



Date: 16 July 2018  
Our ref: Cabinet/Agenda  
Ask For: Charles Hungwe  
Direct Dial: (01843) 577186  
Email: charles.hungwe@officer.thanet.gov.uk

## CABINET

**26 JULY 2018**

A meeting of the Cabinet will be held at **7.00 pm on Thursday, 26 July 2018** in the Council Chamber - Council Offices.

### Membership:

Councillor Bayford (Chairman); Councillors: Savage, Game, I Gregory and Taylor-Smith

## AGENDA

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 3 - 4)

To approve the summary of recommendations and decisions of the Cabinet meeting held on 14 June 2018, copy attached.

4. **MINUTES OF EXTRAORDINARY MEETING** (Pages 5 - 8)

To approve the summary of recommendations and decisions of the extraordinary Cabinet meeting held on 02 July 2018, copy attached.

5. **2017/18 PROVISIONAL OUTTURN AND ANNUAL TREASURY MANAGEMENT REVIEW** (Pages 9 - 34)

6. **ADOPT NEW ACTIVE THANET STRATEGIC FRAMEWORK** (Pages 35 - 62)

7. **ADOPTION OF THE TENANCY STRATEGY 2018** (Pages 63 - 86)

8. **PUBLIC SPACES PROTECTION ORDER NO. 3 (ANTI-SOCIAL BEHAVIOUR)** (Pages 87 - 110)

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

Item  
No

Subject



Please scan this barcode for an electronic copy of this agenda.

## CABINET

### Minutes of the meeting held on 14 June 2018 at 7.00 pm in Council Chamber - Council Offices.

**Present:** Councillor Robert W Bayford (Chairman); Councillors Savage, Game, I Gregory and Taylor-Smith

**In Attendance:** Councillors: Bambridge, Connor, Crow-Brown, Edwards, J Fairbrass, L Fairbrass, Jaye-Jones, Johnston, Stummer-Schmertzling and Wells

#### 499. APOLOGIES FOR ABSENCE

There were no apologies received at the meeting.

#### 500. DECLARATIONS OF INTEREST

There were no declarations of interest.

#### 501. MINUTES OF PREVIOUS MEETING

Councillor Taylor-Smith proposed, Councillor Savage seconded and Members agreed the minutes as a correct record of the meeting that was held on 15 March 2018.

#### 502. ASSET MANAGEMENT

Cabinet considered proposals for the disposal of assets and Members were asked to agree approaches for disposal to achieve a capital receipt, the community asset transfer framework and for transfer under the asset of community value process under the Localism Act 2011.

Those properties which were recommended for disposal to achieve a capital receipt included the following:

1. Land at Hartsdown and Property Plot 1  
This property is recommended for sale on the open market as the property requires investment and the rental yield is low.

There are existing leases and licences but these will be unaffected by the sale and a clawback provision will be included to capture any future uplift in development Value.

2. 40 Hawley Square Margate  
This is the former CCTV base which has been relocated to Cecil Street offices. This property will be sold on the open market.
3. Land at Hartsdown Margate Football Club  
There are existing leases in place with the Football Club and the Club has invested significant sums in the premises including a new 3G pitch.

Margate Football Club has ambitious future investment plans which require the Club to secure the necessary funding (including community funding). A longer interest in the land is required to deliver that funding and investment. A long lease has been considered but a freehold would be more effective.

The sports and recreational uses can be protected through planning controls and restrictive covenants. In addition a 'clawback' provision will be put in place to capture increases in value.

4. Land at Zion Place

This site was subject to a long lease at £500 per year until 2070. The land would be sold subject to this lease and an adjacent site had already been identified for disposal. The two sites would be packaged together for sale.

Members were further advised that properties which were recommended for disposal through the community asset transfer framework included the following:

1. Alpha Road Birchington;
2. Birchington Memorial Ground.

It was intended that these sites should remain as recreational/amenity land but transferred to the Birchington Parish Council. Restrictive covenants would be put in place to ensure future public uses of the sites.

Those properties recommended for transfer under the asset of community value process under the Localism Act 2011 were as detailed below:

1. Old Lookout Broadstairs

The maintenance of this building has been supported by the Broadstairs and Harbour seafront group for some time. The asset does not produce much return and it would benefit from continued community management and maintenance.

The Council had received an asset of community value 'right to bid' application. The property was therefore recommended for disposal through that process.

Councillor Townend and Councillor Johnston spoke under Council Procedure Rule 20.1.

After the deliberations, Councillor Gregory proposed, Councillor Game seconded and Cabinet agreed the following:

1. To progress the following property and land through the disposal framework to achieve a capital receipt:
  - i. Hartsdown Land and Property Plot 1;
  - ii. 40 Hawley Square, Margate;
  - iii. Land at Hartsdown (Margate Football Club);
  - iv. Land, Zion Place, Margate.
2. To progress the following property and land through the community asset transfer framework.
  - i. Alpha Road Land, Birchington;
  - ii. Birchington Memorial Ground, Birchington.
3. To progress the following property as regulated by statute under the Localism Act 2011 through the community asset transfer framework.
  - i. The "Old Look Out", Broadstairs.

Meeting concluded: 7.09 pm



## EXTRAORDINARY CABINET

Minutes of the extraordinary meeting held on 2 July 2018 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

**Present:** Councillor Robert W Bayford (Chairman); Councillors Savage and I Gregory

**In Attendance:** Councillors: Ashbee, Bambridge, Brimm, Campbell, K Coleman-Cooke, Connor, Constantine, Crow-Brown, Dawson, Dellar, Edwards, Evans, J Fairbrass, L Fairbrass, Jaye-Jones, Johnston, Messenger, L Piper, S Piper, Pugh, Rusiecki, D Saunders, M Saunders, Stummer-Schmertzling, Tomlinson, Townend and Wells

### 503. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Game and Councillor Taylor-Smith.

### 504. DECLARATIONS OF INTEREST

There were no declarations of interest.

### 505. THANET LOCAL PLAN - PUBLICATION STAGE (REGULATION 19) & SUBMISSION FOR EXAMINATION (REGULATION 22)

By way of introducing the agenda item for discussion, the Leader of Council said that the Local Plan supported the Council's Corporate Plan priorities and was important for meeting the priority to promote inward investment and job creation. Together with the Council's Economic Growth Strategy, it set the framework for achieving the Council's economic ambitions. Not only did it help to deliver the economic strategy, it also made provision for new housing to meet local needs, supported the growth of the workforce, and other development requirements, and supported the provision of key new infrastructure. He further raised a number of key points as follows:

1. The Local Plan was not therefore a stand-alone document, as it set with other Council documents to try to achieve the Council's wider ambitions for the area. These included the Economic Growth Strategy; the Housing Strategy and the Corporate Plan in particular.
2. Following the decision by Council on 18 January 2018, the Cabinet report before Members set out two options for taking the Plan forward. Those options were:

#### **Option 1**

- i. To publish the draft Plan for comment as recommended to Council in January (this is the recommendation of officers); that is, with the Airport site allocated for mixed-use development; or

#### **Option 2**

- ii. To publish a draft Plan which provides the opportunity for the Development consent Order (DCO) process for the Airport to continue, and re-allocates the 2,500 dwellings from the airport site to other locations within the district.
3. Under Option (2), draft Policy SP05 would be deleted, and replaced with text that recognised the existing use of the Airport and acknowledged the current Development Consent Order (DCO) process for the site. This approach also provided the opportunity for any other interested parties to pursue the operational

use of the airport through agreement with the landowners or through becoming an indemnity partner as part of a potential CPO process with the Council.

4. The statement regarding existing use was not a policy statement but recognition of the current planning status of the site. The current Policy EC4 (and other Airport-related policies) would not be continued or replaced with equivalent policies in the new Local Plan.
5. However, Policy EC4 and related policies would continue to carry weight in planning decisions until the new Local Plan was adopted, and officers had been asked to make that clearer in the report and in the proposed Local Plan text. The alternative housing sites were set out in the report under consideration at paragraph 2.16.
6. This distribution would meet the criteria described in the report at paragraphs 2.12 and 2.14. Para 2.14 further indicated that:
  - Housing development should be focused at urban areas or the urban edge and larger villages;
  - That any housing distribution should avoid any additional traffic loading of the Haine Road corridor (as advised by KCC Highways), and should be well-related to the road network improvements proposed in the draft Transport Strategy, including the Inner Circuit;
  - Housing development should not be located in the vicinity of the Airport;
  - Housing development should not be located adjacent to the national and international wildlife designations along the coast; and
  - In addition, the designated Green Wedges should be avoided, as should Flood Risk Areas and sensitive landscape areas (identified through the Landscape Character Assessment).
7. Member support was also sought for the other changes recommended in January, which could be carried forward whichever decision was made on the two options mentioned above:
  - A new policy to support the Thanet Landscape Character Assessment, and its use as supplementary planning guidance;
  - A new policy to support the designation of sites as Local Green Spaces;
  - Carrying forward the policy in the 2006 Local Plan to identify land for possible QEQM expansion;
  - A new policy to support ancillary accommodation for family members, subject to design and other criteria; and
  - A new policy to support the implementation of the Government's national standards in relation to new development - internal space standards; energy and water efficiency; and accessible and adaptable accommodation.
8. The meeting was further asking Members to consider two other matters which were the designation of additional Local Green Spaces (paragraph 2.41) and a new policy, supported by the Council's partners, for a policy to control fostering homes, particularly in Cliftonville West Ward (paragraph 2.46). Again, both these items could be considered, regardless of the decision made on the options for the Airport site.
9. The Cabinet report also indicated that the changes to the Local Plan timetable should be reflected in the Council's Local Development Scheme (the published work programme for the draft Local Plan).
10. The Thanet Transport Strategy (jointly prepared by Kent County Council and Thanet District Council), which supported the draft Local Plan, was scheduled to be published alongside the pre-Submission draft Local Plan.

11. It was important that there was no further delay to the Local Plan process. The Ministry for Housing, Communities & Local Government (MHCLG) was already assessing the position of the draft Local Plan in Thanet, with a view to further intervention if the draft Plan did not proceed in a timely manner. This would effectively remove Council control of the process. Investment in the area could be significantly undermined or delayed, with a significant impact on development, economic growth and investor confidence in the area.
12. It was also important that the Council made decisions based on the available evidence and followed Government guidance. A draft Plan that did not meet this requirement was likely to be found "unsound" at Examination by an independent Planning Inspector. This was likely to lead to significant delay in adopting a Plan (This had previously been the experience of other Councils in Kent, who have had to make significant amendments to their respective draft Local Plans).
13. Council would best be reminded that without an up-to-date Local Plan based on evidence, there would be a risk to planning application decisions. The Council would not be able to demonstrate a 5-year housing land supply and would therefore be at particular risk at Appeal in relation to housing developments. This risk would not only be losing Appeals or High Court challenges, but potentially also having significant costs awarded against the Council, where decisions were made that did not reflect the available evidence. There was also a risk that critical infrastructure would not be provided, especially on smaller sites.
14. The Local Plan report together with any recommendations agreed by Cabinet was going to be considered by the Executive, Policy & Community Safety Scrutiny Panel on 11<sup>th</sup> July 2018. The views of the Panel would be reported back to the Cabinet on 19<sup>th</sup> July 2018.

The following Members spoke under Council Procedure 20.1:

Councillor Wells;  
Councillor Bambridge;  
Councillor Messenger;  
Councillor Stuart Piper  
Councillor Campbell;  
Councillor Crow-Brown;  
Councillor Lin Fairbrass;  
Councillor Constantine;  
Councillor Edwards;  
Councillor Rusiecki;  
Councillor Jaye-Jones.

Councillor Bayford proposed, Councillor Savage seconded and Cabinet agreed the following recommendations to Council:

- (1) That Council agree to proceed with the draft Local Plan on the basis of Option (2) set out in the Cabinet report; that is, as recommended to Council on 18 January 2018, with the revised distribution of sites and other amendments set out in this report and in the Addendum at Annex 2;
- (2) That Council agree for inclusion in the draft Local Plan the main changes in Annex 4 of the Council report of 18 January 2018, as modified by any decision on Recommendation (1) above (set out in Annex 1);
- (3) That Council agree for inclusion in the draft Local Plan the other changes set out in this report regarding the identification of additional Local Green Spaces, and a

proposed new policy relating to foster homes in the district (also set out in the Addendum at Annex 2);

- (4) That, subject to the other recommendations above, Council delegate authority to officers to make such minor technical and factual amendments to the draft Plan as are necessary for clarity and consistency;
- (5) That Council agree that the draft Local Plan (as amended), together with the associated evidence base, including the Sustainability Appraisal/Habitat Regulations Assessment, and the draft Transport Strategy, be published for comment (under Reg 19) for a period of six weeks, and then subsequently be submitted for Examination (under Reg 22); and
- (6) That the Council request the Examination Inspector, under Section 20(7) of the Planning & Compulsory Purchase Act 2004) to recommend any modifications to the draft Local Plan, which they consider are required in order to resolve problems that would otherwise make the Plan unsound or not legally compliant.

### **Decision of Cabinet**

- (1) Cabinet further agreed that the Council's Local Development Scheme (LDS – the Council's Local Plan work programme) be amended to reflect the timetable set out in the Cabinet report, and authorised officers to make such other minor changes to the LDS as are necessary to reflect the anticipated timetable for Local Plan preparation.

Meeting concluded: 7.35 pm

**2017-18 Provisional Outturn and Annual Treasury Management Review**

|                  |  |
|------------------|--|
| Cabinet          | <b>26 July 2018</b>  |
| Report Author    | <b>Tim Willis, Deputy Chief Executive and s151 Officer</b>                 |
| Portfolio Holder | <b>Cllr Ian Gregory, Cabinet Member for Financial Services and Estates</b> |
| Status           | <b>For information</b>   |
| Classification:  | <b>Unrestricted</b>  |
| Key Decision     | <b>No</b>  |
| Ward:            | <b>All Wards</b>   |

1.1 This report deals with the 2017-18 provisional outturn for:

- General Fund – Section 1.
- Housing Revenue Account – Section 2.

The financial position remains subject to audit.

1.2 The council is also required to produce an Annual Treasury Management review of activities with actual prudential/treasury indicators for 2017-18. This is set out in section 4 of this report. The treasury management review was also considered by the Governance and Audit Committee at its meeting on 25 July.

**Recommendation(s):**

1. That the provisional outturn for 2017-18 contained within this report is noted.
2. That the earmarked reserves as outlined in sections 1.6 and 2.8 be noted.
3. That the capital programme carry forwards shown in Annex 1 and Table 4 are noted.
4. That the Annual Treasury Management Review of Activities for 2017-18 set out in section 4 is noted.

**CORPORATE IMPLICATIONS**

|  |  |
|--|--|
| <b>Financial and Value for Money</b>                         | The financial implications have been reflected within the body of the report.  |
| <b>Legal</b>   | 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 Deputy Chief Executive, and this report is helping to carry out that function.   |
| <b>Corporate</b>   | Corporate priorities can only be delivered with robust finances and this report gives Members the opportunity to review the Council's current position.  |
| <b>Equalities Act 2010 &amp; Public Sector Equality Duty</b> | Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do |

|  |  |
|--|--|
|  | <p>not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.</p> <p>Protected characteristics: age, gender, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy &amp; maternity. Only aim (i) of the Duty applies to Marriage &amp; civil partnership.</p>   |
|  | <p>Please indicate which aim is relevant to the report.</p>  |
|  | <p>Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,</p>   |
|  | <p>Advance equality of opportunity between people who share a protected characteristic and people who do not share it</p>  |
|  | <p>Foster good relations between people who share a protected characteristic and people who do not share it.</p>   |
|  | <p>There are no equity and equalities implications arising directly from this report, but the Council needs to retain a strong focus and understanding on issues of diversity amongst the local community and ensure service delivery matches these.</p> <p>It is important to be aware of the Council's responsibility under the Public Sector Equality Duty (PSED) and show evidence that due consideration had been given to the equalities impact that may be brought upon communities by the decisions made by Council.</p> |

| <b>CORPORATE PRIORITIES (tick those relevant)✓</b> |   |
|--|---|
| A clean and welcoming Environment                  | ✓ |
| Promoting inward investment and job creation       | ✓ |
| Supporting neighbourhoods                          | ✓ |

| <b>CORPORATE VALUES (tick those relevant)✓</b> |   |
|--|---|
| Delivering value for money                     | ✓ |
| Supporting the Workforce                       |   |
| Promoting open communications                  |   |

## 1.0 General Fund – Provisional Outturn 2017-18

### General Fund Revenue

- 1.1 The 2017-18 provisional outturn shows that the council's budget strategy to maintain the General Reserve balance at its existing level has been achieved, following a breakeven result. Table 1a provides a summary of the provisional outturn position against the latest approved budget. Note that the position remains subject to audit and could change.

## 1.2 Table 1a – 2017/18 General Fund Provisional Outturn v Budget Summary

| Directorate                                       | Variance to Budget<br>£'000s | Comments  |
|---|------------------------------|---|
| Chief Executive                                   | (20)                         |   |
| Corporate Resources                               | 473                          | Mainly due to subsidy loss as a result of increased demand for housing benefit. |
| Operational Services                              | 126                          | Overspend made up of a combination of minor overspends and underspends.         |
| Community Services                                | 201                          | Mainly due to additional pressure experienced in Housing Services.              |
| Corporate Governance                              | (42)                         |   |
| Corporate finance items incl transfer to reserves | 1,583                        | Due to increase in earmarked reserves as outlined in paragraph 1.4.             |
| <b>Total Net Expenditure</b>                      | <b>2,321</b>                 |   |
| Financing of Net Expenditure                      | (2,321)                      |   |
| <b>Balance to General Reserve</b>                 | <b>-</b>                     |   |

### General Reserve

- 1.3 The General Reserve balance stands at £2.011m at 31 March 2018 which is in line with the council's agreed Budget. The General Reserve is managed so that it provides flexibility to meet unexpected demands and pressures without de-stabilising the council's overall financial position. The level of the General Reserve should be set to give a reasonable allowance for unquantifiable risks or one off exceptional items of expenditure not covered within existing budgets.

### General Fund Earmarked Reserves

- 1.4 All reserves are reviewed by the section 151 Officer at year end. Total General Fund earmarked reserves have increased by £1.438m to £7.777m at 31 March 2018. Most of this balance has been added to the Local Taxation Funding reserve to deal with accounting differences in respect of business rates. Table 1b outlines the General Fund reserves.

**Table 1b – General Fund Earmarked Reserves**

| General Fund – Earmarked Reserve | Balance at<br>31 March<br>2017<br>£'000s | Balance at<br>31 March<br>2018<br>£'000s |
|----------------------------------|--|--|
| Local Taxation Funding           | 1,354                                    | 3,069                                    |
| Investment and Growth Fund       | 1,892                                    | 2,035                                    |
| Risk and Insurance Reserve       | 2,109                                    | 1,618                                    |
| Repairs and Renewals Reserve     | 984                                      | 1,051                                    |
| Lottery Reserve                  | 0  | 4  |
| <b>Total</b>                     | <b>6,339</b>                             | <b>7,777</b>                             |

- 1.7 The council's total General Fund reserves at 31 March 2018 therefore stand at £9.788m.

## General Fund Capital

- 1.8 Actual capital expenditure was £6.0m compared to the revised budget of £15.6m, under-achieving the programmed spend by £9.6m.
- 1.9 Table 1c shows details of actual spend compared to the budgeted capital programme.

**Table 1c – 2017-18 Capital Outturn**

| General Fund Capital Programme                 | Revised<br>2017-18<br>Budget | Actual<br>2017/18 | Variance to<br>Revised<br>2017-18<br>Budget |
|--|------------------------------|-------------------|---|
|  | £'000                        | £'000             | £'000                                       |
| Corporate Services ( incl. East Kent Services) | 1,117                        | 434               | 683   |
| Community Services                             | 5,382                        | 3,146             | 2,236                                       |
| Operational Services                           | 9,063                        | 2,405             | 6,658                                       |
| Capital Salaries                               | 75                           | 62                | 13  |
| <b>Total</b>                                   | <b>15,637</b>                | <b>6,047</b>      | <b>9,590</b>                                |

- 1.10 The variance is due to capital work slipping from 2017-18 into future years. In particular, £3m of the carry-over is in respect of the purchase of Mill Lane car park Margate and £1.5m towards urgent refurbishment and improvements to Ramsgate Harbour (gate, bridge and piles).
- 1.11 Spend on the General Fund Capital Programme for 2017-18 required prudential borrowing of £1m.
- 1.12 Annex 1 sets out the final General Fund capital programme position for 2017-18.

## 2.0 Housing Revenue Account (HRA) – Provisional Outturn 2017/18

### Housing Revenue Account Revenue

- 2.1 The Housing Revenue Account (HRA) outturn shows a surplus of £1,039k. The budget for the HRA (as reported to Cabinet in March 2018) was a projected surplus of £940k.
- 2.2 Table 2 provides a summary of the actual spend on the Housing Revenue Account compared to the budget.

**Table 2 - HRA Outturn 2017/18**

|   | 2017/18<br>Budget<br>£'000 | 2017/18<br>Actual<br>£'000 | 2017/18<br>Variance<br>£'000 |
|---|----------------------------|----------------------------|------------------------------|
| <b>Total Service Income</b>               | (13,843)                   | (13,828)                   | 15                           |
| <b>Total Service Expenditure</b>          | 11,488                     | 14,203                     | 2,715                        |
| Non-Service Costs                         | 800                        | 1,207                      | 407                          |
| Investment Income & Debt Interest Charges | 1,004                      | 732                        | (272)                        |
| Transfer to/(from) Reserves               | 0                          | (1,785)                    | (1,785)                      |
| Other adjustments                         | (389)                      | (1,568)                    | (1,179)                      |
| <b>(Surplus) for HRA Services</b>         | <b>(940)</b>               | <b>(1,039)</b>             | <b>(99)</b>                  |



2.3 Table 3 outlines the key variances.

**Table 3 - HRA Main Variances**

| Budget                          | (Under)/<br>Over<br>Spend<br>£,000 | Explanation  |
|---------------------------------|------------------------------------|--|
| Rent Income                     | 159                                | Increase in the number of right to buy sales and delays in the New Build and Margate Intervention projects.  |
| Contributions to Expenditure    | (96)                               | Increase in recovered costs for leasehold and rechargeable repairs   |
| Day to Day Repairs Expenditure  | (507)                              | Underspend due to an overall reduction in day to day expenditure and delays to external decorations. This is offset by increased costs in relation to asbestos, emergency lighting and estate clearance. |
| Management & Landlord Costs     | (240)                              | Reduced number of void properties and reduced landlord costs   |
| Bad & Doubtful Debt Allowance   | 203                                | Increase in allowance due to universal credits and former tenant arrears   |
| Other minor under or overspends | 382                                | Various budgets / technical adjustments  |
| <b>TOTAL VARIANCES</b>          | <b>(99)</b>                        |  |

### HRA Working Balance

2.4 The accumulated HRA balance at 31 March 2018 is £7.753m.

2.5 The HRA working balance is being managed so that it provides the flexibility to meet unexpected demands and pressures without destabilising the council's overall financial position. The level of the working balance is being examined in the context of risk and also the need to replace lost rent following the increased right to buy sales of dwellings.

2.6 Table 4 highlights the revenue budgets to be carried forward for specific projects.

**Table 4 - HRA Budgets to Carry Forward**

| Budget                | £,000      | Explanation  |
|-----------------------|------------|--|
| External Decorations  | 250        | To hold in contingency to allow for a review of backlog of works.  |
| New Build Contingency | 33         | To extend the project officer and project assistant posts to 2018/19 to progress phase 2 and 3 of the new build programme .          |
| Day to Day Repairs    | 10         | To allow a consultant to carry out the new repairs contract preparation in 2018-19.  |
| Welfare Reform        | 50         | To hold in contingency to allow for a review of arrears arising as a result of universal credits and discretionary housing payments. |
| <b>TOTAL</b>          | <b>343</b> |  |

The balance is held in an earmarked reserve at year end.

## Major Repairs Reserve

- 2.7 The balance on the reserve is £10.019m and this is available for expenditure of a capital nature including repayment of borrowing.

## HRA Earmarked Reserves

- 2.8 In addition to the Working Balance, the HRA maintains an earmarked reserve specifically for acquisition of property. The balance in the reserve is currently £4.90m (HRA New Property Reserve).

## Housing Revenue Account Capital

- 2.9 The outturn of the HRA capital programme for 2017-18 is £4.492 million, compared to the revised budget of £13.909 million a variance of £9.417 million.

Table 5 below shows details of the actual spend by project.

**Table 5 HRA Capital Project Spend**

| HRA Capital Programme           | Revised<br>2017-18<br>Budget | Actual<br>2017-18<br>Actual | Variance<br>to Revised<br>2017-18<br>Budget |
|---------------------------------|------------------------------|-----------------------------|---|
|                                 | £000                         | £000                        | £000  |
| Major Works                     | 2,249                        | 2,037                       | (212)                                       |
| Empty Properties Programme      | 4                            | 0                           | (4)   |
| Ramsgate Housing Intervention   | 86                           | 3                           | (83)  |
| Margate Housing Intervention    | 4,120                        | 639                         | (3,481)                                     |
| New Build Programme             | 5,775                        | 634                         | (5,141)                                     |
| Fort Road Hotel                 | 180                          | 163                         | (17)  |
| Coastguard Cottages Major Works | 201                          | 216                         | 15  |
| 93 Westcliff Road               | 34                           | 9                           | (25)  |
| 141 Acquisitions Programme      | 1,130                        | 790                         | (340)                                       |
| St Johns Crescent               | 130                          | 1                           | (129)                                       |
| <b>Total Expenditure</b>        | <b>13,909</b>                | <b>4,492</b>                | <b>(9,417)</b>                              |

2.10 Table 6 below shows how the actual spend was financed:

**Table 6 Financing of HRA Capital Programme**

| HRA Capital Programme                          | Revised<br>2017-18<br>Budget | Actual<br>2017-18<br>Actual | Variance<br>to Revised<br>2017-18<br>Budget |
|--|------------------------------|-----------------------------|---|
|  | £000                         | £000                        | £000  |
| <b>Total HRA Capital Programme Expenditure</b> | 13,909                       | 4,492                       | (9,417)                                     |
| <b><i>HRA Capital Resources Used:</i></b>      |                              |                             |   |
| HRA Major Repairs Reserve                      | 2,170                        | 2,093                       | (77)  |
| HRA Revenue Contributions/Reserves             | 5,811                        | 1,179                       | (4,632)                                     |
| Capital Grant                                  | 1,379                        | 376                         | (1,003)                                     |
| Capital Receipts                               | 2,144                        | 434                         | (1,710)                                     |
| Prudential Borrowing                           | 2,405                        | 410                         | (1,995)                                     |
| <b>Total Resources</b>                         | <b>13,909</b>                | <b>4,492</b>                | <b>(9,417)</b>                              |

The variance is due to capital works being re-profiled into future years and delays in the new build programme.

