicycles, mobility scooters or any items in these areas either, as these can impede fire escapes.
- 3.11.7 **You must not** interfere with any equipment for detecting or putting out fires at the property.
- 3.11.8 **You must not** put anything on a window ledge, balcony or roof which could be a danger to anyone living in the property or local area.
- 3.11.9 **You must take** every measure to avoid introducing an infestation to your property, for example, bed bugs or fleas, and are responsible for taking all reasonable steps to eradicate the

infestation. The Council may recharge you if any other part of the building or neighbouring property becomes infested.

- 3.11.10 **You must not**, through your feeding of wild birds or animals, (pigeons, seagulls, foxes) cause a nuisance or annoyance to your neighbours.

## 3.12 If you want to end your tenancy

### Secure and introductory tenants

- 3.12.1 **You must** give us four clear weeks' notice in writing, ending on a Sunday, if you intend terminating your tenancy.
- 3.12.2 You, or your representative, must return all keys to the property to the Council by 12 noon on the Monday after your tenancy has ended. If keys are not returned at the correct time a continuing weekly charge will be made for use and occupation.
- 3.12.3 If you are a joint tenant, one tenant can end the tenancy by giving notice and the tenancy will end for both joint tenants.

### Secure flexible tenants

- 3.12.4 You may terminate your tenancy during the fixed term by serving a break notice on us at least four weeks before the break date.
- 3.12.5 Any break notice will have no effect if any of the following apply at the time of the break date stated in your notice:
  - You have not paid any part of the rent which was due.
  - You are not able to give vacant possession.
  - You are in breach of any of the tenancy conditions relating to the state of repair or condition of the property.
- 3.12.6 Subject to clause 3.12.5 following service of a break notice your tenancy will end on the break date.
- 3.12.7 Ending your tenancy on the break date shall not affect any other right or remedy that either party may have in relation to any earlier breach of the tenancy agreement.

3.12.8 You or your representative must return all keys to your property to us by 12 Noon on the break date.

3.12.9 If you end your tenancy we will, within 14 days of the break date refund you any rent that you have paid for the period after and excluding the break date to the next rent payment date. We will calculate this on a daily basis.

### All tenants

3.12.10 In exceptional circumstances we may allow you to end your tenancy with less than four weeks' notice but you will need to agree this with us.

3.12.11 **You must** allow us to inspect your home before you move out if we give you reasonable notice that we wish to do so. This will enable us to work closely with you in reducing any rechargeable work that may be attributed to you.

3.12.12 When your tenancy ends you must not leave anyone living in your home. If you do we may take legal action to evict them and you may have to pay our legal costs.

3.12.13 **You must** leave the property and garden in a clean, tidy and a damage free condition, clear of all your belongings including pets, furniture and furnishings and clear of rubbish.

3.12.14 Any alterations to the property that have been carried out by you may need to be removed and the property returned to the condition as originally let.

3.12.15 **You must** leave the fixtures and fittings in the same state as they were when your tenancy began except for reasonable wear and tear.

3.12.16 If you leave any repairs/reinstatement work for which you are responsible, we may arrange for this work to be carried out and recharge you for the cost of the work. This may include clearing rubbish/belongings from the property.

3.12.17 You must obtain your own contents insurance cover. The Council's insurance does not cover any of your furniture and/or belongings.

## Section 4: Your rights

4.1 This section of your tenancy agreement sets out your rights. Not all tenancies enjoy the same rights. Where this is the case the difference is highlighted.

4.1.1 This agreement gives you the right to live in your home free from interference from us as long as you, your family, friends and relatives and any other person living in or visiting your home (including children) do not break any of the conditions of this agreement. If any of the conditions of this agreement are broken we may apply to the Court to end your tenancy.

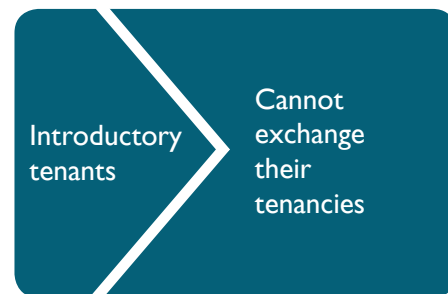
4.1.2 You may take in lodgers as long as you have a secure or secure flexible tenancy and the property does not become overcrowded. You will need written permission if your lodgers are intending to stay for 6 weeks or more. You must give us the names of any lodgers.



4.1.3 **You must not** sub-let the whole of your home at any time. If you do we will take legal action against you to repossess your home. You will be in breach of this agreement and may be committing fraud.

4.1.4 If you are a secure or secure flexible tenant you may be able to sublet part of your home with our written permission.

4.1.5 You have the right to exchange your home with another council tenant or tenant of a registered housing provider. An exchange may take place either by mutual assignment of the tenancies or by a surrender and re-grant of each tenancy in accordance with the relevant legal and regulatory provisions. You will need our written permission and there are some grounds upon which we can refuse an exchange. If we refuse your application we will explain why.



4.1.6 **You have the right** to transfer (assign) your tenancy to someone else in the following circumstances

- Where an order is made by the Court.
- We give you written permission to transfer the tenancy to someone who would be able to take over your tenancy by succession after your death

4.1.7 **Succession:** Your statutory succession rights are set out in the Housing Act 1985 and can be summarised as follows:

- i. If you became a tenant before 1 April 2015 when you die your tenancy may pass to your husband, wife or civil partner if they were living with you at the time of your death. If you do not have a husband, wife or civil partner when you die, your tenancy can pass on to another member of your family who has been living with you for at least 12 months before your death. Family members includes your parent, grandparents, child, grandchild, brother, sister, uncle, aunt, nephew or niece. But does not include foster children.



- ii. If you became a tenant after 1 April 2015, your tenancy can only pass to your husband, wife, civil partner, or a person who lives with you as if they were a husband, wife or civil partner if they were living with you at your home at the time of your death.
- iii. If you have a joint tenancy and one of you dies, the tenancy will pass to the other joint tenant and this will count as a statutory succession.
- iv. If your tenancy passed to you when the previous tenant died, no one else has the right to succeed or take over your tenancy.
- v. If a person who has been living with you for 12 months immediately prior to your death and does not have the statutory right to succeed your tenancy we may in some circumstances use our discretion to allow a new tenancy to be granted of a suitable property.

4.1.8 If you are a secure or secure flexible tenant you have the right to buy your home subject to meeting the eligibility criteria.



4.1.9 If you are a secure tenant **you have the right** to make alterations to your home but you must have our written permission for this. Depending on the type of improvement that you make you may be entitled to receive compensation for them when you end your tenancy.

**We will not** unreasonably withhold permission for you to undertake changes or alterations but even if our consent is given, in the capacity as landlord, you may also still need to obtain planning permission and/or building control consent for the works.



4.1.10 In certain circumstances you have the right to require us to get a second contractor to do certain small urgent repairs which might affect your health, safety or security. This only applies to repairs that are our responsibility and which we have not completed within a prescribed time.

4.1.11 **You have the right** to be consulted before we make any changes to the management of your property that are likely to have a significant effect on you.

4.1.12 **You have the right** to information about our housing management and maintenance policies and procedures, including allocations, transfers and mutual exchanges, repairs and consultation.

## Section 5: Our rights and responsibilities as landlord

### 5.1 Repairs and maintenance responsibilities

- 5.1.1 **We will** carry out repairs we are responsible for within a reasonable time, giving priority to urgent repairs.
- 5.1.2 **We will** maintain the structure of your home which includes but is not limited to:
- The roof.
  - External drains, rainwater goods and pipes.
  - External walls and doors, window sills, window frames.
  - Internal walls, skirting board, door frames, floors and ceilings – excluding decoration but including major plasterwork.
  - Some fences, pathways and other means of access.
- 5.1.3 If you cause damage to the property we may ask you to carry out the necessary repairs yourself or we may carry out the repairs and charge you for them.
- 5.1.4 **We will** keep all installations in the property for the supply of water, gas and electricity, sanitation and for space and water heating in repair and proper working order. Please note that meters are the responsibility of the supplier of the service.
- 5.1.5 In shared areas we will take reasonable steps to keep all lifts, lighting, door entry system, fire safety equipment and other shared items in a reasonable state of repair. Shared areas include stairways, entrances and landings that you and your neighbours can use.
- 5.1.6 **We will** carry out a gas safety check of your home each year if your home has gas.
- 5.1.7 Where additions or improvements have been made, we will only maintain and repair them if we have agreed in writing to do so.
- 5.1.8 If you apply to buy your home we will only do essential repairs that are needed by law.

5.1.9 **We will** keep the outside of the property and the internal communal areas of flats and maisonettes in a reasonable decorative state.

5.1.10 **We will** not make good any internal decorative finishes affected by any improvement works carried out by the Council at the property unless damage to the decorations has been caused as a result of negligence on behalf of the Council or anybody acting on the Council's behalf. The Council or contractors employed by the Council must clear up on completion of a repair. The decoration will be left as close as possible to its condition before the work was carried out.

### 5.2 Managing your tenancy

5.2.1 From time to time we may change the amount of rent we charge you. If we do this we will give you at least four weeks' notice. We will make these changes to your rent even if you do not receive the notice.

5.2.2 **We will** give you help and advice if you tell us you are the victim of anti-social behaviour.

5.2.3 **We will** provide copies of our policies on housing and re-housing if you ask for them.

5.2.4 **We will** consult you about changes to the way in which we plan to manage, maintain and improve council homes. We will also consult you about changes to the services and facilities we offer to council tenants.

### 5.3 Information sharing

5.3.1 We will always try to keep the information we hold about you up to date and accurate.

5.3.2 The Data Protection Act 1998 sets out how we can use and store your confidential details. The Data Protection Act 1998 also gives you certain rights relating to the information we hold. The main rights you have are:

- To see any information we hold about you (except information which identifies someone else); and

- To ask for us to correct any information that is wrong.

- 5.3.3 If you want to see a copy of the information we hold about you please contact us at the address given at the end of this agreement.
- 5.3.4 In accordance with the Data Protection Act 1998 we will protect the personal information you give us and keep this safe and secure.
- 5.3.5 We will collect from you some personal information to help us provide you with the most appropriate service and we may share this information with other Council departments to help prevent and detect fraud. Information that was collected for one purpose may be used for another Council purpose, unless there are legal restrictions preventing this.
- 5.3.6 We may share this information where necessary with other organisations where it is appropriate to protect public funds and/or prevent fraud in line with the National Fraud Initiative guidelines.
- 5.3.7 In accordance with Section 115 of the Crime and Disorder Act 1998 we can share information, without consent, if it is for the prevention and detection of crime.
- 5.3.8 We are required under section 6 of the Audit Commission Act 1998 to participate in the National Fraud Initiative data matching exercise. The data held by us will be used for cross-system and cross authority comparison for the prevention and detection of fraud.
- 5.3.9 You have the right to see any of the information you have given us in connection with your tenancy but we may charge you to supply this.

## 5.4 If we want to end your tenancy

### Introductory tenants

- 5.4.1 If you are an introductory tenant and we want to end your tenancy, or extend it for a further six months we will give you a 'notice of proceedings for possession' or a 'notice of extension', whichever is appropriate. You can ask us to review our decision to end or extend your tenancy.

## Secure tenants

- 5.4.2 If you are a secure tenant and we want to end your tenancy we will give you a 'notice of seeking possession'. This notice will explain why we want to end your tenancy and tell you the date after which court proceedings can be started.

## Secure flexible tenants

- 5.4.3 If we want to end your Secure Flexible tenancy during the fixed term because you are in breach of your conditions of tenancy we will give you the opportunity to put right any breach of the tenancy conditions where possible.
- 5.4.4 If we need to end your tenancy we will give you a 'notice of seeking possession'. This notice will explain why we want to end your tenancy and tell you the date after which court proceedings will start.
- 5.4.5 At least 9 months before your secure flexible tenancy is due to end we will start to review your case. The criteria that we will use when carrying out the review are set out in our Tenancy Policy. You must take part in the review or we will assume you do not want to stay in your home.
- 5.4.6 We will tell you if we decide not to grant you a new Secure Flexible tenancy and give you written notice 6 months before the end of the tenancy.
- 5.4.7 You can ask us to review our decision not to grant you a new tenancy.
- 5.4.8 We will serve a second notice telling you that we are going to make an application to Court for an order to evict you from your home

## 5.5 Ending tenancies that are no longer secure

- 5.5.1 If you are an introductory or secure tenant and no longer use your property as your only or main home, or you have sublet all of your property, we will end your tenancy by giving you a 'notice to quit'. This will give you four weeks' notice, ending on a Sunday.
- 5.5.2 There are some circumstances when tenants with flexible tenancies lose their security of tenure and

in these cases the Council may wish to exercise a right of re-entry. On these occasions we may re-enter the property or any part of the property at any time after any of the following:

- Any rent is unpaid for 21 days after becoming payable whether it has been formally demanded or not.
- Any breach of any condition of this tenancy has occurred.
- An act of insolvency on behalf of the tenant.

5.5.3 If we re-enter the property or any part of it under this clause the tenancy agreement will end immediately without prejudice to any right or remedy of the Council in respect of any breach of the tenancy agreement by the tenant.

5.5.4 Clauses 5.5.2 and 5.5.3 do not affect any rights you may have under the Protection from Eviction Act 1977. The landlord cannot enter the property or evict a tenant without a Court having first made an order for possession.

## 5.6 Notices

5.6.1 Any notices we need to serve to tell you about changes to your rent or your tenancy will generally be served by posting them through your letterbox. We may serve any notice on you at the property by putting it through the letterbox, by fixing it to the property, by sending by recorded delivery, by post, by leaving it with you or somebody at your home or by sending it to or leaving it at your last known address.

5.6.2 If you wish to serve a notice on the Council it should be served on:

East Kent Housing (for and on behalf of Thanet District Council as managing agent),  
Thanet District Council, Cecil Street,  
Margate, CT9 1XZ.

## 5.7 Complaints

5.7.1 If you think that we have broken any of the terms of this agreement you should make a complaint to us. We will arrange to investigate your complaint and write to you with the result.

5.7.2 If your complaint is about a repair not being done within the agreed time limits, you can use your right to repair.

5.7.3 If you are still unhappy with the way in which we have dealt with your complaint you can talk to your local Citizens' Advice Bureau, Shelter, other advice centre or solicitor for information about your rights.

## Section 6: Definitions

### Definitions

Unless otherwise stated, the following definitions apply to all the terms and conditions contained within the tenancy agreement.

### Assignment

Assignment – An assignment of tenancy takes place when a tenant transfers their right to the tenancy to another person. Your rights to assign this tenancy are restricted to those situations described in section 4.

### Break Date

Is a fixed date when a flexible secure tenancy will come to an end and must not be less than four weeks after the tenant has served on the Council a notice ending their tenancy. The tenancy will only end on that date if the tenant does not owe rent arrears or is not in breach of any other tenancy condition.

### Break Notice

A notice served on the Council at least four weeks prior to the break date.

### Council or the Council

Means Thanet District Council

### Eviction

When you are told to leave your home by order of a Court of law.

### Fixtures and fittings

All of our appliances and furnishings in the property, including installations for supplying or using gas, electricity or water.

### Flat

A home which forms part of a building

### Garden

- Lawns, hedges, flowerbeds, trees, shrubs, outside walls, fences, paths, patios, yards and drives
- Grass
- Trees
- Plants
- Bushes
- Hedges
- Garage
- Sheds
- Greenhouses

### Improvement

Any changes to the property other than decoration. These might include:

- Putting up an extension
- Adding to, changing or replacing the fixtures and fittings provided by the Council.
- Altering or interfering with essential gas, electricity or water services.
- Putting up an aerial or satellite dish.
- Building or putting up any structures such as sheds, garages, pigeon lofts, car ports, hard standing or driveway.
- Making major alterations to the property.
- Removing any tree or hedge from the garden or external area.

### Locality or local area

The area generally considered by its residents as the neighbourhood or estate.

### Lodger

A person who pays you to let them live with you in the property.

### Main Home

The Housing Act 1985 definition is: The tenant must occupy the property as his/her only or principal home.

### Maisonette

A flat with more than one floor which forms part of a building.

### Your neighbours

Including everyone living in the local area, including people who own their own homes or are renting from another landlord

### Mutual exchange

Means to swap your tenancy with another person where this is allowed by the Housing Act 1985.

### Partner

A husband, wife or civil partner or someone who lives with you as a husband or wife, or in a same sex relationship.

### Possession order

A court order to evict you.

### **The property**

This includes your home (the address of which is detailed on the front of this tenancy agreement) and all land, buildings, fixtures, fittings, fences, hedges and walls which are a part of it. It does not include shared areas.

### **Relative**

Parents, children, grandparents, grandchildren, brothers, sisters, uncles, aunts, nephews, nieces, cousins and step relatives.

### **Rent**

The weekly charge we ask you to pay for occupying the property. Other charges (service charges) may be included in the totally weekly rent for extra services.

### **Service charges**

Charges for services provided that are in addition to your accommodation. For example cleaning of shared areas or grass cutting in communal areas around or close to your home.

### **Shared areas**

This applies usually to flats and maisonettes. Shared areas are the parts of the building that all tenants can use, for example: entrance halls, stairwells, landings. Some shared areas are shared by the whole estate, i.e. play areas.

### **Structure**

The walls, roof and load bearing part of the building in which you live.

### **Sublet**

To let part of your property to another person giving them exclusive rights to part of the property.

### **Terminating your tenancy**

Ending your tenancy. If one tenant in a joint tenancy ends the tenancy, then the whole tenancy ends

### **Vacant possession**

Handing back the keys to your property after you have given us four clear weeks' notice. You must leave the property clean and clear and with no other person still living in the property.

### **Vehicle**

For example a car, motorbike and other two four wheel bikes, van or lorry of less than three and a half tonnes gross weight, bike, caravan, electric scooter or other vehicle.

### **Visitor**

People temporarily staying at the property or a person present in your home.

### **We**

Refers to Thanet District Council, any members of staff and/or any contractor we have instructed to act on our behalf under the terms of the tenancy conditions.

### **You**

Includes yourself as the tenant or joint tenant and any household member living with you including family, friends, relatives, lodgers, pets and visitors to the property. When there are joint tenants 'You' refers to each of you, individually and both of you jointly.

---

## **ADOPT REVISED HOUSING ASSISTANCE AND DISABLED ADAPTATIONS POLICY 2014-2016**

To: **Cabinet - 20 January 2015**

Main Portfolio Area: **Housing and Planning**

By: **Cllr Richard Nicholson, Deputy Leader and Portfolio Holder**

Classification: **Unrestricted**

Ward: **Thanet Wide**

---

**Summary:** In order for the council to offer financial assistance to homeowners in the district a policy is required under Article 4 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. The council has a policy that was adopted in 2003 and last revised in 2009. The attached policy represents a refresh of the current document to cover current priorities. A full consultation has been undertaken and the final document is being presented to Cabinet for adoption.

### **For Decision**

---

#### **1.0 Introduction and Background**

- 1.1 This policy is required under Article 4 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 and provides the council with the discretion to develop new schemes for providing financial assistance to deal with issues in privately owned housing. This draft policy sets out the areas of focus for any available resources in order to improve housing conditions across the district.
- 1.2 With limited resources available it is essential that any funding is targeted to those areas that contribute to the delivery of the councils priorities.
- 1.3 The policy also includes the mandatory Disabled Facilities Grant programme. This grant does not come under Article 4 mentioned above as it is governed by the Housing Grants Construction and Regeneration Act 1996. However as this policy refers to grants and loans primarily for vulnerable residents, it is appropriate to include it. A copy of the final document can be found in Annex 1.

#### **2.0 The Current Situation**

- 2.1 The council's existing Housing Assistance Policy was first adopted in 2003 and was last reviewed in 2009. This is now out of date and the amount and types of funding have changed, therefore a new policy is required to cover the current priorities and funding.
- 2.2 The refresh of this policy has also provided the opportunity to include more detail on the disabled facilities grant process and confirms the councils approach to dealing with these grants.

