

OVERVIEW & SCRUTINY PANEL

Minutes of the meeting held on 28 April 2015 at 7.15 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Present: Councillor Peter Campbell (Chairman); Councillors Bayford, Binks, Driver, Dwyer-King, Edwards, Fenner, K Gregory, Huxley, Matterface, Moore, Poole, D Saunders, M Saunders and M Tomlinson

In Attendance: Councillors Johnston, King, Nicholson and Wells

461. APOLOGIES FOR ABSENCE

Apologies were received from the following Members:

Councillor Gibson;
Councillor Gideon, substituted by Councillor Bayford;
Councillor I. Gregory, substituted by Councillor Binks;
Councillor Hornus, substituted by Councillor M. Saunders;
Councillor Worrow, substituted by Councillor Edwards.

462. DECLARATIONS OF INTEREST

There were no declarations of interest.

463. OVERVIEW & SCRUTINY PANEL CALL-IN OF A CABINET DECISION - TRANSFER OF FORT ROAD HOTEL FROM THE GENERAL FUND TO THE HOUSING REVENUE ACCOUNT

Councillor Campbell, as the Chairman of the meeting invited Councillor Wells to speak under Council Procedure Rule 24.1, as per the Member's request. Councillor Wells said that when expressions of interests were invited by the Council two potential developers expressed their interest, but later withdrew when the freehold tenancy that was associated with the Fort Road Hotel was withdrawn. He said that the proposed development of social housing units would be one of the most expensive forms of social housing to be constructed as 'it was rumoured that between three to six units' would cost about £950,000. He urged the Panel to refer the decision back to Cabinet.

Madeline Homer, CEx gave a brief back ground to the issue. She said that the subject on the Fort Road Hotel had been to Cabinet on five occasions and a report with options was presented to Members at each of those Cabinet meetings. Market testing was undertaken after permission was obtained from Cabinet and an iconic sign was installed on the building. Madeline Homer said that one of the drawbacks regarding that property being attractive to prospective developers was the lack of amenities on the land on which the property was situated.

One solution proposed was to acquire the adjacent land. Other options that included setting up a preservation trust were mooted. However this did not materialise. Although some negotiations were entered into with one potential developer, those negotiations were terminated when the developer could not provide evidence that they could finance the development of the property. Since no further expressions of interest were lodged with the Council, officers presented a report to Cabinet on 2 April 2015 seeking a decision on how to progress this issue.

The Chairman then invited Panel Members to debate the call-in. One member expressed concern about the lack of additional background information to the issue. However they were advised that such back ground information was the publicly available reports that had been considered on previous occasions by Cabinet. Madeline Homer confirmed that the Council did not withdraw the freehold that is associated with the property.

Other Members were concerned that the issue had been determined by Cabinet without the usual cross-party consultation and wider Member contribution that could have also involved going through a scrutiny process. They suggested that the Panel could set up a task and finish group to consider the evidence on how the Council conducted the market testing for the Fort Road Hotel and the results of that test.

Councillor Bayford proposed and Councillor K. Gregory seconded that Cabinet reconsiders its decision made on 2 April 2015.

Speaking under Council Procedure Rule 24.1, Councillor Johnston, Leader of Council said that the issue had gone on for too long and needed resolution. She said that a number of previous Cabinet Administrations had failed to resolve the issue.

The Chairman requested Members to decide on the proposal put forward by Councillor Bayford and seconded by Councillor K. Gregory, 'that Cabinet reconsiders its decision made on 2 April 2015.

When put to vote, the following outcome was obtained:

7 Members voted in favour of the proposal;
8 Members voted against the proposal.

The motion was lost.

The Chairman then called on Members to put forward alternative proposals to for the Panel to decide on. Councillor Poole proposed, Councillor Campbell seconded and Members agreed the following:

That Members recommend to a future meeting of the Overview & Scrutiny Panel that a sub-group be set up to review the issue in greater detail.

Meeting concluded: 7.50 pm