2.11 Annex 2 sets out the detail of the capital programme for 2017-18 and includes carry forwards.

### 3. Flexible Use of Capital Receipts (General Fund)

3.1 Table 7 was included in the Flexible Use of Capital Receipts Strategy.

**Table 7 - Flexible Use of Capital Receipts**

| Project Name               | Project Description   | Estimated Qualifying<br>Expenditure<br><br>£'000 | Estimated Annual<br>Savings<br><br>£'000 |
|----------------------------|---|--|--|
| Corporate Restructure      | To review and update the organisational structure to deliver efficiencies | 800  | 814                                      |
| Digitally Enabled Services | To adopt digital technology to enable new ways of working                 | 200  | 50                                       |

3.2 During 2017-18 expenditure on the Corporate Restructure and Digitally Enabled Services projects was £287k and £32k respectively. It is intended that the remaining budgets be carried forward into 2018-19.

## 4.0 ANNUAL TREASURY MANAGEMENT REPORT 2017-18

### Introduction and Background

- 4.1 This council is required by regulations issued under the Local Government Finance Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2017-18. This report meets the requirements of both the Chartered Institute of Public Finance & Accountancy (CIPFA) Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 4.2 During 2017-18 the minimum reporting requirements were that the full council should receive the following reports:
- an annual treasury strategy in advance of the year (council 09-02-2017)
  - a mid-year treasury update report (council 08-02-2018)
  - an annual review following the end of the year describing the activity compared to the strategy (this report)
- 4.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the council's policies previously approved by members.
- 4.4 This council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Governance and Audit Committee before they were reported to the full Council. Member training on treasury management issues was last undertaken on 21-09-2015 in order to support members' scrutiny role. The council's external treasury management advisor is Link Asset Services (Link).
- 4.5 The council's 2017-18 accounts have not yet been audited and hence the figures in this report are subject to change.

### Link's Review of the Economy and Interest Rates (issued by Link in April 2018)

- 4.6 During the calendar year of 2017, there was a major shift in expectations in financial markets in terms of how soon the Bank Rate would start on a rising trend. After the UK economy surprised on the upside with strong growth in the second half of 2016, growth in 2017 was disappointingly weak in the first half of the year which meant that growth was the slowest for the first half of any year since 2012. The main reason for this was the sharp increase in inflation caused by the devaluation of sterling after the EU referendum, feeding increases into the cost of imports into the economy. This caused a reduction in consumer disposable income and spending power as inflation exceeded average wage increases. Consequently, the services sector of the economy, accounting for around 75% of Gross Domestic Product (GDP), saw weak growth as consumers responded by cutting back on their expenditure. However, growth did pick up modestly in the second half of 2017. Consequently, market expectations during the autumn, rose significantly that the Monetary Policy Committee (MPC) would be heading in the direction of imminently raising Bank Rate. The minutes of the MPC meeting of 14 September 2017 indicated that the MPC was likely to raise Bank Rate very soon. The 2 November 2017 MPC quarterly Inflation Report meeting duly delivered by raising Bank Rate from 0.25% to 0.50%.
- 4.7 The 8 February 2018 MPC meeting minutes then revealed another sharp hardening in MPC warnings on a more imminent and faster pace of increases in Bank Rate than

had previously been expected. Market expectations for increases in Bank Rate, therefore, shifted considerably during the second half of 2017-18 and resulted in investment rates from 3–12 months increasing sharply during the spring quarter.

- 4.8 Public Works Loan Board (PWLB) borrowing rates increased correspondingly to the above developments with the shorter term rates increasing more sharply than longer term rates. In addition, UK gilts have moved in a relatively narrow band this year, (within 25 basis points for much of the year), compared to US treasuries. During the second half of the year, there was a noticeable trend in treasury yields being on a rising trend with the Federal Reserve (Fed) raising rates by 0.25% in June, December and March, making six increases in all from the floor. The effect of these three increases was greater in shorter terms around 5 year, rather than longer term yields.
- 4.9 The major UK landmark event of the year was the inconclusive result of the general election on 8 June. However, this had relatively little impact on financial markets.

### Overall Treasury Position as at 31 March 2018

- 4.10 At the beginning and the end of 2017-18 the council's treasury (excluding borrowing by private finance initiatives (PFI) and finance leases) position is outlined in Table 8.

**Table 8 - Overall Treasury Position as at 31 March 2018**

|                                    | 31 March<br>2017<br>Principal | Rate/<br>Return | Average<br>Life | 31 March<br>2018<br>Principal | Rate/<br>Return | Average<br>Life |
|------------------------------------|-------------------------------|-----------------|-----------------|-------------------------------|-----------------|-----------------|
|                                    | £'000                         |                 | Years           | £'000                         |                 | Years           |
| General Fund (GF) debt             | 11,629                        | 3.14%           | 14.2            | 11,046                        | 3.15%           | 13.9            |
| Housing Revenue Account (HRA) debt | 20,040                        | 4.03%           | 8.9             | 20,040                        | 4.03%           | 8.1             |
| <b>Total debt</b>                  | <b>31,669</b>                 | <b>3.71%</b>    | <b>10.8</b>     | <b>31,086</b>                 | <b>3.71%</b>    | <b>10.2</b>     |
| <b>GF CFR</b>                      | 26,706                        |                 |                 | 23,812                        |                 |                 |
| <b>HRA CFR</b>                     | 20,377                        |                 |                 | 20,787                        |                 |                 |
| <b>Total CFR</b>                   | <b>47,083</b>                 |                 |                 | <b>44,599</b>                 |                 |                 |
| <b>Over / (under) borrowing</b>    | <b>(15,414)</b>               |                 |                 | <b>(13,513)</b>               |                 |                 |
| <b>Total investments</b>           | <b>37,988</b>                 | <b>0.49%</b>    |                 | <b>40,882</b>                 | <b>0.36%</b>    |                 |
| <b>Net debt / (investment)</b>     | <b>(6,319)</b>                |                 |                 | <b>(9,796)</b>                |                 |                 |

### The Strategy for 2017-18

- 4.11 The expectation for interest rates within the treasury management strategy for 2017-18 was that Bank Rate would stay flat at 0.25% until quarter 2 2019 and not to rise above 0.75% by quarter 1 2020. There would also be gradual rises in medium and longer term fixed borrowing rates during 2017-18 and the two subsequent financial years. Variable, or short-term rates, were expected to be the cheaper form of

borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

- 4.12 In this scenario, the treasury strategy was to postpone borrowing to avoid the cost of holding higher levels of investments and to reduce counterparty risk.
- 4.13 During 2017-18, longer term PWLB rates were volatile but with little overall direction, whereas shorter term PWLB rates were on a rising trend during the second half of the year.
- 4.14 **Change in strategy during the year** – the strategy adopted in the original Treasury Management Strategy Report for 2017-18 approved by the council on 09-02-17 was not revised during 2017-18.

### The Borrowing Requirement and Debt

- 4.15 The council’s underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR) and is shown in Table 9.

**Table 9 - Council’s Capital Financing Requirement**

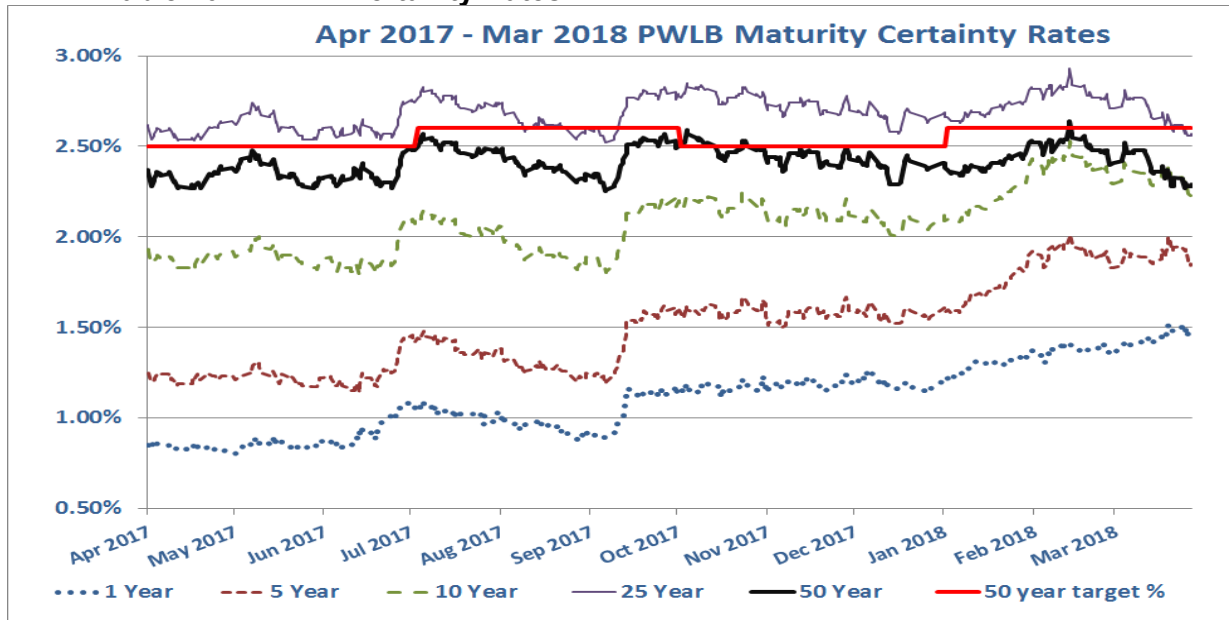
|                                   | 31 March<br>2017<br>Actual<br>£'000 | 31 March<br>2018<br>Budget<br>£'000 | 31 March 2018<br>Actual<br>£'000 |
|-----------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| CFR General Fund (GF)             | 26,706                              | 30,963                              | 23,812                           |
| CFR Housing Revenue Account (HRA) | 20,377                              | 27,283                              | 20,787                           |
| <b>Total CFR</b>                  | <b>47,083</b>                       | <b>58,246</b>                       | <b>44,599</b>                    |

The main reasons for the CFR variance are capital work which was due to be funded from prudential borrowing slipping from 2017-18 into future years, and settlement of the East Kent Opportunities spine road liability.

### Borrowing Rates in 2017-18

- 4.16 **Public Works Loan Board (PWLB) certainty maturity borrowing rates** - the graph in Table 3 shows PWLB 25 and 50 year rates have been volatile during the year with little consistent trend. However, shorter rates were on a rising trend during the second half of the year and reached peaks in February / March. During the year, the 50 year PWLB target (certainty) rate for new long term borrowing was 2.50% in quarters 1 and 3 and 2.60% in quarters 2 and 4. The graph for PWLB rates shows, for a selection of maturity periods, the average borrowing rates, the high and low points in rates, spreads and individual rates at the start and the end of the financial year.

**Table 10 – PWLB Certainty Rates**



**Borrowing Outturn for 2017-18**

4.17 **Borrowing** – Table 11 outlines the General Fund loans drawn (from Salix Finance Ltd) to fund net unfinanced capital expenditure and any naturally maturing debt:

**Table 11 –General Fund Loans drawn in 2017-18**

| Principal £000 | Type   | Interest Rate | Maturity   | GF Average Interest Rate for 2017-18 |
|----------------|--|---------------|------------|--------------------------------------|
| 43             | Fixed interest rate - Equal Instalments of Principal (EIP) | 0.00%         | 01/04/2022 | 3.15%                                |

Salix Finance Ltd provides interest-free Government funding to the public sector to improve their energy efficiency, reduce carbon emissions and lower energy bills.

This compares with a budget assumption of borrowing at an interest rate of 3% during the year.

4.18 **Rescheduling** – No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

4.19 **Repayments** – The council repaid £626k of maturing debt using investment balances. Details of these are outlined in Table 15.

**Table 12 – Maturing Debt Paid in 2017-18**

| Lender       | Principal<br>£'000 | Interest Rate | Repayment<br>Date |
|--------------|--------------------|---------------|-------------------|
| PWLB         | 43                 | 3.08%         | 23-04-17          |
| PWLB         | 50                 | 2.48%         | 27-05-17          |
| PWLB         | 146                | 1.97%         | 27-05-17          |
| PWLB         | 72                 | 1.28%         | 20-06-17          |
| Salix        | 4                  | 0.00%         | 01-10-17          |
| PWLB         | 43                 | 3.08%         | 23-10-17          |
| PWLB         | 50                 | 2.48%         | 27-11-17          |
| PWLB         | 146                | 1.97%         | 27-11-17          |
| PWLB         | 72                 | 1.28%         | 20-12-17          |
| <b>Total</b> | <b>626</b>         |               |                   |

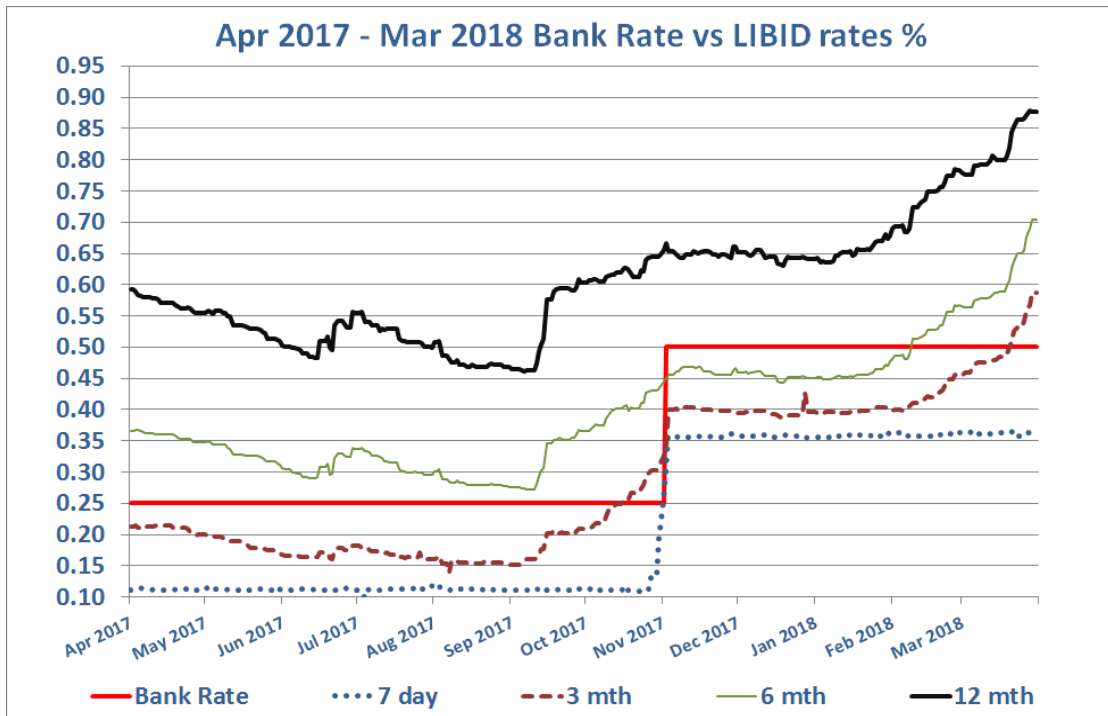
- 4.20 **Summary of debt transactions** – The average interest rate on the debt portfolio was unchanged during the year at 3.71%.

**Investment Rates in 2017-18**

- 4.21 Investments rates for 3 months and longer have been on a rising trend during the second half of the year in the expectation of Bank Rate increasing from its floor of 0.25%, and reached a peak at the end of March. Bank Rate was duly raised from 0.25% to 0.50% on 2.11.17 and remained at that level for the rest of the year. However, further increases are expected over the next few years. Deposit rates continued into the start of 2017-18 at previous depressed levels due, in part, to a large tranche of cheap financing being made available under the Term Funding Scheme to the banking sector by the Bank of England; this facility ended on 28.2.18.



Table 12 – Investment Rates



**Investment Outturn for 2017-18**

4.22 **Investment Policy** – the council’s investment policy is governed by the Ministry of Housing, Communities and Local Government (MHCLG) guidance, which has been implemented in the annual investment strategy approved by the council on 9 February 2017. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

4.23 The investment activity during the year conformed to the approved strategy.

4.24 **Investments held by the council** - the council maintained an average balance of £46.86m of internally managed funds. The internally managed funds earned an average rate of return of 0.36%. The comparable performance indicator is the average 7-day London Interbank Bid Rate (LIBID) rate, which was 0.22%. This compares with a budget assumption of £25m investment balances earning an average rate of 0.13%.

4.25 **Investments held by fund managers** – the council does not use external fund managers.

**Investment risk benchmarking**

4.26 The following investment benchmarks were set in the council’s 2017-18 annual treasury strategy:

4.27 **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.

# Agenda Item 5

4.28 **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.

4.29 **Yield** - local measures of yield benchmarks are:

- Investments – internal returns above the 7 day LIBID rate

4.30 The council kept to the above benchmarks during 2017-18.

## 5. Options

5.1 Cabinet is asked to note the provisional outturn for the General Fund, HRA and capital programme for 2017-18. The results are provisional since the accounts remain subject to audit. Cabinet is also asked to note the Annual Treasury Management Report 2017-18 set out in section 4 (including associated annexes).

Cabinet is being asked to approve the updating of the 2018-19 Capital Programme for carry forwards.

5.2 Cabinet has the option to not approve the capital recommendations (which would then impact on the delivery of the programme) and provide reason(s) why.

## 6. Next Steps

6.1 The Annual Treasury Management Report 2017-18 will be presented to 25 July Governance & Audit Committee and 6 September Council for approval.

|                  |  |
|------------------|--|
| Contact Officer: | Ramesh Prashar, Head of Financial Service and Deputy Section 151 Officer<br>Gary Whittaker – Interim Finance Manager                   |
| Reporting to:    | Tim Willis, Deputy Chief Executive and Section 151 Officer<br>Ramesh Prashar, Head of Financial Service and Deputy Section 151 Officer |

## Annex List

|         |  |
|---------|--|
| Annex 1 | GF Capital Programme 2017-18                                       |
| Annex 2 | HRA Capital Programme 2017-18                                      |
| Annex 3 | Treasury management performance indicators                         |
| Annex 4 | Treasury management report guidance, abbreviations and definitions |

## Background Papers

| Title | Details of where to access copy |
|-------|---------------------------------|
| None  | N/A                             |

## Corporate Consultation

|                |   |
|----------------|---|
| <b>Finance</b> | Ramesh Prashar, Head of Financial Services    |
| <b>Legal</b>   | Sophia Nartey, Interim Head of Legal Services |

**ANNEX 1 GF Capital Programme Qtr4**

| Capital Programme 2017/18                       | Revised Capital Budget 2017/18 to Cabinet 15 March 2018 £ | Additions / Removals £ | Revised Capital Budget 2017/18 Outturn £ | Actual Outturn £ | Variance Overspend / (Underspend) £ | Comments  |
|---|---|------------------------|--|------------------|-------------------------------------|---|
| <b>Corporate Resources (East Kent Services)</b> |   |                        |  |                  |                                     |   |
| Payroll-HR System                               | 32,050  |                        | 32,050                                   | 31,116           | -934                                | C/fwd for ongoing work  |
| Telephony Project                               | 30,919  |                        | 30,919                                   | 30,888           | -31                                 |   |
| IT Infrastructure                               | 54,245  |                        | 54,245                                   | 53,714           | -531                                | C/fwd for ongoing work  |
| Corporate Restructure                           | 800,000   |                        | 800,000                                  | 286,440          | -513,560                            | C/fwd for ongoing work  |
| Digitally Enabled Services                      | 200,000   |                        | 200,000                                  | 32,214           | -167,786                            | C/fwd for ongoing work  |
| <b>Total</b>                                    | <b>1,117,214</b>  |                        | <b>1,117,214</b>                         | <b>434,373</b>   | <b>-682,841</b>                     |   |
| <b>Community Services</b>                       |   |                        |  |                  |                                     |   |
| Sunshine Café                                   | 670,243   |                        | 670,243                                  | 648,824          | -21,419                             | C/fwd for ongoing work  |
| Disabled Facilities Grants                      | 2,194,000   | 261,175                | 2,455,175                                | 1,965,606        | -489,569                            | Unspent capital grant carried forward   |
| Dreamland                                       | 644,574   |                        | 644,574                                  | 90,412           | -554,162                            | C/fwd for ongoing work  |
| Dalby Square                                    | 968,831   |                        | 968,831                                  | 347,882          | -620,949                            | Unspent capital grant carried forward   |
| Margate Housing Intervention - Loan scheme      | 150,000   |                        | 150,000                                  | 20,000           | -130,000                            | C/fwd for ongoing work  |
| Planning Project                                | 0   |                        | 0  | -1,900           | -1,900                              |   |
| Private Sector Housing                          | 493,490   |                        | 493,490                                  | 74,592           | -418,898                            | Unspent capital grant carried forward   |
| <b>Total</b>                                    | <b>5,121,138</b>  | <b>261,175</b>         | <b>5,382,313</b>                         | <b>3,145,416</b> | <b>-2,236,897</b>                   |   |
| <b>Operational Services</b>                     |   |                        |  |                  |                                     |   |
| Allotments                                      | 6,452   |                        | 6,452                                    | 0                | -6,452                              | C/fwd - reprofiled expenditure  |
| Crematorium Office Upgrade                      | 60,135  |                        | 60,135                                   | 58,306           | -1,829                              | C/fwd for ongoing work  |
| Property Enhancement Programme                  | 80,000  |                        | 80,000                                   | 0                | -80,000                             | C/fwd - reprofiled expenditure  |
| Waste Transfer Station                          | 100,000   |                        | 100,000                                  | 91,670           | -8,330                              | C/fwd for ongoing work  |
| Ramsgate Port - Berth 2/3 & 4/5 Replacement     | 507,200   |                        | 507,200                                  | 29,386           | -477,814                            | C/fwd for ongoing work  |
| CCTV  | 393,641   |                        | 393,641                                  | 47,370           | -346,271                            | C/fwd for ongoing work  |
| Vehicle Replacement Programme                   | 2,563,479   |                        | 2,563,479                                | 1,904,199        | -659,280                            | C/fwd for ongoing work  |
| Dreamland Car Park Enhancement                  | 150,000   |                        | 150,000                                  | 300              | -149,700                            | C/fwd - reprofiled expenditure  |
| Mill Lane Multi-Storey Car Park                 | 3,000,000   |                        | 3,000,000                                | 3,645            | -2,996,355                          | C/fwd - reprofiled expenditure  |
| Thanet Crematorial Memorial Chapel              | 40,000  |                        | 40,000                                   | 36,156           | -3,844                              | C/fwd for ongoing work  |
| In-Cab System                                   | 60,000  |                        | 60,000                                   |                  | -60,000                             | C/fwd - reprofiled expenditure  |
| Marina Management System                        | 50,000  |                        | 50,000                                   | 35,500           | -14,500                             | C/fwd for ongoing work  |
| Ramsgate Flood and Coast Protection Scheme      | 144,750   |                        | 144,750                                  | 54,823           | -89,927                             | C/fwd for ongoing work  |
| Ramsgate Harbour Water Supply Upgrade           | 50,000  |                        | 50,000                                   | 22,924           | -27,076                             | C/fwd for ongoing work  |
| Margate Harbour Railings and Lighting           | 77,211  |                        | 77,211                                   | 77,211           | 0                                   |   |
| Ramsgate Harbour Railings                       | 100,000   |                        | 100,000                                  | 0                | -100,000                            | C/fwd - reprofiled expenditure  |
| Ramsgate Harbour Aquastores                     | 50,000  |                        | 50,000                                   |                  | -50,000                             | C/fwd - reprofiled expenditure  |
| Ramsgate Harbour Self Storage Containers        | 50,000  |                        | 50,000                                   |                  | -50,000                             | C/fwd - reprofiled expenditure  |
| Folder-Inserter Machine                         | 18,906  |                        | 18,906                                   | 18,906           | 0                                   |   |
| Ramsgate Harbour Gate & Bridge                  | 750,000   | 550,000                | 1,300,000                                | 4,820            | -1,295,180                          | Budget increase as per Decision of Individual Cabinet Member on 7 Feb 2018 - c/fwd for ongoing work |
| Breakwater Piles & Guides                       | 0   | 200,000                | 200,000                                  | 18,726           | -181,275                            |   |
| Skatepark                                       | 60,887  |                        | 60,887                                   | 1,400            | -59,487                             | C/fwd - reprofiled expenditure  |
| <b>Total</b>                                    | <b>8,312,661</b>  | <b>750,000</b>         | <b>9,062,661</b>                         | <b>2,405,343</b> | <b>-6,657,318</b>                   |   |
| <b>Total Programme</b>                          | <b>14,551,013</b>   | <b>1,011,175</b>       | <b>15,562,188</b>                        | <b>5,985,131</b> | <b>-9,577,056</b>                   |   |
| Capital Salaries                                | 75,000  |                        | 75,000                                   | 61,726           | -13,274                             |   |
| <b>Grand Total</b>                              | <b>14,626,013</b>   | <b>1,011,175</b>       | <b>15,637,188</b>                        | <b>6,046,857</b> | <b>-9,590,330</b>                   |   |

| <b>Funded By</b>     | <b>Revised Capital Budget 2017/18 to Cabinet 15 March 2017 £</b> | <b>Additions / Removals £</b> | <b>Revised Capital Budget 2017/18 Outturn £</b> |
|----------------------|--|-------------------------------|---|
| Revenue and Reserves | 521,535  | - 310,197                     | 211,338   |
| Capital Receipts     | 4,134,705  | - 2,318,632                   | 1,816,073                                       |
| Prudential Borrowing | 5,482,393  | - 4,481,998                   | 1,000,395                                       |
| External Funding     | 4,487,380  | - 1,468,329                   | 3,019,051                                       |
| <b>Total</b>         | <b>14,626,013</b>  | <b>- 8,579,156</b>            | <b>6,046,857</b>                                |

Key:

Ongoing work is that where spend has commenced in 2017-18 and continues into 2018-19.