- 2.3 The document was originally issued for consultation to a select list of organisations with an interest in the policy for a two week period from 11<sup>th</sup> August 2014. Following representation from some parties this was increased to five weeks.
- 2.4 However, following the recommendations made by Overview and Scrutiny, on the 11<sup>th</sup> September 2014 Cabinet agreed to extend the consultation for a six week period to include a public consultation.
- 2.5 The consultation, which subsequently ran from 11<sup>th</sup> August to the 24<sup>th</sup> October 2014, received eight responses, three of which were submitted via the online consultation that was open to the public. A copy of the responses received can be seen in Annex 2.

### 3.0 Scope of Policy and Guidance

- 3.1 The policy identifies 4 main aims which relate to the key priorities in the housing strategy. These are:

Aim 1 - Assist disabled residents to remain in their own homes through supporting the provision of adaptations (where possible)

Aim 2 – Safeguard the health and well-being of vulnerable residents by removing unnecessary hazards to health in the home

Aim 3 - Maximise housing through supporting repairs and improvements to return empty homes back into use

Aim 4 - Promote affordable warmth through improving private sector home energy efficiency

- 3.2 The Policy document includes the following content:

Chapter No./Title	Summary of Content
1. Introduction	This chapter explains why the document has been authored
2. Aims and Priorities	Details the aims and priorities as mentioned in 3.1 above
3. Mandatory disabled facilities grants	This section covers more detail on the disabled facilities grant and the councils approach
4. Emergency assistance repayable grant	Discusses the proposed new emergency works grant for vulnerable owner occupiers
5. Empty Property loans	Provides an outline of the loans available to deal with empty homes
6. Energy efficiency 'Top Up' grants and loans	Gives information on the current position around the energy company obligation (ECO) and proposed grants to top up this scheme
7. General provisions for providing assistance	Details the main parameters as set out in the regulatory reform order that allows for assistance schemes to be developed.
Appendix 1	Summary of Initiatives for 2015/2019
Appendix 2	Guidance and code of practice for agents/advisors



## **4.0 Options**

- 4.1 Option 1 – To adopt the policy found in annex 1 of this report.
- 4.2 Option 2 – To make amendments to the policy and then adopt.
- 4.3 Option 3 – To keep the existing policy from 2009.

## **5.0 Corporate Implications**

### **5.1 Financial and VAT**

- 5.1.1 Currently there is a small pot of capital resource available to support this policy. All the discretionary funding is external funding and does not impact on the general fund. However, once the existing funding has been utilised a decision will be required on whether general fund capital is used to keep the schemes going. This will be a future budget decision considered as part of the capital bid process.
- 5.1.2 This current pot of money is recycled grant money from previous schemes. Money is paid back each year providing, on average, £66,500 back into the pot per year.
- 5.1.3 There will be no scope to advertise these grants as the levels of funding available will only be able to support a small number of grants each year.
- 5.1.4 The recycling element of the funding is maintained in these new schemes but there is no guarantee that this will be recycled within a reasonable time frame. The funding is only repaid if the property is sold, transferred or assigned.
- 5.1.5 There is currently £213,000 within this budget. This will be allocated between the schemes based on demand any underspend will be carried forward to the next year or redirected to another scheme.
- 5.1.6 Up to £1million of the clusters of empty homes money from DCLG has been allocated to the empty homes loans, however it will be necessary to ascertain whether FCA registration is required and if so if there is any additional cost.
- 5.1.7 The disabled facilities grant is funded through government grant and a council contribution of £300,000. The amount of funding provided by the council is subject to the annual budget setting process.

### **5.2 Legal**

- 5.2.1 The policy is required under Article 4 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. This allows the council the discretion to provide financial assistance subject to available funding.
- 5.2.2 The disabled facilities grant is a mandatory grant covered by the Housing Grants, Construction and Regeneration Act 1996. Ability to place a charge on the property is covered by The Housing Grants, Construction and Regeneration Act 1996: Disabled Facilities Grant (Conditions relating to approval or payment of Grant) General Consent 2008.
- 5.2.3 The original decision to place a charge was agreed at cabinet in October 2008.

5.2.4 In the event that there is a requirement for the Council to be registered with the FCA to administer loans relevant applications should be made and appropriate regulatory regimes should be applied to any charge.

### 5.3 Corporate

5.3.1 This policy links to the Housing Strategy and the following corporate priorities:

- Priority 2: We will tackle disadvantage across our district;
- Priority 4: We will make our district a safer place to live;
- Priority 7: We will plan for the right number and type of homes in the right place to create sustainable communities in the future.

5.3.2 Without an adopted policy the council is unable to provide discretionary grant and loan schemes.

### 5.4 Equity and Equalities

5.4.1 An equality impact assessment has been carried out and no adverse impact has been identified relating to the protected characteristics. However, it does have a positive impact on age and disability as the policy specifically seeks to introduce schemes to assist vulnerable residents. A copy of the impact assessment can be found in Annex 3.

### 6.0 Recommendation(s)

6.1 To adopt 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.

### 7.0 Decision Making Process

7.1 This is a non-key decision.

Contact Officer:	Tanya Wenham, Head of Housing Services
Reporting to:	Ged Lucas, Director of Community Services

### Annex List

Annex 1	Housing Assistance and Disabled Adaptations Policy 2015-2019
Annex 2	Consultation responses
Annex 3	Equality Impact Assessment

### Background Papers

Title	Details of where to access copy
None	N/A

### Corporate Consultation Undertaken

Finance	Nicola Walker, Finance Manager, HRA, Capital and External Funding
Legal	Steven Boyle, Legal Services Manager

# Thanet District Council

## Housing Assistance and Disabled Adaptations Policy 2015 -2019

For Adoption 20<sup>th</sup> January 2015

# Contents

1.0 Introduction

2.0 Aims and Priorities

3.0 Mandatory Disabled Facilities Grants

4.0 Emergency assistance repayable grant

5.0 Empty property loans

6.0 Energy efficiency top up loans

7.0 General provisions for providing funding

Appendix 1 Summary of Initiatives for 2015/2019

Appendix 2 Guidance and code of practice for agents/advisors

Appendix 3 Guidance on works considered Mandatory under a DFG

## 1.0 Introduction

- 1.1 This policy is required under Article 4 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 which provides the council with the discretion to develop schemes for providing financial assistance to deal with housing issues. This policy sets out the areas on which Thanet District Council will focus any available resources in order to improve housing conditions across the district. With limited resources available the council is keen to target funding to those areas that contribute to the delivery of the council's priorities.
- 1.2 This policy provides Thanet District Council with the flexibility and discretion to provide appropriate assistance to meet the aims and priorities set out in section 2 below.

## 2.0 Aims and Priorities

- 2.1 The Housing Assistance Policy directly links to the council's Housing Strategy which identifies 5 key priorities for housing. Of particular relevance to this policy is key priority 2 'Make better use of the existing housing stock across all tenures and improve housing conditions' and key priority 3 'Enable vulnerable people access to good quality housing and to live independently'.
- 2.2 In order to meet these priorities this policy aims to focus on the following areas:
  - Aim 1 - Assist disabled residents to remain in their own homes through supporting the provision of adaptations (so far as this is reasonably practicable).
  - Aim 2 – Safeguard the health and well-being of vulnerable residents by removing unnecessary hazards to health in the home
  - Aim 3 - Maximise housing supply through supporting repairs and improvements to return empty homes back into use
  - Aim 4 - Promote affordable warmth through improving private sector home energy efficiency
- 2.3 Housing is a key determinant of health, and by promoting good quality housing this policy will contribute to reducing health inequalities for Thanet's residents.
- 2.4 The policy also details how the council will meet its statutory obligations in respect of funding adaptations to disabled residents.  
**Aim 1 – Assist disabled residents to remain in their homes through supporting the provision of adaptations (so far as this is reasonably practicable)**
- 2.5 The council has a statutory obligation to administer mandatory Disabled Facilities Grants (DFGs) to provide adaptations to enable disabled residents to live independently within their own homes.
- 2.6 The eligibility requirements, scope of works, and the general requirements governing mandatory DFGs are prescribed and the council is unable to deviate from these requirements.

- 2.7 The council is required to administer Disabled Facilities Grants to all eligible applicants irrespective of their tenure, and the council aims to work collaboratively with housing associations to fund adaptations in accordance with the pan-Kent protocol<sup>1</sup> for delivering DFGs. This aims to share the cost between the council and the housing association that owns the property being adapted.
- 2.8 In relation to Council owned property current policy means that it is not necessary to apply for a grant to assist with adaptations.
- 2.9 Section 3 discusses disabled facilities grants in more detail.

## **Aim 2 – Safeguard the health and well-being of vulnerable residents by removing unnecessary hazards to health in the home**

- 2.10 Research has shown that there is a direct impact on the health and well-being of residents resulting from the homes in which they live; therefore, poor housing can contribute to poor health.
- 2.11 Each year hazards in the home result in unnecessary injuries, episodes of ill-health, and harm to mental health and in many cases the occupiers do not link the poor condition of their homes with a potential negative impact on their health.
- 2.12 The poorest housing stock can be found in the private sector<sup>2</sup>, and in some cases residents who own their own home are not able to maintain them and as a result hazards can develop.
- 2.13 Some home owners find themselves to be 'equity-rich' but 'cash-poor', this means that their homes represent a significant capital resource, but they are on a low income, and as a result they lack the funds to carry out repairs and maintenance on their homes. For these home owners, equity release products may provide the ability to finance repairs without impacting on income streams.
- 2.14 There are a number of reasons why home owners do not maintain their homes, for example:
- lack of trust in builders;
  - inadequate funds to pay for repairs;
  - lack of awareness of need to take action;
  - belief that repairs will be too expensive to afford, and;
  - lack of experience in property maintenance.
- 2.15 Very often vulnerable and elderly home owners are those most affected by their inability to maintain their homes. The council aims to target assistance at these homeowners.
- 2.16 The council aims to provide emergency assistance to vulnerable home owners where there is a risk to the occupiers' health and safety. Where more significant work is required or work that is not essential for health and safety, the council will work with the nominated home improvement agency who can help the resident find a suitable equity release product.
- 2.17 Section 4 describes the type of assistance that may be available from Thanet District Council to meet this aim.

---

<sup>1</sup> Kent Housing Group

<sup>2</sup> English Housing Survey 2010/11, Department of Communities and Local Government, February 2012

### **Aim 3 - Maximise housing supply through supporting repairs and improvements to return empty homes back into use**

- 2.18 Thanet has a large number of empty homes and the council is committed to bringing these back into use as housing of different tenure types to meet housing need in the area.
- 2.19 The council has been an active partner in the No Use Empty programme which was introduced by Kent County Council in 2005. This programme offers loans to owners of empty properties to bring them back into use either for sale or for private renting.
- 2.20 The council has also developed a new scheme to run along side the existing No Use Empty programme by providing funding towards loans for owner occupiers buying an empty property to live in themselves. Currently this loan is only available in the Margate Central and Cliftonville West wards. However, if funding permits this scheme may be extended to other areas.
- 2.21 Section 5 describes these schemes in more detail.

### **Aim 4 - Promote affordable warmth through improving private sector home energy efficiency**

- 2.22 Each year in excess of 20,000 people die unnecessarily as a result of living in cold homes. Over the last 5 years there has been an average of 96 excess winter deaths per year in Thanet. This peaked in the winter of 2012/13 at 122 excess winter deaths<sup>3</sup>. Although these figures are a reflection of the severity of the winter they also represent deaths that may have been preventable if the home had been properly heated. In extreme cases the inability to afford to heat the home results in cold temperatures that create hypothermic conditions; however, for many individuals (particularly older persons) cold homes may result in trips, slips and falls, or injuries/health impacts resulting from cardiovascular, circulatory diseases and respiratory disease.
- 2.23 The energy efficiency of private sector homes is a key determinant of health inequalities within Thanet, and this policy promotes the improvement of home energy efficiency for those on low incomes. Other schemes are in place through Kent County Council's public health section to help with education and health awareness during cold periods, but in terms of the improvement of the home environment the local authority is best placed to help.
- 2.24 The council is a member of the Kent and Medway Sustainable Energy Partnership and is keen to utilise the partnership to provide solutions for vulnerable householders and those on low incomes. This has proved successful so far in accessing funding from the energy companies for grants as part of the Energy Company Obligation (ECO).
- 2.25 Currently the schemes under ECO are on hold waiting for the results of a consultation exercise undertaken by Government during spring 2014. It is anticipated that there will continue to be commitment from Government for energy companies to assist with the improvement of private homes; however, the detail of any programme will not be available until autumn 2014. Regardless, it is expected that any scheme may not cover the cost of improvement in all cases and therefore this policy provides for a 'top up' fund to ensure energy efficiency measures can be installed for households meeting specific criteria.

---

<sup>3</sup> Kent and Medway Public Health Observatory, Annual Health Profile

- 2.26 The detail of any such scheme will need to be developed once the ECO programme has been finalised; but section 5 provides an outline of what the council may be able to provide.

## 3.0 Mandatory Disabled Facilities Grants

### 3.1 Introduction

- 3.1.1 The delivery of the disabled facilities grant programme is mandatory and a statutory function of the local housing authority. The delivery of this function currently sits within the Housing Service. It is governed by the Housing Grants, Construction and Regeneration Act 1996.

**This grant meets Aim 1 - Assist disabled residents to remain in their homes through supporting the provision of adaptations (so far as this is reasonably practicable)**

### 3.2 DFG process

#### Referral

- 3.2.1 A disabled person may make a direct referral to the Housing Regeneration Team or be referred to the council via social services.
- 3.2.2 If a self referral is made the disabled person will be asked to contact social services for an assessment. This is to enable social services to have the opportunity to assess the person's needs and identify any equipment or care package that might be suitable. It is not always necessary for a disabled person to have a full adaptation scheme to meet their needs. The referral from the occupational therapist will state what adaptations are required and why the adaptation is necessary. An occupational therapist (OT) completes this assessment as this is their area of expertise. At the same time as completing the referral the OT completes a questionnaire with the client. This questionnaire is used by the Housing Regeneration Team to determine the priority status of the referral.

#### Preliminary visit and eligibility

- 3.2.3 The Grant Officer from the Housing Regeneration Team will visit the client on receipt of the referral from the OT. The council's role in the DFG programme is to ensure that the works are necessary and appropriate by checking that the property is suitable for adaptation. The Grant Officer will also check that the works being asked for are the most cost effective method of achieving an appropriate adaptation. Whilst visiting the client the Grant Officer will gather preliminary details about the client's financial situation. This enables the council to determine if they are eligible for a grant or if they have to make a financial contribution towards the cost of the works. They are also advised of their options to use an agency to assist them in making the application. A consent form is signed by the client to allow the council to pass their details on to an agency of their choice to help them with the application process and any other services they may need.

#### Waiting list

- 3.2.4 Following the visit by the Grant Officer the financial information is put into the computer system that carries out the means test. This is a standard approach issued by government



and is the same in every local authority. This generates an indication of the contribution the client might have to make. A letter is then sent to the client advising them of this amount but explaining that it may change if their circumstances change before the full grant application is made. The letter also provides information on their position on the waiting list for a grant and confirms if they have opted for an agency to help them.

- 3.2.5 The client's details are then kept on a waiting list in priority order. Each client has points awarded to their case which then bands them as priority case (P), high (H) or medium (M). Points are added to each case on a monthly basis allowing them to reach the top of the list over a period of time.
- 3.2.6 The council will endeavour to keep the waiting time to a minimum and less than 12 months where possible.

### **Application for a grant**

- 3.2.7 When the client reaches the top of the list all necessary paperwork is sent to the client's agent for them to help the client complete the application process. The OT is also notified so that they can review the client's needs. The application process is complicated and many clients struggle to provide the necessary paperwork. This makes the application process time consuming and is one of the reasons why it is recommended that clients use an agent to help them.
- 3.2.8 In order to make an application the client must supply the following:
- A completed application form
  - Evidence of financial situation
  - Evidence of ownership of the property or the right to reside at the property
  - Permission for the works to be carried out
  - A detailed schedule of works and plans that must be agreed by the council and the OT
  - Any planning or building regulation approvals
  - 3 tenders for the works

### **Approval or Refusal**

- 3.2.9 Once an application has been received the council has 6 months to approve or refuse the application, however, we have set a local target for approval within 21 days where all the necessary paperwork has been submitted. An application is only considered valid if all the relevant paper work and evidence has been provided and checked by the grant officer to be correct. Failure to provide the relevant paperwork could result in the grant being refused.
- 3.2.10 The grant is either approved or refused by an authorised officer. If the grant is refused a formal refusal letter is issued stating the reasons why the grant has been refused. If the grant is approved a formal approval letter will be sent out detailing the terms of the grant and the conditions that need to be met.
- 3.2.11 Once approved, the applicant has 12 months to complete the works.

### **Work on Site**

- 3.2.12 The contract for the works is the responsibility of the applicant and their nominated agent. The Grant Officer will monitor progress and carry out quality checks only to ensure that those works agreed by the grant approval are carried out and that the works are value for money. Once the work is complete the Grant Officer will get permission from the client to pay over the grant money. This is either paid direct to the contractor or to the client for them to pay the contractor themselves. The grant will normally be paid direct to contractors in all but the most exceptional cases.

### 3.3 Eligible works

- 3.3.1 The council will only offer grant for those works that are considered mandatory to meet the needs of the disabled person. Appendix 3 provides details of the agreed eligible works.
- 3.3.2 There is currently no scope for providing discretionary funding towards discretionary works.

### 3.4 Using an Agency

- 3.4.1 The council works closely with the home improvement agency that has been procured and funded by Kent County Council Supporting People. This is currently Family Mosaic home improvement agency; however a client is able to employ any agent to assist them. The grant however, will only pay the fees for an agent if they meet the criteria set out in appendix 2. The applicant must sign a form in front of the grant officer giving permission for the agent of their choice to be included in any correspondence. It is for the applicant to agree the fee for the services of the agency or agent. The fee schedule must be included as part of the grant application and the applicant will be notified on approval of how much grant is available towards these costs. If they fall outside of the fees mentioned in 3.5.5 below none or part of the fee may be included.

### 3.5 Fees and Grant Level

- 3.5.1 The grant can cover the cost of employing an architect, surveyor or other agency to help with preparation of a suitable scheme of work and any other ancillary costs necessary for making the application. This usually includes going out to tender, selection of a suitable contractor and supervision of work right through to completion.
- 3.5.2 Fees may be included as part of the grant costs and will not be paid until the grant has been approved. The fees and ancillary costs form part of the overall cost of the works which are subject to the statutory grant limit of £30,000. Under no circumstances will any payment be made above £30,000.
- 3.5.3 In those more complicated cases where the costs of the works and the ancillary costs are over £30,000 the client will be expected to fund the additional money required themselves.
- 3.5.4 All fees will be assessed for reasonableness and the full cost may not be met by the grant.
- 3.5.5 Agency fees may be paid where the agency meets the agreed criteria (3.4.1 above) and where the fee is up to 10% of the cost of the works up to a maximum of £2,500 whichever is the lesser amount.
- 3.5.6 Where fees are necessarily incurred for preparation of a scheme of works but the application does not proceed to completion due to circumstances beyond the control of the applicant the council may negotiate a reasonable settlement with the agency concerned to

ensure that they are not out of pocket. If abortive fees are incurred through circumstances within the control of the applicant the agency will be expected to recover any fees and out of pocket expenses direct from the applicant.

## 3.6 Grant Conditions

3.6.1 General conditions can be found in section 7.0. The conditions set out below are specific to the Disabled Facilities Grant.

- Only the works agreed by the council will be covered by the grant
- If the grant is approved there are 12 months to complete the works
- The works must be completed by the contractor stated on the approval document
- If you are an owner occupier then a local land charge may be placed on your property on completion of the grant. If the property is sold, assigned or transferred within 10 years of the grant being completed then the grant may have to be repaid. The council will have regard to *The Housing Grants, Construction and Regeneration Act 1996: Disabled Facilities Grants (Conditions relating to approval or payment of Grant) General Consent 2008* when deciding whether to demand repayment. The charge only applies where the grant is more than £5,000. Where the grant is more than £5000 only the amount over the first £5,000 is added as a charge. There is a charge limit of £10,000.
- If you have a contribution to pay you must ensure you have the money to cover your share of the costs before the work begins on site.
- Unforeseen and additional costs will only be paid for where they are necessary to complete the adaptation and must be agreed by the council before they are undertaken.
- Any increase in the grant may have an impact on the charge placed against the property and under no circumstances can a grant of more than £30,000 be authorised.

