

## **CABINET**

### **Minutes of the extraordinary meeting held on 29 May 2013 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.**

**Present:** Councillor C. Hart (Chairman); Councillors Everitt, Fenner, D Green, Johnston and Poole

**In Attendance:** Bayford, Bruce, Campbell, Cohen, Driver, Duncan, Gideon, Grove, King, Marson, Moores, D Saunders, M Saunders, W Scobie, Watkins, Wells, Wiltshire and Wise

#### **67. APOLOGIES FOR ABSENCE**

There were no apologies received at the meeting.

#### **68. DECLARATIONS OF INTEREST**

There were no declarations of interest.

#### **69. LOCAL PLAN CONSULTATION DOCUMENT**

The Localism Act, 2011 brought in a number of changes that had to be taken in to account when developing a Local Plan. New evidence would need to be established regarding the economic potential of the Thanet District, together with likely future population growth and housing requirements. It is hoped that such an approach to local economic development planning would deliver sustainable development.

Councillor Bayford spoke under Council Procedure Rule 24.1.

Councillor D. Green proposed, Councillor C. Hart seconded and Members agreed:

1. To approve the consultation document and agreed that public consultation takes place for 10 weeks.

#### **70. RAMSGATE ROYAL SANDS - OPTIONS**

At a Cabinet Meeting on 22 January 2013, Members agreed to give the developer working on the Pleasurama site a four month period to show progress towards the implementation of the project as per the current development agreement.

The following Members spoke under Council Procedure Rule 24.1:

Councillor Driver;  
Councillor Bayford;  
Councillor Wells.

Councillor Poole proposed, Councillor C. Hart seconded and Members agreed:

1. To support the setting up of the Overview and Scrutiny Panel task and finish group, and advised that the following considerations should be taken into account in proposing a course of action for the council:
  - A focus primarily on the key issues to help guide the way forward for the council as a whole;
  - Cabinet's support for the work, including the cost of seeking confidential appropriate legal and commercial property advice;

- Consideration of action moving forward that may involve legal processes needs to be done in a way that does not prejudice the position of the council in a court action;
  - Legal, financial and time risks associated with any proposed course of action are considered with care, including those associated with alternative developments;
  - Seeking an expeditious result so that Cabinet can move forward on this site;
2. To express Cabinet's strong dissatisfaction with the progress made by the developer in the last four months to move forward with this development, and signal a shift into a new phase of the development in which it wishes to see robust alternatives to the current arrangements being developed and acted upon by the council.

#### **71. CORPORATE PERFORMANCE REPORT**

There had been some significant corporate performance successes that included two favourable legal outcomes regarding the judicial reviews of the Selective Licensing Scheme and the Dreamland Compulsory Purchase Order. A number of key projects had also been successfully implemented. The Council had maintained the ability to respond flexibly when situations had arisen during the year. This included temporarily re-assigning staff to establish a Designated Port of Entry (DPE) at Manston Airport at very short notice in order to safeguard local jobs. In the long term this action would also lead to the creation of new jobs, as the new infrastructure for the DPE is developed.

Councillor Wise and Councillor Wells spoke under Council Procedure Rule 24.1.

Councillor Fenner proposed, Councillor C. Hart seconded and Members agreed:

1. To note the council's performance and the remedial actions listed (as set out in option 3.1 to the report).

#### **72. TRANSFER OF LAND AT THE CENTRE, NEWINGTON**

This item was withdrawn.

This was because additional information had been received since the report had been published and this had prompted some concerns which needed to be alleviated prior Cabinet taking a decision on this item.

#### **73. ALLOCATIONS POLICY**

There was a statutory obligation for each local housing authority to publish how they will let their homes and the last Lettings Policy was adopted in October 2004 following publication of the Allocations of Accommodation Code of Guidance. In coming up with new Allocations Policy, the Council conducted a public consultation on the proposed Policy that had nine key areas of change.

Councillor Marson spoke under Council Procedure Rule 24.1.

Councillor D. Green proposed, Councillor C. Hart seconded and Members agreed:

1. That Cabinet recommends the Allocations Policy to Council and agreed to proceed with the timetable for the document to go to Council in July for approval.

**74. THANET'S ECONOMIC GROWTH AND REGENERATION STRATEGY - PHASE THREE**

Thanet's economic growth and regeneration was a key priority for the Council and Cabinet maintained committed to driving growth across the district by promoting investment, skills, employability, job creation, and innovation, to provide a sustainable and balanced economy. The proposed Economic Growth and Regeneration strategy directly supported the delivery of eight of the 11 priorities within the Council's Corporate Plan.