Re-profiled expenditure is that where the scheme spend will now commence in 2018-19 and not 2017-18 as originally planned.

**ANNEX 2 HRA Capital Programme**

| Capital Programme 2017/18                      | Original Capital Budget 2017/18 (incl balances b/f from 2016/17) | Approved virements | Q4 Virements | Slippage to be carried forward to 2018/19 | Revised Capital Budget 2017/18 | Outturn £        | Variance Overspend / (Underspend) £ | Comments  |
|--|--|--------------------|--------------|---|--------------------------------|------------------|-------------------------------------|---|
| <b>East Kent Housing Managed Budgets</b>       |  |                    |              |   |                                |                  |                                     |   |
| 16/17 Overspends                               | 0  | 104,880            |              |   | 104,880                        | 66,747           | -38,133                             |   |
| Structural Repairs/ Re-pointing 16/17          | 74,000   | -73,434            |              |   | 566                            | 566              | 0                                   |   |
| Re-Roofing 17/18                               | 700,000  |                    |              | -615,000                                  | 85,000                         | 12,050           | -72,950                             | £500k to complete works at Royal Crescent - Ramsgate. £115k for pitched roofs - contract delay. Remaining £85k to carry out works at Brunswick Court - contract delay to co-incide with lift works. |
| Replacement Windows & Doors 17/18              | 150,000  | 15,000             | 4,010        | -35,000                                   | 134,010                        | 133,309          | -701                                | £35k to complete programme - contract delays  |
| Kitchen & Bathroom Replacements 17/18          | 600,000  |                    | -18,530      |   | 581,470                        | 571,639          | -9,831                              |   |
| Electrical Re-wiring 17/18                     | 150,000  | -37,492            |              |   | 112,508                        | 188,644          | 76,136                              | Works identified from kitchen and bathroom replacements.  |
| Heating 17/18                                  | 415,000  | -2,376             | 12,160       |   | 424,784                        | 424,784          | 0                                   |   |
| Fire Precaution Works 17/18                    | 225,000  | 104,000            |              | -86,000                                   | 243,000                        | 242,990          | -10                                 | £86k to complete automated opening vents at Harbour Towers  |
| Planned Refurbishments                         | 95,000   | -43,617            |              | -27,000                                   | 24,383                         | 4,936            | -19,447                             | £27k to complete programme - contract delays  |
| Structural Repairs/ Re-pointing 17/18          | 1,213,000  | -30,566            |              | -987,000                                  | 195,434                        | 152,289          | -43,145                             | £987k to complete works at Royal Crescent- Ramsgate, Churchfields - Margate & balcony & handrail works at various blocks  |
| Thermal Insulation 17/18                       | 40,000   | 6,000              | 2,360        | -24,000                                   | 24,360                         | 24,363           | 3                                   | £24k to complete programme - contract delays  |
| Rainwater Goods 17/18                          | 20,000   | -20,000            |              |   | 0                              | 0                | 0                                   | Programme complete.   |
| Disabled Adaptions 17/18                       | 300,000  | 0                  |              |   | 300,000                        | 213,645          | -86,355                             | Demand lower than expected. To be returned to balances.   |
| Estate Improvements 17/18                      | 50,000   | -42,395            |              |   | 7,605                          | 0                | -7,605                              | Saving, to be returned to balances  |
| Lift refurbishments 17/18                      | 200,000  |                    |              | -199,000                                  | 1,000                          | 1,000            | 0                                   | £199k to complete Brunswick Court and Trove Court lift replacements - contract delays   |
| Soil Stacks 17/18                              | 10,000   |                    |              |   | 10,000                         | 0                | -10,000                             | New survey not required   |
| <b>Total</b>                                   | <b>4,242,000</b>   | <b>-20,000</b>     | <b>0</b>     | <b>-1,973,000</b>                         | <b>2,249,000</b>               | <b>2,036,962</b> | <b>-212,038</b>                     |   |
| <b>Thanet District Council Managed Budgets</b> |  |                    |              |   |                                |                  |                                     |   |
| Empty Properties Programme                     | 3,695  |                    |              |   | 3,695                          | 0                | -3,695                              | Project Completed   |
| King Street - Ramgate Housing Intervention     | 1,034,088  | -947,917           |              |   | 86,171                         | 2,972            | -83,199                             | Project Completed   |
| Margate Housing Intervention                   |  |                    |              |   |                                |                  |                                     |   |
| 50 Surrey Road                                 |  |                    |              |   |                                |                  |                                     | Project Completed   |
| 26 Ethelbert Crescent                          |  |                    |              |   |                                |                  |                                     | Project Completed   |
| 19 Athelstan Road                              | 21,978   |                    |              |   | 21,978                         | -1,038           | -23,016                             | Project Completed - Retention Held  |
| 29 Athelstan Road                              | 19,136   |                    |              |   | 19,136                         | 1,026            | -18,110                             | Project Completed - Retention Held  |
| 54 Trinity Square                              | 51,234   |                    |              |   | 51,234                         | 10,737           | -40,497                             | Project Completed - Retention Held  |
| 40-46 Sweyn Road                               | 573,445  |                    |              |   | 573,445                        | 557,320          | -16,125                             | Project Completed - Retention Held & Final Payment Due  |
| 1 Godwin Road                                  | 525,629  |                    |              |   | 525,629                        | 28,096           | -497,533                            | Demolition complete. Site under review  |
| 17-21 Warwick Road                             | 770,573  |                    |              | -500,000                                  | 270,573                        | 40,113           | -230,460                            | With planning   |
| 24 Ethelbert Crescent                          | 522,594  |                    |              |   | 522,594                        | 3,240            | -519,354                            | Start on site due Q1 2018/19  |

|                                      |                   |                  |          |                   |                   |                  |                   |  |
|--------------------------------------|-------------------|------------------|----------|-------------------|-------------------|------------------|-------------------|--|
| <i>New Projects</i>                  | 1,169,677         | 966,245          |          |                   | 2,135,922         | 0                | -2,135,922        | <i>Programme under review</i>  |
| Buy Back Scheme                      | 100,000           | -100,000         |          |                   | 0                 | 0                | 0                 |  |
| New Build Programme                  |                   |                  |          |                   |                   |                  | 0                 |  |
| <i>Phase 1</i>                       | 2,484,557         |                  |          |                   | 2,484,557         | 495,052          | -1,989,505        | <i>Phase 1 Start on Site Q4</i>  |
| <i>Phase 2</i>                       | 2,855,287         |                  |          |                   | 2,855,287         | 67,002           | -2,788,285        | <i>Phase 2 delayed</i>   |
| <i>Phase 3</i>                       | 4,249,951         | 685,264          |          | -4,500,000        | 435,215           | 71,936           | -363,279          | <i>Phase 3 delayed</i>   |
| Fort Road Hotel                      | 989,808           | -810,000         |          |                   | 179,808           | 162,706          | -17,102           | Asset to be disposed. Awaiting final costs                               |
| Coastguard Cottages Flat Major Works | 200,698           |                  |          |                   | 200,698           | 215,947          | 15,249            | Project has incurred additional costs due to unforeseen additional works |
| 93 Westcliff Road                    | 33,838            |                  |          |                   | 33,838            | 8,795            | -25,043           | Project Completed  |
| 1-4-1 Purchases Programme            | 0.00              | 2,130,000        |          | -1,000,000        | 1,130,000         | 790,039          | -339,961          | 4 units purchased - further acquisitions due in 2018/19                  |
| St Johns Crescent                    |                   | 130,000          |          |                   | 130,000           | 1,453            | -128,547          | Project awaiting planning approval. Preliminary works ongoing.           |
| <b>Total</b>                         | <b>15,606,188</b> | <b>2,053,592</b> | <b>0</b> | <b>-6,000,000</b> | <b>11,659,780</b> | <b>2,455,396</b> | <b>-9,204,384</b> |  |
| <b>Grand Total</b>                   | <b>19,848,188</b> | <b>2,033,592</b> | <b>0</b> | <b>-7,973,000</b> | <b>13,908,780</b> | <b>4,492,358</b> | <b>-9,416,422</b> |  |

**ANNUAL TREASURY MANAGEMENT REVIEW 2017-18**

**Annex 3: Prudential and Treasury Indicators**

1. During 2017-18, the council complied with its legislative and regulatory requirements.

The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are shown in Table 1.

**Table 1 – Prudential and Treasury Indicators**

| Actual prudential and treasury indicators | 2016-17 Actual £000 | 2017-18 Budget £000 | 2017-18 Actual £000 |
|---|---------------------|---------------------|---------------------|
| Capital expenditure                       |                     |                     |                     |
| • GF                                      | 8,087               | 14,768              | 6,234               |
| • HRA                                     | 5,156               | 21,882              | 4,492               |
| • Total                                   | 13,243              | 36,650              | 10,726              |
| Capital Financing Requirement (CFR):      |                     |                     |                     |
| • GF                                      | 26,706              | 30,963              | 23,812              |
| • HRA                                     | 20,377              | 27,283              | 20,787              |
| • Total                                   | 47,083              | 58,246              | 44,599              |
| External debt                             | 31,669              | 31,086              | 31,086              |
| Investments                               |                     |                     |                     |
| • Longer than 1 year                      | 0                   | 0                   | 0                   |
| • Under 1 year                            | 37,988              | 16,000              | 40,882              |
| • Total                                   | 37,988              | 16,000              | 40,882              |
| Net borrowing / (investment)              | (6,319)             | 15,086              | (9,796)             |

**HRA:** The capital expenditure variance is due to capital work slipping from 2017-18 into future years. In particular, £9.6m of the carry-over is in respect of the New Build Programme and £4m for the Margate Housing Intervention. The largest element of the CFR variance is due to the New Build Programme slippage (the largest funding component of this project being prudential borrowing).

**GF:** The capital expenditure variance is due to capital work slipping from 2017-18 into future years. In particular, £3m of the carry-over is in respect of the purchase of Mill Lane car park Margate and £1.5m towards urgent refurbishment and improvements to Ramsgate Harbour (gate, bridge and piles). The largest elements of the CFR variance are due to the Mill Lane car park slippage (which is due to be funded from prudential borrowing) and settlement of the EKO spine road liability.

2. **Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2017-18) plus the estimates of

# Agenda Item 5

## Annex 3

any additional capital financing requirement for the current (2018-19) and next two financial years. This essentially means that the council is not borrowing to support revenue expenditure. This indicator allows the council some flexibility to borrow in advance of its immediate capital needs in 2017-18.

3. **The authorised limit** - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the council does not have the power to borrow above this level. The table below demonstrates that during 2017-18 the Council has maintained gross borrowing within its authorised limit.
4. **The operational boundary** – the operational boundary is the expected borrowing position of the council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.
5. **Actual financing costs as a proportion of 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.

**Table 2 – Borrowing position / limit and financing costs**

| £000  | 2017-18 |
|---|---------|
| Authorised limit  | 70,000  |
| Maximum gross borrowing position                            | 31,712  |
| Operational boundary  | 62,000  |
| Average gross borrowing position                            | 31,341  |
| Financing costs as a proportion of net revenue stream - GF  | 6.0%    |
| Financing costs as a proportion of net revenue stream - HRA | 5.8%    |

**Table 3 – Overall Treasury Position as at 31 March 2018**

|                        | 31 March<br>2017<br>Principal | Rate/<br>Retur<br>n | Averag<br>e Life<br>yrs | 31<br>March<br>2018<br>Principal | Rate/<br>Retur<br>n | Averag<br>e Life<br>yrs |
|------------------------|-------------------------------|---------------------|-------------------------|----------------------------------|---------------------|-------------------------|
| Fixed rate funding:    |                               |                     |                         |                                  |                     |                         |
| -PWLB                  | 27,169                        | 3.63<br>%           | 12.5                    | 26,547                           | 3.71%               | 11.8                    |
| -Salix                 | 0                             |                     |                         | 39                               | 0.00%               | 2.0                     |
| -Market                | 4,500                         | 4.19<br>%           | 0.5                     | 4,500                            | 4.19%               | 0.5                     |
| Variable rate funding: |                               |                     |                         |                                  |                     |                         |
| -PWLB                  | 0                             |                     |                         | 0                                |                     |                         |
| -Market                | 0                             |                     |                         | 0                                |                     |                         |
| <b>Total debt</b>      | <b>31,669</b>                 | <b>3.71<br/>%</b>   | <b>10.8</b>             | <b>31,086</b>                    | <b>3.71%</b>        | <b>10.2</b>             |
| <b>CFR</b>             | <b>47,083</b>                 |                     |                         | <b>44,599</b>                    |                     |                         |
| <b>Over/ (under)</b>   | <b>(15,414)</b>               |                     |                         | <b>(13,513)</b>                  |                     |                         |



## Agenda Item 5 Annex 3

|                                |                |              |  |                |              |
|--------------------------------|----------------|--------------|--|----------------|--------------|
| <b>borrowing</b>               |                |              |  |                |              |
| <b>Total investments</b>       | <b>37,988</b>  | <b>0.49%</b> |  | <b>40,882</b>  | <b>0.36%</b> |
| <b>Net debt / (investment)</b> | <b>(6,319)</b> |              |  | <b>(9,796)</b> |              |

6. The maturity structure of the debt portfolio was as shown in Table 4.

**Table 4 – Maturity Structure of Debt Portfolio**

| £000                       | 31 March 2017<br>actual | 2017-18<br>upper limits | 31 March 2018<br>actual |
|----------------------------|-------------------------|-------------------------|-------------------------|
| Under 1 year               | 5,123                   | 15,543                  | 5,131                   |
| 1 year to under 2 years    | 623                     | 15,543                  | 5,432                   |
| 2 years to under 5 years   | 10,215                  | 15,543                  | 5,144                   |
| 5 years to under 10 years  | 3,249                   | 17,097                  | 3,006                   |
| 10 years to under 20 years | 6,539                   | 15,543                  | 6,453                   |
| 20 years to under 30 years | 3,000                   | 15,543                  | 3,000                   |
| 30 years to under 40 years | 1,920                   | 15,543                  | 1,920                   |
| 40 years to under 50 years | 1,000                   | 15,543                  | 1,000                   |
| 50 years and above         | 0                       | 15,543                  | 0                       |
| <b>Total debt</b>          | <b>31,669</b>           |                         | <b>31,086</b>           |

7. All investments at both the 2016-17 and 2017-18 year-ends were for under one year.
8. The exposure to fixed and variable rates was as shown in Table 5.

**Table 5 – Exposure to Fixed and Variable Rates**

|               | 31 March 2017<br>Actual<br>£000   | 2017-18<br>Limits<br>£000         | 31 March 2018<br>Actual<br>£000   |
|---------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Fixed rate    | 31,669 debt<br>12,811 investments | 70,000 debt<br>45,000 investments | 31,086 debt<br>17,811 investments |
| Variable rate | 0 debt<br>25,177 investments      | 70,000 debt<br>50,000 investments | 0 debt<br>23,071 investments      |

This page is intentionally left blank

## **ANNUAL TREASURY MANAGEMENT REVIEW 2017-18**

### **ANNEX 4: Report Guidance, abbreviations and definitions**

#### **Guidance**

##### Overall Treasury Position

The Overall Treasury Position table shows the council's debt and Capital Financing Requirement (CFR) split between its General Fund (GF) and Housing Revenue Account (HRA). The HRA is a 'ring-fenced' account for local authority housing.

The CFR represents the council's aggregate borrowing need (the element of the capital programme that has not been funded). The council's debt should not normally be higher than its CFR as explained in section 2 of Annex 1.

##### Borrowing Repayments

PWLB is the Public Works Loan Board which is a statutory body operating within the UK Debt Management Office, an Executive Agency of HM Treasury. PWLB's function is to lend money from the National Loans Fund to local authorities, and to collect the repayments.

The council has the following types of fixed rate loan with the PWLB:

- Annuity: fixed half-yearly payments to include principal and interest.
- Equal Instalments of Principal: equal half-yearly payments of principal together with interest on the outstanding balance.
- Maturity: half-yearly payments of interest only with a single payment of principal at the end of the term.

##### Financing Costs as a Proportion of Net Revenue Stream

This shows (separately for HRA and GF) the percentage of the council's revenue stream that is used to finance the CFR (net interest payable and Minimum Revenue Provision (MRP)).

MRP is the annual resource contribution from revenue which must be set against the CFR so that it does not increase indefinitely.

##### Borrowing and Investments

Borrowing limits – there are various general controls on the council's borrowing activity (operational boundary, authorised limit, fixed and variable interest rate exposures, and maturity profiles).

General controls on the council's investment activity, to safeguard the security and liquidity of its investments, include:

- Creditworthiness of investment counterparties.
- Counterparty money limits.
- Counterparty time limits.
- Counterparty country limits.
- Limits on the council's fixed and variable interest rate exposures.
- Minimum size of the council's bank overdraft facility.

#### **Abbreviations and Definitions**

# Agenda Item 5

## Annex 4

**ALMO** an Arm's Length Management Organisation is a not-for-profit company that provides housing services on behalf of a local authority. Usually an ALMO is set up by the authority to manage and improve all or part of its housing stock.

**LAS** Link Asset Services, Treasury solutions – the council's treasury management advisers.

**CE** Capital Economics - is the economics consultancy that provides Link Asset Services, Treasury solutions, with independent economic forecasts, briefings and research.

**CFR** Capital Financing Requirement - the council's annual underlying borrowing need to finance capital expenditure and a measure of the council's total outstanding indebtedness.

**CIPFA** Chartered Institute of Public Finance and Accountancy – the professional accounting body that oversees and sets standards in local authority finance and treasury management.

**CPI** Consumer Price Inflation – the official measure of inflation adopted as a common standard by countries in the EU. It is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them.

**ECB** European Central Bank - the central bank for the Eurozone.

**EU** European Union.

**EZ** Eurozone -those countries in the EU which use the euro as their currency.

**Fed** The Federal Reserve, often referred to simply as "the Fed," is the central bank of the United States. It was created by the Congress to provide the nation with a stable monetary and financial system.

**FOMC** The Federal Open Market Committee – this is the branch of the Federal Reserve Board which determines monetary policy in the USA by setting interest rates and determining quantitative easing policy. It is composed of 12 members--the seven members of the Board of Governors and five of the 12 Reserve Bank presidents.

**GDP** Gross Domestic Product – a measure of the growth and total size of the economy.

**G7** The group of seven countries that form an informal bloc of industrialised democracies--the United States, Canada, France, Germany, Italy, Japan, and the United Kingdom--that meets annually to discuss issues such as global economic governance, international security, and energy policy.

**Gilts** Gilts are bonds issued by the UK Government to borrow money on the financial markets. Interest paid by the Government on gilts is called a yield and is at a rate that is fixed for the duration until maturity of the gilt, (unless a gilt is index linked to inflation); yields therefore change inversely to the price of gilts i.e. a rise in the price of a gilt will mean that its yield will fall.

**HRA** Housing Revenue Account.

**IMF** International Monetary Fund - the lender of last resort for national governments which get into financial difficulties.

**LIBID** The London Interbank Bid Rate is a bid rate; the rate bid by banks on deposits i.e., the rate at which a bank is willing to borrow from other banks. It is the "other end" of the LIBOR (an offered, hence "ask" rate, the rate at which a bank will lend).

**MHCLG** The Ministry of Housing, Communities and Local Government - the Government department that directs local authorities in England.

**MPC** The Monetary Policy Committee is a committee of the Bank of England, which meets for one and a half days, eight times a year, to determine monetary policy by setting the official interest rate in the United Kingdom, (the Bank of England Base Rate, commonly called Bank Rate), and by making decisions on quantitative easing.

**MRP** Minimum Revenue Provision - a statutory annual minimum revenue charge to reduce the total outstanding CFR, (the total indebtedness of a local authority).

**PFI** Private Finance Initiative – capital expenditure financed by the private sector i.e. not by direct borrowing by a local authority.

**PWLB** Public Works Loan Board – this is the part of H.M. Treasury which provides loans to local authorities to finance capital expenditure.

**QE** Quantitative Easing – is an unconventional form of monetary policy where a central bank creates new money electronically to buy financial assets, like government bonds, (but may also include corporate bonds). This process aims to stimulate economic growth through increased private sector spending in the economy and also aims to return inflation to target. These purchases increase the supply of liquidity to the economy; this policy is employed when lowering interest rates has failed to stimulate economic growth to an acceptable level and to lift inflation to target. Once QE has achieved its objectives of stimulating growth and inflation, QE will be reversed by selling the bonds the central bank had previously purchased, or by not replacing debt that it held which matures. The aim of this reversal is to ensure that inflation does not exceed its target once the economy recovers from a sustained period of depressed growth and inflation. Economic growth, and increases in inflation, may threaten to gather too much momentum if action is not taken to 'cool' the economy.

**RPI** The Retail Price Index is a measure of inflation that measures the change in the cost of a representative sample of retail goods and services. It was the UK standard for measurement of inflation until the UK changed to using the EU standard measure of inflation – CPI. The main difference between RPI and CPI is in the way that housing costs are treated. RPI is often higher than CPI for that reason.

**TMSS** The annual Treasury Management Strategy Statement report that all local authorities are required to submit for approval by the full council before the start of each financial year.

**VRP** A Voluntary Revenue Provision to repay debt, in the annual budget, which is additional to the annual MRP charge, (see above definition).

This page is intentionally left blank

|  |
|--|
| <b>Adopt new Active Thanet Strategic Framework</b> |
|--|

|                  |  |
|------------------|--|
| Cabinet          | <b>26 July 2018</b>  |
| Report Author    | <b>Gavin Waite, Director of Operational Services</b>                                 |
| Portfolio Holder | <b>Councillor Lesley Game, Cabinet Member for Housing &amp; Safer Neighbourhoods</b> |
| Status           | <b>For Decision</b>  |
| Classification:  | <b>Unrestricted</b>  |
| Key Decision     | <b>Key</b>   |
| Reasons for Key  | <b>Significant effect on communities in more than one ward</b>                       |
| Ward:            | <b>District wide</b>   |

**Executive Summary:**

The Sport & Public Health Development service is responsible for developing opportunities for residents to lead a more active and healthier lifestyle. Following the most recent restructure, the service needs to realign its services by focussing our priorities on the wider public health agendas to help tackle many of the health inequalities that affect our district.

The current Sport and Active recreation strategy 2015-2019 currently focusses on 4 priorities as highlighted below.

- Raising the profile of sport and active recreation;**
- Increasing opportunities for sport;**
- Developing and promoting healthier lifestyles;**
- Enhancing sports facility provision.**

In line with the shift in national policy, the government's strategy for sport, Sporting Futures highlights the government's new approach to use new approaches to engage with the most inactive and hard to reach audiences and highlighting the importance that physical activity can have for wider detriments of health.

In order to achieve these goals locally, we have developed a new action plan and a proposed internal rebrand, one that will set a new and clear direction for the future services we deliver, rather than focus solely on sport specific intervention. The Active Thanet Framework will incorporate how physical activity and a more collaborative approach can address many public health issues locally whilst still supporting the core sports market.

The new framework will replace the existing 'Sport Matters' branding, and become more open in terms of the potential projects and wider investment to deliver health related projects.

**Recommendation(s):**

To adopt the proposed Active Thanet strategic framework 2018-2022 to replace the Sport and Active recreation 2015-2019 strategy.