## 3.7 Use of other schemes

3.7.1 An applicant for a disabled facilities grant will be expected to apply for other schemes as available that meet the requirements of the disabled person. For example, if there is a suitable stair lift scheme available at the time of the enquiry, the applicant will be expected to apply to that scheme if a stair lift is necessary rather than the disabled facilities grant. It is expected that this will provide a more suitable outcome for the applicant in terms of waiting times and cost effectiveness. The Grant officer will discuss any alternative schemes with the applicant at the time of the initial visit.

## 3.8 Housing Associations

- 3.8.1 All disabled people are entitled to make an application for a disabled facilities grant regardless of tenure type. However, housing association tenants are expected to approach their housing association in the first instance. Housing Associations are expected to maintain their own housing stock and provide funding towards the cost of adaptations where possible.
- 3.8.2 For those housing associations that have signed up to the Kent protocol they are expected to fully fund adaptations up to £1000 and fund 40% of the adaptation costs between £1000 and £10,000.
- 3.8.3 For those housing associations that have a separate agreement with the council this will be followed.

- 3.8.4 For all other housing associations the council will contact them directly to find out their intentions with regards to carrying out the adaptation works themselves before a grant is offered.

### 3.9 Council Tenants DFG process

- 3.9.1 The council has a separate process for council tenants as adaptations are funded differently. East Kent Housing is currently drafting a policy to cover the adaptation of council homes.

## 4.0 Emergency Assistance Repayable Grant

### 4.1 Introduction

- 4.1.1 Occasionally the council is made aware of vulnerable persons living in potentially dangerous housing conditions that could have a significant impact on their health and safety or the condition of their home may be preventing them from returning home following admission to hospital. A repayable grant may be available to help carry out works to make the home safe for that vulnerable person to return or remain at home. This grant is only available for owner occupiers.

**This grant meets Aim 2 – Safeguard the health and well-being of vulnerable residents by removing unnecessary hazards to health in the home**

### 4.2 Repayable Grant process

#### Referral

- 4.2.1 Referral for this assistance is through a housing, health or social care professional or through any other home visiting organisation such as Age UK or the home improvement agency. It would not be expected that a self referral is made as this assistance is for the vulnerable and elderly who require urgent works to make their home safe.
- 4.2.2 Any self-referral will be passed to the home improvement agency for them to visit and then make a referral if necessary.

#### Preliminary visit and eligibility

- 4.2.3 The Grant Officer from the Housing Regeneration Team will visit the client on receipt of the referral. The council's role is to ensure that only those works that are necessary and appropriate to make the home safe are considered. The Grant Officer will also check that the works are the most cost effective method of achieving the safety of the home. The Grant Officer will make some general enquiries relating to benefits and income but the home improvement agency will be asked to check finances during the application process.
- 4.2.4 An applicant will be eligible for the grant if they meet the criteria listed below:
- The household must have an income of less than £15,860 (or is in receipt of a qualifying benefit) and have less than £5000 savings AND
  - They must be owner occupiers of the property needing the work
- AND
- One or more of them must be aged over 65 years with significant health or disability issues as defined under section 2 of the Chronically Sick and Disabled Persons Act 1970; OR
  - A disabled or elderly adult (over 65 years) is unable to return home from hospital due to the safety of their home
- 4.2.5 The property must be considered unsafe for the occupier. An assessment of the property is necessary to determine the scope of the work but a property could be considered unsafe on any of the following grounds:

- Electrical safety- where the condition of the electrical wiring could lead to imminent risk of electrocution or fire or accidents as a result of inadequate lighting.
- Falls – where the condition of the stairs or floors are in such a state as to provide an imminent risk of a fall in the home.
- Cold – where the heating is inadequate or lacking, and the condition of the doors and windows are contributing to the home being cold in the winter and there is a risk of falls or other ill effect from cold temperatures.
- Dampness – damp conditions so significant that a roof is failing and water is visibly entering the property. Rising damp, condensation or minor leaks will not be covered by this grant.
- Structural collapse- where a structural part of the building is in such a state as to constitute an imminent risk.
- Amenities – the lack of a functioning basic amenity such as a toilet, bath, wash hand basin or kitchen sink.

4.2.6 This list is not exhaustive and each case will be assessed based on its individual circumstances.

### **Approval or Refusal**

4.2.7 Once a valid application has been received then the council will endeavour to approve or refuse the application within 6 weeks. An application is only considered valid if all the relevant paper work and evidence has been submitted and checked by the grant officer to be correct.

4.2.8 The grant is either approved or refused by an authorised manager. If the grant is refused a formal refusal letter is issued stating the reasons the grant has been refused. If the grant is approved a formal approval letter will be sent out detailing the terms of the grant and the conditions that need to be met.

4.2.9 Once the grant has been approved the applicant will have a maximum of 6 months to complete the works.

### **Work on Site**

4.2.10 The contract for the work is the responsibility of the applicant and the agent. The Grant Officer will monitor progress and carry out quality checks only to ensure that those works agreed by the grant approval are carried out and that the works are value for money. Once the work is complete the Grant Officer will get permission from the client to pay over the grant money. This is paid direct to the contractor.

## **4.3 Using an Agency**

4.3.1 Under this grant the applicant is required to use the supporting people funded home improvement agency to assist them in making the application.

## 4.4 Fees and Grant Level

- 4.4.1 There is a grant limit of £5000 to cover the cost of essential works. The Head of Housing services may exercise discretion to approve grants over £5000 in exceptional circumstances.
- 4.4.2 The fees for the home improvement agency will not come out of the grant allocation and will be paid separately by the council. The level of fee will be determined as a fixed fee in negotiation with the nominated home improvement agency.

## 4.5 Use of other schemes

- 4.5.1 An applicant will be expected to apply for other schemes, where available, that meet the essential works. For example, if heating is required and there is a suitable alternative grant scheme to cover this work available at the time of the enquiry, the applicant will be expected to apply to that scheme. It is expected that this will provide a more suitable outcome for the applicant in terms of waiting times and cost effectiveness. The Grant Officer and/or the home improvement agency will discuss any alternative schemes with the applicant before the application is made.

## 4.6 Grant Conditions

- 4.6.1 General conditions can be found in section 7.0. The conditions set out below are specific to this grant.
- Only the works agreed by the council will be covered by the grant
  - If the grant is approved there are 6 months to complete the works
  - The works must be completed by the contractor stated on the approval document
  - The grant is only available to owner occupiers and the value of the grant will be added as a local land charge against the property on completion of the grant. If the property is sold, assigned or transferred at any time then the grant must be repaid.
  - Unforeseen and additional costs will only be paid for where they are necessary to complete the approved works and must be agreed by the council before they are undertaken.

# 5.0 Empty property loans

## 5.1 Introduction

- 5.1.1 There are a number of options available to owners of empty homes to access funding to assist them in bringing an empty property back into use. Thanet District Council is a partner in the successful No Use Empty campaign that was set up by Kent County Council in 2005. This scheme provides loans to owners of empty properties for renovation and/or conversion works. The owner is then required to rent the property either privately or through a partner housing association, or sell the property on the open market. For more information on this scheme please visit [www.no-use-empty.org](http://www.no-use-empty.org)
- 5.1.2 Based on this existing scheme Thanet District Council has implemented a loan specifically for those people who have purchased an empty property and intend to live in it themselves. This loan is being funded by Thanet District Council but administered by Kent County Council through the No Use Empty process. This section of the policy covers the loan funded by Thanet District Council.

**This loan meets Aim 3 - Maximise housing through supporting repairs and improvements to return empty homes back into use**

## 5.2 Loan process and conditions

- 5.2.1 This assistance is being offered in the form of an interest free loan, up to a maximum value of £20k, which is to be repaid over a term of between 5 to 10 years. The loan conditions stipulate that the applicant must reside in the property for the duration of the loan repayment period.
- 5.2.2 Anyone interested in applying for a loan may contact the council or KCC directly. An application pack will then be sent out and visits arranged to view the property and determine a scheme of works.
- 5.2.3 The property must be renovated to the Decent Homes Standard, and applicants must also be able to substantiate that the loan amount will be adequate to bring the property back into use to this standard. If the cost of the work is likely to exceed the maximum loan then the applicant must be able to prove that sufficient personal funds are available to use in conjunction with the loan to complete the project.
- 5.2.4 Each loan must be secured by way of a legal charge on the property for which the loan has been applied. Loan repayments commence 30 days after the loan monies are paid to the applicant and will be interest free, providing there is no default over the approved repayment period. The loan repayment period will be variable, between 5 and 10 years, and this is dependent on the amount borrowed. The applicant will also be required to live in the property for the duration of the loan payback period.
- 5.2.5 The loan is offered in such a way as to provide the applicant with full control of the expenditure of the loan. This is achieved by either granting a 100% of the loan as an upfront payment or 50% upfront payment and then two 25% tranches once the applicant can prove expenditure of the monies is compliant with the loan terms and conditions. Each of these options will depend on individual circumstances and the amount borrowed.
- 5.2.6 Should the applicant default on a payment, then interest at the Bank of England base rate +4% will accrue from the date of the default. Should the owner vacate the property or sublet, the owner will be in breach of the loan terms and therefore be in default, interest will then be charged from the date of the default and the full outstanding loan amount will be repayable. This is enforced through the property charge.
- 5.2.7 In order to apply for a loan the following criteria must be met:
- The property must have been empty for more than 6 months
  - Property must be in the intervention area of the wards of Cliftonville West or Margate Central.
  - The property must be brought back into use as a residential dwelling.
  - The applicant will be required to live in the property for the duration of the loan repayment period.
  - Loans are secured by way of a charge on the property, either as a 1<sup>st</sup> charge or as a 2<sup>nd</sup> charge with the consent of the holder of the 1<sup>st</sup> charge.
  - Loan applications must be accompanied by a quotation for the works which is to show the work is achievable for the sum borrowed.
  - If the work value is greater than the loan amount then the applicant must evidence they have the personal funds to make up the deficit.



- The loan can either be made available as a 100% upfront payment, a 50% upfront payment and 2 tranches of 25% following evidence of successful expenditure. (Dependant on individual circumstances and amount borrowed).

## 5.3 Fees and Loan level

- 5.3.1 A maximum loan of £20,000 is available per property. There are no fees for the applicant in applying for the loan, although if significant alterations are required to the property then planning and building control fees may apply.
- 5.3.2 All fees associated with the organising of the loan agreement will be covered by the council. This includes the fees for registering the charge against the property with the land registry and KCC legal fees for administering the loan.

## 6.0 Energy Efficiency ‘Top Up’ grants

### 6.1 Introduction

- 6.1.1 Some funding is now available to deliver energy efficient measures to homes through the governments energy company obligation programme (ECO) and in particular the affordable warmth element. The measures are required to reduce carbon emissions, help to make homes more efficient and therefore more affordable and to prevent unnecessary episodes of ill-health and/or deaths as a result of living in a cold home.
- 6.1.2 The Council supports and is a partner of the Kent and Medway Sustainable Energy Partnership which has recently undertaken a tendering process to develop a list of contractors that can provide a range of energy efficiency installation measures. Each of these contractors should be able to access ECO funding to help support the cost of works in people homes.
- 6.1.3 Following the governments review of ECO the rates of funding available for affordable warmth are much reduced; a situation which is reflected nationally. Through past experience it is unlikely that ECO schemes will fully fund all measures needed in the home and therefore this grant is intended to ‘Top Up’ any ECO funding that is secured, to ensure that the measures can go ahead.
- 6.1.4 The council will continue to work closely with Kent and Medway Sustainable Energy Partnership on Kent wide projects and schemes to ensure that residents have access to as much available funding as possible to support the improvement of their homes.
- 6.1.5 In order to be eligible for funding under the affordable warmth element of ECO the applicant must meet the following criteria:
- Privately own or rent their property (social housing/residents are not eligible)
  - One or more people living in the household must be on one or more of the benefits below to qualify for a funded boiler (subject to survey and availability of funding)

State Pension Credit, Child Tax Credit and –

- an income of £15,860 or below; **and**
- with a child under 16 (or under 20 if in full time education)

Income Related Employment and Support Allowance and –

- a child under 16 (or under 20 if in full time education); **or**
- receiving a work-related activity or support component; **or**
- Child Tax Credit which includes a disability or severe disability element; **or**
- a disabled child premium; **or**
- a disability premium, enhanced disability premium or severe disability premium; **or**
- a pensioner premium, higher pensioner premium or enhanced pensioner premium

Income-based Job Seekers Allowance and –

- a child under 16 (or under 20 if in full time education); **or**
- Child Tax Credit which includes a disability or severe disability element; **or**
- a disabled child premium; **or**
- a disability premium, enhanced disability premium or severe disability premium; **or**
- a pensioner premium, higher pensioner premium or enhanced pensioner premium

Income Support and –

- a child under 16 (or under 20 if in full time education); **or**
- Child Tax Credit which includes a disability or severe disability element; **or**
- a disabled child premium; **or**
- a disability premium, enhanced disability premium or severe disability premium; **or**
- a pensioner premium, higher pensioner premium or enhanced pensioner premium

Working Tax Credit and –

- an income of £15,860 or below; **and**
- with a child under 16 (or under 20 if in full time education); **or** is in receipt of a disabled worker element or severe disability element; **or**
- is aged 60 years or over

- Have a qualifying boiler

**This grant meets Aim 4 - Promote affordable warmth through improving private sector home energy efficiency**

## 6.2 Proposed Grant/Loan

- 6.2.1 The full details surrounding this scheme have not yet been established but some key principles will apply. Whether the assistance takes the form of a grant or a loan will be dependant on the type of ECO scheme it is supporting. There have been specific schemes for vulnerable people on low incomes and the top up in these cases is likely to be a grant. For those with the capacity to payback a loan this may be more appropriate.
- 6.2.2 The applicant must have been accepted under a Kent ECO scheme and therefore on one of the qualifying benefits mentioned above and be in need of additional funding to top up the offer that has been made under the ECO scheme.
- 6.2.3 In all cases the likely grant/loan limit will be up to £5000 and will be available for owner occupiers. The value of the grant/loan will be placed as a charge against the property.

- 6.2.4 Where assistance is a grant the charge will be a local charge repayable on the sale, transfer or assigning of the property.
- 6.2.5 This policy allows for these schemes to be developed during the life of the policy within the scope of the general provisions detailed in chapter 7.0.

### 6.3 Winter Warmth Programme

- 6.3.1 Kent County Council Public Health department have introduced a grant under their winter warmth programme. The grant will be available in specific circumstances to assist in the provision of heating and insulation measures.
- 6.3.2 All clients must have been referred through the approved pathway which requires a referral from a health professional in most instances.
- 6.3.3 In order to be referred to the scheme the client must meet the following:
- Client should be over 65,
  - living in a cold home
  - Have one of the following a diagnosed conditions:
    - Cardiovascular,
    - Respiratory,
    - Pulmonary,
    - Mental Health,
    - Disability,
    - Multiple long term conditions
- 6.3.4 Kent County Council has provided the funding to the council to deliver the grants on its behalf. The scheme is only available during the winter months.

**This grant meets Aim 4 - Promote affordable warmth through improving private sector home energy efficiency**

## 7.0 General Provisions for Providing Assistance

### 7.1 Introduction

7.1.1 These general provisions allow the council to design future schemes where necessary to provide assistance to meet the aims stated in section 2, subject to available funding. This means that from time to time grants and loans may become available in addition to those schemes already stated in this policy.

### 7.2 Eligibility

7.2.1 Each scheme has some specific eligibility criteria and full details will be available when an application is made; however the following provide a general overview. Any person or persons who make an application for assistance under the Housing Assistance Policy must:

- Live in the dwelling as their sole place of residence except for a landlord who intends to make the dwelling available for letting on an assured short hold tenancy at a market rent.
- Have an owner's interest in the dwelling<sup>4</sup>, or be a tenant or licensee<sup>5</sup> of the dwelling, alone or jointly with others.
- Have a duty or right to undertake the works in question or have the explicit permission in writing from the owner to do so.
- Satisfy such financial tests<sup>6</sup> as are approved by the Council from time to time as part of this Housing Assistance Policy
- Landlords and tenants of properties owned by registered social landlords are not eligible for housing assistance under the Housing Assistance Policy but may be under the disabled adaptations section of this policy
- Have not received assistance for the same works in the preceding 5 years
- The Council may specify a period of time during which the applicant must have lived in the dwelling as their only or main residence prior to the date of application.

### 7.3 Application

7.3.1 Any application for assistance under this Policy must be on the forms prescribed and approved by the Council. These forms may be varied by the Council as it considers appropriate. The applicant will be required to provide all or some of the following information:

- Full details, including approved plans<sup>7</sup> showing the works upon which assistance is requested together with plans of the existing dwelling;

---

<sup>4</sup> Be able to provide documented evidence of ownership in the dwelling or building in the case of long leaseholders they must have at least 10years interest left in the property

<sup>5</sup> Be able to provide documented evidence of tenancy or licence and the authority and permission to undertake the works in question

<sup>6</sup> The Council will, from time to time, use financial tests of resources to ensure that monies made available under this any scheme go to those in the greatest financial need

<sup>7</sup> Where plans are required the applicant will be required to provide confirmation of Building Regulation approval for the works shown and planning permission as required

- Detailed estimates from at least two builders of similar standing and VAT status for the works in question (the contractors concerned must not be members of the applicants immediate family);
- Details and receipts for the cost of any professional fees<sup>8</sup> incurred or to be incurred in relation to the application for assistance, however the full cost of these may not be met. The details of fees payable can be found for each type of assistance discussed in this policy;
- Documented proof that the applicant is the owner, tenant or licensee of the dwelling in question;
- Where the applicant is not the owner, written consent from all owners that the applicant may undertake the works in question;
- The applicant or owner must sign an undertaking to repay any financial assistance where there has been a breach of the conditions.
- If the applicant is a landlord a written undertaking that the dwelling(s) subject to the application will be made available for letting on an assured short hold tenancy at a market rent for a minimum period of five years. Alternatively that the dwelling will be made available to the Council or an approved registered social landlord for letting purposes (this is subject to the type of scheme being offered at the time);
- If a complete and valid application is not submitted to the Council within 6 months of any offer in principle of assistance, then the offer will expire and will normally be cancelled. If it is evident that progress is not being made earlier than 6 months then the Council will use it's discretion to cancel the offer earlier.
- An offer in principle does not constitute an approval. Funding will not be allocated until a complete and valid application has been submitted and approved. Should funding no longer be available the applicant will be notified in writing.

## 7.4 Notification of decision

- 7.4.1 The Council will notify an applicant in writing whether the application for assistance is approved or refused. The notification will be provided as soon as reasonably practicable, and normally no later than eight weeks after the date the application is received.
- 7.4.2 When an application is approved the notification will specify the works which are eligible for assistance, the value of the assistance and the form that the assistance will take.
- 7.4.3 It will also state the amount the applicant must contribute towards the cost of the works, the expiry date of the assistance and the contractors that the costs have been based on.
- 7.4.4 In the case of a refusal, the Council will explain in writing the reasons for the refusal and the procedure for appealing against the decision.
- 7.4.5 Assistance is not transferrable between properties and applicants.
- 7.4.6 A loan approval may be subject to the loan being registered as a legal charge. There is a charge for this which will be added to the loan. It may not be possible to approve the loan until it has been registered. All grants and loans will be recorded as a local land charge.