The following Members spoke under Council Procedure Rule 24:  
Councillor Bayford;  
Councillor Moores;  
Councillor Gideon.

Councillor C. Hart proposed, Councillor Poole seconded and Members agreed that:

- a. Subject to the following considerations as recommended by the Overview & Scrutiny Panel that:
  1. The role of the voluntary sector needs to be emphasised in the Strategy and Action Plan;
  2. There is a need to review the role of Ramsgate Harbour and Port as a major driver of economic growth in Thanet because there may be increased competition from Dover Harbour where an investment of £100million has been earmarked for the development of the Port;
  3. The Action Plan should comment on the problem of under employment and zero hours' contracts;
  4. There is a need to include Town Councils in some of the actions;
  5. There is a need to include the heritage sites;
  6. The Action Plan should include other (new) organisations under corporate social responsibility and encourage smaller organisations to be more proactive in terms of their social responsibility role;
- b. Cabinet approved that officers conduct the public consultation on the Action Plan during the period 31 May - 12 July, 2013 and complete the strategy ready for adoption.

**75. KENT LOCAL AUTHORITY MORTGAGE SCHEME (LAMS)**

The Council's Housing Strategy set out the Council's commitment to explore the opportunities for assisting first-time buyers and households on low-incomes to access the local housing market. An inability to access the local housing market was a major concern for an increasing number of households in the district. The proposed Local Mortgage Scheme (LAMS) that would see the Thanet District Council/Kent County Council partnership provide a top-up indemnity and would go some way in increasing the number of opportunities for low income first time buyers in Thanet to access mortgage facilities.

Councillor Everitt proposed, Councillor C. Hart seconded and Members agreed:

1. That the proposed Local Authority Mortgage Scheme for Thanet with eligibility being limited by post code to first time buyers living in the district for the purchase of properties in the district, be agreed in principle;
2. That the Council's contribution to the proposed Local Authority Mortgage Scheme for Thanet of £500,000; be taken from the New Homes Bonus;
3. That based on the local housing market for first time buyers the maximum property loan be set at £137,750;
4. That the Corporate & Regulatory Services Manager in consultation with the Financial Services Manager be authorised to enter into Indemnity and Deposit Agreement with Lloyds TSB and a Match Funding Agreement with Kent County Council;
5. That the Monitoring Officer be personally indemnified against any potential losses incurred by Lloyds TSB as a result of mortgages provided through the propose LAM for Thanet to enable him to provide the Opinion Letter required by Lloyds TSB;
6. That delegated authority also be given to the portfolio-holders for Financial Services and Housing & Planning Services to approve the Scheme in detail including the post code areas in Thanet to which the Scheme will apply.

**76. TRANSEUROPA OUTSTANDING DEBT**

A sum of £3.3m remained outstanding to the Council in respect of Transeuropa's debt on port fees. Transeuropa had now ceased trading and consequently the debt had to be provided for in full within the 2012/13 accounts. The Council had lodged its debt of £3.3m with the administrators and will continue to take active steps to try and recover the debt. However, good accounting practice meant that the council should provide for the debt in full within the 2012/13 accounts.

The following Councillors spoke under Council Procedure Rule 24.1:

Councillor Driver;  
Councillor Wiltshire;  
Councillor Duncan;  
Councillor Bayford.

Councillor Everitt proposed, Councillor C. Hart seconded and Members approved, as a recommendation, to Council:

1. The sources identified in paragraph 3.1 (of the officer report) to fund the outstanding debt.

These are as follows:

- a. A sum of £1m has been identified in respect of prior year adjustments to housing benefit subsidy. This is a highly volatile budget due to the impact on the subsidy of increases in caseloads and errors in benefit calculations and so normally any underspend would be put into the Customer Services Reserve to mitigate any future overspends. However, the current balance in this reserve is considered appropriate for this purpose and therefore this budget underspend can be utilised to offset the Transeuropa debt position;
- b. Unallocated unringfenced grants of £92k have been identified;
- c. A balance of £43k remains on the Housing and Planning Delivery Grant reserve which is unallocated;
- d. A sum of £1m will be drawn down from the New Homes Bonus;
- e. Savings in the cremator project of £196k will be utilised;
- f. Carry forward budgets of £257k from prior years have not been utilised and will therefore be taken to offset this debt;
- g. A sum of £200k will be taken from the Priority Improvement Reserve which will still leave a balance of £405k to support invest to save and one-off initiatives;
- h. A sum of £196k will be taken from the VAT Reserve;
- i. The bad debt provision has been reviewed and a sum of £200k can be taken to contribute towards this debt.

Meeting concluded: 9.00 pm