# Agenda Item 6

| <b>CORPORATE IMPLICATIONS</b>  |   |  |  |   |   |  |   |   |  |
|--|---|--|--|---|---|--|---|---|--|
| <b>Financial and Value for Money</b>   | <p>No direct budget implications. The current core budget is in place for the service until March 2019.</p> <p>The Active Thanet framework will be used as a catalyst to apply for small and large external grants given the change in strategic approaches. This will long term provide potential savings moving forward.</p>  |  |  |   |   |  |   |   |  |
| <b>Legal</b>   | None – The strategic framework is a new policy following change in direction. As the service is non-statutory there should be no legal implications.  |  |  |   |   |  |   |   |  |
| <b>Corporate</b>   | <p>There are no major risks in adopting the new Active Thanet framework. The proposal is an opportunity to expand and improve the local authority's current strategy which is very sport specific. This would be a welcomed opportunity to further support other community and voluntary groups who can work with Active Thanet and reference the new framework when applying for community grants that are not necessarily sport specific, but public health related.</p> <p>This proposal will also recognise TDC corporate priorities as highlighted below.</p> <p>Priority 1 – A clean and welcoming environment (Keeping streets, parks and open spaces clean for residents and visitors.</p> <p>Priority 2 – Supporting Neighbourhoods (Continuing our commitment to work with the public, private and community sector to ensure the best outcomes for Thanet. Continuing to work with partners to improve community safety. Proactively enabling a collaborative partnership to reduce health inequalities.</p> <p>Priority 3 – Promoting inward investment and job creation (Working with partners to make the most out of the buildings and land we own).</p> |  |  |   |   |  |   |   |  |
| <b>Equality Act 2010 &amp; Public Sector Equality Duty</b>   | <table border="1" style="width: 100%;"> <tr> <td colspan="2">Please indicate which aim is relevant to the report.</td> </tr> <tr> <td>Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,</td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Advance equality of opportunity between people who share a protected characteristic and people who do not share it</td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Foster good relations between people who share a protected characteristic and people who do not share it.</td> <td></td> </tr> </table>  | Please indicate which aim is relevant to the report. |  | Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, | ✓ | Advance equality of opportunity between people who share a protected characteristic and people who do not share it | ✓ | Foster good relations between people who share a protected characteristic and people who do not share it. |  |
| Please indicate which aim is relevant to the report.   |   |  |  |   |   |  |   |   |  |
| Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,              | ✓   |  |  |   |   |  |   |   |  |
| Advance equality of opportunity between people who share a protected characteristic and people who do not share it | ✓   |  |  |   |   |  |   |   |  |
| Foster good relations between people who share a protected characteristic and people who do not share it.          |   |  |  |   |   |  |   |   |  |

| <b>CORPORATE PRIORITIES (tick those relevant)✓</b> |   |
|--|---|
| A clean and welcoming Environment                  | ✓ |
| Promoting inward investment and job creation       | ✓ |
| Supporting neighbourhoods                          | ✓ |

| <b>CORPORATE VALUES (tick those relevant)✓</b> |   |
|--|---|
| Delivering value for money                     | ✓ |
| Supporting the Workforce                       | ✓ |
| Promoting open communications                  | ✓ |



## 1.0 Introduction and Background

- 1.1 Our vision for Thanet residents is that everyone, regardless of their age, background, ethnic minority or level of ability feels able to engage and adopt a more active and healthier lifestyle.
- 1.2 With the modern world changing and technology playing a key role in day to day activities, we need to be working with our local, regional and national partners and voluntary groups to inspire and motivate communities to be more active, more often and promote and deliver initiatives that can make a substantial difference to the health and wellbeing of our district.
- 1.3 Physical activity is crucial to our health, both mental and physical. The benefits of physical activity have been acknowledged for many years but the pressures of modern living, advances in technology and e-communications and change in eating and drinking habits throughout the years has led to a district that is becoming more inactive and contributing to much wider health inequalities.
- 1.4 The new **Active Thanet framework** will focus on addressing many of the challenges that face our communities. With many of us working longer hours, dealing with financial pressures and unemployment, this new framework will respond to those issues that often lead to much wider strains for both the NHS and other agencies.
- 1.5 The framework will implement the context and priorities for the next 4 years. This new framework will be one of collaboration and utilise the huge benefits that partnership working can have to build a culture for Thanet that builds physical activity into their everyday lives.

## 2.0 The Current Situation

- 2.1 Following the recent restructure a new role of Public Health Development Officer was created. The service will be focussing more widely on key public health initiatives to contribute to TDC and other agencies strategic priorities to reduce health inequalities in the district.
- 2.2 The current Sport and Active recreation strategy 2015-2019 was developed in line with national policy, since then the government has produced a new strategy for sport, one that focuses on the wider benefits sport and physical activity can contribute towards wider issues including, physical wellbeing, mental wellbeing, community development, individual development and economic development.
- 2.3 With local communities changing, we need to be more dynamic in our approach as a local authority to work collaboratively with partners to support these wider outcomes. We need to be innovative and combine the positivity physical activity can contribute towards issues including, smoking prevalence, inactivity, mental health, diabetes to name a few.
- 2.4 The new Active Thanet Framework will replace the current Sport Matters branding to become more open in terms of incorporating the benefits physical activity can have for public health related issues. The framework will open up new opportunities for collaboration and to use the brand and an opportunity to bring in much needed investment to deliver for our communities.

## 3.0 Options

- 3.1 To adopt and support the new Active Thanet Framework 2018-2022 to set out the new direction to promote a more active and healthier district.

|                  |  |
|------------------|--|
| Contact Officer: | Colin Rouse, Public Health Development Officer, 577032 |
| Reporting to:    | Penny Button, Head of Safer Neighbourhoods             |

## Annex List

|         |                                   |
|---------|-----------------------------------|
| Annex 1 | Active Thanet Framework 2018-2022 |
|---------|-----------------------------------|

## Corporate Consultation

|                |   |
|----------------|---|
| <b>Finance</b> | Matthew Sanham, Corporate Finance Manager     |
| <b>Legal</b>   | Sophia Nartey, Interim Head of Legal Services |



# Active Thanet Strategic Framework 2018-2022

## Contents

1. Contents list
2. Foreword
3. Executive summary
4. Executive summary continued and Local Thanet Snapshot
5. Physical Activity Levels in Thanet
6. Thanet Health Profile
7. **Active Thanet Vision**
8. **Active Thanet Priorities**
9. **Active Thanet Cycle of change model**
10. **Priority 1 - Overview - *Increased diversionary opportunities for young people***
11. **Priority 1 - Actions & Outcomes**
12. **Priority 2 - Overview - *Increase Public Health initiatives & reduce Health inequalities***
13. **Priority 2 - Actions & Outcomes**
14. **Priority 3 - Overview - *Enhance and implement Active Thanet Communities scheme***
15. **Priority 3 - Actions & Outcomes**
16. **Priority 4 - Overview - *Increased Fundraising & Commissioning opportunities***
17. **Priority 4 - Actions & Outcomes**
18. **Priority 5 - Overview - *Increase Workforce Development & Volunteering opportunities***
19. **Priority 5 - Actions & Outcomes**
20. **Active Thanet Framework**
21. **Next steps to achieve an Active Thanet**
22. **Appendices - Source of information**

## Foreword

Our vision for Thanet residents is that everyone, regardless of their age, background, ethnic minority or level of ability feels able to engage and adopt a *more active and healthier lifestyle*.

With the modern world changing and technology playing a key role in day to day activities, we need to be working with our local, regional and national partners and voluntary groups to inspire and motivate communities to be more active, more often and promote and deliver initiatives that can make a substantial difference to the health and wellbeing of our district.

Physical activity is crucial to our health, both mental and physical. The benefits of physical activity have been acknowledged for many years but the pressures of modern living, advances in technology and e-communications and change in eating and drinking habits throughout the years has led to a district that is becoming more inactive and contributing to much wider health inequalities.

The new **Active Thanet framework** will focus on addressing many of the challenges that face our communities. With many of us working longer hours, dealing with financial pressures and unemployment, this new framework will respond to those issues that often lead to much wider strains for both the NHS and other agencies.

This however is no easy task, we need to be working more jointly with multiple agencies to build upon the previous strategy successes. We need to enhance and empower communities to thrive and work together to make small, but long term changes to improve their health, prospects and overall wellbeing.

The framework will implement the context and priorities for the next 4 years. This new framework will be one of collaboration and utilise the huge benefits that partnership working can have to build a culture for Thanet that builds physical activity into their everyday lives.

**Cllr Lesley Game**, Cabinet Member for Housing and Safer Neighbourhood

## Executive Summary

The purpose of the new Active Framework is to ensure there is a new approach to how we as a local authority tackle the inactivity timebomb and wider public health inequalities that challenge our local communities.

This new framework highlights the local authorities vision in reducing the economic impact and burden inactivity has for the NHS and other health care providers. In December 2015, the government published *sporting future, a new strategy for an Active Nation*. It sets a bold and ambitious shift in direction for sport specific policy which has been widely welcomed. The government's new direction looks more beyond sports participation, but contributes towards how sport and physical activity and leading a more active lifestyle can become a force of social good.

At the core of the government's outcomes includes five key priorities, **physical wellbeing, mental wellbeing, individual development, social and community development and economic development**. Linked to this, Sport England's vision and response to the government's new policy, *Towards and active nation* focuses on Sport England's priorities and key investment principles including, **Tackling inactivity, children and young people, volunteering, mass markets, sustaining the core market, working locally and facilities**.

The new framework will also support Public Health England (PHE) strategic framework, **'Everybody active, every day'** and wider Public Health policies in addressing health inequalities across Thanet. Public Health is about creating conditions and environments in which people can live longer and healthier lives. Local authorities are showing that we are well placed in developing innovative programmes that can reduce the wider public health issues through physical activity interventions. This however is no easy task, there is much to be done alongside partners to address the inequalities between the most affluent and the most disadvantaged communities in Thanet. This is an economic challenge and whole system approach. Good health and wellbeing stem from more than just health care. A good start in life, education, decent work and housing conditions and strong and supportive relationships all play their part.

With these policies in place, the correlation between Public Health England (PHE), Sport England and other strategic partners can all play their part in the Active Thanet framework. It is evident we need to look beyond the national level statistics and explore how we can develop new and innovative methods to improve the health and increase activities for our most vulnerable communities.

**'Active Thanet'** will become Thanet District Councils new identity replacing the previous sports development service. We have identified and will work towards **'five key priorities'** using our ability as a frontline service to engage with hard to reach audiences and devise plans and interventions to develop sustainable change. We will take advantage of new technologies, understand and evaluate behavioural change when liaising with our residents

and tailor services to specific needs. We will continue to utilise this core offer when addressing wider public health issues such as, smoking prevalence, obesity, drinking awareness, mental and physical health, sexual health and inactivity.

## Local context - Snapshot of Thanet

- Thanet has a population of 140,700 residents (ONS mid year estimates.)
- Thanet has an ageing population in comparison to its neighbouring districts with 32,600 residents aged 65 years or over.
- Thanet young people aged 0-15 years represent 26,400 of the population, with residents aged 16-64 years 81,700.
- Thanet is predominantly white British with at 95.5% of the population with 4.5% of residents falling within the BME groups.
- The populations are characterized by high levels of deprivation with Thanet ranked the most deprived district in Kent.
- Over 64% of the district are economically active with 8.4% of the population unemployed.
- Over 27.9% of Thanet families are living in poverty which contributes to wider health inequalities.
- Thanet has a higher mental health contact rates for 16-64 years (per 1000) with 36.68%

# Activity levels in Thanet

**Inactive**

**(Less than 30 mins per week)  
28.6%**

**Fairly active**

**(30-149 per week)  
11.8%**

**Active**

**(150 mins per week)  
59.6%**





# Thanet Health profile

- The health of residents is generally worse than the England average. Thanet is one of the 20% most deprived districts in England and around 28% of children live in low income families
- Life expectancy is 10.2 years lower for men and 7.1 years lower for women in the most deprived areas of Thanet than in the least deprived.
- In year 6, 21.4% (300) children are classified as obese, with 71% of adults classified as having excess weight
- Thanet residents that have a registered disability, or activities limited due to poor health equates to 21% of the district.
- Smoking prevalence accounts for 19.1% of the population and is higher for routine and manual workers at 28.0%.
- Of all residents with a Long Term Condition in Thanet, 30% also have a mental health problem.



## Active Thanet vision

The '*Active Thanet framework*' will be overseen by the *Sport and Public Health service* at Thanet District Council, supported by our corporate management team (CMT) local councillors and local and national partners. The prospect of change is widely recognised given the changes and challenges that face our communities.

It is evident given the recent government policy shift that we must focus heavily on the most inactive, and use the power of physical activity to force social good and use this positivity to tackle wider public health agendas. We want to create a more active and healthier district, empower intergenerational learning as a means to transform behavioural change. If families are being active together, they should remain active for life.

In order to achieve this we must continue and create new and wider partnerships in the next 4 years. As well as continue our work with National Governing Bodies (NGB) we must think outside the box and work more joined up with our voluntary, private and third sector partners. We must utilise are natural resources and open spaces as a

means to enhance physical activity and wellbeing. We want physical activity to be built into everyday life, and not to be seen as a chore, or short term commitment. Recent Sport England data suggests that if more residents adopted a more active and healthier lifestyle the savings to care costs equate to over £36.5 million.

We must advocate and promote cultural change in Thanet, liaising with partners from education to local businesses to link in the positive feel good factors an Active Lifestyle can have for the body and mind. We need to understand and recognise the culture change for our young people, who face numerous risks and barriers such as poverty, crime, increase in mental health related illnesses and peer pressure.

We need to engage with our residents to understand attitudes, cultural backgrounds, hard to reach groups and social and economic backgrounds, rather than rely on those 'Active individuals'. At the key to our vision is the need for '*empowering*' and one of *collaboration*. We need to enhance and build resilience for communities to implement our vision for the next 4 years.

## Framework priorities

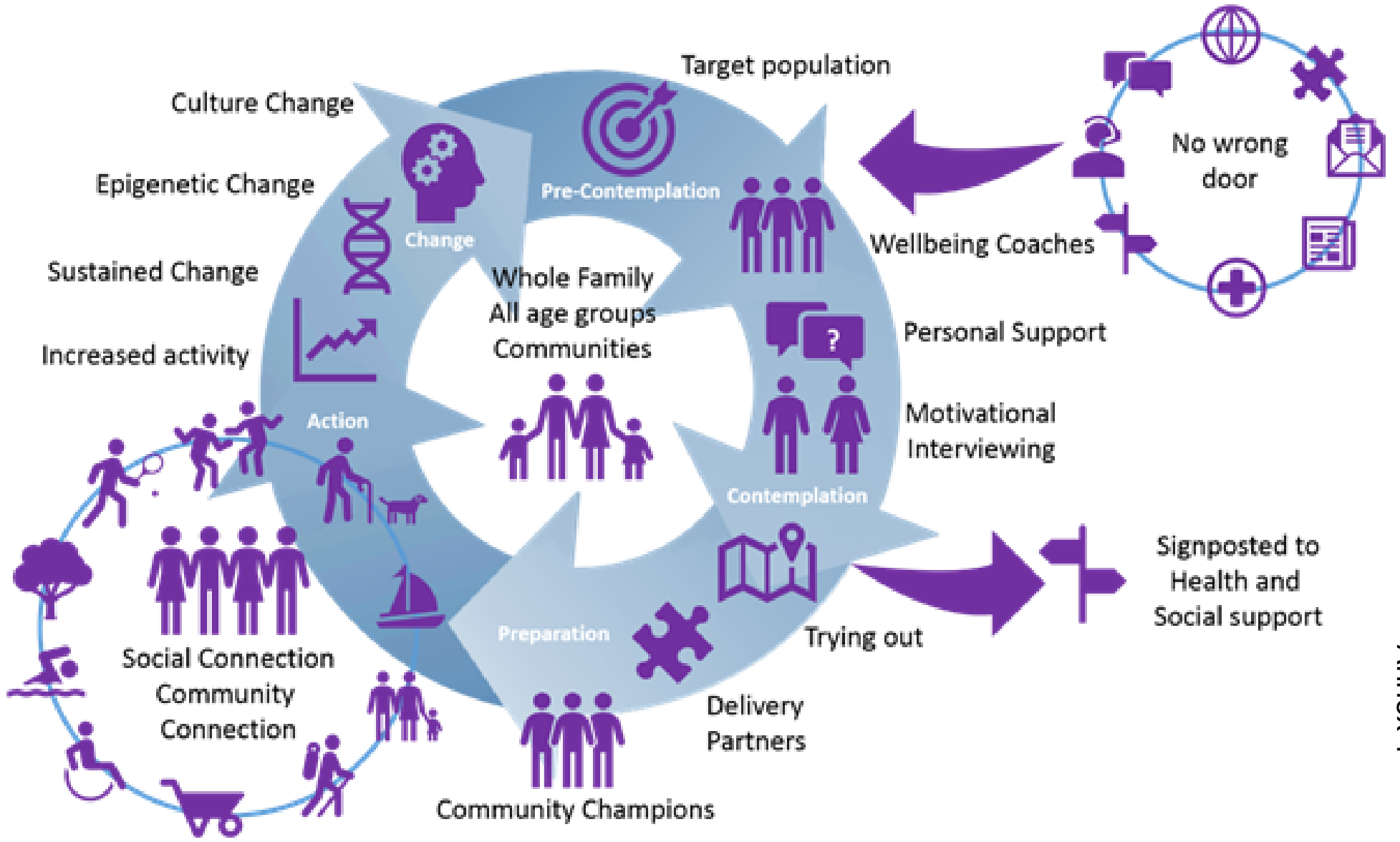
*By 2022* we want to see more residents across Thanet enjoying the benefits associated with a more active and healthier lifestyle. We are committed to work with our local, regional and national partners to achieve these goals. Over the next 4 year *'cycle of change'* we will:

- 1. Increased diversionary opportunities for young people and hard to reach groups through Active participation, training & education.*
- 2. Increase opportunities to develop Public Health initiatives for all ages and target audiences to empower and support communities to reduce health inequalities.*
- 3. Enhance & implement the 'Active Communities scheme' to provide support to local community clubs, groups, employers and voluntary sector.*
- 4. Increased fundraising & commissioning opportunities working alongside partners to bring in grants to tackle*

*inactivity and wider health inequalities through a collaborative approach.*

- 5. Increasing workforce development & volunteering opportunities to support frontline services become more effective.*





*Active Thanet cycle of change model*

# Priority 1: *Increased diversionary opportunities for young people and hard to reach groups through ‘Active participation, training & education’*

## Overview:

In England, over 4.5 million 11-25 years olds do not achieve the Chief Medical Officers (CMO) recommended levels of physical activity. As a result there is an economic cost to the NHS and other care providers which in a young person's lifetime will cost £53.billion over their lifetime.

Thanet has a higher than average percentage of young people living in poverty and disadvantage, as such many of which unable to access opportunities to lead a more *Active and healthier lifestyle*. There is also growing pressure for low income families with evidence suggesting 60% of families with an annual income of £25,000 can't always afford food. This then leads to a ‘spike’ of unhealthy eating habits and families often eating non-nutritious meals.

Young people experience many transitions physically and emotionally. The big jump from primary to secondary school, moving on to further education, the pressure of meeting new friends, having the latest technology gadgets can have a huge impact on a young persons mental wellbeing. A young person’s mental and physical wellbeing is often a product of their family, home, environment, friends and peers, quality of education and the support services available to them.

In some cases there is still a huge risk to vulnerable young people often being lured into gangs or crime. We need to use our diversionary programs to further understand the challenges and issues that face

young people in Thanet. We need to learn from them and their experiences in order to influence positive change.

As well as engaging with hard to reach young people, we most offer *alternative opportunities* through physical literacy and learning. Not all young people are sporty, or active, however we need to use best their skills and qualities to fulfil future employability and training pathways.



# Priority 1: We will...

| Action(s)   | Combined outcome  |
|---|---|
| <ul style="list-style-type: none"> <li>● <b>Deliver the Sport 4 NRG outreach project to provide diversionary activities for young people in Thanet to reduce ASB, inactivity and reduce health inequalities.</b></li> <li>● <b>Work with our local and national partners to support the ‘Fit and Fed’ national campaign to support young people living in poverty.</b></li> <li>● <b>Deliver partnership driven educational campaigns to highlight the importance of exercise and nutrition.</b></li> <li>● <b>Target hard to reach audiences and cultural groups.</b></li> </ul> | <ul style="list-style-type: none"> <li>● Increased participation</li> <li>● Reduce level of ASB &amp; crime related issues.</li> <li>● Increase in low income families accessing services.</li> <li>● Increase in educational attainment &amp; awareness.</li> <li>● Developing training opportunities for potential volunteers &amp; coaches.</li> <li>● Increase in hard to reach groups i.e. females, BME groups.</li> </ul> |



## Priority 2: *Increase opportunities to develop Public Health initiatives for all ages and target audiences to empower and support communities to reduce health inequalities*

### Overview:

Thanet has a diverse population that encompasses different cultures, different age groups, social classes and different problems. At the forefront of this framework, we will use the evidence based approach that adopting a more *'active' lifestyle* can have for both mental and physical health. We want to empower residents to take control of their current and future health and to support families how to educate their children to eat better and move more.

Being more active can have a huge impact on other health issues for Thanet. Smoking prevalence, unhealthy eating habits, poor diet and higher than average diabetes rates with more than 11,000 residents living with the condition. The impact on poor housing and living conditions and rise in homelessness often leads to wider social issues including alcohol related issues. We need to also target workplaces to help reduce inactivity within the workplace that results in an increase in staff turnover and wider health issues including heart

diseases and musculetal injuries. At the centre of this we will follow the wider determinants of health tool, also known as social determinants which highlights a range of social, economic and environmental factors which impact people's health.

The next 4 years will face huge challenges, however we will increase and develop opportunities jointly with our partners to enhance our districts health. We will develop campaigns with partners that target hard to reach communities most in need.

Public Health (PHE) estimates suggest that if we can reduce the wider health risks locally through effective investment and engagement we can reduce premature deaths, and long term illness which in hand delivers savings to government by reducing treatment costs and welfare payments, and lower costs to society at large by reducing sickness absence and crime.

## Priority 2: We will...

| Action(s)   | Combined outcomes  |
|---|--|
| <ul style="list-style-type: none"> <li>● <b>Deliver physical activity interventions to address wider health issues that reduce health inequalities in Thanet.</b></li> <li>● <b>Develop initiatives that address mental health issues to reduce the level of mental health related illnesses.</b></li> <li>● <b>Work with partners from NHS, Health and wellbeing board, PHE, leisure trusts, commissioners, voluntary and community sector to support local approaches to improve health and reduce health inequalities in Thanet.</b></li> <li>● <b>We will become more digital in our approach to engage with residents reaching out to individuals and families.</b></li> <li>● <b>Provide frontline information and improved awareness around the key public health issues.</b></li> </ul> | <ul style="list-style-type: none"> <li>● Increased physical activity projects that enhance health and wellbeing.</li> <li>● A reduction in mental health related issues &amp; referrals.</li> <li>● Collaborative campaigns that raise awareness around wider public health issues.</li> <li>● Improved communications &amp; marketing in various settings i.e. GP surgeries, workplaces &amp; open spaces.</li> <li>● Engagement events with partners to communicate key messages.</li> </ul> |





## Priority 3: *Enhance & implement the ‘Active Communities scheme’ to provide support to local community clubs, groups, employers and voluntary sector.*

### Overview:

It is evident the huge impact the sports clubs and voluntary groups have for local communities. It extends beyond **‘sport for sports sake’** and can play a role in bringing communities together, having social and cultural impact, developing social capital and reducing crime and anti-social behaviour.

We need to ensure we continue to support the core groups and organisations that deliver ‘Active lifestyles’ to the mass market, individuals and teams across Thanet. We need also support those groups that set up ‘new age clubs’ or social recreational classes as a way to increase further opportunities to target those individuals and groups that want to engage in a less formal club environments.

At the centre of this is learning, how to best support those organisations that are engaging with those groups and how we can sustain their engagement more long term. We need to support and identify new platforms and methods to work more joined up in our attempts to promote a more ‘Active Thanet’. We need to change styles, but

enhance the quality and environments of our clubs and groups to make that first impression for new members a sustainable one. We will develop and implement the *‘Active communities charter’* an opportunity for clubs to sign up to demonstrate their commitment to provide opportunities from grassroots to over 50’s.

We will continue to build our relationships with National Governing Bodies (NGB) employers, sports charities such as Street Games UK to develop ‘doorstep clubs’ as a way to engage with hard to reach audiences and families. We will work with voluntary groups to establish a ‘Active Thanet Network’ that should be encouraged to share and support each other's goals and priorities.

## Priority 3: We will...

| Action(s)   | Combined outcomes  |
|---|--|
| <ul style="list-style-type: none"> <li>● <b>Develop the ‘Active Communities charter’ to support Thanet Clubs &amp; groups support ‘Active Thanet’ values.</b></li> <li>● <b>Work with National Governing Bodies (NGB) and other non-sport specific partners to develop and identify ‘new age’ opportunities for participation.</b></li> <li>● <b>Deliver the ‘Active Thanet forum’ an opportunity for clubs and groups to source information about training, funding, volunteering and coaching.</b></li> <li>● <b>Work with local employers to enhance workplace wellbeing and opportunities.</b></li> <li>● <b>Implement and support an inclusive sport offer to develop wider disability activity programmes.</b></li> </ul> | <ul style="list-style-type: none"> <li>● More joined up support from local clubs and community groups.</li> <li>● Developed new ideas and address behaviour change to target those hard to reach individuals and groups.</li> <li>● More engagement and togetherness from local clubs and groups.</li> <li>● Sourcing of information and adopting the ‘Active Thanet’ values.</li> <li>● Increase in ‘Active inclusion’ programmes that provide opportunities for residents with learning or physical disabilities.</li> </ul> |



## Priority 4: *Increased fundraising & commissioning opportunities working alongside partners to bring in grants to tackle inactivity and wider health inequalities through a collaborative approach.*

### **Overview:**

At the heart of the new ‘Active Thanet’ Framework is the importance of collaboration. We are fully aware of the significant importance in seeking investment to fund new and existing programmes that tackle inactivity and wider public health issues.

We need to work more joined up with both public, private and third sector funders and commissioners to highlight the role that local authorities, alongside key partners can play in tackling these issues head on. We need to justify the rationale and value for money to our funders to ensure we enhance and develop long term investment opportunities.

We need to be clear about the wider benefits that ‘Active lifestyles’ can contribute for wider social outcomes to our funders by developing innovative programs that incorporate much more than engagement but wider outcomes such as, employability links, volunteering, life skills, improved health, training and development.

To achieve this, we will be working on developing a new and improved ‘**Active Thanet Network**’ one of which will be driven by key partners to secure much needed investment. We will use this network to secure grants from various bodies both public and private to share priorities, rather than duplicate.

We need to be working with multiple organisations to ensure our residents have the opportunity to lead a more active and healthier life and improve the lives of the most disengaged communities. To achieve this, we also need to change the dynamics of how we support and fund these programs. We need think more long term about our investments and consult with those most in need to identify fundraising plans.