---

<sup>8</sup> Architectural, legal, agency fees

## 7.5 Supervision of works

- 7.5.1 The construction contract will be between the applicant and the chosen contractor and will not include the Council.
- 7.5.2 The responsibility for supervision of work rests with the applicant unless the applicant appoints a professional advisor or agent for that purpose.
- 7.5.3 The Council does not accept any responsibility for day-to-day supervision of works and the applicant will be responsible to the Council for ensuring that the works completed are to an acceptable standard<sup>9</sup>.
- 7.5.4 An officer from the Council or our approved home improvement agency will check the works on completion to ensure that the works have been carried out in accordance with the agreed specification of work and appear to be in accordance with good building practice.
- 7.5.5 However, the council are not liable for any poor workmanship nor do they provide a guarantee. Where eligible works have not been completed to an acceptable standard the Council may withhold any money that is outstanding.

## 7.6 Conditions of Payment

7.6.1 The assistance will only be paid if:

- The assisted works are completed within the specified time period from the date of approval or such further period as the Council may subsequently allow.
- The assisted works are carried out in accordance with the conditions of approval<sup>10</sup>.
- The assisted works are carried out by one of the contractors whose estimates accompanied the application.
- The applicant confirms in writing (usually on a prescribed form) that they accept and are satisfied with the completed works.
- The works have been completed to the satisfaction of the Council including Building control and Planning.
- The Council is provided with an acceptable invoice, demand or receipt for payment for the works and any professional fees and other charges. For this purpose an invoice, demand or receipt is acceptable if it satisfies the Council's audit standards and is *not* submitted by the applicant or a member of his family. The invoice must include full details of the builder /surveyor employed including VAT registration details. Contractors may additionally be asked to provide their CIS details prior to payment being made.
- The council has been notified in advance that the work has begun.
- The works have been completed in accordance with the approval and estimates and to a satisfactory standard.
- Any copies of specified guarantees and test certificates are submitted. All electrical work must be carried out by a competent contractor or one approved under current

---

<sup>9</sup> A standard that would be acceptable to any "reasonable" person

<sup>10</sup> The grant approval will specify the works upon which grant is to be paid

Building Regulations. All gas safety work must be carried out by a contractor approved by the Gas safe register.

- Interim payments will only be paid at the discretion of the Council. If the applicant has a contribution they will normally be expected to pay this part before any assistance is paid.
- Generally all payments are made direct to the builder on behalf of the applicant. However this may be subject to change depending on the type of grant or loan and in certain circumstances where it might be appropriate to pay the applicant. This will be considered at the discretion of the Council. This may be where the applicant or a third party has already paid such costs. Payment will only be made where receipts are provided.
- Payments will only be made for work that has been carried out under the terms of the assistance; Eligible works must be carried out to the satisfaction of the Council and an acceptable invoice supplied.

## 7.7 Repayment of assistance

7.7.1 Repayment of assistance may be required in the following circumstances:

- If an application for assistance is approved but it subsequently appears to the Council that the applicant (or, in the case of a joint application, any of the applicants) was not, at the time the application was approved, entitled to assistance, no payment shall be made. In the case where payment has been made by instalment, no further instalment shall be paid, and the Council may demand repayment of any assistance already provided. The Council may also specify that interest is due on the monies paid from the date on which they were paid until repayment, at such reasonable rate as the Council may determine.
- If an owner of the dwelling to which the application relates ceases to be the owner<sup>11</sup> before the works is completed, Council may demand repayment of any assistance that has been paid.
- If an owner of the dwelling(s) to which the application relates ceases to be the owner within the specified time frame for the scheme approved then the Council may demand repayment of the monies.<sup>12</sup>
- If an owner of the dwelling(s) to which the application relates, having undertaken to let the dwelling(s) ceases to let the dwelling(s) in accordance with his undertaking then the Council may demand repayment of the monies.
- Where the Council have the right to demand repayment but there are extenuating circumstances they may determine not to demand repayment or to demand a lesser amount as appropriate.

## 7.8 Appeal process

7.8.1 There is no formal appeals process. However, should an applicant feel aggrieved by a decision relating to grant or loan in this policy then this should be represented to the authorised officer in writing.

---

<sup>11</sup> Except where the disposal is to provide an annuity income and the person concerned is entitled to continue to occupy the premises as his only or main residence

<sup>12</sup> See appendix 1 which details all the current schemes

7.8.2 If the authorised officer is unable to resolve the issue then the case should be escalated to the authorised officers' manager.

7.8.3 If it is still not possible to resolve the matter then the applicant should submit a formal complaint to the council following the Councils formal complaints procedure.

<b>Version</b>	<b>Date</b>	<b>Agreed by</b>	<b>Minute ref</b>
V1 Draft	31 <sup>st</sup> July 2014		
V2	15 <sup>th</sup> December 2014		



## Appendix 1: Summary of Initiatives for 2015/2019

The Council reserves the right to move funds between schemes depending on the success of the scheme or to cancel a scheme at any time.

Project	Rational	Additional Conditions	Additional information
<b>Mandatory Disabled Facilities Grant</b>	The Council has a statutory obligation to provide mandatory disabled facilities grants to assist disabled residents to live independently in their own home	A local land charge will be placed against the property where the grant exceeds £5,000. This only applies to grants for owner occupiers. If the property is sold, assigned or transferred within 10 years of the grant being completed then the Council may demand repayment of the amount of grant over £5000 up to a maximum repayment of £10,000.	For details on the works that are eligible for a disabled facilities grant please refer to the Mandatory works guidance at appendix 3.
<b>Emergency assistance</b>	Occasionally the council is made aware of vulnerable persons living in potentially dangerous housing conditions that could have a significant impact on their health and safety or may be preventing them from returning home following admission to hospital as a result of an accident in the home. This repayable grant is required to carry out works to make the home safe so that a vulnerable person can remain at home.	Must be in receipt of a qualifying benefit or on low income.  Must own home to be eligible for this.  On completion of the work a local land charge will be placed against the property. If the property is sold the grant must be paid back.	Up to £5000 available per property more may be available at the discretion of the manager in exceptional circumstances.  Works must be specified by a council officer  Applicant must use the home improvement agency to assist in making the application.  Fees for the use of the agency are not added as a charge.

Project	Rational	Additional Conditions	Additional information
		Loans are interest free.	
<b>Empty property owner occupier loan ( No use empty)</b>	This loan is to assist owner occupiers who purchase an empty property in Cliftonville West or Margate central. The loan can be used to undertake renovation works to allow them to move into the property as their main residence. The aim is to encourage: bringing empty homes back into use; owner occupation in these wards and the regeneration of the area.	Interest free loan  Administered by KCC No Use Empty	Up to £20,000 is available per property
<b>Energy efficiency ‘Top Up’ grants and loans</b>	Carbon reduction and energy efficiency is high on the national agenda because of the no. of deaths associated with cold weather and inefficient homes.  58% of homes that fail the Decent Homes standard in Thanet do so because of “poor thermal comfort”  Government schemes such as Green Deal and ECO do not always cover the full cost of the works and if the applicant is unable to pay the contribution the works often don’t go ahead.	The terms of this grant or loan will need to be determined once the ECO announcement have been made in the autumn  Any assistance will be based on ‘topping up’ an offer under ECO	A grant limit is yet to be set but this is likely to be in the region of £5,000
<b>KCC Winter Warmth grant</b>	To assist vulnerable people with specific health conditions to improve the energy efficiency of their home.	Funding is provided by KCC public health and the terms and conditions of the grant have been set.  In particular the applicant must be a home owner, over 65 and diagnosed	Referral for this grant must be made by a health professional there is no provision for self referral.

Project	Rational	Additional Conditions	Additional information
		with one of the health conditions stipulated.	

## Appendix 2: Guidance and code of Practice for Agents/Advisors acting on behalf of clients wishing to access grants and loans

It is the advisors/agents role to act on behalf of the client in designing adaptations or scheme of work, obtaining consents and securing services of suitable builders, leading eventually to the satisfactory completion of works. Works are to satisfy the grant conditions or adaptation objective of both the clients and the Occupational therapist and meet the quality standards of an ordinary reasonable person.

It is expected that the advisor/agent would have a collaborative approach with the Local Authority over the delivery of grants. They should acknowledge an understanding of the rationale and practicalities of managing expenditure and the need to demonstrate “fairness” to all applicants.

The Local authority will only pay fees to advisors/agents that satisfy the criteria below. Inappropriate advisors/agents often necessitate considerable extra input from the Local Authority, which is of little benefit either to the client or to the Local Authority. The Local Authority determines to whom fees will be paid and this decision will be final. Grant applicants are, of course, free to enlist the assistance of anyone they would like to help them on a non-fee-paying basis.

In order for an organisation/person to be considered as an appropriate advisor/agent for grant purposes, they should satisfy the following criteria:

- Experience of designing for the disabled
- Provide evidence of experience of working with a Local Authority or similar
- Provide evidence of DBS checks or a suitable reference from another Local Authority or similar organisation
- Provide evidence of appropriate insurances
- Provide evidence of an appropriate customer care charter
- Provide evidence of an equal opportunities policy
- Provide evidence of the vetting procedures for contractors
- Have evidence of current professional qualifications or registration where appropriate, and compliance with appropriate codes of conduct (e.g. RIBA, RICS, etc.)
- Provide details of complaints procedure and dispute resolution processes
- Meet financial viability criteria

Advisors/agents must always treat clients with respect and dignity, acknowledging the specific needs of the client group.

Contractors should be vetted by the advisor/agent to ensure they have adequate public liability and employee liability insurance and have a health & safety policy and any other legislative policies. Details should be maintained of sub-contractors tax certificate or CIS registration, and any details on NICEIC, Gas Safe, FENSA etc. and VAT registration number if applicable.

The vetting and checking of all such certificates and policies should be carried out periodically, not exceeding annually.

Appropriate documentation of the vetting process can be provided to the Local Authority as part of the application for a grant/loan or on an annual basis in order to be included on the local list of agents.

## Appendix 3: General guidance of works considered mandatory for Disabled Facilities Grant

Adopted in 2008

### Housing Grants Construction & Regeneration Act 1996

Following consultation between Kent Local Authorities who administer Disabled Facility Grants, it has been agreed that the following works can attract **Mandatory** DFG funding.

The following categories of adaptation are detailed in the Housing Grants, Construction and Regeneration Act 1996 as being works which must be considered for grant assistance.

Where costs are likely to exceed £30,000 Local Authorities will need to take extra care to establish if the proposals are “reasonable and practicable.”

The grant limit is £30,000 - there is currently no discretion within Thanet District Council to go above this level and therefore when making recommendations regard must be had as to how the applicant will be able to finance the additional costs.

#### Facilitating access

##### 1. Facilitating access by the disabled occupant

to and from the dwelling

to a room used or usable as the principle family room

to a room used for or usable for sleeping

to a room in which there is a lavatory

to a room in which there is a bath or shower

to a room with a wash hand basin

Such works may include:

- Ramping and/or handrails to the main external door. This could instead be a rear door in the case of a rear access. Only one access point will be allowed for each dwelling. External stairlifts will be considered if reasonably practicable and they are not prone to vandalism. Handrails under £1000 are to be the responsibility of Social Services unless they are in conjunction with a ramp.
- Widening the main entrance door and the doorways to the bedroom, bathroom and living room. Automatic door opening to main entrance doors will only be allowed for persons who are otherwise unable to open the door. Door entry systems will be considered where the person has severe mobility problems.
- Alterations to facilitate wheelchair access to the bedroom, bathroom and living room. Access to other rooms may be considered where the disabled person is a carer.
- Other adaptations that are necessary to facilitate access to any of the relevant rooms by the disabled person, for example, stairlifts or vertical lifts in some cases. Where a stairlift breaks down and it is 5-10 years old, a manufactures report is needed before it can be

replaced. If it is over 10 years, a report may not be required. It is considered good practice to include a 5-year extended warranty/service contract with all new lifts.

- Provision of hard standings (3.6 x 4.8 max) and associated crossover for vehicle access where the disabled person is in a wheelchair or has difficulty walking to the house. This will only be given where existing on-street parking is considered unsatisfactory and a marked disabled parking bay is not possible or where it affords a more economic solution than providing additional paths/ramping from the roadside. It is usually cheaper to put a marked disabled parking bay outside the house compared to providing a hard standing. Provision of off-street parking is not, in itself, a mandatory item.
- Please note: Being a holder of a blue badge is not the eligibility criterion for this item.

## Washing facilities

### 2. Facilitating the use of washing facilities by the disabled occupant

- Adaptation of the facilities in the bathroom and toilet, including the provision of flush floor showers, lever taps, specialist WCs, Clos-o-mat or Geberit etc. The adaptation or provision of more than one bathroom to a house e.g. additional ground floor wc, will only be considered if evidenced by functional need.
- An electric fan heater should be provided to the bathroom/shower room in addition to a radiator as long as it does not contravene IEE regulations for wet areas.

## Kitchen Facilities

### 3. Facilitating the preparation and cooking of food

- Where someone other than the disabled person does and will continue to do the cooking and preparation of meals, normally it will not be necessary to carry out full adaptations. However, it may be possible to carry out minor adaptations to allow the disabled person to prepare light meals or hot drinks, typically this may include a low-level worktop with power points for a kettle/microwave.
- Full adaptations can be considered where the disabled person is the only or main user of the kitchen. The following adaptations can be considered:
  - a. Kitchen sink, including alteration to its height or position or the type of taps fitted to it. Powered, adjustable-height sinks will not generally be allowed, as the provision of a second sink is a more economic solution.
  - b. Cooker point and oven-housing unit ensuring its height and position is in a safe location and the provision of worktops on either side.
  - c. Work surfaces located beside the sink and on each side of the cooker having a total length of approximately 1.5m, all at a suitable height for the disabled person.
  - d. Food storage in an accessible position, usually space for a refrigerator with power supply.
  - e. Wheelchair access, if necessary, including wider doors, rearrangement of facilities etc.

- f. Alterations to the kitchen door, light switches and power points, but only if it is necessary.
- g. Extensions or enlargement to kitchens can only be agreed where they are absolutely necessary in order to provide turning space for a wheelchair and if suitable space cannot be achieved by rearrangement of the existing facilities.
- h. The provision of cupboard and storage units on an "essential" basis. (2x1m base units and baskets or equivalent).
- i. Mechanical ventilation where kitchen schemes require Building Regulation approval.

## Other works that will be considered

- Alterations to the height and/or position of light switches and power points to make them accessible to the disabled person.
- Heating the rooms that are in everyday use by the disabled person where a medical need can be demonstrated. This does not include repair to existing systems. Changes to the type of heating system will only be allowed if evidenced by medical need (e.g. change from solid fuel to gas where applicant can no longer carry fuel).
- Possible upgrading/replacing of boilers where the property has been extended as part of the adaptation.
- Provision of laminate glass or specialist lighting or guards to fires and around radiators where disabled children with violent behavioural problems may harm themselves. Provision of enhanced fire alarm systems for those with hearing difficulties.
- Carrying out structural alterations where necessary to provide fixings for disabled equipment provided by Social Services e.g. fixing for tracking /overhead hoists.
- Where an adaptation is required to a listed building and additional works are required to comply with requirements.
- Where an adaptation cannot be carried out due to disrepair issues those repairs, within reason, may be carried out. Such works may include replacement of rotted flooring or strengthening of the floor as part of a flush floor shower installation, electrical repairs to enable works to be carried out safely, and dealing with low water pressure. Replacing defective drainage and a full rewire would not normally be eligible.
- Additional bathrooms or bedrooms may be allowed where they are specifically for the disabled person and it can be demonstrated that adaptation of other rooms or space or access to those rooms in the property is unsuitable. **Extensions will only be allowed following a detailed cost/benefit analysis of alternative options.**
- In cases of small terraced properties with narrow passageways or very difficult access, effective adaptation can only proceed where it can be reasonably and practicably carried out without having a detrimental impact on neighbouring properties.
- Requests are sometimes received to provide separate bedrooms where disabled children with behavioural difficulties share a room with other siblings and disturb their sleep. This will only be considered under mandatory grant where it can be demonstrated the child is prone to violent outbursts and there is risk of physical harm to the child or to the other siblings. Families will first be expected to re-arrange the sleeping arrangements in their home to try to eliminate the need for extra bedrooms. If there is more than one reception room the family will be expected to use the extra room(s) for sleeping purposes.

## Access to the Garden



- This has only recently been introduced as a grant-aided item and will only be considered if recommended by an Occupational Therapist.
- In deciding the extent of providing access to the rear garden, the following will be taken into account.
- Grant assistance will not be given where there is already access to the garden but grant may be given to improve an existing access to make it safe for the disabled occupant to use. It does not include extending an existing access e.g. creating a side access so a person can also go around the side of a house. Generally, the most modest solution for providing access to both the house and the garden will be considered and this can mean that one access may be sufficient to access both the house and the garden. Where homes have communal gardens, e.g., blocks of flats served by a single access, grants will not normally be provided for an individual access to the garden unless it can be demonstrated that because of the disabled persons condition the travel distance to the garden would be excessive and unreasonable.
- The grant will simply be for providing immediate access to the garden and does not include landscaping gardens to make them more suitable for the disabled person to access. However, to assist a disabled person to live independently, an allowance of 4 m<sup>2</sup> of pathway, (which may include a turning circle for a wheelchair user), will be considered to assist access to any specific areas enjoyed by the disabled person.
- See also the list of non-mandatory items in the next section relating to gardens etc.

## General guidance on works considered non-mandatory

**These works may only be available if discretionary funding is available. There is no discretionary funding at Thanet District Council and therefore only mandatory items will be funded.**

- Generally, more extensive adaptations to the kitchen than those described previously.
- The provision of cupboards, storage units, breakfast bars, generally above and beyond the standard that applies for mandatory grants.
- White goods such as cookers and hobs, refrigerators, dishwashers, washing machines and other equipment like waste disposal units.
- Replacement of rooms or parts of rooms which have been "lost" by carrying out adaptations (by way of explanation, where a ground floor living room or dining room is converted into a bedroom with en suite shower room for a disabled person, the construction of a "replacement" living room or dining room for use by the rest of the family could not be grant aided on a mandatory basis.)
- Fitments in rooms, for example built-in furniture like cupboards, wardrobes, storage units etc.
- Extensions to living rooms.
- Provision of secondary access from dwelling house, formation of patios, garden paths etc. walkways from garages and sheds. 2<sup>nd</sup> access – would need very exceptional circumstances to allow this.
- Storage areas and charging points for wheelchair/ scooters.