## Priority 4: We will...

| Action(s)   | Combined outcomes  |
|---|--|
| <ul style="list-style-type: none"> <li>• Develop the ‘Active Thanet Network’ with support and insight from multiple partners including public health bodies, Sport England, county sports partnerships (CSP) private and third sector organisations.</li> <li>• Maximize and support opportunities for collaboration to avoid risk of duplication with other partners.</li> <li>• Develop opportunities for commissioning of services to community and private organizations.</li> <li>• Work more joined up with the Health and Wellbeing board and clinical commissioning group to provide input and direction from a local authority prospective.</li> </ul> | <ul style="list-style-type: none"> <li>• Increase in successful smalls and large grants for the district.</li> <li>• More collaboration and joined up working.</li> <li>• Less duplication, and more bespoke programs catered for a wider audience.</li> <li>• Commissioning of funding to support network achieve project outcomes.</li> <li>• Increased strategic input and relationships with key partners to highlight the importance of the network.</li> </ul> |



## Priority 5: *Increasing workforce development & volunteering opportunities to support frontline services become more effective.*

### **Overview:**

In order to drive forward the aims of the ‘**Active Thanet**’ framework, we need to invest and support the true role models that deliver those opportunities. We need to support and train club and community coaches who are capable, but also have the skills, passion, knowledge and behaviours to deliver in a way that is mindful of physical well being, mental wellbeing and personal development goals.

We need to educate and change the workforce landscape to upskill new and experienced coaches to be aware of the changing climate, different behaviours and advancements in technology. A residents first impression of any activity is the most important encounter. We need dedicated and inspiring role models who have the soft skills and wealth of knowledge to embrace the ‘Active Thanet’ ethos.

In contrast, we realise the huge value that the wider volunteering network can contribute to local groups and organisations. Volunteers play a special role for communities and without them grassroots activities and most clubs and community groups would not run.

We will work with partners to develop a ‘**Community Champions**’ programme, one of which will incorporate a range of volunteering opportunities rather than physical activity specific. Volunteering can have a huge impact on your employability prospects, overall wellbeing and provide residents with additional skills and development opportunities. We will encourage different types of volunteering by developing training and links with partners to utilise their skill base. We will develop increased training opportunities to change coaching styles for certain audiences to ensure all coaching is enjoyable.

## Priority 5: We will...

| Action(s)  | Combined outcomes  |
|--|--|
| <ul style="list-style-type: none"> <li>• Develop the ‘Community Champions’ programme to develop volunteering opportunities to support wider public health agendas.</li> <li>• Support and develop training opportunities linking in with National Governing Bodies (NGB) public health England (PHE) and other training providers to upskill new and existing workforce.</li> <li>• Encourage new thinking in delivery styles to target hard to reach groups and audiences.</li> <li>• Support club and community groups with workforce development and volunteering links.</li> <li>• Encourage local employers to support Active Thanet initiatives to enhance social good.</li> </ul> | <ul style="list-style-type: none"> <li>• Increase in local volunteers supporting a range of community groups and organizations.</li> <li>• Increase in training opportunities and new qualified coaches in Thanet.</li> <li>• Increase in behaviour change and coaching styles to target hard to reach groups &amp; inactives.</li> <li>• Increase in volunteer resources for clubs and voluntary groups.</li> <li>• More employers using staff wellbeing days to support local groups.</li> </ul> |



**Advisory partners**

- Public Health
- Sport England
- Kent Sport
- NHS services
- Housing associations
- Education sector
- Community groups
- Charity sector



**Core priorities**

A simple black outline of a downward-pointing arrow, indicating the flow from core priorities to the specific priority areas below.

**Sport & Public Health Service**

**Active Thanet Network**

**Priority 1**

**Priority 2**

**Priority 3**

**Priority 4**

**Priority 5**



# Next steps to achieve an Active Thanet

## Overview

In order to drive forward the aims of the ‘**Active Thanet Network**’ it is essential that all partners, providers, deliverers and communities play an important role moving forward. We are realistic about the challenges that face our communities, but furthermore our driven by the huge positivity that collaborative working and community cohesion can have to enhance social change. We need to utilise the existing services and support those that are already delivering good services, rather than duplicate.

We need to use our open environment, open spaces, green spaces, coast, and local facilities to drive participation and reduce inactivity. We need to learn what makes people want to engage in physical activity rather than predetermine what services we feel they should engage in.

**\*This framework has been developed in line with local and national policies. For more information and to source underlying framework principles, please see appendix 1 for references.**

We need to use physical activity as a means to tackle the wider public health agendas and work with agencies to establish effective marketing and engagement plans to target those hard to reach audiences. With the economic pressures for many public services, we need to highlight and measure the success of our programmes and work together to achieve these goals.

We need to understand that social trends, technology and behaviours have changed. We need to be more dynamic with our approaches and use soft skills to engage. We need to promote and develop preventative services that reduce the burden on the NHS and other services through this framework. This framework will be reviewed and monitored annually to reflect the priorities within this strategy.



# Appendix 1 - Sources of information

**Sporting Future, A new strategy for an Active Nation**  
<https://www.gov.uk/government/publications/sporting-future-a-new-strategy-for-an-active-nation>

**Sport England, Towards an Active Nation**

<https://www.sportengland.org/news-and-features/news/2016/may/19/sport-england-triples-investment-in-tackling-inactivity/>

**Public Health England: Strategic plan for next four years - Better outcomes by 2020**

<https://www.gov.uk/government/publications/public-health-england-strategic-plan>

**Kent Sport and Physical Activity Service: Towards an Active County**

<https://www.kentsport.org/about-us/towards-active-county/>

**Everybody active, everyday, a framework to embed physical activity into everyday life**

<https://www.gov.uk/government/publications/everybody-active-every-day-a-framework-to-embed-physical-activity-into-daily-life>

**Kent Public Health observatory: Source of district public health statistics and data**

<https://www.kpho.org.uk/>

**StreetGames UK: The inactivity timebomb study**

<http://www.streetgames-web.co.uk/www/content/uk%E2%80%99s-%C2%A353bn-inactivity-time-bomb-new-streetgamescebr-report>

**Thanet Community Safety Strategic plan**

<https://www.thanet.gov.uk/info-pages/thanet-community-safety-partnership/>

**Thanet Clinical Commissioning group, mental health needs assessment**

[http://www.kpho.org.uk/\\_data/assets/pdf\\_file/0007/43927/MHNAThanetCCG2014.compressed.pdf](http://www.kpho.org.uk/_data/assets/pdf_file/0007/43927/MHNAThanetCCG2014.compressed.pdf)

This page is intentionally left blank

**Adoption of the Tenancy Strategy 2018**

|                  |   |
|------------------|---|
| Cabinet          | <b>26<sup>th</sup> July 2018</b>  |
| Report Author    | <b>Tim Willis, Director of Corporate Resources and Deputy Chief Executive</b> |
| Portfolio Holder | <b>Cllr Lesley Game, Cabinet Member for Housing and Safer Neighbourhoods</b>  |
| Status           | <b>For Decision</b>   |
| Classification:  | <b>Unrestricted</b>   |
| Key Decision     | <b>Yes</b>  |
| Reasons for Key  | <b>Significant effect on communities</b>                                      |
| Ward:            | <b>All wards</b>  |

**Executive Summary:**

The Localism Act 2011 required every Local Authority to publish a tenancy strategy. The council's current Tenancy Strategy has now expired and needs to be renewed. This report explains what this means for the Council and asks members to agree an updated Tenancy Strategy.

**Recommendation(s):**

Cabinet is asked to:

- 1) Approve the consultation draft of the Tenancy Strategy attached at annex 1;
- 2) Delegate authority to the Head of Housing and Planning in consultation with the cabinet member for Housing and Safer Neighbourhoods to make any minor amendments required to the policy following consultation.

**CORPORATE IMPLICATIONS**

|                                      |  |
|--------------------------------------|--|
| <b>Financial and Value for Money</b> | Finance have reviewed the Draft Tenancy Strategy and provided feedback which has been incorporated into the draft. The HRA business plan reflects the rent setting policy as set out in the Tenancy Strategy.  |
| <b>Legal</b>                         | I am satisfied that the Tenancy Strategy adheres to the recommendations made within the Draft Consultation which Thanet District Council is required to comply with to the best of its ability.  |
| <b>Corporate</b>                     | <p>This document links to Corporate Plan Priority 2 - Supporting neighbourhoods - ensuring local residents have access to good quality housing which meets peoples changing needs and aspirations that is safe and affordable.</p> <p>This document allows us to make best use of existing stock to create sustainable communities.</p> <p>This is a low risk corporately.</p> |

|  |   |  |  |   |   |  |   |   |  |
|--|---|--|--|---|---|--|---|---|--|
| <b>Equality Act 2010 &amp; Public Sector Equality Duty</b>   | <p>Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.</p> <p>Protected characteristics: age, gender, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy &amp; maternity. Only aim (i) of the Duty applies to Marriage &amp; civil partnership.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td colspan="2" style="padding: 2px;">Please indicate which aim is relevant to the report.</td> </tr> <tr> <td style="padding: 2px;">Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,</td> <td style="padding: 2px; text-align: center;">*</td> </tr> <tr> <td style="padding: 2px;">Advance equality of opportunity between people who share a protected characteristic and people who do not share it</td> <td style="padding: 2px; text-align: center;">*</td> </tr> <tr> <td style="padding: 2px;">Foster good relations between people who share a protected characteristic and people who do not share it.</td> <td style="padding: 2px;"></td> </tr> </table> <p style="margin-top: 10px;">An Equalities Impact Assessment has been undertaken to ensure that the proposal to implement the tenancy strategy does not have a negative impact on its existing residents, tenants and future customers. The proposal will not have a negative impact on any groups with protected characteristics. The intention to allocate the units in line with the tenancy strategy outweighs any negative impact.</p> | Please indicate which aim is relevant to the report. |  | Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, | * | Advance equality of opportunity between people who share a protected characteristic and people who do not share it | * | Foster good relations between people who share a protected characteristic and people who do not share it. |  |
| Please indicate which aim is relevant to the report.   |   |  |  |   |   |  |   |   |  |
| Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,              | *   |  |  |   |   |  |   |   |  |
| Advance equality of opportunity between people who share a protected characteristic and people who do not share it | *   |  |  |   |   |  |   |   |  |
| Foster good relations between people who share a protected characteristic and people who do not share it.          |   |  |  |   |   |  |   |   |  |

|   |   |
|---|---|
| <b>CORPORATE PRIORITIES (tick those relevant) ✓</b> |   |
| A clean and welcoming Environment                   |   |
| Promoting inward investment and job creation        |   |
| Supporting neighbourhoods                           | ✓ |

|   |   |
|---|---|
| <b>CORPORATE VALUES (tick those relevant) ✓</b> |   |
| Delivering value for money                      |   |
| Supporting the Workforce                        |   |
| Promoting open communications                   | ✓ |

## 1.0 Introduction and Background

1.1 Section 150 of The Localism Act 2011 requires that every local housing authority in England must prepare and publish a Tenancy Strategy, setting out the matters to which registered providers of social housing within its district must have regard to when formulating policies relating to:-

- The kind of tenancies they grant;
- The circumstances in which they will grant a tenancy of a particular kind;
- Where they grant tenancies for a certain term, the length of the term; and
- The circumstances in which they will grant a further tenancy when an existing tenancy is coming to an end.

1.2 The Act does not affect the rights of existing social housing tenants but does allow for more flexible arrangements for new tenants. Social landlords are able to grant tenancies for a fixed length of time, with 5 years being the normal length. There is no upper limit on the length of fixed term tenancies and lifetime tenancies can still be offered. The government believes that flexibility in relation to the length of tenancies will help social landlords manage their homes more efficiently and fairly.

## **2.0 The Current Situation**

2.1 The current tenancy strategy expired in 2017 and needs to be updated.

2.2 The updated draft tenancy policy includes details of joint tenancy criteria and confirmation of succession rights.

2.2 The Localism Act brought in a new procedure, which can allow a secure tenant to swap with flexible or assured shorthold tenant, or an assured tenant to swap with a flexible or assured shorthold tenant. This procedure is set out in Section 158 of the Localism Act 2011. In this procedure, instead of assigning the tenancy to each other, both tenancies are surrendered and the landlord grants a new tenancy to each tenant. The tenancy type will be determined by the local authority and will generally be a 5 year flexible or fixed term tenancy. For an exchange to happen under the Localism Act 2011, the periodic secure tenancy (or fully assured tenancy) involved must have started before 1 April 2012.

2.3 Flexible tenancies are already in place and being allocated, however we will seek to renew the tenancy unless there are specific grounds not to do so, these grounds will be clearly set out in the Tenancy Strategy and will include details of how to appeal against decisions. The appeal will be determined by the Housing Options Manager at Thanet District Council.

2.4 The strategy proposes that rents are set at a level that tenants can afford and that appropriate support is available to help tenants maintain their tenancy and fulfil their obligations as tenants. This strategy sets out the guiding principles that we will follow when setting rents and providing support.

2.5 The council uses a wide range of forms of temporary accommodation for homeless households. This strategy aims to set rent and charges for homeless households living in temporary accommodation that are both affordable and reasonably reflect the level of rent that they would be likely to have to pay in a permanent home. Where the council is not the owner and has arranged the temporary accommodation through a third party, then the council will pay for the costs of the accommodation in the first instance. However the council is able to recover a reasonable charge from the resident to assist with the cost of the accommodation. The council will raise a charge equal to the relevant LHA rate for the accommodation.

2.6 Supporting people to successfully sustain their tenancy is an integral part of this tenancy strategy. The focus of tenancy support is to assist tenants to stay in their home and prevent homelessness. Employment support, rent collection and arrears, welfare and benefits advice and Housing options advice will all be available to support tenants.

2.7 It is good practice to reduce the under occupation of social and affordable rented homes to ensure the best possible use of the available homes. The council may decide not to renew a flexible or fixed term tenancy on review, if the property is under-occupied. If this is the case we will provide advice and assistance to the tenants to find a new home.

## 3.0 Consultation

3.1 The Localism Act requires the local housing authority to consult on its draft tenancy strategy with all registered providers of social housing in its district. In addition, the council will consult with:

- Thanet Tenant and Leaseholder Area Board,
- Private Sector Landlords Forum,
- Statutory partner agencies and neighbouring districts.

A copy of the proposed tenancy strategy will be available on the council's website, with links posted through social media.

The authority will seek to ensure that the views of all groups identified are heard, and where possible incorporated, when formulating the final document.

The formal consultation period will last for 6 weeks.

## 4.0 Options

4.1 Cabinet has the following options available:

1. To approve the recommendations as set out in this report and the consultation draft of the proposed Tenancy Strategy as set out in Annex 1. This option is recommended.
2. To reject the proposed tenancy strategy. This option is not recommended, as the council has a statutory duty to prepared and adopt a Tenancy Strategy.
3. To propose and agree amendments to the draft document. Officers of the council recommend the consultation draft as attached at Annex 1.

|                  |  |
|------------------|--|
| Contact Officer: | Ashley Jackson, Housing Strategy Officer |
| Reporting to:    | Bob Porter, Head of Housing and Planning |

## Annex List

|         |                        |
|---------|------------------------|
| Annex 1 | Draft Tenancy Strategy |
| Annex 2 | EQI                    |

## Background Papers

| Title | Details of where to access copy |
|-------|---------------------------------|
| None  | N/A                             |

## Corporate Consultation

|                |  |
|----------------|--|
| <b>Finance</b> | Sarah-Jayne Hills Strategic Housing Accountant |
| <b>Legal</b>   | Olusola Ayeni, Interim Property Solicitor      |

# Thanet District Council

# Tenancy Strategy 2018

Contents

Forward

National Context

Local Context

Tenancies

Affordability & Sustainment

Consultation, Monitoring & Review

Glossary

Appendix 1: Types of Tenancy

Appendix 2: Links to other strategies

Appendix 3: References/Glossary .....



## Foreword

A secure home is an essential foundation to a person's life chances, something that some take for granted. Evidence shows that a stable home and environment has a positive impact on our ability to secure employment, whether our children will succeed in education and our health and wellbeing.

The impact of failed tenancies to us as the landlord, and our tenants are obvious as are the wider costs when families fall into homelessness or take up insecure, short-term tenancies.

With this in mind, whilst this strategy is designed to take advantage of the flexibilities introduced in the Localism Act 2011, it will also ensure that the fundamental principle of having a secure home in a balanced and stable community is at the heart of our approach.

The Localism Act 2011 introduced a discretionary option to consider granting flexible 'fixed term' secure tenancies as an alternative to secure 'lifetime' tenancies.

Further legislation contained in the Housing and Planning Act 2016 introduces a mandatory secure 'fixed term' tenancy to be granted for all new tenancies, with limited exemptions. This will effectively bring to an end the current secure 'lifetime' tenancy. Regulations are yet to be issued and this policy is yet to be implemented.

In addition, the introduction of significant welfare reforms has made an affordable, secure home an even greater priority for those people where renting is the only option available to them.

This Strategy aims to set out how we will make best use of our housing stock to meet the needs of the districts residents.

The strategy is split into two main themes:

- **Tenancies** – the type of tenancies available, for what period and under what circumstances. This section also provides the general principles for fixed term tenancies.
- **Affordability & Sustainability** – how rent levels should be set and how tenancies should be managed to minimise the risk of tenancy failure, increased homelessness and the hardship on vulnerable people.



## National Context

Tenancy sustainability has become an increasingly pressing issue due to the scale of welfare and housing reforms in recent years. The government has introduced a programme of reforms which fundamentally change the way social housing is provided and managed to support tenants to sustain their tenancies.

The Localism Act 2011 made changes to the way people access social housing, the way homeless duty is discharged and gave powers to local authorities to provide 'fixed term' tenancies. The broad aim of these changes was to provide local councils with the ability to respond to local needs, increase mobility and ensure that social housing is used for those in need. Restrictions to the rules regarding succession of tenancy were also introduced.

In recent years, the government have also established a wide-ranging set of reforms to the welfare system starting with the Welfare Reform Act 2012. The introduction of Universal Credit brought together a range of existing benefits into a single monthly payment with housing costs paid direct to the tenant. Reductions in Local Housing Allowance rates have resulted in many households having to make additional rent payments above their benefit entitlement. At the same time housing benefit reductions for working age tenants under occupying their home, restrictions to single room rates for people under the age of 35, the introduction of a new benefit cap and changes to non-dependent charges have all added pressure to household budgets for families that rely on these sources of income.

A number of further reforms were introduced with the Welfare Reform and Work Act 2016 including the 1% rent reduction for social housing per annum for four years, a further lowering of the benefit cap, a four year freeze on the main working age benefits, and restrictions on Child Tax Credits and the Universal Credit to 2 children.

The Housing and Planning Act 2016 announced the end of secure lifetime tenancies in local authority housing. This aspect of the Act will not be implemented until regulations are published. However, the policy is expected to place a duty on authorities to grant secure 'fixed term' tenancies of between two and ten years to all new tenants, thus taking away the opportunity to grant new secure 'lifetime' tenancies, except in limited circumstances.



The 2016 act also amended rules about succession in secure tenancies and restricted tenancy succession rights to spouses and partners only, irrespective of the original tenancy date.

The 2016 Act also placed a duty on local authorities to consider selling our higher value empty properties in order to meet the levy payable to Government to fund the proposed extension of Right to Buy for housing association tenants. Regulations governing the implementation of this duty are still to be brought forward by government.

## Local Context

The National Census 2011 identified that there were 134,200 people living in Thanet.

There are 66,892 dwellings in Thanet, 60% are owner occupied, 26% privately rented and 14% social or affordable rented.

Our local plan is currently being produced, and the SHMA which supports this has identified that 17,000 homes are needed by 2031, this is more than 1,000 annually. Land has been allocated to meet this housing allocation. Our previous delivery of housing falls short of this with target averaging 678 units a year 2006-11 and from 2011/16 311 per year. There is currently planning consent for over 2,000 homes which have not been started. There are also 2,488 empty and second homes within Thanet.

East Kent Housing (EKH) was formed in 2011, and manages the council's landlord service on behalf of Thanet District Council. EKH is jointly owned by the four East Kent councils of Canterbury, Dover, Shepway and Thanet. It is run by an independent management board, made up of tenants, independent members and councillors representing the four districts. EKH remains accountable to the councils through contractual agreements setting out the services to be provided.

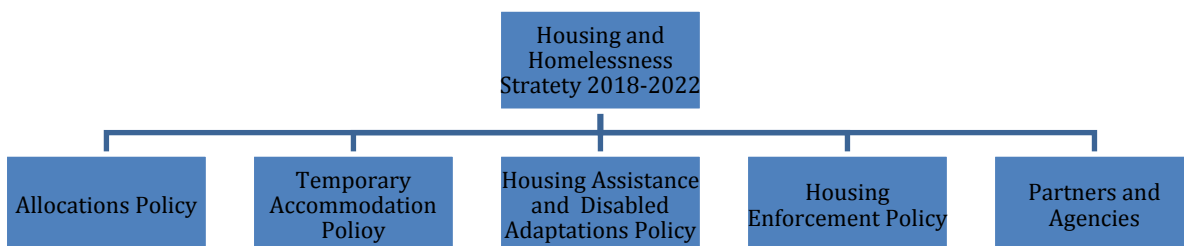
EKH currently manages 3,007 homes in Thanet. Right To Buy (RTB) sales have reduced the number of homes owned by the council overtime, since 2009 the number of RTB sales has increased by over 114%.

As at March 2018, there were 2447 households on the housing register, broken down as follows;

- 1203 households require one bed
- 594 households require two beds
- 458 households require three beds
- 157 households require four beds
- 35 households require five bedrooms or more

Over the past 5 years Thanet District Council has seen a significant increase in the amount of households approaching the authority as either homeless or at risk of homelessness. The table below shows the amount of 'Homeless decisions' Thanet District Council has made over the past 5 years. As at 9<sup>th</sup> March 2018 there are currently 168 households in temporary accommodation.

The council periodically published a housing strategy setting out the housing needs of the district, the priorities for meeting these needs and the resources available for housing. A new housing strategy is due to be published during 2018. This Tenancy Strategy, together with a number of other key documents sit within the framework of the housing strategy, as shown below.



The Allocations Policy sets out the council's approach to the letting of social and affordable rented homes in the district. It applies to council owned housing and housing owned by participating housing associations. The policy sets out eligibility criteria and priorities for housing, ensuring that reasonable preference is given to those in housing need. The policy has regard to the legal

definitions of reasonable preference as set out in the Housing Act 1996 (as amended). Allocations are made using a choice based lettings system which enables applicants to express an interest in available property. Choice based lettings provides fair and transparent access to social and affordable housing for people in Thanet. The allocations policy allows for homes to be let outside of the Choice based lettings system in particular circumstances, for example to homeless families in temporary accommodation.

This Tenancy Strategy sets out the types of tenancies that will be offered, and the circumstances under which each type of tenancy will be offered. It also sets out the councils approach to setting rents.

The Housing Assistance and Disabled Adaptations Policy sets out the financial assistance and support that the council can offer to households living in the private sector. Support is available to carry out repairs, improvements and adaptations focused on enabling residents to remain in a home that is free from hazards and reasonably suited to their needs.

## Tenancies

This Strategy sets out the general principles that the Council will follow when offering a tenancy and includes arrangements for the new mandatory secure 'fixed term' tenancies when these are introduced.

The general principles set out in this strategy consider the minimum term of a tenancy that would usually be granted and the circumstances when it would be appropriate to grant longer term tenancies. They also consider the circumstances where tenancies may be renewed or brought to an end.

The Council has also considered a number of issues relevant to Thanet, including;

- The impact that flexible tenancies can have as tenants may be less inclined to invest in their homes, may be more likely to end their tenancy or manage their tenancy responsibly. This could have an adverse impact on maintenance costs.
- The impact that frequent turnover of tenancies could have on an area or community, particularly in areas that may already suffer from high turnover and low demand.
- Making best use of specifically adapted properties which have benefitted from major investment.
- Ensuring that under-occupation is avoided in the future, particularly where affordability is an issue.

The range of different tenancies available and the circumstances in which they apply, are detailed in **Appendix 1**.

The council will use the most secure type of tenancy appropriate to the area, community, type of accommodation and circumstances of the tenant. The purpose of this overriding principle is to promote sustainable communities and to provide tenants with a home they can make plans for and invest in.

### Length and type of Tenancy

Flexible and fixed term tenancies are ordinarily for a term of 5 years:

- New tenants will be offered a 12 month Introductory Tenancy followed by a flexible tenancy for a further 5 years.
- Transferring or exchanging tenants will be offered a 5 year flexible tenancy.

# Agenda Item 7

## Annex 1

Flexible and fixed term tenancies can be extended for further terms. These will be replaced by the new mandatory Fixed Term tenancies, once introduced by regulation. Flexible and fixed term tenancies will be reviewed 6-9 months before the end of the term of tenancy. We will seek to renew the tenancy for a further term unless there is a specific reason not to renew. The issues that will be considered as part of the review are set out below.

In exceptional circumstances, fixed term and flexible tenancies can be granted for terms shorter than 5 years, for example:

- Existing tenants with a secure lifetime tenancy who have no choice but to transfer within our stock will be protected and these tenants will retain their secure 'lifetime' tenancy - for example where a property is to be demolished.
- Existing tenants with a secure lifetime tenancy who are under-occupying their home will be offered another lifetime tenancy if they transfer to a smaller home.
- Terms shorter than five years should only be used in exceptional and infrequent circumstances such as:
  - a. Lettings carried out for management reasons. E.g. tenants moving into properties to allow emergency works on their existing home.
  - b. Regeneration areas where property demolition or disposal is expected to take place

Homeless households placed in temporary accommodation owned by the council will generally be offered a non-secure tenancy.

### **New Homes**

The Council is committed to supporting the development of new affordable housing. Tenancies of any new homes will be granted in accordance with this strategy.

### **Joint Tenancies**

The council will offer new tenants joint tenancies where appropriate. This would include;

- Married couples
- Civil partners
- Applicants living together as a couple

### **Succession to Tenancies**

When a tenant dies, the property will usually be returned to the landlord. However, it may be possible for a spouse or partner to succeed to the tenancy.

Previously under the Localism Act 2011, as well as spouses, partners, civil partners and those living together as a couple, other family members were also be eligible to succeed to a tenancy, but only if the original tenancy started before April 2012. Where the original tenancy started after April 2012 successions were restricted to spouses, partners, civil partners and those living together as a couple.

The Housing and Planning Act 2016 further restricted the right to succeed to spouses and civil partners and those who live together as a couple irrespective of the date the tenancy started. Other family members living within tenancies will no longer have a statutory right to succeed to a tenancy. Rent reviews will take place when succession tenancies are granted.

### **Mutual Exchanges**

A mutual exchange is an assignment of an existing tenancy. The Localism Act brought in a new procedure, which can allow a secure tenant to swap with flexible or assured shorthold tenants, or assured tenants to swap with flexible or assured shorthold tenants. This procedure is set out in Section 158 of the Localism Act 2011. In this procedure, instead of assigning the tenancy to each other, both tenancies are surrendered and the landlord grants a new tenancy to each tenant. The tenancy type will be determined by the local authority and will generally be a 5 year flexible or fixed term tenancy. For an exchange to happen under the Localism Act 2011, the periodic secure tenancy (or fully assured tenancy) involved must have started before 1 April 2012.

Mutual exchanges can be refused due to current rent arrears, anti-social behavior or any other breach of tenancy.

The council may also agree to the surrender and re-granting of tenancies on a discretionary basis, where a statutory right to exchange does not exist.

### **Review of Fixed Term and Flexible Tenancies**

East Kent Housing, on behalf of the Council will review tenancies 6-9 months before the end of the term of tenancy. Tenants are obligated to take part in these reviews. We will seek to renew the tenancy unless there are specific grounds not to do so, these grounds must be clearly set out and published in the Allocations Policy and must include details of how to appeal against decisions.

Where a fixed term tenancy is not to be renewed, we will write to the tenant setting out the reasons for the decision with details about how to appeal. We will provide a robust programme of support, advice and assistance to find alternative accommodation. The appeal will be heard by Thanet District Council.

When reviewing a fixed term tenancy we will take into account the following considerations before making the decision about whether to renew or not:

- The household make up, particularly whether the household includes dependents of pre-school age or in full-time education with the recognition that children stay with their parents well beyond school age for valid reasons and these should be considered on an individual basis;
- The circumstances in which the tenancy was originally offered, such as vulnerabilities (e.g. fleeing harassment or domestic violence, under a witness protection programme, was a person leaving Local Authority care or has mental health problems) and whether the household is still classed as being vulnerable;
- Whether the property has been adapted to meet the needs of a disabled person and that person still resides in the property and needs the adaptations;
- The support needs of the household and what is currently in place and whether this would be jeopardised by a decision to end the tenancy;
- The occupancy levels of the household and whether they still require the size of property. Consideration should also be given in this regard to whether the property was under occupied at the time of granting the tenancy and whether those circumstances have changed, whether the tenant can afford the rent with any benefit deductions and also the demand and stability of the area;
- Health needs of household members, in particular where a household member is seriously or terminally ill;
- Any caring responsibilities of the tenant to a member of the household and/or relatives/neighbours within close proximity.
- The conduct of the tenancy, in particular whether the household is engaged in anti-social activities and is in breach of the tenancy conditions.

## **Affordability and Sustainability**

The council and its Housing Association partners increasingly provide homes for households that are excluded from owner occupation and the private rented sector due to its cost. The overall shortage of affordable housing has means that only those most in need are likely to be granted a council or housing association property.

It is therefore critical that rents are set at a level that tenants can afford and that appropriate support is available to help tenants maintain their tenancy and fulfill their obligations as tenants. This strategy sets out the guiding principles that we will follow when setting rents and providing support.



### **Housing Rent Levels**

The council and its housing association partners provide homes under two separate rent regimes. These are known as 'social rents' and 'affordable rents' and are applied in different circumstances. This strategy sets out how these rents are calculated and when they apply.

58% of the council's tenants receive financial support with the cost of their rent. This is in the form of either housing benefit or the housing element of universal credit and the maximum amount payable through these benefits is linked to the Local Housing Allowance (LHA) rate for the area. This strategy therefore takes the LHA rate for the area into account when setting rents. LHA rates are set for properties with up to 4 bedrooms and are published periodically by the Valuation Office Agency (VOA).

### **Social rents**

Councils and housing associations have traditionally had freedom to set rents locally. However since April 2002, social rents have been set based on a formula set by Government. The intention was to align council rents with those of housing associations by adopting a formulaic approach to calculating rents, known as rent restructuring. The formula calculates a target rent for each property based on a combination of individual property values and average earnings in each area.

Landlords were expected to move the actual rent of a property to the formula rent over staged increases. Staged increases were restricted to the Retail Price Index (RPI) plus 0.5% plus £2. Then CPI + 1%. This was subsequently amended by the Welfare Reform and Work Act 2016, which required social landlords to reduce rents payable by 1% each year for 4yrs from April 2016. The baseline for these 1% reductions was the rent payable on 8<sup>th</sup> July 2015.

The Council still has some properties with an actual rent charge below that of formula rent. When one of these properties becomes vacant, the rent will be recalculated based on the 2015/16 formula rent and the subsequent 1% reductions. From 2020 to 2025 government have announced that rents will increase annually by CPI +1% and that further guidance will be issued from the period beyond 2025.

The majority of the council's homes have a social rent. In particular circumstances homes have an affordable rent and these are detailed below.

Social rents are exclusive of service charges. Service charges are set separately by the council each year based on the actual costs of maintenance, cleaning and utilities for communal areas.

### **Affordable rents**

Affordable rents were introduced by Government in 2012 for all new affordable homes provided with public funding. Affordable rents are initially defined as a rent that is up to 80% of the market rent for the property. Subsequently measures were included in the Welfare Reform and Work Act 2016, which required social landlords to reduce affordable rents payable by 1% each year between 2016/17 and up to and including 2019/20. The baseline for these 1% reductions was the rent payable on 8<sup>th</sup> July 2015.

Inflation in local market rents and restrictions on the LHA rate now means that an affordable rent set at 80% of the market rent exceeds the LHA rate in many areas. To ensure that affordable rents are truly affordable for tenants, the council will restrict affordable rents to the lower of 80% of the market rent or the relevant LHA rate.

Affordable rents should not be lower than the formula rent calculated for the social rent regime. If an affordable rent would otherwise be lower than the formula rent, then the formula rent will be the actual rent charged.

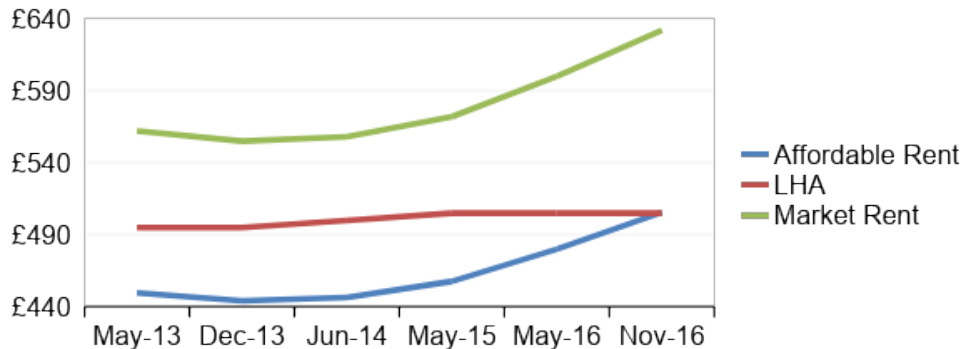
Affordable rent guidance requires that on each occasion that an affordable tenancy is issued, whether let to a new tenant or if an existing tenancy is re-issued, the rent must be reviewed taking

into account a new valuation. The only exception is where the property is re-let to the same tenant following a probationary period coming to an end. The council will complete these reviews and reset the rent based upon the lower of 80% of the new market rent or the relevant LHA rate, except where this would cause financial hardship for the tenant. When a joint tenant becomes a sole tenant, due to relationship breakdown the actual rent will not be increased on review.

New build properties, acquired and renovated properties will be charged affordable rents.

Affordable rents are inclusive of service charges.

The chart below compares the affordable rent, market rent and LRA rate for a typical 2 bedroom property, and shows how LHA rates have fallen behind market rents overtime.



**Temporary accommodation for Homeless Families**

The council uses a wide range of forms of temporary accommodation for homeless households. This strategy aims to set rent and charges for homeless households living in temporary accommodation that are both affordable and reasonably reflect the level of rent that they would be likely to have to pay in a permanent home.

Where the council is the landlord we will set a rent equal to the normal rent for that particular property. This will be either a social rent or an affordable rent.

Where the council is not the owner and has arranged the temporary accommodation through a third party, then the council will pay for the costs of the accommodation in the first instance. However the council is able to recover a reasonable charge from the resident to assist with the cost of the accommodation. The council will raise a charge equal to the relevant LHA rate for the accommodation.

These charges are eligible for housing benefit and for the housing element of universal credit, provided the household qualify for a benefit payment. The council will ensure that support is available to assist with the completion of housing benefit and universal credit applications.

It is a condition of the temporary accommodation placement that households pay the relevant charges and the council may decide to end temporary accommodation payments if charges are not paid.

Homeless households living in temporary accommodation will also be offered move-on support to enable them to find a permanent home. This will include both support to find a private rented sector home and support to apply to the council for housing through the housing register. More information about the housing register can be found in the council’s Allocations Policy. We will also publish a temporary accommodation policy setting out how we arrange and manage temporary accommodation.



### **Tenancy Support**

Supporting people to successfully sustain their tenancy is an integral part of this tenancy strategy. This section describes the support that is available. The focus of tenancy support is to assist tenants to stay in their home and prevent homelessness.

East Kent Housing are responsible for the management of homes owned by the council. EKH work closely with the council's housing options service to provide housing management, tenancy support and to prevent homelessness.

The support available is set out below.

### **Housing Options**

TDC provides a Housing Options Service which can assist tenants with a wide range of advice to help them resolve the issues arising out of the termination or potential termination of their tenancies.

East Kent Housing will refer any households to Housing Options that are at risk of an eviction being issued. Housing Options will then take the appropriate steps to try and resolve the issue and assist the household in remaining in their property.

### **Employment support**

Thanet Step Up project provides employment and training opportunities to tenants in Thanet within local community venues. Accredited, Level 2 courses are free to those over 19 yrs of age and provided and funded by Adult Education, whereas Employability and Self confidence Workshops are facilitated and taught by the Step up project coordinator. Accredited courses include Food Safety, First Aid, COSHH, Manual Handling and other employment related courses relevant to the local job market in Thanet District. Weekly Job Clubs are also held in Margate and Ramsgate where CV preparation, job searching online via provided laptops and employability workshops are available. New, weekly Pre Tenancy training to new tenants will also be provided by Step up from April 2018.

### **Rent collection and Arrears**

East Kent Housing will offer advice and assistance in relation to rent collection. They will work with statutory and other agencies to provide support to households to help them pay their rent.

### **Welfare and benefits advice**

As is highlighted in the National Context section of this Strategy, there is a number of housing policy and welfare reforms that will have a direct impact on the affordability of rented housing in Thanet. This can be demonstrated by the numbers anticipated to be affected by recent reforms.

Thanet District Council is committed to sustaining tenancies and helping people cope with the effects of welfare reform to reduce poverty and increase life skills, employment and create communities where people want to live and stay.

Housing Options can provide support and advice to tenants who may need information about how and what benefits to apply for. They also have access to discretionary housing payment (DHP). DHP is a limited fund which can be used to assist households with things such as rent arrears and paying for bedrooms that housing benefit does not pay for. Tenants are expected to be actively working with the Housing Options team in order to resolve the situation that they are in. Those who are affected by the bedroom tax are expected to apply to the housing register where they will be appropriately banded to enable them to bid on suitable and more affordable properties. DHP is only awarded for a limited period of time, so tenants must take positive steps to resolve the financial situation that they are in.

Citizens Advice Thanet are also available to help tenants in times of difficulty. CAT can assist clients with a range of issues including debt advice, problems claiming benefits, unemployment and housing matters. Citizens Advice Thanet helps people tackle their problems head-on with advice, information and practical support. As well as working with clients to sort out their individual problems, the CA service also works to change services and policies which are not working for our clients.

### **Under Occupation**

It is good practice to reduce the under occupation of social and affordable rented homes to ensure the best possible use of the available homes.

The council may decide not to renew a flexible or fixed term tenancy on review, if the property is under-occupied. If this is the case we will provide advice and assistance to the tenants to find a new home. This will include additional priority on the housing list for a transfer to a smaller home.

To encourage tenants to voluntarily move to a smaller home a range of financial incentives are available. These can be accessed through EKH and can include: a moving allowance of £1000, and a decorating pack. Consideration will also be given to moving costs.

## **Consultation, Monitoring and Review**

The Council will review this strategy one year after its adoption and publication and thereafter it will be reviewed alongside reviews of the Housing Strategy 2018-2022, Allocations Policy and the Housing Assistance and Disabled Adaptations Policy. As part of these reviews the Council will also monitor how fixed term tenancies and tenancy reviews impact on homelessness enquiries and presentations and the effectiveness of the Tenancy Strategy on the reduction and prevention of homelessness.



Evidence to assess this will include:

- Outcome of tenancy reviews assessed by vulnerability and protected characteristics
- Number of tenancies renewed and not renewed following review and reasons
- Number of homeless applications arising as a result of termination of fixed term tenancy
- Outcome of homeless applications
- Number of void properties as a result of termination of fixed term tenancies
- Housing management issues and tenancy breaches from fixed term tenants
- Number of appeals and reviews against adverse decisions
- Impact of welfare reform

An equality impact statement has been produced alongside consultation of this strategy covering all protected characteristics

## Appendix 1 – Types of Tenancy

| Type of Tenancy           | Features of the tenancy   | Circumstances under which this will be granted   |
|---------------------------|---|--|
| Secure lifetime tenancy   | <ul style="list-style-type: none"> <li>• Lifetime tenancy</li> <li>• Right to succeed</li> <li>• Right to buy</li> <li>• Right to assign the tenancy</li> <li>• Can only be ended by a Court Order</li> </ul>   | <ul style="list-style-type: none"> <li>• Applies to existing secure lifetime tenants only.</li> <li>• Rights will be preserved if existing secure lifetime tenants are required to move, for example for the purposes of demolition and regeneration.</li> </ul> |
| Introductory tenancy      | <ul style="list-style-type: none"> <li>• A probationary tenancy lasting for a period of 12 months</li> <li>• Limited rights compared to secure and flexible tenancies</li> <li>• Becomes a flexible/fixed term tenancy at the end of the introductory period.</li> </ul>  | <ul style="list-style-type: none"> <li>• New tenancies.</li> </ul>   |
| Flexible tenancy          | <ul style="list-style-type: none"> <li>• Fixed for a period of 2-10 years</li> <li>• Right to succeed</li> <li>• Right to buy</li> <li>• Right to Improve</li> <li>• Right to assign the tenancy</li> <li>• Tenancy is reviewed 6-9 months prior to the end of the term</li> <li>• Tenancy can be renewed for further terms.</li> <li>• Can only be ended by a Court Order</li> <li>• Can be demoted by way of court order</li> </ul> | <ul style="list-style-type: none"> <li>• New tenancies</li> <li>• Transferring tenants</li> </ul>  |
| Secure fixed term tenancy | <ul style="list-style-type: none"> <li>• Fixed for a period of 2-10 years</li> <li>• Right to succeed</li> <li>• Right to buy</li> <li>• Right to Improve</li> <li>• Right to assign the tenancy</li> <li>• Tenancy is reviewed 6-9 months prior to the end of the term</li> <li>• Tenancy can be renewed for further terms.</li> <li>• Can only be ended by a Court Order</li> <li>• Can be demoted by way of court order</li> </ul> | <ul style="list-style-type: none"> <li>• To be introduced by statutory regulation and will replace flexible tenancies.</li> </ul>  |
| Non-Secure tenancy        | <ul style="list-style-type: none"> <li>• Entitlement to live in the property.</li> <li>• Entitlement to the right to repair.</li> <li>• Notice to quit can be served at anytime</li> </ul>  | Used when homeless households are placed into temporary accommodation owned by the Council.  |

## Appendix 2 – Links to Other

Our Corporate Plan 2015-2019 has four main priorities, one being ‘supporting neighbourhoods’. We will work with partner agencies through the Thanet Health and Well Being Board to support people to make better lifestyle choices and operationally through our range of services provided directly to residents.

This will involve

- Continuing our commitment to work with the public, private, voluntary and community sector to ensure the best outcomes for Thanet.
- Ensuring local residents have access to good quality housing, which meets peoples changing needs and aspirations that is safe and affordable.
- Continuing to work with partners to improve community safety
- Proactively enabling a collaborative partnership to reduce health inequalities.

## Appendix 3 – Glossary

|   |  |
|---|--|
| <b>Affordable Rent</b>                      | Rents charged at up to 80% of market rents levels within the local area inclusive of service charges.  |
| <b>Affordability</b>                        | A term used to assess the cost of living and housing expenses against someone's income to determine whether an individual can afford to meet the rent payments and other essential living expenses.  |
| <b>Consumer Price Index</b>                 | Official measure of inflation of consumer prices in the UK.  |
| <b>Discretionary Housing Payments (DHP)</b> | Extra payments to help people pay their rent. Given to households who are receiving housing benefit or the housing costs element of Universal Credit who need more help with their housing costs.  |
| <b>East Kent Housing</b>                    | The Arms Length Management Organisation set up by the Council in 2011 to manage the Council's homes across the borough   |
| <b>Housing and Planning Act 2016</b>        | Act introduced by the Government setting out changes to rent levels, planning regulations, sale of high cost empty properties amongst other things. Detailed regulations on certain parts of this act are not yet released from the Government   |
| <b>Homes England</b>                        | Homes England help create successful communities by making more homes and business premises available to the residents and businesses that need them.  |
| <b>Housing Strategy</b>                     | A document outlining how Thanet will meet housing need across the district and encourage development   |
| <b>Local Housing Allowance</b>              | Local Housing Allowance is the maximum amount that can be paid for different types of properties up to maximum of four bedrooms.   |
| <b>Localism Act 2011</b>                    | Act introduced by the Government in 2012 which introduced the use of secure 'fixed term' tenancies as an alternative to secure 'lifetime' tenancies along with other changes and policies  |
| <b>Retail Price Index</b>                   | An index of the variation in the prices of retail goods and other items.   |
| <b>SHMA</b>                                 | Strategic Housing Market Assessment sets out estimates for Thanet's future housing requirements.   |
| <b>Social Rent</b>                          | Rent levels set for social housing determined by the national rent regime  |
| <b>Sustainability</b>                       | A term used to demonstrate the ability to maintain to a certain level – sustainability of tenancy is to ensure tenants do not lose their tenancies and community sustainability is keeping communities stable and together   |
| <b>Tenure</b>                               | The conditions under which land or buildings are held or occupied – private tenure, council tenure – these refer to different types of tenancies   |
| <b>Tenancy Strategy</b>                     | The localism Act 2011 placed a duty on all local authorities to publish a tenancy strategy setting out which types of tenancy will be granted, under what circumstances different types of tenancy will be granted, the length of 'fixed term' tenancies and the circumstances where tenancies will be renewed |
| <b>Welfare Reform Act</b>                   | Act introduced by the Government which started a series of reforms to the welfare state including Universal Credit, Social Size Criteria deductions, benefit cap, Personal   |

|                                |  |
|--------------------------------|--|
| <b>2012</b>                    | Independence payments and other reforms  |
| <b>Welfare Reform Act 2016</b> | Act introduced by the Government to drive forward further changes to the welfare state including a 1% reduction to social housing rents, further lowering of the benefit cap, child tax credit reductions and more |

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



# Full Equality Impact Analysis

|  |  |
|--|--|
| <b>Title of review</b>                     | Tenancy Strategy 2018  |
| <b>Service</b>                             | Thanet District Council ,Community Services  |
| <b>Date of review</b>                      | May 2018   |
| <b>Date of next review</b>                 | May 2019   |
| <b>Lead officer, Job Title and Service</b> | Ashley Jackson, Housing Strategy and Projects, Thanet District Council   |
| <b>Review team</b>                         | Corporate Governance   |
| <b>Scope of the analysis</b>               | <p>We are required under the Localism Act 2011 to publish a tenancy strategy. This allows us to have a discretionary option to consider granting flexible 'fixed term' secure tenancies as an alternative to secure 'lifetime' tenancies.</p> <p>Further legislation contained in the Housing and Planning Act 2016 introduces a mandatory secure 'fixed term' tenancy to be granted for all new tenancies, with limited exemptions. This will effectively bring to an end the current secure 'lifetime' tenancy. Regulations are yet to be issued and this policy is yet to be implemented.</p> <p>In addition, the introduction of significant welfare reforms has made an affordable, secure home an even greater priority for those people where renting is the only option available to them.</p> <p>This Strategy aims to set out how we will make best use of our housing stock to meet the needs of the districts residents.</p> |
| <b>Beneficiaries</b>                       | Residents of Thanet who are allocated properties.  |
| <b>Stakeholders</b>                        | <p>Stakeholders to include</p> <ul style="list-style-type: none"> <li>● Residents</li> <li>● Councillors</li> <li>● East Kent Housing</li> <li>● Officers</li> </ul>   |
| <b>Relevant data and research</b>          | The Localism Act 2011 made changes to the way people access social housing, the way homeless duty is discharged and gave powers to local authorities to provide 'fixed term' tenancies. The broad aim of these changes   |

# Agenda Item 7

## Annex 2

|   |  |
|---|--|
|   | <p>was to provide local councils with the ability to respond to local needs, increase mobility and ensure that social housing is used for those in need. Restrictions to the rules regarding succession of tenancy were also introduced.</p> <p>The Housing and Planning Act 2016 announced the end of secure lifetime tenancies in local authority housing. However, the policy is expected to place a duty on authorities to grant secure 'fixed term' tenancies of between two and ten years to all new tenants, thus taking away the opportunity to grant new secure 'lifetime; tenancies, except in limited circumstances.</p> <p>The 2016 act also amended rules about succession in secure tenancies and restricted tenancy succession rights to spouses and partners only, irrespective of the original tenancy date.</p> <p>The 2016 Act also placed a duty on local authorities to consider selling our higher value empty properties in order to meet the levy payable to Government to fund the proposed extension of Right to Buy for housing association tenants. Regulations governing the implementation of this duty are still to be brought forward by government.</p> |
| <p><b>Access complaints</b></p>   | <p>Complaints received from residents when tenancies are not renewed are detailed below.</p> <p>East Kent Housing, on behalf of the Council will review tenancies 6-9 months before the end of the term of tenancy. Tenants are obligated to take part in these reviews. We will seek to renew the tenancy unless there are specific grounds not to do so, these grounds must be clearly set out and published in the Allocations Policy and must include details of how to appeal against decisions.</p> <p>Where a fixed term tenancy is not to be renewed, we will write to the tenant setting out the reasons for the decision with details about how to appeal. We will provide a robust programme of support, advice and assistance to find alternative accommodation. The appeal will be heard by Thanet District Council.</p>  |
| <p><b>Consultation</b></p>  | <p>Consultation has taken place within TDC. The Housing Options Manager, Allocations Department, Finance department and East Kent Housing have all input into the strategy. Members have been consulted when identifying priorities and have been consulted via email on the full strategy. Partners and agencies have also been consulted by email.</p>   |
| <p><b>Results of consultation</b></p>   | <p>No comments were made</p>   |
| <p><b>Relevance to the Duty:</b></p> <p>We are required under the Localism Act 2011 to publish a tenancy strategy.</p>  |  |
| <p>1. <b>Eliminate unlawful discrimination</b> – harassment, victimisation and any other conduct prohibited by the Act;</p> <p>The tenancy strategy does not harass, victimise or contradict any other conduct prohibited by the act.</p> |  |



# Agenda Item 7

## Annex 2

| <p>2. <b>Advance equality of opportunity</b> – between people who share a protected characteristic and people who do not share it by;</p> <p>The tenancy strategy is not for a specific client group and therefore suitable for all applicants.</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><b>Equality impacts raised or identified:</b></p> <p>The tenancy strategy does not have a positive or negative effect on staff or external customers.</p>  |            |  |
| Protected Characteristic  | Commentary |  |
| Age   | Impact     | The tenancy strategy does not discriminate between ages of applicants.                           |
|   | Mitigation | None needed  |
| Gender  | Impact     | This tenancy strategy will have a positive outcome irrelevant of gender.                         |
|   | Mitigation | None needed  |
| Race  | Impact     | This tenancy strategy will have a positive outcome irrelevant of race.                           |
|   | Mitigation | None needed  |
| Disability  | Impact     | This tenancy strategy does not have a negative impact on customers with a disability.            |
|   | Mitigation | None Needed  |
| Religion or belief  | Impact     | This tenancy strategy will have a positive outcome irrelevant to religious beliefs.              |
|   | Mitigation | None needed  |
| Gender reassignment   | Impact     | This tenancy strategy will have a positive outcome irrelevant of gender reassignment.            |
|   | Mitigation | None needed  |
| Sexual Orientation  | Impact     | This tenancy strategy will have a positive outcome irrelevant of sexual orientation.             |
|   | Mitigation | None needed  |
| Marriage & Civil Partnership (Aim 1 only)   | Impact     | This tenancy strategy will have a positive outcome irrelevant of marriage and civil partnership. |
|   | Mitigation | None needed  |

# Agenda Item 7

## Annex 2

|   |                   |  |
|---|-------------------|--|
| <b>Pregnancy &amp; Maternity (Aim 1 only)</b> | <b>Impact</b>     | This tenancy strategy will have a positive outcome irrelevant of pregnancy and maternity |
|   | <b>Mitigation</b> | None needed  |

**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)**

The Equalities Impact Assessment has been undertaken to ensure that the proposal to implement the tenancy strategy does not have a negative impact on its existing residents, tenants and future customers. The proposal will not have a negative impact on any groups with protected characteristics. The intention to allocate the units in line with the tenancy strategy outweighs any negative impact.