- Service contracts for lifts and other equipment after the initial 5-year maintenance contract has run out.
- Provision of treatment rooms
- Provision of pager systems linked to doorbells or telephones for the profoundly deaf.
- Floor coverings (except thermo-plastic tiles or similar permanent floor finish to bathroom area).
- Wall tiling (except splash backs and immediate shower areas).
- Provision of disabled aids and equipment that can be fitted with little or no structural alterations. These are likely to be able to be removed fairly easily and re-used if the disabled person should decide to move in the future.
- Non-fixed aids, e.g. bath hoists can be funded by KCC as equipment but some authorities allow it as discretionary.
- Sliding doors/two way doors – not needed – can turn door round or flexicare 2 way hinges in special cases if likely to fall.
- Hard standings where required only as a Planning Condition
- Air conditioning.
- CCTV
- Creating a safe play area and/or fences other than in very exceptional cases
- Storage areas for example scooters, wheelchairs, children's equipment.
- Portable/non-fixed items.
- Drop kerbs, hard standings and ramps for non- wheelchair users/non-drivers.
- Minor adaptations up to the value of £1,000 which are obtainable from Social Services, Occupational Therapy Service
- Formation of Patios
- Walkways to and from garages or scooter storage areas
- Formation of bin store areas
- Provision of clothes drying facilities
- General provision of external lighting

If you would like a copy of this document in a different format such as Braille, audio or large print, or in another language please call  
01843 577165



This page is intentionally left blank

<p>EKH Housing 26.9.14</p>	<p>The section on tenants using other agents to supervise the works could be clearer. It wasn't clear that the agent fees can be covered by the grant (assuming they are). I see the need to protect vulnerable tenants from some dubious agents that might use unreasonable tactics to coerce tenants in to using them.                  I wonder if it is possible to say that the agent should be suitably qualified and experienced and that the council would encourage the use of the Home Improvement Agency ( if you are allowed to say this)</p>
<p>Family Mosaic 17.9.14</p>	<p>Point 3.2.8 states <b>3 tenders to go with application</b> – this has always been 2 builders (although we always tender to 3 builders so that we receive at least 2 back to submit). Having 3 tenders would cause delays at times and particularly with stairlifts/through floor lifts when we have only even tendered to 2 suppliers. I believe submitting 2 tenders with the application would be sufficient.                  In Appendix 3 – bullet point 4 concerning stairlifts and through floor lifts – states that a 5 year extended warranty/service contract should be included as good practice (which we currently do) however when you read page 27 items TDC will not fund bullet point 9 says “service contracts for lifts and other equipment”. This is contradictory?</p>
<p>Kent Representative, National Landlord Association 22.9.14</p>	<p>In relation to disabled access to property and making adaptations you should not ignore the PRS. It is all too often overlooked by local authorities.                  Additionally when the tenant moves on, they should not take out the adaptation changes but look to see if someone else can live there and even consult with neighbouring boroughs.</p>
<p>TDC Grants Officer 18.9.14</p>	<p>Item 3.2.2 We now currently also request a full set of recommendations from the OT at this stage also.                  Item 3.2.8 For tendering of specialised items like stair lifts we generally only require 2 quotes.                  Item 3.8.2 Have or are TDC intending to sign up to the Kent Protocol?                  Appendix 3 general guidance of works considered non-mandatory.                  3-Specialised cookers for disabled users have often included for DFG.                  9- Extended 5 year warranties for lifts are included in all cases.                  16- In certain circumstances sliding doors are included under DFG                  17- In certain circumstances hard standings are included under DFG                  20 &amp; 26 are the same.</p>
<p>Supporting People – 17.10.14</p>	<p>Really pleased to see Family Mosaic mentioned as the Home Improvement Agency in your policy. As the Commissioning Officer responsible for KCC Supporting People contracts for older people which includes HIAs, I applaud the promotion of this valuable service. Once again this year Public Health are utilising our HIA contract with Family Mosaic and providing additional funding for the Winter Warmth initiative. Therefore eligible older residents in Thanet, with a heart or lung health issue will be able to receive support to keep warm thus reducing winter deaths among the elderly population.                  Am wondering if it's worth including the following re DFG for ex service personnel – which is an extract (see page 39) from the Community Covenant Best Practice Guide – link as follows:  <a href="http://www.britishlegion.org.uk/media/3390220/communitycovenant_bestpractice_guide.pdf">http://www.britishlegion.org.uk/media/3390220/communitycovenant_bestpractice_guide.pdf</a></p>

**Responses to Housing Assistance and Disabled Adaptations Policy  
Consultation 11<sup>th</sup> August 2014 – 24<sup>th</sup> October 2014**

Survey Responses	<p>Re 3.4 Should the council set out criteria to safeguard disabled and vulnerable adults when choosing an agency – 3 Yes 0 No - 100%</p> <p>Re3.5.5 Should the council place a cap on the agency fees paid under the disabled facilities grant? - 1 Yes 33.3% 2 No 66.7%</p> <p>Re 4.0 Do you agree with the Council’s suggestion to introduce an Emergency Assistance Repayable Grant? - 3 Yes 100% 0 No</p> <p>Re 5.0 Do you agree with the Council’s suggestion to introduce an Empty Property Loan Scheme? – 3 Yes 100% 0 No</p> <p>Re 6.0 Do you agree with the Council’s suggestion to continue to work to ensure residents have as much access as possible to available funding? – 3 Yes 100% 0 No</p>
------------------	--



# Full Equality Impact Analysis

<b>Title of review</b>	<b>PROPOSED ADOPTION OF A HOUSING ASSISTANCE AND DISABLED ADAPTATIONS POLICY</b>
<b>Service</b>	Housing Services
<b>Date of review</b>	15 <sup>th</sup> December 2014
<b>Date of next review</b>	N/A
<b>Lead officer, Job Title and Service</b>	Tanya Wenham, Head of Housing Services
<b>Review team</b>	Tanya Wenham, Steve King, Dave Farmer, Steven Boyle
<b>Scope of the analysis</b>	<p>As a Local Housing Authority ("LHA"), Thanet District Council is required to have a Housing Assistance Policy to enable it to offer discretionary funding towards the improvement of homes in the private sector.</p> <p>The existing policy was last reviewed in 2009. The amount and type of funding available has changed, as have the councils priorities and therefore the policy needed to be updated.</p> <p>The policy not only covers the discretionary funding available but also covers the mandatory disabled facilities grant programme and provides clarification on the councils policies surrounding this grant.</p> <p>The purpose of this review is to consider the equality implications of the policy.</p>
<b>Beneficiaries</b>	<p>The vast majority of residents in Thanet live in private sector housing. The policy mainly covers services for vulnerable and disabled residents. The empty property loans are available to all residents wishing to buy an empty property in the designated area.</p> <p>All Protected Characteristics will be represented within the beneficiaries.</p>
<b>Stakeholders</b>	<p>Stakeholders include:</p> <ul style="list-style-type: none"> <li>• Residents;</li> <li>• Owners/landlords of private residential premises;</li> <li>• Council Members;</li> <li>• Council staff;</li> <li>• Public services, such as the Police, Kent County Council, NHS, and the Kent Fire &amp; Rescue Service;</li> <li>• Community and voluntary organisations.</li> </ul>

<b>Relevant data and research</b>	N/A
<b>Access complaints</b>	None recorded.
<b>Consultation</b>	<p>The document was subject to a full consultation that ran from 11<sup>th</sup> August 2014 to 24<sup>th</sup> October 2014. Copies of the document were circulated electronically to interested parties, including:</p> <ul style="list-style-type: none"> <li>• All councillors;</li> <li>• Senior Management Team;</li> <li>• Managers and officers in related services within the council;</li> <li>• Agencies and services with an interest in the subject</li> <li>• Online public consultation</li> </ul>
<b>Results of consultation</b>	The consultation did not highlight any concerns relating to the Protected Characteristics or the aims of the Public Sector Equality Duty.
<b>Relevance to the Duty:</b>	
Do your proposals contribute towards or impact on any of the aims of the duty?	
<p>1. <b>Eliminate unlawful discrimination</b> – harassment, victimisation and any other conduct prohibited by the Act;</p> <p>The proposed Policy restricts the funding that is available to mainly benefit vulnerable and disabled residents. The policy will be equally and fairly applied to all those who are eligible to apply for assistance under the policy. The empty homes loan is available to all residents. No potential for unlawful discrimination has been identified.</p>	
<p>2. <b>Advance equality of opportunity</b> – between people who share a protected characteristic and people who do not share it by;</p> <ul style="list-style-type: none"> <li>• removing or minimising disadvantages suffered by people due to their protected characteristics;</li> <li>• meeting the needs of people with protected characteristics; and</li> <li>• encouraging people with protected characteristics to participate in public life or in other activities where their participation is low.</li> </ul> <p>Persons from vulnerable groups can sometimes have limited housing choices. In particular, families with young children, older persons and those with a disability can find themselves in poor quality accommodation. The policy aims to safeguard the health, safety and welfare of these Protected Characteristics (Age and Disability). By doing so the funding available is restricted and there may be some households on low income who do not meet the qualification criteria who are unable to access the funding but are still in need. This is a necessary restriction due to the small amount of funding available which must be targeted on a priority basis.</p>	
<p>3. <b>Foster good relations</b> – between people who share a protected characteristic and people who do not share it, by; tackling prejudice and promoting understanding between people with a protected characteristic and others.</p> <p>Having regard to this aim, the proposed Policy may have a negative impact as the policy favours those with a protected characteristic. As detailed above this may disadvantage households that</p>	



are in need but do not meet the specified criteria.

**Equality impacts raised or identified:**

The proposed Policy document shall be equally and fairly applied to everyone who meets the eligibility criteria. As such, no adverse equality impacts have been identified. However, certain beneficial impacts have been identified in respect of some of the Protected Characteristics. These are shown in the table below.

<b>Protected Characteristic</b>	<b>Commentary</b>	
<b>Age</b>	<b>Impact</b>	<p>Yes.</p> <p>Poor housing conditions can negatively affect the health, safety and well-being of all residents, irrespective of age. However, certain housing deficiencies can have a more serious and harmful impact on individuals of particular ages. For example, older persons will suffer more in cold homes.</p> <p>The application process for a grant/loan is often complicated and this could be a disadvantage if an individual is unable to make the application. The policy takes this into account by ensuring that agency costs are covered in the grant/loan so that the individual can benefit from assistance from a suitable agency.</p>
	<b>Mitigation</b>	Not required, as the impact is positive.
<b>Gender</b>	<b>Impact</b>	<p>No.</p> <p>The means of assessing eligibility does not take gender into account.</p>
	<b>Mitigation</b>	Not required as no impact has been identified, negative or positive.
<b>Race</b>	<b>Impact</b>	<p>No.</p> <p>The means of assessing eligibility does not take race into account.</p>
	<b>Mitigation</b>	Not required as no impact has been identified, negative or positive.
<b>Disability</b>	<b>Impact</b>	<p>Yes.</p> <p>The policy specifically identifies disabled residents as a beneficiary of assistance. The policy also aims to safeguard disabled residents by making their homes safer for them to live in.</p> <p>The application process for a grant/loan is often complicated and this could be a disadvantage if an individual is unable to make the application. The policy takes this into account by ensuring that agency costs are covered in the grant/loan so that the individual can benefit from assistance from a suitable agency.</p>

	<b>Mitigation</b>	Not required, as the impact is positive.
<b>Religion or belief</b>	<b>Impact</b>	No. A person's religion or belief has no bearing on how the policy is applied.
	<b>Mitigation</b>	Not required as no adverse impact has been identified.
<b>Gender reassignment</b>	<b>Impact</b>	No. The means of assessing eligibility does not take gender reassignment into account.
	<b>Mitigation</b>	Not required as no impact has been identified, negative or positive.
<b>Sexual Orientation</b>	<b>Impact</b>	No. The means of assessing eligibility does not take sexual orientation into account.
	<b>Mitigation</b>	Not required as no impact has been identified, negative or positive.
<b>Marriage &amp; Civil Partnership (Aim 1 only)</b>	<b>Impact</b>	No. The means of assessing eligibility under the policy does not take marriage or civil partnership into account.
	<b>Mitigation</b>	Not required as no impact has been identified, negative or positive.
<b>Pregnancy &amp; Maternity (Aim 1 only)</b>	<b>Impact</b>	No. The policy does not take pregnancy and maternity into account. But this may be relevant when considering eligibility under certain benefit criteria
	<b>Mitigation</b>	Not required as no adverse impacts have been identified.
<p><b>Overall conclusions and options to be put before decision maker (if contributing towards a report) or to take forward to develop your service (if reviewing a service)</b></p> <p>The Housing Assistance and Disabled Adaptations Policy specifically identifies some of the protected characteristics as direct beneficiaries of the policy.</p> <p>The policy is aimed at targeting resources at those households most in need of assistance.</p>		
<b>Actions arising from analysis:</b>		
<b>Action</b>	<b>Responsible Officer</b>	<b>Deadline</b>
None.		

**Acceptance**

Name and signature of assessing officer and date of assessment.

**Name:** Tanya Wenham    **Position:** Head of Housing Services

**Signed:** 

**Date:** 8<sup>th</sup> January 2015

This page is intentionally left blank

---

## Thanet Parkway Station

To: **Cabinet - 20<sup>th</sup> January 2015**

Main Portfolio Area: **Economic Development/Planning**

By: **Councillor Nicholson, Deputy Leader and Cabinet Member for Housing & Planning Services**

Classification: **Unrestricted**

Ward: **All**

---

**Summary:** **To update Members on the progress of the Parkway Station Project.**

### **For Decision**

---

#### **1.0 Introduction and Background**

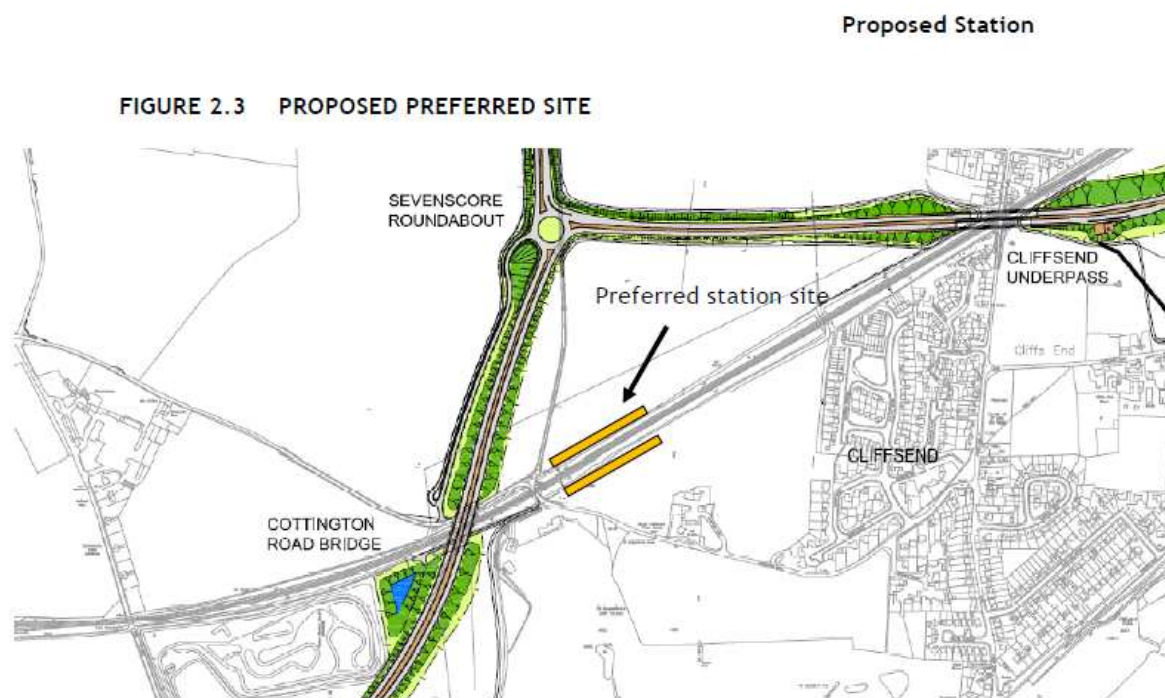
- 1.1 A Parkway station to serve Thanet was first suggested some 6-7 years ago and featured as a policy in the now abandoned Thanet Local Development Framework Core Strategy, consulted on in 2009. It was reported to Cabinet in 2010 and now forms part of the statutory KCC Local Transport Plan (2011-16), as a means to reduce journey times and to provide extra parking capacity due to constraints at Ramsgate Station. It also features in KCC's 20 year transport delivery plan, Growth without Gridlock (2010-30) and the Kent Rail Action Plan (2011)
- 1.2 The estimated cost of the station is £14 million. In early 2014 a Project Board was established and in July 2014 £10million of funding was secured from Government through the South East Local Enterprise Partnership.
- 1.3 £2.65 million has been committed by Kent County Council. The funding gap of £1.35 million is being explored with Network Rail and the private sector. No contribution is being sought from Thanet Council.
- 1.4 KCC has recently appointed consultants to draw up detailed proposals with a view to making a planning application in February 2016. It is not yet clear whether this application will fall to be determined by KCC or TDC. The consultants are working closely with Network Rail and Southeastern to ensure their requirements are met.
- 1.5 An initial public consultation is being undertaken by KCC to introduce the project, discuss the proposals and help shape the station design and specification. Contact has already been made with interested parish councils and reports have been sent to both Thanet and Dover Joint Transportation Boards. A formal public consultation will commence on 2<sup>nd</sup> February 2015. This will include public consultation events in Thanet in Ramsgate, Minster and Cliffsend. Further consultation will be undertaken by KCC when the planning application is submitted.
- 1.6 Prior to initiating this project a rigorous testing of the potential usage of the site was carried out and a Business case was drawn up showing that the potential for development of a station in this location was viable.

1.7 A presentation was made to Cabinet in early 2014 by Kent County Council on the Business Case for the Station.

## 2.0 The Proposal

2.1 It is proposed to construct a relatively straightforward two platform station with disabled access using lifts and ramps with a footbridge. The main feature will be a car park capable of accommodating up to 300 cars in the long term. KCC are looking at a number of models for ownership and operation of this car park.

2.2 The station siting was selected to ensure it was technically feasible for the train operator but also due to its ease of access from the road network and to nearby employment and residential locations. The proposed location is shown on the map below.



## 3.0 Objectives and Business Case

3.1 The main aim of the proposal is to support inward investment to existing and new development at and around the Manston Airport site, Business Parks at and around Westwood and at Discovery Park in Sandwich. It will provide increased access to High Speed Rail services throughout the District and will provide a journey time of 59 minutes to London Stratford.

3.2 The draft business case concludes that the proposed station will offer a very good return on investment, indicating that for every £1 of investment some £2.12 worth of benefits will be generated over the 60 year appraisal period. The commercial appraisal shows that the station is viable with net generated fares income significantly exceeding the operating and maintenance costs.

3.3 Demand analysis shows that the station will need a car park with 137 spaces on opening rising to 248 after 30 years. Sufficient land exists around the station if additional need arises more quickly. It is noted that the Business case only takes into account committed development and that any future development around the airport or created by an expansion of the enterprise zone has not been included.

- 3.4 Demand at the station will also vary dependent upon the charging regime implemented. For example with parking charges (of £3.50) there would be 106,000 trips in 2021 while with no parking charge some 123,000 trips would be generated.
- 3.5 While a number of trips will be abstracted from existing stations analysis shows that in 2021 there is an addition of over 40,000 new rail trips with the Parkway in operation.
- 3.6 In addition to the Parkway Station Kent County Council are working with Network Rail to deliver a 10 minute planned journey time improvement scheme between Ashford and Ramsgate. The £11.8 million funding is committed by the Department for Business, Innovation and Skills (£5 million) and Network Rail (£6.8 million). This is scheduled for completion by 2019.

#### **4.0 Potential Impacts**

- 4.1 The reduction in trips from existing stations (with parking charged for at the Parkway) would be as follows;

Ramsgate 15.35%, Minster 12.98%, Sandwich 12.53%, Margate 2.38%, Broadstairs 2.78%

- 4.2 Kent County Council has had discussions with Network Rail and Southeastern and has received reassurance that the opening of the Parkway will not result in closure or loss of service to existing stations within Thanet. These stations are specified in the current franchise agreement. This position was recently confirmed at a meeting of the Joint Transportation Board.
- 4.3 Times to stations beyond the Parkway will be subject to a 2 minute delay as trains slow and stop there. However this will be offset by the planned 10 minute journey time improvements proposed to be implemented on this line. Therefore, there will be an 8 minute improvement over today's times.
- 4.4 A forecourt improvement scheme is being progressed for Ramsgate Station and this will not be affected by the Parkway proposals. Construction is intended to start in early 2015.

#### **5.0 Alternative Options**

- 5.1 As part of the initial process consideration was given to alternatives to the Parkway Station and in particular to the possibility of increased parking at Ramsgate Station. Ramsgate currently has 44 spaces including 2 accessible spaces. A large number of station users arriving by car do not use the station due to lack of space and cost and park on residential streets.
- 5.2 Given the potential for growth in Thanet and at Discovery Park any proposal for expansion at Ramsgate could only be considered short term. However 4 options were identified and examined.
- Decking the existing station car park
  - Building a multi storey car park at the Network rail maintenance depot
  - Building a car park on Warre Recreation Ground
  - Acquiring industrial land on Prince's Road

5.3 These options were rejected as they would result in additional traffic in residential areas, increased congestion, noise and air pollution. The depot is a 7-10 minute walk away and the use of Warre Rec would result in loss of green space.

## **6.0 Current Situation and Public Consultation**

6.1 Kent County Council has appointed URS to produce an outline design and prepare a planning application and to undertake the first public consultation in February 2015. A second consultation will take place when the planning application is submitted. A full Environmental Impact Assessment will, be carried out to understand the impacts of the development and appropriate mitigation measures will be incorporated in the design process. Although the Station will have direct access to the East Kent Access Road, which has ample capacity to accommodate future growth a Transport assessment will be produced. The new station will result in reduced congestion in residential areas around Ramsgate station.