**Actions arising from analysis:**

| Action  | Responsible Officer | Deadline |
|---|---------------------|----------|
| To undertake equality impact assessments throughout the tenancy strategy, to ensure there is not a negative impact to existing residents. | Ashley Jackson      | May 2019 |
|   |                     |          |
|   |                     |          |
|   |                     |          |
|   |                     |          |
|   |                     |          |

**Acceptance**

Name and signature of assessing officer and date of assessment.

**Name:**

**Position:**

**Signed:**

**Date:**

## Public Spaces Protection Order No. 3 (Anti-Social Behaviour)

|                  |  |
|------------------|--|
| Cabinet          | <b>26th July 2018</b>  |
| Report Author    | <b>Jessica Bailey, Community Safety Manager</b>                              |
| Portfolio Holder | <b>Cllr Lesley Game, Cabinet Member for Housing and Safer Neighbourhoods</b> |
| Status           | <b>For Decision</b>  |
| Classification:  | <b>Unrestricted</b>  |
| Key Decision     | <b>Yes</b>   |
| Reasons for Key  | <b>Significant effect on communities (2 or more wards)</b>                   |
| Ward:            | <b>Margate Central, Cliftonville West, Central Harbour, Eastcliff</b>        |

### **Executive Summary:**

The purpose of this report is to recommend that the Council exercises its powers under the Anti-Social Behaviour, Crime and Policing Act 2014 to introduce a Public Spaces Protection Order (PSPO) to provide officers with additional enforcement capability to more effectively manage Anti-Social Behaviour in areas where it is currently having a detrimental effect on the community.

The councils Community Safety team and Kent Police currently deal with all Anti-Social Behaviour (ASB) reports for the District. Thanet traditionally experiences higher levels of Anti-Social Behaviour compared to other areas. The four wards of Margate Central, Central Harbour, Eastcliff and Cliftonville West (which form the proposed 'designated area') account for over half of all ASB in the district.

Over the last 12 months these areas have experienced significant issues with regards to nuisance emanating from Anti-Social groups and the deliberate misuse of public spaces, which has also had a negative impact on businesses premises in the area.

A number of targeted interventions have already been deployed but have only achieved moderate success in these areas. This has included increased visibility, targeted enforcement as well as diversionary tactics such as mobile outreach, support referrals and education.

In light of this and based on the continued high volumes of ASB in these areas, the Council in consultation with Kent Police, seek this order to provide additional enforcement capabilities to tackle these complex issues.

This order proposes that within the specified designated area, the following activities are restricted for the duration of this order (three years);

- Anti-Social group congregation of two or more persons when causing ASB and;
- Misuse of public spaces (when asked not to do so);
- Using foul or abusive language.
- Excreting bodily fluids.

This order, if agreed, will be the third order in the district, the two orders already granted in 2017 cover alcohol related disorder and dog offences.

The Council are asked to support the proposals to give officers greater ability to tackle Anti-Social

## Agenda Item 8

|   |
|---|
| Behaviour in high volume areas in the interests of the wider community, residents, local businesses and visitors to the area.   |
| <p><b>Recommendation(s):</b></p> <p>i) To exercise its powers under the Anti-Social Behaviour, Crime and Policing Act 2014 to introduce a Public Space Protection Order;</p> <p>ii) To delegate any minor amendment of the PSPO to a service Director;</p> <p>iii) To then agree a Fixed Penalty Notice fine amount of £80 with early repayment of £60.</p> |

| <b>CORPORATE IMPLICATIONS</b>                              |  |
|--|--|
| <b>Financial and Value for Money</b>                       | <p>There are no identified financial implications at this time. Enforcement of this order if adopted will come from within existing budgets and resources. Kent Police will also hold responsibility for enforcement and this will not incur a cost to the council.</p> <p>There may potentially be future legal costs for enforcement of Fixed Penalty Notices, however this will be covered within existing departmental Community Safety legal budget and the income generated by fixed penalty notices recovered should also contribute towards these costs.</p>   |
| <b>Legal</b>   | <p>The Anti-Social Behaviour Crime and Policing Act 2014 (the act) streamlined existing measures used to tackle Anti-Social and nuisance behaviour, into just six new powers. Civil Injunctions; Criminal Behaviour Orders; Community Protection Notices; Closure Orders; Dispersal Powers and <b>Public Space Protection Orders</b></p> <p>This report concerns itself with the introduction of a Public Space Protection Order.</p> <p>Section 59 of the Act requires the Council to carry out the necessary consultation and the necessary publicity, and the necessary notification before making a public spaces protection order.</p> <p>The “necessary consultation” means consulting with the chief officer of police, and the local policing body, for the police area that includes the restricted area; whatever community representatives the local authority thinks it appropriate to consult; and the owner or occupier of land within the restricted area.</p> <p>Kent Police and the Kent Police and Crime Commissioner and District Councillors were consulted as part of the initial consideration for making this order. In addition to this, all residents, businesses and other stakeholders are all invited to respond as part of an public 21 day opportunity to comment running 12<sup>th</sup> June – 2<sup>nd</sup> July 2018.</p> |
| <b>Corporate</b>   | <p>Priority 1, Clean and welcoming environment - Maintaining zero tolerance to encourage positive behaviour to help improve our environment</p> <p>Priority 2, Supporting neighbourhoods - Continuing to work with partners to improve community safety and anti-social behaviour</p>  |
| <b>Equality Act 2010 &amp; Public Sector Equality Duty</b> | <p>Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster</p>   |

# Agenda Item 8

|  |   |  |  |   |  |  |   |   |  |
|--|---|--|--|---|--|--|---|---|--|
|  | <p>good relations between people who share a protected characteristic and people who do not share it.</p> <p>Protected characteristics: age, gender, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy &amp; maternity. Only aim (i) of the Duty applies to Marriage &amp; civil partnership.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Please indicate which aim is relevant to the report.</td> </tr> <tr> <td>Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,</td> <td></td> </tr> <tr> <td>Advance equality of opportunity between people who share a protected characteristic and people who do not share it</td> <td style="text-align: center;">X</td> </tr> <tr> <td>Foster good relations between people who share a protected characteristic and people who do not share it.</td> <td></td> </tr> </table> <p>It is not felt that the introduction of this order should have any negative impact in respect of protected characteristics and the public sector equality duty.</p> <p>Restrictions around Anti-Social Behaviour, aims to make all public spaces more accessible to all members of society regardless of whether they hold a protected characteristic or not.</p> <p>An Equality Impact Assessment screening has been undertaken and there are no matters arising from this proposal at this time.</p> <p>This will be kept under review.</p> | Please indicate which aim is relevant to the report. |  | Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, |  | Advance equality of opportunity between people who share a protected characteristic and people who do not share it | X | Foster good relations between people who share a protected characteristic and people who do not share it. |  |
| Please indicate which aim is relevant to the report.   |   |  |  |   |  |  |   |   |  |
| Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,              |   |  |  |   |  |  |   |   |  |
| Advance equality of opportunity between people who share a protected characteristic and people who do not share it | X   |  |  |   |  |  |   |   |  |
| Foster good relations between people who share a protected characteristic and people who do not share it.          |   |  |  |   |  |  |   |   |  |

| <b>CORPORATE PRIORITIES (tick those relevant)✓</b> |   |
|--|---|
| A clean and welcoming Environment                  | ✓ |
| Promoting inward investment and job creation       | ✓ |
| Supporting neighbourhoods                          | ✓ |

| <b>CORPORATE VALUES (tick those relevant)✓</b> |   |
|--|---|
| Delivering value for money                     | ✓ |
| Supporting the Workforce                       | ✓ |
| Promoting open communications                  |   |

## 1.0 Introduction and Background

- 1.1 Thanet is a growing tourist destination with a number of areas to visit and socialise in. The Council works with other agencies to foster a safe and sociable experience when visiting or socialising in the district.
- 1.2 The Anti-Social Behaviour, Crime and Policing Act 2014 streamlined powers for the Police and Council to tackle Anti-Social Behaviour (ASB).
- 1.3 One of the new powers created in this act was the introduction of Public Space Protection Orders (PSPOs) given solely to local authorities to introduce orders that restrict certain behaviours or activities within a specified geographical area, if it can be demonstrated that such activity is having a negative impact and detrimental to the locality.
- 1.4 Thanet traditionally has higher levels of Anti-Social Behaviour when compared to other Districts in Kent. The four wards that form the restricted area make up over half (53%) of all ASB in the District.

## Agenda Item 8

- 1.5 During the 2017-18 financial year Anti-Social Behaviour incidents in the two town centre areas of Margate and Ramsgate have remained high, despite reductions in ASB experienced in other areas. This has been primarily due to Anti-Social group congregation and the misuse of public spaces, which has been adversely targeted towards business and commercial premises.
- 1.6 The Council and Police have continued to receive a high volume of complaints in these areas and have met several times to consider all available interventions to combat these problems.
- 1.7 A number of tactics have already been utilised in these areas in a bid to combat the Anti-Social Behaviour, which has resulted in over 150 enforcement actions as well as the deployment of mobile outreach and diversionary interventions in these locations. Whilst these tactics have had some impact, the two areas continue to experience significantly higher volumes of ASB than other wards.
- 1.8 A PSPO is requested to implement a substantive order in the key town centre areas of Margate and Ramsgate to restrict the types of behaviours causing ASB and give additional powers to enforcement officers.

### 2.0 PSPO threshold

- 2.1 When making an order the council must be satisfied that on reasonable grounds that the activities carried out, or likely to be carried out, in a public space:
- Have had, or are likely to have, a detrimental effect on the quality of life of those in the locality;
  - Is, or is likely to be, persistent or continuing in nature;
  - Is , or is likely to be unreasonable; and
  - Justifies the restrictions imposed.
- 2.2 The council can make a PSPO on any public space within the boundaries of the Thanet District.
- 2.3 This includes any place to which the public or any section of the public have access, on payment or otherwise, as of right or by virtue of expressed or implied permission.
- 2.4 It is an offence for a person, without reasonable excuse, to do anything that they are prohibited from doing by a PSPO or for them to fail to comply with a requirement to which they are subject to under a PSPO.

### 3.0 Proposal

- 3.1 It is proposed that a Public Space Protection Order is introduced to provide additional restrictions to more effectively control ASB in the designated area for a period of three years.
- 3.2 It is proposed that the following activities are restricted:
- **Anti-Social group congregation**  
All persons are prohibited from congregating as part of a group of 2 or more for such duration as specified, when directed not to do so by an authorised officer; on the basis that the behaviour is causing or is likely to cause, harassment, alarm or distress to others in the locality.
  - **Misuse of public space**

## Agenda Item 8

All persons are prohibited from misusing any public space, facility or installation; when directed not to do so by an authorised officer *and* that the behaviour is causing or is likely to cause, harassment, alarm or distress to others in the locality.

- **Using foul or abusive language**

All persons are prohibited from using foul or abusive language in such a manner that it is likely to cause harassment, alarm or distress to any other person in any public place.

- **Excreting bodily fluids**

All persons are prohibited from excreting bodily fluids, including but not limited to urinating, defecating or spitting in any public place that is not a specified toilet facility.

- 3.3 Due to the high levels of ASB experienced in Margate and Ramsgate town centres it is proposed the order covers the majority of the four wards of Margate Central, and Cliftonville West in Margate, Central Harbour and Eastcliff in Ramsgate. Maps 1 and 2 in the draft bundle depict the boundaries of the proposed 'Designated areas'.
- 3.4 It is proposed that this order gives discretion and flexibility to officers to exercise enforcement of these provisions where persons are causing ASB and they refuse to adhere to an officers request to cease their conduct, where their conduct is believed to be having a detrimental effect on those in the locality.
- 3.5 Kent Police have a designated officer for both town centre areas which, alongside PCSOs and TDC Enforcement staff will oversee the enforcement of this order.

### **4.0 Definitions and exemptions**

- 4.1 *Public place* means any place to which the public or any section of the public has access, on payment or otherwise, as of right or by virtue of express or implied permission. This includes beaches and foreshores.
- 4.2 *Authorised person* means an officer or agent acting on behalf of Thanet District Council, a police constable or a police community support officer.
- 4.3 *Anti-Social behaviour* has the meaning as given by Section 2 of the Anti-Social Behaviour, Crime and Policing Act 2014.
- 4.4 *Foul or abusive language* can be defined as words that are used to cause offence and the manner in which they are delivered.
- 4.5 Officers will have particular regard to the rights and freedom of expression as freedom of assembly set out in articles 10 and 11 of the convention.
- 4.6 Any breach of this order must be witnessed by an authorised officer, whereby at least 1 member of the public is present and affected, or likely to be affected by the specified behaviour or conduct.

### **5.0 Justification for making the order**

- 5.1 Thanet is the fourth most densely populated district in Kent (ONS 2015) and has seen a 19% growth in Thanet's visitor economy (Visit Kent 2016) with increasing numbers visiting the urban areas.
- 5.2 Whilst overall, ASB is experiencing a downward trend county-wide; Thanet continues to experience the highest levels of Anti-Social Behaviour of all districts in Kent. In the most recent published data from Kent Police, a total of 4059 incidents were reported from April 2017 – February 2018.

## Agenda Item 8

- 5.3 The Council and Kent Police have seen continued complaints relating to ASB and nuisance in the town centre areas of Margate and Ramsgate, specifically relating to anti-social groups using foul and abusive language, nuisance bikes and deliberately misusing public spaces. Examples of this misuse has included cycling on pavements, play fighting, jumping dangerously between buildings and refusing to cease when asked not to do so.
- 5.4 Of all recorded ASB incidents, 53% (2158) were within the four key wards of Margate Central, Central Harbour, Eastcliff and Cliftonville West which forms the proposed designated area of this order. Further evidence, maps and data is set out in Appendix 2 of the proposed order.
- 5.5 Residents, businesses and Elected Members have also raised regular concerns with regards to the impact and perception of nuisance behaviour and ASB within the town centres of Margate and Ramsgate. Issues have been raised regularly by Town Teams and at Neighbourhood Engagement Meetings.
- 5.6 The Council have dealt with a total of 239 incidents regarding ASB and nuisance within the designated area. This comprises of 157 reports for Margate and 82 for Ramsgate town centre areas. As a result the council has taken formal enforcement action on 23 occasions.
- 5.7 The council has had cause to deep clean public space locations on an additional 17 occasions due to the misuse of public space due to the deliberate excretion of bodily fluids including the excretion of blood, vomit and excrement.
- 5.8 In the annual Community Safety Partnership perception survey for 2018, half of respondents felt their perceptions of safety had deteriorated. Of those respondents who gave their postcode as being from areas within the designated area this figure increased to 68%. The main reason cited for this perception was due to ASB and nuisance groups.
- 5.9 A number of other interventions have already been utilised but have only had moderate impact. Most significantly is the regularity in which Kent Police have had cause to use dispersal powers on over 75 occasions.
- 5.10 Implementing a three-year PSPO will provide additional powers to enforcement officers to address ASB in the designated area and also compliment continued ongoing action against prolific individuals who persistently continue to cause ASB and disrupt our communities.
- 6.0 Enforcement**
- 6.1 The order gives discretion and flexibility to officers to only exercise enforcement where the specified conduct is causing harassment, alarm and distress detrimental to the locality.
- 6.2 It does not replace existing powers and any enforcement of this order will take an incremental approach and be proportionate. The individual circumstances surrounding any breach of this order will be considered and flexibility will be utilised as to whether enforcement is appropriate. Where there is an underlying reason contributing towards the Anti-Social Behaviour, wherever appropriate support and advice will be given in the first instance.
- 6.3 A person is guilty of an offence under section 67 of the ASB Crime and Policing Act 2014 and liable to summary conviction to a fine not exceeding level three on the scale, currently £2500.



6.4 A constable or authorised person may issue a Fixed Penalty Notice under section 68 of the ASB Crime and Policing Act 2014 to anyone they reasonable believe has committed an offence in breach of this order. This includes authorised council officers, Police Constables and Police Community Support Officers.

6.5 The legislation allows for a maximum fine amount is £100, however previous orders have adopted an £80 with early repayment of £60 to mirror former littering fine amounts. It is recommended this order adopt the same £80 (£60) amount.

### **7.0 Consultation**

7.1 When considering implementing a PSPO the Council must undertake consultation with stakeholders deemed relevant.

7.2 Kent Police and the Kent Police and Crime Commissioner as statutory consultees, have been consulted as part of this process and are in support of the proposal.

7.3 Elected Members with wards in the designated area and the portfolio holder were invited to a consultation proposal meeting on the 11<sup>th</sup> June 2018. Members were in agreement and support the proposals.

7.4 Ramsgate Town Council, Town Teams and Local Businesses relevant to the designated area were notified of the intention to consider this order and invited to comment and were in support of the proposals.

7.5 A 21 day public opportunity to comment was also held between the 12<sup>th</sup> June – 2<sup>nd</sup> July 2018. A total of 36 formal written responses were received and 33 were in support of the proposals with three objections.

7.6 One objection did not provide any rational as to why they did not support the proposal. The second concern was primarily regarding wider concerns in relation to general PSPO legislation and sought clarification regarding the group congregation definition and enforcement, which was provided. This response also raised general concerns regarding the creation of new orders to create new offences which could criminalise people and again further clarification provided regarding training and proportionality of use by officers to confirm that the majority of law abiding persons would not be affected by this order if agreed.

7.7 The third objection was from Liberty, who regularly counter PSPO proposals. The feedback from Liberty has been reviewed and acknowledged prior to submitting final proposals and the reports and associated documentation has included revised definitions to reflect best practice.

### **8.0 Other matters arising through the consultation**

8.1 As part of the consultation, the following clarifications were also provided to queries that were raised.

8.2 *Extend the designated area to cover the whole of the district* – The legislative guidance surrounding PSPOs is very clear on not allowing for District wide orders, and restrictions must be proportionate towards a targeted geographical area where high volumes of ASB can be evidenced.

8.3 *Extend to cover other town or village centres* – A review of existing data currently does not support extending this order to cover other urban areas. Whilst it is recognised that other areas do experience problems, the volumes are nowhere near

## Agenda Item 8

that of the proposed area. Any restrictions must be proportionate to the area in which they cover.

- 8.4 *Displacement of ASB to other areas* – This is always a potential risk with any enforcement action within a geographical boundary and the full impact will not be known until the order is in place, however it is perceived that the attraction for perpetrators to congregate in these specific areas is in part unique due to being more densely populated areas with high concentration of shops, fast food establishments and Wi-Fi not as prominent in other areas.

Action has been undertaken to mitigate any potential displacement. Diversionary outreach has been targeted to run alongside the order in other nearby locations outside of the designated area to continue to give resilience and monitor any potential impact.

In addition to this order all other ASB tools and powers still continue to be available for use in all parts of the District. This order is sought to bolster existing capability due to the significant volumes of ASB currently experienced in the designated areas. These volumes cannot be evidenced in other parts of the district.

Whilst the justification to extend this order to other areas currently is not there, any PSPO once granted remains under review and amendments to an order can be made if required.

### 9.0 Options

- 9.1 To approve the recommendations.
- 9.2 To amend the recommendations and then approve them.
- 9.3 To reject the proposed order and recommendations.

|                  |  |
|------------------|--|
| Contact Officer: | Jessica Bailey, Community Safety Manager   |
| Reporting to:    | Penny Button, Head of Safer Neighbourhoods |

### Annex List

|         |   |
|---------|---|
| Annex 1 | Proposed draft Public Spaces Protection Order – No. 3 ASB |
|---------|---|

### Corporate Consultation

|                |   |
|----------------|---|
| <b>Finance</b> | Ramesh Prashar, Head of Financial Services    |
| <b>Legal</b>   | Sophia Nartey, Interim Head of legal Services |



**The Anti-Social Behaviour, Crime and Policing Act 2014**

**Public Spaces Protection Order - (Thanet District Council) 2018**

**No. 3 (Anti-Social Behaviour)**

| <b>Page Number</b> | <b>Document</b>                        |
|--------------------|--|
| 1-2                | Proposed Public Space Protection Order |
| 3-4                | Designated area                        |
| Appendix:          |  |
| 1                  | Threshold                              |
| 2                  | Evidence and justification             |
| 3                  | Enforcement                            |
| 4                  | Consultation                           |



**The Anti-Social Behaviour, Crime and Policing Act 2014**  
**Public Spaces Protection Order (Thanet District Council) 2018**  
**No. 3 (Anti-Social Behaviour)**

Thanet District Council ("the Council") makes this Public Spaces Protection Order under section 59 of the Anti Social Behaviour, Crime and Policing Act 2014, having consulted as required by section 72 of the act.

This Order comes into force on **27<sup>th</sup> July 2018** for a period of 3 years.

The council is satisfied that anti-social behaviour is being carried out within the area to which this order applies, it is likely that these activities will continue to be carried out and that this is having or it is likely to have a detrimental effect on the quality of life of those in the locality by causing harassment, alarm and distress.

This order relates to the land inside the area marked on the attached maps which is outlined in red ('the Designated Area'), for the urban areas of Thanet, namely Margate and Ramsgate. This includes all spaces within this boundary that are accessible to the public.

**1. Offences**

The activities which are prohibited by this order within the designated areas:

**i) Anti-Social group congregation**

All persons are prohibited from congregating as part of a group of 2 or more for such duration as specified, when directed not to do so by an authorised officer; on the basis that the behaviour is causing or is likely to cause, harassment, alarm or distress to others in the locality.

**ii) Misuse of public space**

All persons are prohibited from misusing any public space, facility or installation; when directed not to do so by an authorised officer.

*Officers will have particular regard to the rights of freedom of expression and freedom of assembly set out in articles 10 and 11 of the convention.*

**iii) Using foul or abusive language**

# Agenda Item 8

## Annex 1

All persons are prohibited from using foul or abusive language in such a manner that it is likely to cause harassment, alarm or distress to any other person in any public place.

### iv) Excreting bodily fluids

All persons are prohibited from excreting bodily fluids, including but not limited to urinating, defecating or spitting in any public place that is not a specified toilet facility.

Any breach of this order must be witnessed by an authorised officer, whereby at least 1 member of the public is present and affected, or likely to be affected by the specified behaviour or conduct.

### 2. Breaches

If, without reasonable excuse, you fail to comply, with clause 1 of this Order, you commit an offence for which the maximum penalty upon summary conviction is a fine not exceeding level 3 on the standard scale.

### 3. Definitions

*Public place* means any place to which the public or any section of the public has access, on payment or otherwise, as of right or by virtue of express or implied permission. This includes beaches and foreshores.

*Authorised person* means an officer or agent acting on behalf of Thanet District Council, a police constable or a police community support officer.

*Anti-Social Behaviour* has the meaning as given by Section 2 of the Anti-Social Behaviour, Crime and Policing Act 2014.

*Foul or abusive language* can be defined as words that are used to cause offence and the manner in which they are delivered.

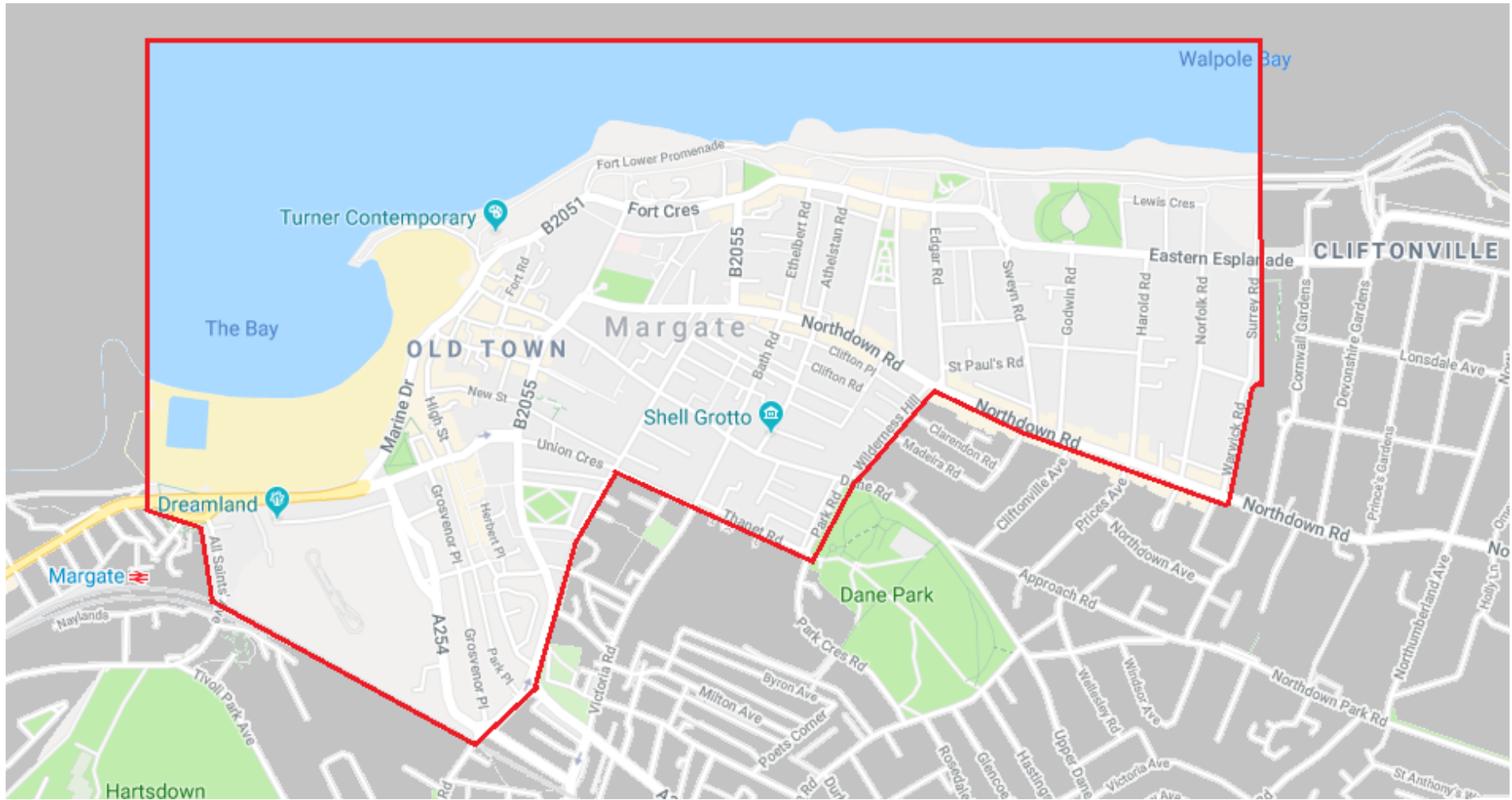
### 4. Date of effect

This Order shall come into effect on **27<sup>th</sup> July 2018**

### 5. Length of Order

This Order shall have effect for a period of 3 years.

# Map 1 - "Designated Area 1" – Margate



## Map 2 - "Designated Area 2" – Ramsgate



## **Threshold**

A public spaces protection order is an order made by the Local Authority if it is satisfied on reasonable grounds that two conditions are met. These are:

- That activities being carried out within a public place have had detrimental effect on the quality of life of those in the locality or it is likely they will.
- That the effect, or likely effect, of these activities is, or is likely to be, of a persistent or continuing nature, such as to make the activities unreasonable.

These orders identify public places and prohibit specific things from being done in that area or require specific things to be done in that area for a maximum of 3 years.

Breach of the order would constitute a criminal offence.



## Evidence and justification

Thanet is a growing tourist destination with a number of award winning beaches and visitor attractions. With regeneration taking place across the district, there is a need to ensure those living in and visiting the district can do so safely.

### Kent Police data

Thanet consistently has the high levels of Anti-Social Behaviour (ASB) compared to other districts in Kent. Between April 2017 and February 2018 a total of 4059 ASB incidents were reported to Police. The highest volumes of incidents are recorded as being in the Margate Central (676) and Central Harbour (574) wards that form the majority of the restricted area. This equates to 53% of all ASB in Thanet (2158 incidents).

Kent Police have had to regularly use dispersal powers in these areas to combat nuisance behaviour in the town centres due to regular and persistent nuisance by group congregation and the misuse of public spaces. In the last 12 months, over 75 dispersal areas for Anti-Social Behaviour and nuisance groups have been put in place by the Police within the designated areas of Ramsgate and Margate town centre areas..

A request was received from Kent Police to therefore consider a more substantial order to restrict Anti -Social Behaviour in hot spot locations and give Police and Council officers greater powers to combat deliberate nuisance behaviour.

A review of Kent Police data (See Maps 3 and 4) highlight hot spot areas for Anti Social Behaviour within the wards of Margate Central and Cliftonville West, Central Harbour and Eastcliff in Ramsgate forming the more densely populated urban areas in the district.

**Map 3** below shows the reports of anti-social behaviour made to Kent Police depicted via colour density. These show the highest levels of anti-social behaviour reports being in the Margate and Ramsgate town centre areas with lower levels of reports on the outskirts of those towns. Broadstairs shows lower levels of reporting with the number not justifying coverage by this order.

**Map 4** shows crime data spilt into lower super output area (LSOA). LSOAs area geographical hierarchy designed to improve the reporting of small area statistics. They are built from groups of contiguous output areas and have been generated to be as consistent in population size as possible. The map again shows the LSOA within the Margate and Ramsgate town centres are the worst affected by crime and anti-social behaviour within the District.

### Thanet District Council complaints

Neighbourhood Engagement Meetings for the Margate and Ramsgate areas have regularly raised issues with regards to Anti-Social group congregation in the high street areas.

# Agenda Item 8

## Annex 1

In the last 12 months Thanet District Council have dealt with a total of 239 incidents regarding ASB and nuisance in those areas, comprising 157 reports for the Margate area and 82 reports for the Ramsgate area.

In addition to this, Thanet District Council has, in the last 18 months, had cause to take enforcement action, including applying to the courts to formally re-possess land within the designated areas due to misuse of public spaces on 23 occasions. Cleansing operatives have also had cause to employ specialist contractors on 17 occasions following the deposition of bodily fluids including vomit, blood, urine or faeces.

In addition to this, within the geographic area a number of other tactics have already been utilised in these areas in a bid to combat the Anti-Social Behaviour, this has including the application for 3 Civil injunctions and 2 Criminal Behaviour Orders as well as the issue of 36 Community Protection Warnings and 8 Community Protection Notices to persons believed to be responsible for ASB.

In addition to this, mobile outreach and diversionary interventions have also been targeted to these areas on a regular basis. Whilst these tactics have had some impact, the two areas still continue to experience significantly higher volumes of ASB than other wards.

### **Resident and trader complaints**

Traders and local businesses situated within the town centre areas have submitted 16 separate complaints to the Local Authority about the impact of people misusing public spaces . This misuse has included; cycling on pavements and in pedestrianised areas, regular large group congregation so as to cause harassment through activities such as play fighting, shouting swearing and using abusive language, refusing to cease when asked to do so, playing games across roads and in pedestrianised areas, spitting, urinating and defecating. Statements have been gathered that demonstrate the impact to the community.

The annual Community Safety survey highlighted 50% of respondents felt their perceptions had deteriorated, due to 'Groups hanging around and causing ASB in the towns' this was the highest response category.

Over 20 local traders from the town centre areas compiled personalised responses to the survey completed the survey in February 2018. Of those responses, their perceptions of safety were worse than the average responses, with 95% stating they felt unsafe or very unsafe at night in the designated areas, and 50% stating they felt unsafe or very unsafe during the day.

Overall responses for the District showed maintained perception levels, apart from these areas.

When asked what impacted on this perception, respondents stated '*intimidating groups and group congregation*', '*regular fighting in the street in the high street areas*', '*people on bikes*', '*It's out of control*'

These concerns have also been raised by ward councillors on several occasions.

## Agenda Item 8 Annex 1

**Potential for displacement:** This order has been considered as a direct result of the problems these areas are currently experiencing and recognition that issues have escalated and other tactics only had moderate success.

It is not possible to fully anticipate the impact this order will have until it is in place. The potential for displacement has been considered, however the ASB that this order is seeking to address results predominantly from a number of factors specific to the town centre locations, including; being easily accessible and well contacted by public transport, having a close proximity to a number of shops particularly food establishments, the accessibility to public Wi-Fi and being near to popular tourist sites with a high footfall of other visitors.

The designated area is currently disproportionately affected by ASB and as such this order is sought to provide additional powers which complement the continuation of other tactics.

Diversionsary outreach has also been planned across other areas of the District, particularly during the summer months in a bid to provide greater resilience to other areas and mitigate displacement.

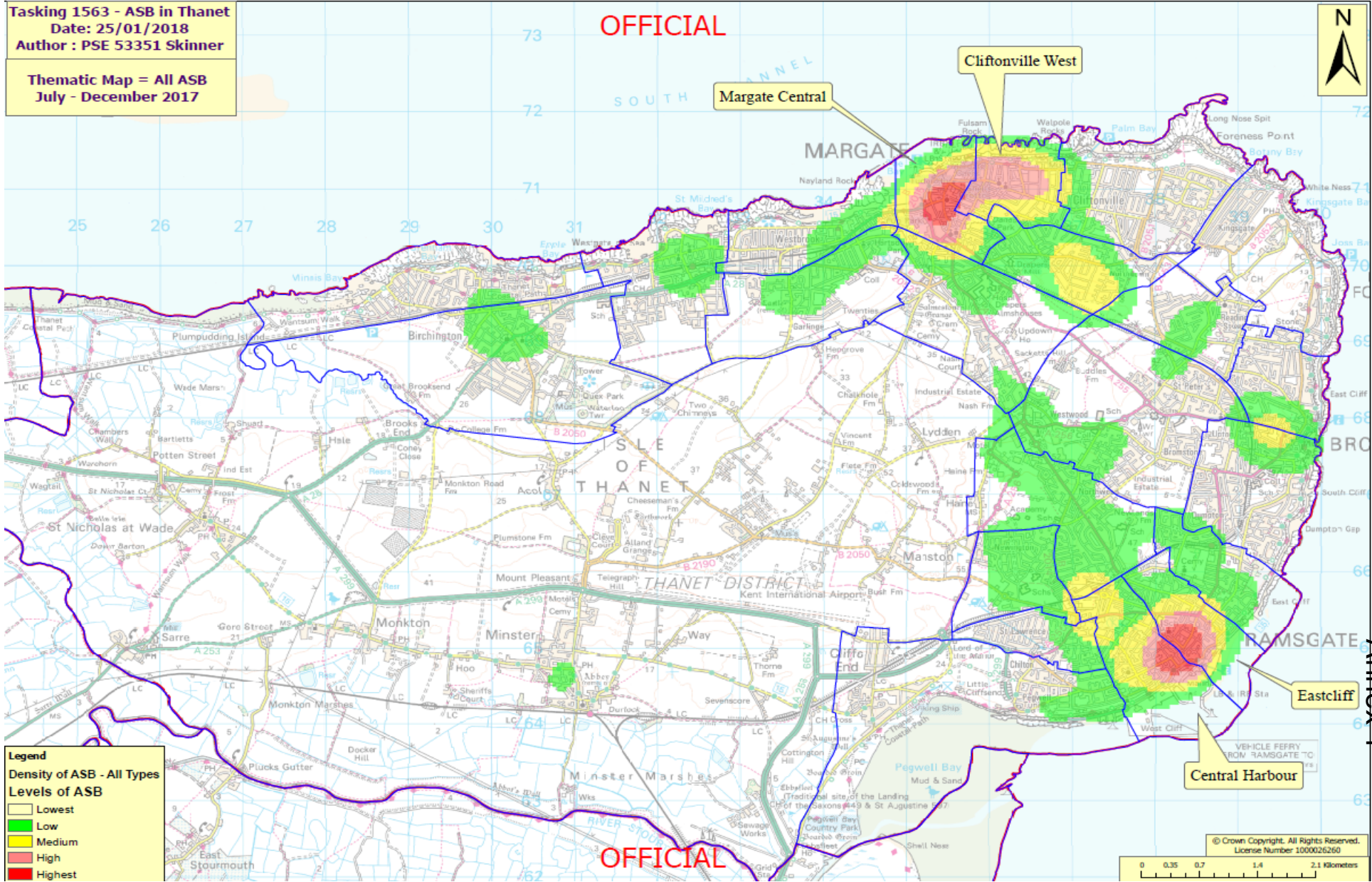
Currently the volume of ASB in all other parts of the district, as shown in Table 1 and Map 4 does not support extending the order to other areas. The guidance surrounding PSPOs is clear that orders should be targeted to specific locations where problems can be evidenced. Orders with larger areas also become more difficult to enforce.

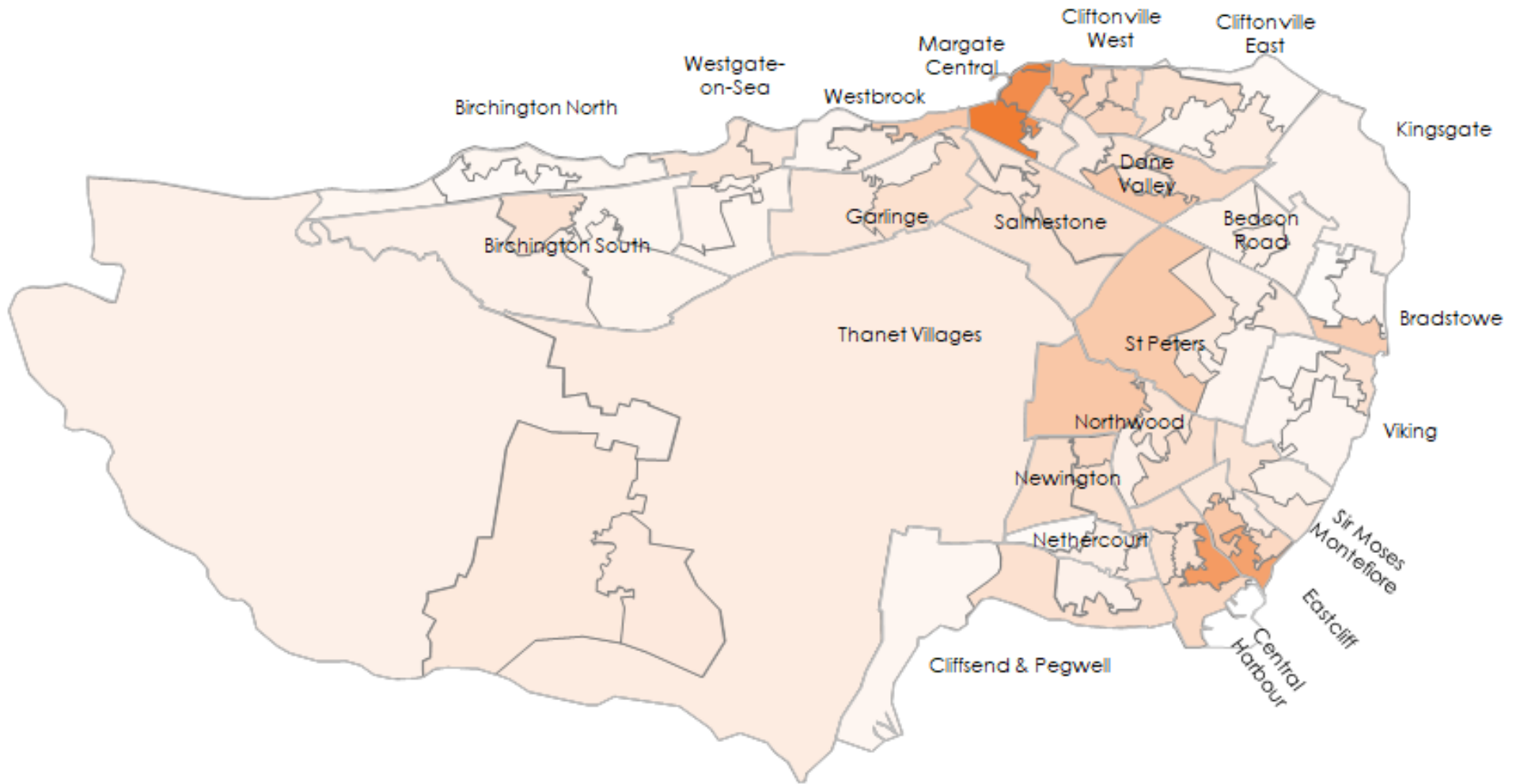
Any PSPO once granted remains under review and amendments to an order can be made if required.

All other ASB enforcement powers are still available and can and will be deployed in other areas should it be perceived that displacement is occurring before the situation escalates.

Tasking 1563 - ASB in Thanet  
 Date: 25/01/2018  
 Author : PSE 53351 Skinner

Thematic Map = All ASB  
 July - December 2017





**Table 1 - ASB Data by Ward** : April 2017 – Feb 2018

Thanet District  
Recorded Crime by Ward  
Period: April 2017 to February 2018

| Ward                  | Rank<br>(adjusted for<br>population) | Number of<br>incidents | Population | per 1000 of<br>the population |  |
|-----------------------|--------------------------------------|------------------------|------------|-------------------------------|--|
| Margate Central       | 1                                    | 676                    | 6,042      | 112                           |  |
| Central Harbour       | 2                                    | 574                    | 8,611      | 67                            |  |
| Eastcliff             | 3                                    | 410                    | 8,460      | 48                            |  |
| Cliftonville West     | 4                                    | 498                    | 10,623     | 47                            |  |
| Dane Valley           | 5                                    | 306                    | 7,956      | 38                            |  |
| Northwood             | 6                                    | 189                    | 6,622      | 29                            |  |
| Newington             | 7                                    | 147                    | 5,586      | 26                            |  |
| Bradstowe             | 8                                    | 97                     | 4,059      | 24                            |  |
| Westbrook             | 9                                    | 98                     | 4,370      | 22                            |  |
| St Peters             | 10                                   | 148                    | 7,080      | 21                            |  |
| Salmestone            | 11                                   | 98                     | 5,836      | 17                            |  |
| Sir Moses Montefiore  | 12                                   | 83                     | 5,174      | 16                            |  |
| Cliffsend and Pegwell | 13                                   | 77                     | 4,904      | 16                            |  |
| Birchington South     | 14                                   | 96                     | 6,244      | 15                            |  |
| Garlinge              | 15                                   | 72                     | 4,811      | 15                            |  |
| Nethercourt           | 16                                   | 66                     | 4,915      | 13                            |  |
| Westgate-on-Sea       | 17                                   | 98                     | 7,549      | 13                            |  |
| Thanet Villages       | 18                                   | 82                     | 7,201      | 11                            |  |
| Cliftonville East     | 19                                   | 67                     | 6,292      | 11                            |  |
| Beacon Road           | 20                                   | 50                     | 4,826      | 10                            |  |
| Viking                | 21                                   | 75                     | 7,470      | 10                            |  |
| Birchington North     | 22                                   | 35                     | 3,831      | 9                             |  |
| Kingsgate             | 23                                   | 10                     | 2,190      | 5                             |  |
| Thanet                |                                      |                        | 140,652    | 29                            |  |



## Appendix 3

### Enforcement

It is proposed that this order gives discretion and flexibility to officers to exercise enforcement of these provisions where it is believed to be having a detrimental effect and capable of causing harassment, alarm and distress on those in the locality.

Failure, without reasonable excuse, to comply with the prohibitions or requirements imposed by this Order is a summary offence under section 67 of the Anti-social Behaviour, Crime and Policing Act, 2014.

A person guilty of an offence under Section 67 is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

A constable or an authorised person may, under Section 68 of the Act, issue a fixed penalty notice to anyone he or she has reason to believe has committed an offence under section 67 in relation to this Order.

If the fixed penalty notice is paid within its required timescale no further action will be taken. Failure to pay within this time may result in a prosecution for the breach of the order.

#### Authorised persons:

- Any council officer or appointed agent acting on behalf of the Thanet District Council, will be authorised to be able to undertake enforcement of this order.
- This order can also be enforced by Kent Police Constables and Police Community Support Officers.

#### Incremental approach to enforcement

- This order is being considered to provide officers with additional enforcement capability. It does not replace existing powers and any enforcement of this order will take an incremental approach, must be proportionate and only be considered when advice and warnings have not been adhered to.
- The individual circumstances surrounding any breach of this order will be considered and flexibility will be utilised as to whether enforcement is appropriate.
- Where there is an underlying reason contributing towards the Anti-Social Behaviour, wherever appropriate support and advice will be given in the first instance.

#### Equalities Impact Assessment

This was completed prior to considering this proposals and no significant matters have arisen from this assessment.

## Consultation

A formal public opportunity to comment was held from the 12<sup>th</sup> June – 2<sup>nd</sup> July 2018. Overall those who commented as part of this process were supportive of the proposals. A total of 36 formal written responses were received and of those, 33 were strongly in support, with only three objections to the proposals.

Those in support of the proposals cited a number of circumstances where public spaces were being misused, residents and traders were fearful and incidents had occurred specifically in relation to deliberately intimidating groups within the proposed boundary areas.

35 of the responses were directly from people who lived or worked in the designated areas.

Of the three objections, one provided no reason as to why they were not in support of the proposals. The second objection was primarily regarding wider concerns in relation to general PSPO legislation and sought clarification regarding the group congregation definition and enforcement, which was provided. This response also raised general concerns regarding the creation of new orders to create new offences which could criminalise people and again further clarification provided regarding training and proportionality of use by officers to confirm that the majority of law abiding persons would not be affected by this order if agreed.

The third objection was from Liberty, who regularly counter PSPO proposals. The feedback from Liberty has been reviewed and acknowledged prior to submitting final proposals and the reports and associated documentation has included revised definitions to reflect best practice.

Additional specified consultation also took place with identified relevant persons.

The following persons have been identified and were consulted as part of this consultation:

- Portfolio Holder for Community Safety- Cllr Game was briefed in advance of this process.
- All Ward Councillors with responsibility for the areas affected by these proposals (Margate Central, Cliftonville West, Central Harbour and Eastcliff) were invited to a meeting on the 11<sup>th</sup> June. Those who were able to attend – Cllrs Johnston, Campbell, Dawson and Game were in support of the proposals.
- Ramsgate Town Council - formally endorsed the proposals 26<sup>th</sup> June 2018.
- Margate and Ramsgate Town Teams – circulated via email – no objections received
- Businesses and traders within the town centre areas – provided with copies of the public consultation and also circulated to email where known
- The Thanet District Commander for Kent Police – formal consultation and in support of proposals - 13<sup>th</sup> June 2018 A/ Chief Inspector Rhiannan Pepper
- Kent Police and Crime Commissioner – acknowledged 24<sup>th</sup> May 2018





**Certificate of consultation**  
**Public Spaces Protection Order (Thanet District Council) 2018**  
**No. 3 (Anti-Social Behaviour)**

It is proposed that this Public Spaces Protection Order would cover:

**2. Offences**

The activities which are prohibited by this order within the designated areas:

- i) Anti-Social group congregation**  
All persons are prohibited from congregating as part of a group of 2 or more for such duration as specified, when directed not to do so by an authorised officer; on the basis that the behaviour is causing or is likely to cause, harassment, alarm or distress to others in the locality.
- ii) Misuse of public space**  
All persons are prohibited from misusing any public space, facility or installation; when directed not to do so by an authorised officer *and* that the behaviour is causing or is likely to cause, harassment, alarm or distress to others in the locality. *Officers will have particular regard to the rights of freedom of expression and freedom of assembly set out in articles 10 and 11 of the convention.*
- iii) Using foul or abusive language**  
All persons are prohibited from using foul or abusive language in such a manner that it is likely to cause harassment, alarm or distress to any other person in any public place.
- iv) Excreting bodily fluids**  
All persons are prohibited from excreting bodily fluids, including but not limited to urinating, defecating or spitting in any public place that is not a specified toilet facility.

I certify that I have been consulted by Thanet District Council in connection with the application for a Public Spaces Protection Order and (where relevant) agree to contribute to the enforcement of such an order.

Signature: RAP  
Print name: Rhiannan Pepper  
Position held and agency: A Chief Insp  
Date: 13/06/18

This page is intentionally left blank

## THANET DISTRICT COUNCIL DECLARATION OF INTEREST FORM

### Do I have a Disclosable Pecuniary Interest and if so what action should I take?

Your Disclosable Pecuniary Interests (DPI) are those interests that are, or should be, listed on your Register of Interest Form.

If you are at a meeting and the subject relating to one of your DPIs is to be discussed, in so far as you are aware of the DPI, you **must** declare the existence **and** explain the nature of the DPI during the declarations of interest agenda item, at the commencement of the item under discussion, or when the interest has become apparent

Once you have declared that you have a DPI (unless you have been granted a dispensation by the Standards Committee or the Monitoring Officer, for which you will have applied to the Monitoring Officer prior to the meeting) you **must:-**

1. Not speak or vote on the matter;
2. Withdraw from the meeting room during the consideration of the matter;
3. Not seek to improperly influence the decision on the matter.

### Do I have a significant interest and if so what action should I take?

A significant interest is an interest (other than a DPI or an interest in an Authority Function) which:

1. Affects the financial position of yourself and/or an associated person; or Relates to the determination of your application for any approval, consent, licence, permission or registration made by, or on your behalf of, you and/or an associated person;
2. And which, in either case, a member of the public with knowledge of the relevant facts would reasonably regard as being so significant that it is likely to prejudice your judgment of the public interest.

An associated person is defined as:

- A family member or any other person with whom you have a close association, including your spouse, civil partner, or somebody with whom you are living as a husband or wife, or as if you are civil partners; or
- Any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors; or
- Any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000;
- Any body of which you are in a position of general control or management and to which you are appointed or nominated by the Authority; or
- any body in respect of which you are in a position of general control or management and which:
  - exercises functions of a public nature; or
  - is directed to charitable purposes; or
  - has as its principal purpose or one of its principal purposes the influence of public opinion or policy (including any political party or trade union)

An Authority Function is defined as: -

- Housing - where you are a tenant of the Council provided that those functions do not relate particularly to your tenancy or lease; or
- Any allowance, payment or indemnity given to members of the Council;
- Any ceremonial honour given to members of the Council
- Setting the Council Tax or a precept under the Local Government Finance Act 1992

If you are at a meeting and you think that you have a significant interest then you **must** declare the existence **and** nature of the significant interest at the commencement of the

matter, or when the interest has become apparent, or the declarations of interest agenda item.

Once you have declared that you have a significant interest (unless you have been granted a dispensation by the Standards Committee or the Monitoring Officer, for which you will have applied to the Monitoring Officer prior to the meeting) you **must**:-

1. Not speak or vote (unless the public have speaking rights, or you are present to make representations, answer questions or to give evidence relating to the business being discussed in which case you can speak only)
2. Withdraw from the meeting during consideration of the matter or immediately after speaking.
3. Not seek to improperly influence the decision.

### **Gifts, Benefits and Hospitality**

Councillors must declare at meetings any gift, benefit or hospitality with an estimated value (or cumulative value if a series of gifts etc.) of £25 or more. You **must**, at the commencement of the meeting or when the interest becomes apparent, disclose the existence and nature of the gift, benefit or hospitality, the identity of the donor and how the business under consideration relates to that person or body. However you can stay in the meeting unless it constitutes a significant interest, in which case it should be declared as outlined above.

### **What if I am unsure?**

If you are in any doubt, Members are strongly advised to seek advice from the Monitoring Officer or the Committee Services Manager well in advance of the meeting.

## **DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS, SIGNIFICANT INTERESTS AND GIFTS, BENEFITS AND HOSPITALITY**

MEETING.....

DATE..... AGENDA ITEM .....

DISCRETIONARY PECUNIARY INTEREST

SIGNIFICANT INTEREST

GIFTS, BENEFITS AND HOSPITALITY

THE NATURE OF THE INTEREST, GIFT, BENEFITS OR HOSPITALITY:

.....  
.....  
.....

NAME (PRINT): .....

SIGNATURE: .....

Please detach and hand this form to the Democratic Services Officer when you are asked to declare any interests.