6.2 Discussions have commenced with the current landowners to acquire the necessary land.

6.3 Some initial public consultation with parish and town councils has already taken place but a formal public consultation will commence for 8 weeks starting on 2<sup>nd</sup> February 2015.

6.4 Other meetings are being arranged with various groups but exhibitions are currently proposed as follows;

- Ramsgate Town Hall                      Saturday 21<sup>st</sup> February                      10.00 – 18.00
- Ramsgate Railway Station              Weekday (w/c 16<sup>th</sup> February) 15.00 – 19.30
- Sandwich Guildhall                      Thursday 19<sup>th</sup> February                      12.00 – 20.00
- Cliffsend Village Hall                    Thursday 12<sup>th</sup> February                      12.00 – 20.00
- Discovery Park                              Weekday (w/c 16<sup>th</sup> February) 10.00 – 18.00

6.6 Members will be aware that the Parkway Station is supported in the Preferred Options Draft Local Plan document (Policy SP39) which is currently out to public consultation.

## **7.0 Corporate Implications**

### **7.1 Financial and VAT**

7.1.1 There are no financial impacts resulting from this report.

### **7.2 Legal**

7.2.1 There are no direct legal impacts resulting from this report

### **7.3 Corporate**

7.3.1 The development of the Parkway Station will enable faster rail journeys to Ashford and London, will have a positive benefit on the perception of Thanet for inward investment and will improve connectivity to the wider jobs market. The proposal would support our Corporate Plan objectives.

### **7.4 Equity and Equalities**

7.4.1 There are no direct equity or equality implications.



## 8.0 Conclusions

- 8.1 The Parkway Station project is being progressed by Kent County Council with a view to opening the Station in January 2019. Further reports will be presented to Cabinet as the scheme is progressed.

## 9.0 Recommendation

- 9.1 That Cabinet note the current position with regard to progress on the Thanet Parkway Station and confirm their support for the project, subject to the consultation.

## 10.0 Decision Making Process

- 10.1 This is a non-key decision.

Contact Officer:	Ged Lucas, Director of Community Services Ext 7008
Reporting to:	Madeline Homer, Acting CEx

## Annex List

None	N/A
------	-----

## Background Papers

Title	Where to Access Document
None	N/A

## Corporate Consultation Undertaken

Finance	Matt Sanham, Finance Manager (Service Support)
Legal	Steven Boyle, Legal Services Manager

This page is intentionally left blank

---

## **ESTABLISHMENT OF EAST KENT SERVICES COMMITTEE AND ASSOCIATED ARRANGEMENTS**

To: **Cabinet – 20 January 2015**

Main Portfolio Area: **Business and Corporate Resources**

By: **Councillor Elizabeth Green, Cabinet Member for Business and Corporate Resources**

Classification: **Unrestricted**

Ward: **All Wards**

---

**Summary:** This report proposes revise collaboration arrangement for East Kent for those authorities in East Kent which are still sharing services through East Kent Services and East Kent Human Resource Partnership including, a revised committee structure and operating arrangements and a proposed administrative collaboration agreement. Once implemented the East Kent Joint Arrangements Committee will cease to exist

### **For Decision**

---

#### **1.0 Introduction and Background**

- 1.1 In the summer of 2012 the East Kent Joint Arrangements Committee, the East Kent Joint Scrutiny Committee and the executives of each council represented on the Joint Committees considered a report submitted by the Head of Legal and Democratic Services (Canterbury) and Solicitor to the Council (Dover) reviewing the East Kent arrangements for the delivery of shared services.
- 1.2 The Councils resolved to dissolve the East Kent Joint Arrangements Committee and the East Kent Joint Scrutiny Committee on the establishment of a new committee relating to functions shared by Canterbury City Council, Dover District Council and Thanet District Council. Once established, Kent County Council and Shepway District Council would cease to have any further involvement in the arrangements.
- 1.3 Following this, consideration was given by Canterbury, Dover and Thanet to the future management of the shared services.

#### **2.0 Features of Current Structure**

- 2.1 The shared services arrangements for East Kent Services (EKS) and EK Human Resources (EKHR) were established at different times and under different collaboration arrangements. EKHR came first. EKS came later.
- 2.2 Whilst the two collaboration documents have features in common e.g. delegations through a joint services arrangements committee, the EKS document reflects the

learning which was achieved over the working of joint services arrangements in practice.

- 2.3 Both arrangements are administrative collaborations taking effect under local government legislation. The arrangements are evidenced in formally drawn collaboration agreements which are necessary so that the parties have a clear understanding of how the shared service is to operate. The Councils have agreed to pool their sovereignty in respect of certain functions and delegate them to a joint committee which in turn has delegated the functions covered EKS to The Director of Shared Services and the functions covered by HR to the Head of EKHR.
- 2.4 By the decisions of 2012 the parties have agreed to dissolve the existing East Kent Joint Arrangements Committee primarily because the membership includes members from Shepway District Council and Kent County Council who either do not, participate in the shared services or only do so to a very minor extent. If the current payroll project proceeds to its intended conclusion, neither will be involved in the shared services at all.
- 2.5 The chief executives of the parties have examined and rejected the possibility of attempting to deliver the shared services through a corporate entity for reasons which included legal complexity, procurement and tax. In view of this and the foregoing and the desire of the participating councils to retain some sovereignty over shared services a shared services committee of some description must be maintained. Part of the function of this report is to describe how that joint committee may be constituted and run as a result of the proposed changes we describe.
- 2.6 In addition, the Director of Shared Services and the Head of EKHR have worked increasingly closely together and whilst not formally merged by decision have sought to align their management and operations as closely as possible. To take matters further and formally align their management formal decisions on structures and delegations are required.

### **3.0 The Proposed Joint Committee**

- 3.1 Schedule 1 sets out the operating arrangements for a new joint committee to be known as the East Kent Services Committee ('EKSC'). This title reflects the 'brand' of the delivery organisation of most of the shared services.
- 3.2 The proposed procedure rules for EKSC appear in Schedule 2. They will be broadly familiar to members deriving from the Executive procedure rules under which, in similar ways, all Executives currently work. However this Committee works under the principles of the Local Government Act 1972 as amended, making reference where needed to the changes brought about by the Local Government Act 2000.
- 3.3 The operating arrangements will, having been approved by the constituent councils, in the event of conflict, have priority. Within the bounds of those operating arrangements and the law, the EKSC can agree its own procedure.
- 3.4 These procedure rules can be kept under review and amended if necessary.
- 3.5 Members will note the revised arrangements are proposed to be effective from 10.30am on 11 February 2015 subject to all parties making similar decisions. The reason for the precise date and time is that we must ensure the continuity of the delegations between the previous arrangements and the new ones. The date and time mentioned are those of the first meeting of the new joint committee and thus continuity can be preserved.

## **4.0 Scrutiny Arrangements**

- 4.1 In 2012 it was agreed that the East Kent Joint Scrutiny Committee be dissolved and that future scrutiny should be carried out by the scrutiny committees of the individual participating councils. At the time it was resolved that the scrutiny committees of the individual councils arrange to meet on a regular basis to discuss issues of mutual interest. This has not happened but the proposed scrutiny protocol at Schedule 3 recognises the need for some co-ordination of activity.
- 4.2 Further the protocol will establish the required common understanding of how the call-in process will work for all parties, even though only one of them may have actually called a particular decision in. Notwithstanding the possibility of call-in the protocol encourages the inclusion of business from EKSC in the work programme of the scrutiny committees of the individual parties to allow for pre-decision.

## **5.0 The Proposed Collaboration Agreement**

- 5.1 The proposed Collaboration Agreement will incorporate the following features.
- 5.2 The structure of the proposed Collaboration retains many of the attributes (and actual clauses) of the earlier collaboration agreements. The proposed Collaboration Agreement will take as its theme and carry forward the collaboration objectives and partnership values set out in the existing arrangements as appearing at Schedule 4.
- 5.3 The main variations and features from the existing governance arrangements are as follows:
- The arrangements for EKHR and EKS are drawn together into one agreement.
  - The East Kent Forum is given a formal role in decision making when sitting as the East Kent Services Board. It should however be noted that the Board does not become a collective decision making body. Decisions at this level will only be possible where there is unanimity amongst the membership of the Board. In default, decisions will need to be abandoned or referred to the East Kent Services Committee.
  - Dover District Council remains the host authority for EKHR. Thanet District Council remains the host authority for EKS. In order to align the management of the two services it is proposed that Dover District Council should create a post of Director of Collaborative Services on its establishment who would hold the delegations relating to the human resources functions and manage the service.
  - It is envisaged that the individual appointed to the Dover post of Director of Collaborative Services will be the same individual who occupies the Thanet post of Director of Shared Services. The Director of Collaborative Services will not be a paid employee of Dover District Council. Rather, Thanet District Council will make available the services of the Director of Shared Services to Dover in order to fulfil the functions of the Dover post. This arrangement is expressly contemplated by Section 113 of the Local Government Act 1972,
  - Under the revised arrangements the Director of Collaborative Services/Director of Shared Services (assumed in practice to be the same person) as the holder of the delegations for all shared services functions would report to the East Kent Services Committee.

- The financial impact of the proposed collaboration agreement has been assessed as cost neutral.

## **6.0 Next Steps**

- 6.1 As previously agreed by the councils the approval of this report will wind up the previous governance arrangements for East Kent Services and the East Kent Human Resources Partnership, will align the governance and management arrangements under new governance arrangements which will include only those councils now sharing services.
- 6.2 That the East Kent Services Committee approve, the onward delegations to each of the Director of Collaborative Services and the Director of Shared Services the arrangements for the discharge of functions and delegations to the Committee contained in Schedule 5 to this report.
- 6.3 That each Council will take this matter to both its Cabinet and Council meetings as shown below:-

### **Canterbury City Council**

Cabinet            11 December 2014

Council            8 January 2015

### **Dover District Council**

Cabinet            5 January 2014

Council            28 January 2015

### **Thanet District Council**

Cabinet            20 January 2015

Council            5 February 2015

## **7.0 Options**

- 7.1 To approve the proposed arrangements and collaboration agreement
- 7.2 To retain the status quo and continue with existing committee arrangements and the separate collaboration agreements for EKHR and EKS.
- 7.3 To approve the revised committee structure only and continue with the separate collaboration agreements for EKHR and EKS.
- 7.4 Examine a corporate delivery vehicle.
- 7.5 To bring all services under one host authority.

## **8.0 Corporate Implications**

### **8.1 Financial and VAT**

8.1.1 None

## 8.2 Legal

8.2.1 The arrangements and collaboration agreement are in accordance with legislation and are considered to be lawful, robust and workable.

## 9.0 Conclusions

These arrangements give effect to the decisions taken in 2012. The proposed collaboration agreement aligns the management arrangements for the two services and provides service continuity

Contact Officer: Mark Ellender, 01227 862 011

David Randall, 01304 872141

Harvey Rudd, 01304 872321

Steven Boyle, 01843 5779062

## 10.0 Corporate

### 10.1 Relevant Council Documents

Attached as Schedules 1 to 5.

### 10.2 Consultation planned or undertaken

Informal consultation with senior managers affected.

## 11.0 Equity and Equalities

11.1 Aside from any matters already mentioned in relation to this matter in this report there are no additional relevant matters.

## 12.0 Recommendation

12.1 To agree option 7.1 above and that each Cabinet agree and approve and recommend to each Council:

- (1) To 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.
- (2) To adopt the Protocol on Scrutiny of the East Kent Services Committee set out at Schedule 3.
- (3) To reaffirm the collaboration objectives and partnership values set out at Schedule 4.
- (4) 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.

- (5) To Approve the arrangements for the discharge of functions and delegations contained in Schedule 5 to this report.
- (6) To 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.
- (7) 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.
- (8) To 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.

### **13.0 Decision Making Process**

13.1 These matters are within the authority of the executive and the Council of each of the authorities of Canterbury City, Dover District and Thanet District.

13.2 That Dover District Council will:-

- (1) Create the Chief Officer post (without employment) of Director of Collaborative Services and accept the services of the Director of EK Services for the purposes of exercising the functions of that post pursuant to section 113 Local Government Act 1972.
- (2) Acting pursuant to section 111 Local Government Act 1972 (and all other powers so enabling), place the services of the Director of EK Services at the disposal of the EKSC for the purpose of discharging the functions of the Director of EK Services as defined in the proposed collaboration agreement.

13.3 That Thanet District Council will:-

- (1) Make the services of its employee, the Director of East Kent Services available to Dover District Council pursuant to section 113 Local Government Act 1972 for the purposes of exercising the functions of Director of Collaborative Services.
- (2) Acting pursuant to section 111 Local Government Act 1972 (and all other powers so enabling), place the services of the Director of EK Services at the disposal of the EKSC for the purpose of discharging the functions of the Director of EK Services as defined in the proposed collaboration agreement.

Contact Officer:	Steven Boyle – Interim Legal Services Manager & Monitoring Officer
Reporting to:	Madeline Homer, Acting Chief Executive

### **Annex List**



Schedule 1	East Kent Services Operating Arrangements
Schedule 2	East Kent Services Committee Procedure Rules
Schedule 3	Protocol on the Scrutiny of the East Kent Services Committee
Schedule 4	The Collaboration Objectives and the Partnership Values
Schedule 5	Arrangements for the Discharge of Functions and Delegations

### **Background Papers**

<b>Title</b>	<b>Details of where to access copy</b>
None	N/A

### **Corporate Consultation Undertaken**

Human Resources	EK Human Resources
Finance	Paul Cook – Interim Director of Corporate & Regulatory Services
Legal	Steven Boyle – Interim Legal Services Manager & Monitoring Officer

This page is intentionally left blank

## **Schedule 1**

### **East Kent Services Committee Operating Arrangements**

**Canterbury City Council**

**Dover District Council**

**Thanet District Council**

together referred to as 'the Parties'

#### **1. Key Principles**

- 1.1 The Executive and full Council of each of the Parties has determined by resolution to establish this joint committee to become effective from 11 February 2015 for the purposes of exercising agreed functions over their 'combined administrative area'.
- 1.2 The joint committee will be established as the East Kent Services Committee (EKSC).
- 1.3 The Parties are committed to a joint committee which provides streamlined decision making; and co-ordination of services across the combined administrative area through mutual co-operation.
- 1.4 The Parties are committed to open and transparent working and proper scrutiny and challenge of the work of the EKSC through their own scrutiny arrangements.
- 1.5 Any new Parties to these arrangements after they become effective will have all the same rights and responsibilities under these arrangements.

#### **2. Definitions**

- 2.1 'Decisions' means those decisions of the Parties delegated from time to time to the EKSC to discharge.
- 2.2 'A shared service' means a service delivering functions as agreed by all of the Parties.
- 2.3 'The combined administrative area' means the local government areas of the city and district authority Parties combined.
- 2.4 'The Parties' means the authorities listed above.
- 2.5 'Voting Member' means the appointed elected members of each of the Parties.

2.6 'Host Authority' means the local authority appointed by the Parties under these arrangements to administer these operating arrangements and to facilitate the holding of meetings of EKSC.

### **3. Objectives**

3.1 The objectives of the EKSC are to:

- (a) improve services, and secure economy, efficiency and effectiveness in their delivery in the combined administrative area
- (b) Streamline decision making where joint arrangements exist
- (c) Enhance mutual co-operation and strategic partnering

### **4. Powers and Functions**

4.1 The EKSC is established under section 9EB of the Local Government Act 2000 and Regulations 4, 11 and 12 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 and sections 101(5) and section 102(1) of the Local Government Act 1972 enabling the Parties to perform the functions referred to in the Schedule in the manner set out in these arrangements.

4.2 The functions of the EKSC shall be those functions or services that are delegated to it by the parties from time to time as approved by resolution of the executive and/or full Council (as appropriate). of such of the parties as are minded to participate in those joint functions and services.

4.3 Any delegations to the EKSC shall be made in a common form and shall not take effect until agreed by the executive and/or full Council (as appropriate) of all those Parties.

### **5. Terms of Reference**

5.1 The terms of reference for the EKSC are as set out in the Schedule to these operating arrangements

### **6. Membership and Voting Rights**

6.1 The EKSC shall comprise two executive members of each of the Parties who operate an executive system of political management. Where a party does not operate an executive system of political management then such a party shall appoint two members of the authority. .

6.2 Where a party operates an executive system of political management the Leader of each Party may nominate (for approval by the Council) two further members of their Executive to act as substitutes for either or both of the two appointed executive members as necessary .Where a party does no operate an executive system of political management then such a party may appoint two further members of the authority to act as substitutes.

6.3 Non-voting members may be co-opted onto the EKSC from any or all of the Parties or from other public sector partner organisations as the EKSC may unanimously decide. Co-optees may participate in the debate but may not vote.

## **7. Frequency of Meetings**

7.1 The EKSC will meet at least once annually and may hold additional meetings as business requires.

## **8. Agenda Setting and Access to Meetings and Information**

8.1 The agenda for the EKSC shall be agreed by the chairman of the EKSC following a briefing by relevant officers. Any member of the EKSC may require that an item be placed on the agenda of the next available meeting for consideration.

8.2 Notice of meetings and access to agendas and reports will be in accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, or sections 100A-K and Schedule 12A of the Local Government Act 1972 and the Openness of Local Government Bodies Regulations 2014, as appropriate.

## **9. Sub-Committees**

9.1 The EKSC may establish sub-committees as it may determine.

9.2 When establishing a sub-committee the EKSC will agree the:

- (a) terms of reference for the sub-committee
- (b) size and membership of the sub-committee including co-optees
- (c) period for which the sub-committee will remain constituted
- (d) chairman of the sub-committee or will delegate this decision to the sub-committee
- (e) mechanism for hosting the sub-committee and sharing the cost amongst the relevant Parties, as appropriate

## **10. Delegation to Sub-Committees and Officers**

10.1 The EKSC may arrange for the discharge of any of its functions by a sub-committee of the EKSC or an officer of one of the Parties. Any such sub-committee may, subject to the terms of these arrangements and unless the executive leader of any of the parties directs otherwise, arrange for the discharge of any of its functions by such an officer.

## **11. Meetings and Procedure**

11.1 The Chairman and Vice Chairman of the EKSC will be appointed annually by the EKSC.

## **11. Meetings and Procedure**

- 11.1 The Chairman and Vice Chairman of the EKSC will be appointed by the EKSC on the basis of the position being rotated annually, as follows, and repeated each three years:

	<b>Chairman and Host Authority</b>	<b>Vice Chairman</b>
Year 1 (2014/2015)	Thanet District Council	Dover District Council
Year 2 (2015/2016)	Dover District Council	Canterbury City Council
Year 3 (2017/2018)	Canterbury City Council	Thanet District Council

All appointments to be for the municipal year commencing April/May in any year

- 11.2 In the absence of the chairman and the vice chairman at a meeting, the meeting will elect a chairman for that meeting.
- 11.3 The quorum of the EKSC will be three with at least one member present from each of the three Parties. If the meeting is inquorate then it shall stand deferred for seven days to meet at the same time and in the same place when the quorum shall be three drawn from any of the Parties.
- 11.4 The EKSC may approve rules for its procedure and meetings from time to time.
- 11.5 The parties may approve a protocol for the scrutiny process of EKSC from time to time.

## **12. Decision Making**

- 12.1 All decision shall be decided by a majority of members present and voting thereon at a meeting of the EKSC. The vote will be by way of a show of hands.
- 12.2 The EKSC may recommend to the parties services and/functions which may be considered for joint working.
- 12.3 Where all of the parties have agreed to delegate a shared service, then the service will become a shared service when all Parties have passed the necessary resolutions.

## **13. Publicity In Connection With Key Decisions**

- 13.1 Decisions of the EKSC which will amount to a Key Decision of any Party shall be included within each Parties publicity in connection with key decisions.

## **14. Host Authorities and Allocation of Roles**

- 14.1 The Host Authority shall be Canterbury City Council until the parties otherwise decide.
- 14.2 Responsibility for the following support services to the EKSC will be allocated to the Host Authority:
- (a) the provision of legal advice and services
  - (b) the provision of financial advice and services
  - (c) secretariat support and services
  - (d) communications support and services
- 14.4 The cost of the services and advice set out in this section will be met by each of the Parties in such proportion as they shall from time to time agree.

## **15. Amendments to these Arrangements**

- 15.1 These arrangements may be amended by the unanimous agreement of the EKSC following a recommendation approved by the Executive and full Council of each of the Parties.

## **16. New Membership and Cessation of Membership**

- 16.1 New Parties may join the joint committee provided that the Executive and full Council of the joining Party (ies) and of all the Parties to these arrangements for the time being so resolve.
- 16.2 Any of the Parties may cease to be a party to these arrangements following notice of cessation subsequent to a decision by the relevant Executive and full Council. A minimum of six months notice is required for any Party to leave the EKSC and in any event, any notice of cessation can only be effective when expiring on 31 March in any year. For the avoidance of doubt, where a Party wishes to withdraw from these arrangements but makes that decision and gives notice within six months expiring on 31 March, they may not withdraw from these arrangements until the 31 March in the subsequent year.
- 16.3 On any of the Parties ceasing to be a party to these arrangements, these arrangements shall continue unless the remaining parties determine that those arrangements shall terminate. The benefits and burdens of such termination shall be agreed between the Parties and in default of such agreement shall be determined in accordance with 17.1.
- 16.4 Termination of these arrangements may occur by agreement of all the Parties.

## **17. Dispute Resolution**

- 17.1 Any dispute between the Parties arising out of these arrangements shall be referred to a single arbitrator to be agreed between the Parties, or, where no agreement can be reached, and having regard to the nature of the dispute, by an arbitrator nominated by the chairman of the Local Government Association and will be carried

out in accordance with the provisions of the Arbitration Act 1996 as amended or modified and in force for the time being.

## **18. Claims and Liabilities**

18.1 The purpose of these arrangements and any actions taken under them is to assist all of the Parties to undertake shared services). The Parties therefore have agreed that:

- (a) all of the costs attributable to the provision of any shared service shall be shared between the Parties in such proportions as they shall agree (and if not otherwise agreed then in equal shares)
- (b) where one of the Parties nominated by the EKSC to act in respect of a shared service undertakes actions or incurs liabilities in respect of that shared service on behalf of the EKSC then it shall be entitled to be indemnified by the other Parties for the appropriate proportion of all its costs and liabilities incurred in good faith in relation to that shared service
- (c) where one of the Parties nominated by the EKSC to act as Host Authority undertakes actions or incurs liabilities in that respect then it shall be entitled to be indemnified by the other Parties for the appropriate proportion of all its costs and liabilities incurred in good faith
- (d) a Party carrying out actions in good faith on behalf of the EKSC shall not (other than in the case of fraud and/or clear bad faith) be liable to claims from the other Parties (and there shall be no right of set-off against any claim for indemnity under (b) and/or (c) above) on the grounds that the actions that were taken were not the proper actions carried out properly or that the costs and liabilities incurred were not reasonably and properly incurred (as long as they were in fact incurred)

18.2 Each of the Parties shall at all times take all reasonable steps within its power to minimise and mitigate any loss for which it is seeking reimbursement from any of the other Parties.

## **19. Data Protection, Freedom of Information, Information Sharing & Confidentiality**

19.1 Subject to the specific requirements of this clause, each of the Parties shall comply with its legal requirements under data protection legislation, freedom of information and associated legislation, and the law relating to confidentiality.

19.2 An authority will be appointed as a Host Authority for the purposes of ensuring compliance with any legislative or legal requirements relating to these issues should they arise directly in relation to the joint committee (as compared to information held by the Parties to these arrangements).

19.3 Each of the Parties shall:

- (a) treat as confidential all information relating to:
  - (i) the business and operations of the other Parties and/or



- (ii) the business or affairs of any legal or natural person in relation to which or to whom confidential information is held by that Party

("Confidential Information") and

- (b) not disclose the Confidential Information of any other of the Parties without the owner's prior written consent

19.4 Clause 19.3 shall not apply to the extent that:

- (a) such information was in the possession of the Party making the disclosure, without obligation of confidentiality, prior to its disclosure or
- (b) such information was obtained from a third party without obligation of confidentiality or
- (c) such information was already in the public domain at the time of disclosure otherwise than through a breach of these arrangements or
- (d) disclosure is required by law (including under Data Protection Legislation, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004) or disclosure is permitted by the Human Rights Act 1998

19.5 The Parties may only disclose Confidential Information of another of the Parties to staff who need to know by reason of their work. Each of the Parties shall ensure that such staff are aware of, and comply with, these confidentiality obligations and that such information is not used other than for the purposes of the EKSC.

19.6 If any of the Parties receives a request for information under the Freedom of Information Act 2000 and/or the Environmental Information Regulations 2004 then the other Parties shall (at their own expense) assist and co-operate to enable the request to be dealt with.

19.7 If a request for information is received then the Party receiving it shall copy it to the other Parties and consider when making its decisions any views of the other Parties.

19.8 Notwithstanding the provisions of 19.6 and 19.7 it shall be the Party receiving the request that is responsible for determining at its absolute discretion how to reply to the request.

## **20. Exercise of Statutory Authority**

20.1 Without prejudice to these arrangements, nothing in these arrangements shall be construed as a fetter or restriction on the exercise by any of the parties of their statutory functions. The parties may continue to provide the whole or any part of a service at their own cost notwithstanding that the service is also a shared service being provided jointly.

**TERMS OF REFERENCE of the EAST KENT SERVICES COMMITTEE**

1. To exercise the executive and non-executive functions of the parties in order to commission, co-ordinate, provide, procure and/or manage any shared services as are agreed from time to time by the Parties
2. To provide strategic direction to the officers advising the EKSC
3. To exercise any of the functions or services that are determined to be a shared service in accordance with these arrangements
4. To develop work programmes and projects in relation to the functions which the parties are minded to be delegated to the EKSC by the Parties
5. To report as necessary to each of the Parties on its activities
6. To respond to reports and recommendations made by all or any of the Parties
7. To make recommendations to the Parties for improvement and change of these operating arrangements and to propose (as appropriate) the creation of special purpose vehicles for the achievement of the Objectives, including companies, formal partnerships or consortia, the expansion of these arrangements to include other local authorities, the conclusion of contracts with other persons and the provision of services, supplies and works to other persons

## SCHEDULE 2

### **East Kent Services Committee Procedure Rules**

These Rules are made supplemental to clause 11.4 of the East Kent Services Committee operating arrangements (“operating arrangements”) and are to be read in conjunction with them. In the event of conflict the operating arrangements shall prevail. “Joint Committee” means the East Kent Services Committee. Words and phrases not otherwise defined in these Rules shall have the meanings given them in the operating arrangements.

#### **1. The operation of the Joint Committee**

##### **1.01 Who may make decisions?**

The arrangements for the discharge of functions are:

- i) the Joint Committee as a whole;
- ii) a sub-committee;
- iii) an officer of one of the Parties.

##### **1.02 Sub-delegation of functions**

- (a) Where the Joint Committee are acting as a whole, they may delegate further to a sub-committee or an officer.
- (b) Even where functions have been delegated, that fact does not prevent the discharge of delegated functions by the person or body who delegated them.

##### **1.03 The Joint Committee’s scheme of delegation**

The Joint Committee’s scheme of delegation will be subject to adoption by it and may only be amended by it. It will contain any limitations or conditions.

##### **1.04 Joint Committee meetings – frequency and venue**

The EKSC will meet at least once annually. At other times it will meet at times agreed by the Chairman with the Chief Executive of the host authority. It will meet at the premises of the host authority.

A meeting of the Joint Committee shall be summoned by the Chief Executive of the Host Authority who will give a minimum of five working days notice (or less in the case of urgency) or any other date convenient to the Chairman subject to the requirements of legislation.

##### **1.05 Meetings of the Joint Committee**

Meetings of the Joint Committee will be held in public except in so far as the matters for decision relate to issues which can be dealt with in private in accordance with the Access to Information requirements of the Local Government Act 1972.

## **1.06 Quorum**

The quorum of the Joint Committee is as provided for in paragraph 11.3 of the operating arrangements.

## **2. Conduct of meetings**

### **2.01 Chair**

The Chairman will preside at any meeting of the Joint Committee at which he/she is present, and in his/her absence the Vice Chairman will preside. In the absence of both the Chairman and Vice Chairman the members present shall appoint another person to preside.

### **2.02 Attendance**

Members of the public (including other members of the Parties) may attend all meetings of the Joint Committee except when exempt or confidential information is being considered where the press and public, may be excluded by resolution of the Joint Committee in accordance with the Local Government Act 1972.

### **2.03 Order of business**

Meetings of the Joint Committee will include the following business:

- i) consideration of the minutes of the last meeting;
- ii) apologies for absence;
- iii) declarations of interest, if any;
- iv) matters referred to the Joint Committee by any of the Parties;
- v) consideration of reports from any Sub-Committees of the Joint Committee;
- vi) consideration of reports from the Officers;
- vii) matters set out in the agenda for the meeting, which shall indicate which are key decisions;
- viii) advice to the Parties for their publicity in connection with key decisions;

### **2.04 Consultation**

Reports will set out the details and outcome of consultation as appropriate. The level of consultation required will be appropriate to the nature of the matter under consideration.

### **2.05 Timescales**

In considering matters in relation to budgetary issues the Joint Committee will have due regard to any appropriate timescale within which budgets have to be approved by the Parties.

## **2.06 Key decisions**

Decisions of the Joint Committee which are key decisions shall only be taken provided that the matter in question is contained within the publicity in connection with key decisions of all Parties. If not publicised as required that decision can only be taken if any delay likely to be caused by the call-in process would seriously prejudice the interests of any of the parties or the public interest. The record of the decision and the notice by which it is made public shall state whether, in the opinion of the decision maker, the decision is an urgent one, and therefore not subject to call-in.

The Chairman of the appropriate scrutiny committee of each of the parties must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. In the absence of the Chairman of the appropriate scrutiny committee, the consent of the Chairman of that party shall be required. In the absence of both the Chairman of the appropriate scrutiny committee and the Chairman of the appropriate party, the consent of the Vice-Chairman of that party shall be required. Decisions taken as a matter of urgency must be reported to the next available Full Council meetings of each of the parties, together with the reasons for urgency.

## **2.07 Recording of decisions**

Following a meeting of the Joint Committee at which a report has been received and at which a decision has been made, the Host Authority shall ensure that a written statement is kept which must include the following:

- (i) record of the decision;
- (ii) record of reasons for the decision;
- (iii) details of alternative options considered;
- (iv) record of any interest declared; and
- (v) any dispensation granted under the Code of Conduct for Members.

No decision will be made either by the Joint Committee or a Sub-Committee thereof unless there is present at the meeting the Head of Paid Service of the Host Authority (or his representative) or the officer responsible for the particular joint service project is present or their representative and the Proper Officer for recording decisions is present which for this purpose shall be an officer of the host authority who is not the Head of Paid Service.

A written statement of the decision taken will be produced by the Proper Officer within two clear working days following the Joint Committee.

This page is intentionally left blank

**SCHEDULE 3**

**Protocol on Scrutiny of the  
East Kent Services Committee**

**Canterbury City Council**

**Dover District Council**

**Thanet District Council**

together referred to as 'the Parties'

**1.0 Key Principles for the Scrutiny of the East Kent Services Committee**

- 1.1 The members of the all the parties will work together to maximise the exchange of information and views, to minimize bureaucracy and make best use of the time of members and officers.
- 1.2 The guiding principle for the operation of scrutiny is that it should be consensual, positive and transparent. The emphasis of the work should be on making proactive contribution to the development of policy and the discharge of the functions of the East Kent Services Committee ('EKSC'). This is best achieved by an inclusive process covering members, the parties' partners, service users and officers.

**2.0 Purpose**

- 2.1 The purpose of this protocol is to facilitate the performance of the scrutiny function of each of the parties under the Local Government Act 2000.
- 2.2 If any party changes its political management arrangements this Protocol shall cease to apply to that party insofar as its statutory powers are concerned but it would seek to carry out non-statutory scrutiny in a manner consistent with its constitution and this protocol

**3.0 Pre-Decision Scrutiny**

- 3.1 The parties agree to use their publicity in connection with key decisions, residents surveys and other material to identify topics for future scrutiny and for inclusion in their scrutiny work programme. To this end the parties shall endeavour to co-ordinate their activities.

**4.0 Call-In**

- 4.1 A procedure for the operation of call-in by the parties has been agreed and is set out in the Schedule.
- 4.2 Where there is a call-in by any of the parties each of the other Parties will be notified forthwith. The call-in shall be heard by the call-in Party's appropriate scrutiny committee in accordance with the call-in Party's own arrangements. Where there is

more than one call-in on the same subject the parties shall endeavour to co-ordinate their activities.

- 4.3 The call-in procedure set out in clauses 4.1 and 4.2 above shall not apply where the decision being taken by or on behalf EKSC is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the interests of any of the Parties or the public interest. The record of the decision and notice by which it is made public shall state whether, in the opinion of the decision maker, the decision is an urgent one and therefore not subject to call-in. The suspension of call-in (including the obtaining of any necessary consents) shall be dealt with in accordance with each parties' constitutional arrangements. Decisions taken as a matter of urgency must be reported to the next available full Council meetings of each of the Parties, together with the reasons for urgency.

#### **5.0 Amendments to this Protocol**

- 5.1 This protocol may be amended by the unanimous agreement of the parties.

#### **6.0 Administration**

- 6.1 The decisions and recommendations of the parties scrutiny committees will be communicated to EKSC and the participating councils as soon as possible after the resolution of the committee.

#### **7.0 Exercise of Statutory Authority**

- 7.1 Without prejudice to these arrangements, nothing in this protocol shall be construed as a fetter or restriction on the exercise by any of the parties of their statutory functions.



## **The Schedule to Protocol on Scrutiny of the East Kent Services Committee**

### **PROCEDURE FOR THE OPERATION OF CALL-IN**

1. When a decision is made by EKSC, a sub-committee of EKSC, or a key decision is made by an officer with delegated authority from EKSC, the decision shall be published, including where possible by electronic means, and shall be available at the main offices of each of the Parties normally within two days of being made. Each of the Parties will be sent copies of the records of all such decisions within the same timescale, by the person responsible for publishing the decision. Each of the Parties shall thereafter publish and distribute the records as appropriate to their own constitutional arrangements (including distribution to chairs of all overview and scrutiny committees).
2. That notice will bear the date on which it is published and will specify that the decision will come into force, and may then be implemented at 12.00 noon, on the fourth working day after the publication of the decision, unless it is called-in.
3. If a decision is called-in by a scrutiny committee of one of the parties that party shall hold a meeting of the appropriate scrutiny committee within 10 working days of the decision to call-in. Reasons for calling-in a decision should be given and recorded in the agenda.
4. If, having considered the decision, the appropriate scrutiny committee of one of the parties is still concerned about it, then it may refer it back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns or refer the matter to its full Council and may circulate them to the other Parties. If referred to the decision maker they shall then reconsider within a further 10 working days, amending the decision or not, before adopting a final decision.
5. If the scrutiny committee or council of any of the Parties to whom the matter has been referred does not meet, or if it does but does not refer the decision back to the decision maker, the decision will become effective on the date of the relevant meeting of the scrutiny committee or the full Council or expiry of the period in which the scrutiny committee meeting or meeting of the Council should have been held, whichever is the earlier.

This page is intentionally left blank

**SCHEDULE 4**

**The Collaboration Objectives and the Partnership Values**

**The collaboration objectives are:-**

the commitment of the Authorities to the most economically advantageous and closest co-ordination possible of the Shared Services across the Authorities' administrative areas within the law and practical achievement enabling cross border co-operation to improve efficiency and the obligation to discharge the Best Value duty imposed on the Authorities by section 3 of the Local Government Act 1999 in relation to, inter alia, the Shared Services or any part of them

**The partnership values are:-**

- Openness, communication, trust and information sharing on a formal and informal basis in a timely fashion.
- Creating open dialogue between the Authorities to discuss and resolve any issues arising irrespective of any fault and where it may lie.
- Recognising that issues and conflicts will arise and openly acknowledging, discussing and addressing such issues.
- Being inclusive and open minded when developing ideas and plans.
- Developing agreed and clearly understood mutual objectives whilst recognising and respecting each Authority's individual objectives.
- Applying efforts to recognise common objectives which are clearly communicated, recorded and understood and recognising any necessary change to those objectives.
- Creating a proactive and positive culture seeking improvement and being open to adopting new approaches and techniques.
- A commitment to a constructive and collaborative resolution of problems and developing joint problem solving approaches, looking for mutually beneficial outcomes.
- Creating a proactive and positive culture amongst all of its personnel so problems are resolved quickly.
- Recognising that the priority should be resolution of issues and working together to allow better anticipation of potential problems and preventative action.
- Ensuring that where there is a change of key personnel any new personnel are provided with high quality induction training and made aware of the working practices related to delivery of the Collaboration.
- To use reasonable endeavours to provide consistency in the personnel assigned to deliver the services and that key personnel remain capable and competent throughout the term of this Agreement.
- To ensure there is a commitment to overall sound contract performance management, benefit realisation and reporting, including the management of change and risk and that the agreement develops and changes to meet the Authorities' business needs.
- To use reasonable efforts to ensure this Agreement develops in ways which are consistent with the Collaboration Objectives, the Authorities' constitutions and political and corporate objectives.

This page is intentionally left blank

**SCHEDULE 5****Arrangements for the Discharge of Functions and Delegations****Functions To Be Discharged By EKSC On Behalf Of The Authorities****Framework and Definitions**

1. The functions delegated in this Schedule are associated with the following services which are to be delivered by Canterbury City Council, Dover District Council and Thanet District Council through the East Kent Services Committee:
2. Detailed as below:
  - (a) ICT
  - (b) face to face and contact centre customer services
  - (c) revenues and benefits
  - (d) human resources
3. It is contemplated that the East Services Committee will in turn delegate the discharge of these functions to the Director of Collaborative Services and/or the Director of Shared Services or other of their officers.
4. The “Arrangements” means the operating arrangements, Terms of Reference, Committee Procedure Rules and any other minutes or documents for the time being in force by which the East Kent Joint Arrangements Committee is constituted and its powers defined.
5. “Authority” means Canterbury City Council, Dover District Council, or Thanet District Council as the context requires, being the authority on whose behalf the particular powers or functions are being exercised and “Authorities” shall be construed accordingly.
6. “The Committee” means the East Kent Services Committee.
7. “The Department” means as the context requires the East Kent Shared Services department under the Directorship of the Director of Shared Services and or the East Kent Human Resources department under the Directorship of the Director of Collaborate Services.
8. “Scheme of Delegation” means the arrangements for the discharge of functions and delegations set out in this Schedule.

**Exercise of Functions**

9. The Council’s and the Executives of the Authorities delegate the discharge of the functions set out in this Scheme of Delegations to the East Kent Services Committee pursuant to all powers contained in or having effect under the Local Government Acts of 1972 and 2000.
10. The exercise of the powers and functions set out in this Schedule shall without prejudice to any specific delegation or authorisation set out, and subject to any express Conditions/Exclusions/Limitations/Notes specified, be taken to include power to do anything

incidental or conducive to the discharge of such functions including (by way of example and not by way of limitation) power to do any of the following:

- (a) To appoint or designate any officer as an "authorised officer", "inspector", "person duly authorised" or similar under any of the legislation or functions specified for the purposes of enabling any such person to carry such legislation or functions into effect.
- (b) To authorise any officer for the purposes of any of the above mentioned legislation or functions.
- (c) To exercise any power or function conferred by or in connection with the specified legislation or functions to:
  - (i) Require any person to provide any information.
  - (ii) Enter or inspect any land, premises, vehicle or vessel.
  - (iii) Take samples of, seize, test, dispose of, destroy, or otherwise deal with and thing or substance in accordance with the applicable legislation.
  - (iv) Make application for any warrant or order to a court of summary jurisdiction and to execute any such warrant or order taking with him or her any other person as may be authorised.
  - (v) To make or swear any information.
  - (vi) Institute or defend any legal proceedings, and to take all proper steps in the furtherance or compromise of such proceedings (in each case) in consultation with the Solicitor to the Council which may be undertaken in relation to specific cases or in relation to categories of work,.
  - (vii) Execute work.
  - (viii) Sell or dispose of any goods, articles, samples materials or other property (other than land and buildings).
  - (ix) Recover any sums of money due to the Authorities.
  - (x) Authorise any other person to do any of the things mentioned in (i) to (ixi) above to the extent permitted by law.

11. The East Kent Services Committee are hereby authorised to discharge on behalf of the Authorities the function of preparing and approving, amending or repealing, any policy, statement, practice note, code of guidance, procedure or similar in connection with the functions hereby delegated and:-

- (a) Until such time as they have done so any reference in this Part to any policy, procedure, process or similar administrative statement of practice 'of the Authority' shall be interpreted as a reference to the relevant policy, procedure process of similar administrative statement of the relevant Authority in force on 11 February 2015.
- (b) Any reference in this Part to any policy, procedure, process or similar administrative statement of practice 'of the Authority' shall be interpreted as a reference to the relevant policy, procedure process of similar administrative statement as approved by the former East Kent Joint Arrangements Committee or the East Kent Services Committee (or the relevant Authority) after 11 February 2015.

12. Any reference to any Act, Rule, Order or Regulation shall be taken as including a reference to that Act, Rule, Order or Regulation as re enacted replaced or modified from time to time.
13. References to any statutory provision shall include a reference to any subordinate or secondary legislation made under or taking effect under it from time to time.

#### Administrative

14. The Committee may only exercise the delegated powers in this schedule in accordance with:-
  - (a) Statutory or other legal requirements, including the principles of public law, the Human Rights Act 1998 (as amended), statutory guidance and statutory codes of practice.
  - (b) The Constitution of the Authority where relevant including standing orders, contract standing orders and financial regulations.
  - (c) The revenue and capital budgets of the Authority, subject to any variation thereof which is permitted by the Authority's Financial Regulations.
  - (d) Consideration of any relevant policy adopted by the Committee.
15. The Committee may not exercise delegated powers where –
  - (a) The matter is reserved to the Authority by the arrangements.
  - (b) The matter is a function which cannot by law be discharged by the Committee.
16. The Committee may not exercise delegated powers in a way which is contrary to the policies and plans approved by or on behalf of the Authority.
17. Where an officer has delegated powers the Committee or sub-committee (as appropriate) the Committee can still exercise that power if it considers that it is appropriate to do so.
18. If for any reason it is not practical to consult a person required to be consulted in the exercise of a delegation then the Committee must consult someone else they reasonably consider to be an appropriate substitute consultee if reasonably practicable to do so.
19. The delegations in this Scheme of Delegation include the discharge of both executive and non-executive functions
20. Any reference in this Scheme of Delegation to any enactment shall include a reference to any amendment to or re-enactment of the same.
21. Where The Committee has delegated authority to discharge functions by virtue of any other decision by the parties or the absence of the delegation from this Scheme of Delegation shall not prevent the exercise of the delegation.
22. Where the Committee delegates the exercise of any function to an officer of any of the Authorities that officer may nominate another officer or officers to exercise that duty, function or power, provided that the nominated officer(s) report to or is responsible to officer to whom the delegation has been made.
23. Where an officer has delegated authority to discharge functions;

- (a) By virtue of any other decision of the parties or;
- (b) Through a specific decision of the Committee, or a sub-committee, either before or after the adoption of this Scheme of Delegation,

The absence of the delegation from this Scheme of Delegation shall not prevent the exercise of the delegation.

### **Functions Related to the Administration and Management of the Shared Service**

#### Business cases and delivery of services

- 24. To develop shared service business cases work programmes and projects in relation to the functions which any of the Authorities are minded to delegate to the Committee. [E/C]
- 25. With the assistance if necessary of the appropriate Chief Executive of any of the Authorities to obtain from his or her Authority any information required in preparing a shared service business case. [E/C]
- 26. Once a business case is approved to implement the same and deliver the service as defined therein. [E/C]
- 27. To make arrangements for the management of the Department. [E/C]

#### Financial

- 28. Acceptance of the lowest tender or bid for the carrying out of works for the committee, the purchase, leasing or hiring of goods, materials and equipment by the committee, or the supply of services to the committee, provided that budget provision is available. [E]
- 29. Authorise Entry into contract documentation following tender/bid acceptance (subject to the provisions of Financial Regulations and Contract Standing Orders of the Authority relating to the execution of contracts under seal). [E/C]
- 30. Authority to negotiate and agree price increases where a contract provides for price increases to be negotiated and agreed by the parties, subject to Contract Standing Orders of the Authority and ensuring sufficient budgetary provision exists. [E/C]
- 31. The assignment or novation of a contract. [E/C]
- 32. The approval of the appointment of or the acceptance of the tender of a sub-contractor or supplier for specialist work or material provided that this does not result in the budget provision for the works as a whole being exceeded. [E/C]
- 33. Virement between heads of expenditure of up to the limit specified in the Authority's Financial Regulations provided that such virement is in accordance with the conditions for virements in such Financial Regulations. [E/C]
- 34. Provision of reasonable hospitality to representatives of other authorities, visiting a department or premises under the Committees control subject to agreement by the Chief Executives of each of the parties for expenditure in excess of £500. [E]
- 35. To negotiate and agree variations in contracts arising out of statutory requirements subject to adequate budgetary provision being available. [E/C]

#### Shared Services Employees



36. The Authority's empower the Committee to the intent that the Director has the necessary delegated powers to;-
- (a) to determine the establishment and make changes to the establishment of the Department [C]
  - (b) to exercise all powers functions and responsibilities in relation to the employment, management and dismissal of staff engaged [C] in the shared services under the terms, conditions, policies and procedures of the Authority. [C]

General

37. To publicise the services they provide. [E/C]
38. To deal with issues relating to the Commission for Local Administration relevant to the Committee. [E/C]

**Delegation of the functions associated with the provision of ICT services, face to face contact centre customer services and benefits and benefits administration.**

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
1. Council Tax	<p>In connection with the administration of the council tax:</p> <p>(a) to determine occupation, to send invoices, grant reliefs, issue penalties, collect income and take all recovery and other administrative steps necessary to collect the council tax in accordance with any statute or statutory regulations and make determinations and exercise discretions as appropriate, except for matters specifically reserved to the Authorities;</p> <p>(b) to administer the Authorities' Council Tax Reductions Schemes in accordance with any statute or statutory regulations and make determinations and exercise discretion as appropriate, except for matters specifically</p>	

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
	<p>reserved the Authorities;</p> <p>(c) to represent the Billing Authority in any proceedings tribunal or appeals panel dealing with matters of housing benefit or council tax, and in any proceedings relating to the recovery and enforcement of council tax and penalties before the Magistrates and County Court, and to authorise officers of any Authorities who are represented on the East Kent Services Committee to similarly represent the Billing Authority;</p> <p>(d) to undertake interviews under caution, to issue cautions, administrative penalties and authorise prosecutions in accordance with legislation, and the Authorities' prosecution policy and statement on fraud;</p> <p>(e) to administer discretionary housing payments in accordance with legislation and the Authorities' policy;</p> <p>(f) to complete statutory returns in connection with council tax;</p> <p>(g) to serve or withdraw completion notices under Schedule 4a of the Local Government Finance Act 1988 as amended;</p>	

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
	<p>(h) to determine liable persons, exemptions, discounts, transitional relief schemes, calculate instalments, appoint bailiffs, debt collection agents and process servers, request a statement of case for the opinion of the High Court, attach earnings and income support, impose a charge upon property, commence bankruptcy proceedings, attach allowances, levy distress, impose charges for levying distress, seek insolvency of the debtor or commitment to prison, to request and execute warrants of arrest and exercise any other administrative step for the collection of council tax;</p> <p>(i) to represent the Authorities in the determination of proposals, alterations and appeals for council tax where appropriate;</p> <p>(j) to represent the Billing Authority in requests for administration orders under the County Courts Acts in respect of unpaid council tax;</p> <p>(k) to be responsible for the prevention, detection and prosecution of council tax fraud.</p>	<p>Statutory returns must be authorised by the Section 151 Officer of the Authorities</p>

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions Limitations/Notes

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
2. Administration of the Housing Benefit Scheme	<p>In connection with the administration of the Housing Benefit Scheme:</p> <p>(a) to be responsible for promoting take up of Housing and Council Tax Support p schemes;</p> <p>(b) to grant Housing Benefit (rent allowances and rent rebates) in accordance with any statute or statutory regulations and make determinations and exercise discretion as appropriate, except for matters specifically reserved for the Council and Committees/Executive;</p> <p>(c) to determine and recover overpayments of Housing Benefit including making decisions on the method of recovery;</p> <p>(d) to make determinations and payments in accordance with the Authorities' Discretionary Housing Payments policy;</p> <p>(e) to undertake interviews under caution, to issue cautions, administrative penalties and authorise prosecutions in accordance with legislation, and the Authorities' prosecution policy in respect of Housing Benefits</p>	

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
	<p>(f) to complete statutory subsidy calculations and returns , and all other statistical returns;</p> <p>(g) to undertake all other administrative processes in connection with the Housing Benefit scheme.</p>	<p>Statutory subsidy calculations and returns must be authorised by the Section 151 Officer of the Authorities</p>
3. National Non-Domestic Rate	<p>In connection with the administration of the national non domestic rate:</p> <p>(a) to determine occupation, to send invoices, grant reliefs, collect income and take all recovery and other administrative steps necessary to collect the national non domestic rate in accordance with any statute or statutory regulations and make determinations and exercise discretions as appropriate, except for matters specifically reserved to the Authorities;</p>	<p>This includes and recovering money from Business Improvement Districts.</p>

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
	<p>(b) to represent the Billing Authority in any proceedings before the Valuation Tribunal, and in any proceedings relating to the recovery and enforcement of national non domestic rate before the Magistrates and County Court, and to authorise officers within the Head of Business and Community Transformation's Division to similarly represent the Billing Authority;</p> <p>(c) to complete statutory returns in respect of national non domestic rate;</p> <p>(d) to serve or withdraw completion notices under Schedule 4a of the Local Government Finance Act 1988 as amended;</p> <p>(e) to determine liable persons, exemptions, transitional relief schemes, calculate instalments, appoint bailiffs, request a statement of case for the opinion of the High Court, impose a charge upon property, levy distress, impose charges for levying distress, seek insolvency of the debtor or commitment to prison or liquidation of companies, to request and execute warrants of arrest and exercise any other administrative step for the collection of national non domestic rate;</p>	<p>Statutory returns must be approved by the Section 151 Officer of the Authorities</p>

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
	<p>(f) to represent the Authority in the determination of proposals, alterations and appeals for national non domestic rate where appropriate;</p> <p>(g) to represent the Billing Authority in requests for administration orders under the County Courts Acts in respect of unpaid national non domestic rate;</p> <p>(h) to calculate and pay interest on overpayments of national non domestic rate in accordance with the NDR (Payment of Interest) Regulations 1990;</p> <p>(i) to determine applications under Section 44A of the Local Government Finance Act 1988;</p> <p>(j) to be responsible for the prevention, detection and prosecution of national non domestic rate fraud.</p>	



Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
4. ICT	<p>To provide ICT technical support services to the Authorities including:-</p> <p>network infrastructure both LAN and WAN solutions, hardware infrastructure, internet access and web infrastructure solutions.</p> <p>To provide technical and business advice on ICT solutions and use of technology.</p> <p>To Provide ICT business support services to the Authorities including:-</p> <p>service application system support services including third party supplier liaison, management of corporate data bases, including GIS, quality assurance of data and integration with other business systems.</p> <p>To provide associated procurement administration including all quotations, ordering, invoicing and contract management.</p>	<p>Note: The nature and extent of the activities to be undertaken in connection with the discharge of these functions will be as detailed from time to time in a Service Level Agreement</p>

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
5. Customer Services	<p>To provide 'front of house' contact with the public wishing to make enquiries of the Authorities or to access services in relation to any of its functions whether that contact is made in person, by telephone, by mail or email or the websites of any of the Authorities, including but not limited to</p> <p>(i) Issuing application forms for access to services.</p> <p>(ii) receiving payments due to the Authorities and issuing receipts</p> <p>(iii) providing facilities for the public inspection of documents and the taking of copies thereof</p> <p>(iv) responding to 'low level' customer complaints</p> <p>(v) selling or distributing or issuing any item or thing arising out of the conduct of any undertaking or function of the Authorities</p> <p>Such other activities in connection with the offering of services to the public as may be detailed from time to time in the Service Level Agreements</p>	<p>Note:</p> <p>The activities identified in this paragraph 5 are intended to be either incidental or conducive to the discharge of the functions set out in paragraphs 1 to 4 above or intended to be either incidental or conducive to the discharge of all of the other functions of the Authorities.</p> <p>Limitation:</p> <p>Except as is expressly provided in paragraphs 1 to 4, paragraph 5 does not operate as to confer any power to exercise any substantive function of the Authorities</p>
6. Human Resources	<p>The function of providing a human resource and payroll service in respect of the staff employed by and elected members of the Authorities in accordance with a service level agreement agreed from time to time by the East Kent Services Board on behalf of the Authorities to include</p>	<p>The following matters are reserved to the Authorities at the present time:-</p> <p>1. The Regulatory and Investigative</p>

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
	<p><b>HR SERVICES</b></p> <p><b>Strategic HR Advice</b></p> <p>Provide advice on policy development, Workforce Strategies and other key issues.</p> <p>Attend management team meetings and committee meetings in each of the partner authorities as agreed.</p> <p><b>Professional HR Advice and Information</b></p> <p>Case management and day to day ad hoc queries.</p> <p><b>Learning and Development</b></p> <p>Provide Corporate and Bespoke Training Service.</p> <p><b>Recruitment</b></p> <p>Provide a complete recruitment administration support service from advertising to appointment. Advise Managers and respond to queries. Manage the Advertising</p>	<p>Powers Act 2000</p> <p>2. The Employment Practice Code (produced by the Information Commissioner</p> <p>3. The Telecommunications (Lawful Business Practice) Interception of Communications) Regulations 2000</p> <p>4. Save for the provision of advice as directed by the authority, the procedural aspects and decisions to be made leading to the appointment and/or removal of the Head of Paid Service, Monitoring Officer and the Local Government Act 1972 s151 Officer.</p> <p>5. Decisions to be made under s112 of the Local Government Act 1972 (but not the procedural aspects of this power)</p>

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
	<p>Agency contract.</p> <p><b>Pre-employment checks</b></p> <p>Requesting of employment references, pre-employment health screening, Criminal Record Bureau checks and other checks as relevant to the type of position.</p> <p><b>Appointment of new employees</b></p> <p>Production of offer letters and employment contracts and set up of personnel records – both manual file and computerised (HR/Payroll system).</p> <p><b>Contractual amendments changes</b></p> <p>Production of contract variations and amendments to personnel record as required – both manual file and computerised (HR/Payroll system)</p> <p><b>Maintenance of employee records</b></p> <p>Update employee records in accordance with authorised instructions.</p>	

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
	<p><b>Input to Development and Implementation of corporate/directorate policies</b></p> <p>Contribute to corporate/directorate policies to ensure that requirements and input from HR Shared Services is taken into account. Provide feedback regarding the implication and issues regarding implementation.</p> <p><b>Sickness and Absence management</b></p> <p>Provide access to management reports and support for managers on sickness absence.</p> <p>Input sickness absence where self-service is not available.</p> <p>Input all other absence (not sickness) in accordance with authorised instruction for areas where self-service is not available.</p> <p><b>Support to Restructuring/change management</b></p> <p>Provide administrative support and HR advice to restructuring and change management to ensure that all HR issues are properly addressed.</p>	

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
	<p><b>Personnel Administration</b></p> <p>Issue notices and keep records of general correspondence on terms and conditions and pension notifications to groups of the workforce.</p> <p><b>Termination/Leavers</b></p> <p>Administration of necessary processes associated with termination of employment as per the agreed process.</p> <p><b>Advice and Information</b></p> <p>Respond to day to day ad hoc queries for advice regarding terms and conditions.</p> <p><b>Consultation Forums</b></p> <p>Attend the various staff consultation forums in each authority as agreed to provide advice and guidance.</p> <p><b>Compensation and Benefits</b></p> <p>Pensions advice and administration including costs for early retirement, exercise of discretions, request for early</p>	

Column 1 Legislation/Function	Column 2 Brief Description	Column 3 Conditions/ Exclusions  Limitations/Notes
	<p>release of benefits, Je administration, salary sacrifice and other staff benefit schemes.</p> <p><b>Health and Safety</b></p> <p>To provide professional day to day advice as necessary to the authorities and when required act as liaison with the HSE.</p> <p><b>Payroll</b></p> <p>Manage the delivery of the payroll services.</p> <p><b>Service to Members</b></p> <p>Provide a Payroll service and other services as agreed with East Kent Services Board.</p>	

This page is intentionally left blank



## THANET DISTRICT COUNCIL DECLARATION OF INTEREST FORM

### Do I have a personal interest?

You have a **personal interest** in any business of your authority where it relates to or is likely to affect:

- a) An interest you must **register**.
- b) An interest that is not on your register, but where the well-being or financial position or you, members of your family (spouse; partner; parents; in laws; step/children; nieces and nephews), or people with whom you have a close association (friends; colleagues; business associates and social contacts that can be friendly and unfriendly) is likely to be affected by the business of your authority more than it would affect the majority of:
  - Inhabitants of the ward or electoral division affected by the decision (in the case of the authorities with electoral divisions or wards.)
  - Inhabitants of the authority's area (in all other cases)

These two categories of personal interests are explained in this section. If you declare a personal interest you can remain in the meeting, speak and vote on the matter, unless your personal interest is also a prejudicial interest.

### Effect of having a personal interest in a matter

You must declare that you have a personal interest, **and the nature of that interest**, before the matter is discussed or as soon as it becomes apparent to you except in limited circumstances. Even if your interest is on the register of interests, you must declare it in the meetings where matters relating to that interest are discussed, unless an exemption applies.

### When an exemption may be applied

An exemption applies where your interest arises solely from your Membership of, or position of control or management on:

1. Any other body to which you were appointed or nominated by the authority.
2. Any other body exercising functions of a public nature (e.g. another local authority)

### Is my personal interest also a prejudicial interest?

Your personal interest will also be a **prejudicial interest** in a matter if all of the following conditions are met:

- a) The matter does not fall within one of the **exempt categories** of decisions
- b) The matter affects **your financial interests** or relates to a **licensing or regulatory matter**.
- c) A member of public, who knows the relevant facts, would **reasonably think your personal interest is so significant** that it is likely to prejudice your judgement of the public interest.

### What action do I take if I have a prejudicial interest?

- a) If you have a **prejudicial interest** in a matter being discussed at a meeting, you must declare that you have a prejudicial interest as the nature of that interest becomes apparent to you.
- b) You should then leave the room, **unless members of the public are allowed to make representations, give evidence or answer questions about the matter**, by statutory right or otherwise. If that is case, you can also attend the meeting for that purpose.
- c) However, you must immediately leave the room once you have finished or when the meeting decides that you have finished (if that is earlier). You cannot remain in the public gallery to observe the vote on the matter.

d) In addition you must not seek to **improperly influence** a decision in which you have a prejudicial interest.

**This rule is similar to your general obligation not to use your position as a Member improperly to your or someone else's advantage or disadvantage.**

**What if I am unsure?**

If you are in any doubt, Members are strongly advised to seek advice from the Monitoring Officer or the Democratic Services Manager well in advance of the meeting.

**DECLARATION OF PERSONAL AND, PERSONAL AND PREJUDICIAL INTERESTS**

**MEETING** .....

**DATE**..... **AGENDA ITEM** .....

**IS YOUR INTEREST:**

**PERSONAL**

**PERSONAL AND PREJUDICIAL**

**NATURE OF INTEREST:**

.....  
.....  
.....

**NAME (PRINT):** .....

**SIGNATURE:** .....

Please detach and hand this form to the Committee Clerk when you are asked to declare any interests.

