

MEETING OF THE COUNCIL



Thursday, 10th October, 2019

7.00 pm

**Council Chamber
Thanet District Council
Margate**

**www.thanet.gov.uk
01843 577000**



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Date: 30 September 2019
Ask For: James Clapson
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You are hereby summoned to attend the meeting of the Thanet District Council to be held in the Council Chamber, Council Offices, Cecil Street, Margate, Kent on Thursday, 10 October 2019 at 7.00 pm for the purpose of transacting the business mentioned below.

T. Hines

Director of Corporate Governance

To: The Members of Thanet District Council

FIRE ALARM PROCEDURES: If the fire alarm is activated, please vacate the offices via the stairs either through the security door to the left of the Chairman or opposite the lifts in the foyer. Please do not use the lifts. Please assemble in Hawley Square on the green. Officers will assist you and advise when it is deemed safe to return to the Chamber.

AGENDA

Item
No

1. **APOLOGIES FOR ABSENCE**

2. **MINUTES OF THE PREVIOUS MEETING** (Pages 5 - 16)

To approve the Minutes of the meeting of Council held on 5 September 2019.

3. **ANNOUNCEMENTS**

To receive any announcements from the Chairman, Leader, Members of the Cabinet or Chief Executive in accordance with Council Procedure Rule 2.2 (iv).

4. **DECLARATIONS OF INTEREST** (Pages 17 - 18)

To receive any declarations of interest. Members are advised to consider the advice contained within the Declaration of Interest advice attached to this Agenda. If a Member declares an interest, they should complete the [Declaration of Interest Form](#)

5. **PETITIONS**

To receive petitions from the public in accordance with Council Procedure Rule 12.

6. **QUESTIONS FROM THE PRESS AND PUBLIC**

Item
No

Subject

To receive questions received from the press or public in accordance with Council Procedure Rule 13.

7. **QUESTIONS FROM MEMBERS OF THE COUNCIL**

To receive questions from Members of the Council in accordance with Council Procedure Rule 14.

7a **QUESTION NO.1 BROADSTAIRS PLAYGROUNDS** (Pages 19 - 22)

7b **QUESTION NO.2 TIVOLI WOODS** (Pages 23 - 26)

7c **QUESTION NO.3 REMOVAL OF BINS** (Pages 27 - 30)

8. **NOTICE OF MOTION**

To receive any Notices of Motion from Members of Council in accordance with the Council Procedure Rule 3.

8a **NOTICE OF MOTION REGARDING COUNCIL HOUSING** (Pages 31 - 34)

9. **LEADERS REPORT** (Pages 35 - 36)

To receive a report from the Leader of the Council in accordance with Council Procedure Rule 2.4.

10. **REPORT OF THE CHAIRMAN OF THE OVERVIEW AND SCRUTINY PANEL**
(Pages 37 - 44)

11. **CORPORATE PRIORITIES 2019-2023** (Pages 45 - 58)

12. **ANNUAL TREASURY MANAGEMENT REVIEW 2018-19** (Pages 59 - 74)

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COUNCIL

Minutes of the meeting held on 5 September 2019 at 7.00 pm in the Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Present: Councillor Jason Savage (Chairman); Councillors Ara, Ashbee, Bailey, Bambridge, J Bayford, R Bayford, Boyd, Braidwood, Campbell, Constantine, Currie, Dennis, Dexter, Duckworth, Everitt, Farrance, Fellows, Game, Garner, Green, Gregory, Hart, Hopkinson, Huxley, Kup, Pat Moore, Paul Moore, Ovenden, Parsons, L Piper, S Piper, Pugh, Rawf, Rogers, D Saunders, M Saunders, Scobie, Scott, Shrubbs, Taylor, Tomlinson, Towing, Whitehead, Wing, Wright and Yates.

1. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Albon, Crittenden, Day, Keen, Potts, Roper, Rusiecki and Stevens.

2. **MINUTES OF THE PREVIOUS MEETING**

It was proposed by the Chairman, seconded by the Vice-Chairman and agreed, that the minutes of the Council meeting held on 11 July 2019 be approved and signed by the Chairman.

3. **ANNOUNCEMENTS**

There were no announcements.

4. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

5. **PETITIONS**

(a) **Save Our NHS in Kent Judicial Review**

Dr Gordon-Nesbitt presented a e-petition regarding NHS stroke services. Members noted that the following e-petition contained 86 valid signatures:

"We the undersigned petition the council to contribute £5,000 to Save Our NHS in Kent's judicial review of the decision to close the stroke unit at QEQM Hospital."

In accordance with the Council's Petition Scheme, the petition was referred to Cabinet without debate for report back to the Council within three ordinary meetings.

(b) **Petition Regarding the Budget - Report Back to Council**

Members noted the Cabinet response to the petition as detailed in the report.

6. **QUESTIONS FROM THE PRESS AND PUBLIC**

(a) **Question No.1 - Lewis Crescent Waste Issues**

The questioner was not present at the meeting. A written response would be provided to the questioner after the meeting in accordance with Council procedure rule 13.6.

(b) **Question No. 2 - Land for Travellers**

Mr Wraight asked the Leader the following question:

“Has TDC spoken to any private landowners, i.e River Oak Strategic Partnership about temporary use of their land for use by the travellers. Or any other landowners?”

The Leader responded with the following points:

- RiverOak had not been approached by the Council, however other landowners have been approached including Kent County Council.
- Temporary stop site options had been considered by the Council’s Traveller Working Group.

(c) **Question No. 3 - Ramsgate Port feasibility study**

Mr Byrne asked the Leader following question:

“The Port & Harbour continue to lose millions each year from falling revenue and needless costs such as Berths 4/5. You said the Feasibility Study would be completed in 2019. This is not possible given the predicted 6 months delivery time so, what is your plan?”

The Leader responded with the following point:

- The study was programmed to be undertaken before the end of the calendar year. The feasibility scope had been completed and agreed with the Port and Harbour Working Group, and a project programme had been prepared. Quotations would be invited shortly.

(d) **Question No. 4 - Seaweed disposal**

The questioner was not present at the meeting. A written response would be provided to the questioner after the meeting in accordance with Council procedure rule 13.6.

(e) **Question No. 5 - Brexit Funding**

The questioner was not present at the meeting. A written response would be provided to the questioner after the meeting in accordance with Council procedure rule 13.6.

(f) **Question No. 6 - Verge Cleaning**

Mr Wise asked Councillor Ashbee the following question:

“What plans do the Council have to restore the verge cleaning service to our major through-route roadways? Or do officers and councillors intend that the already unacceptable levels of detritus in these locations be left to lie and accumulate in perpetuity?”

Councillor Ashbee responded with the following points:

- The High Speed Roads Clearance Programme took place each summer. The Council payed Kent County Council (KCC) for this and KCC coordinated the works with their contractors.
- The works had been carried out in July in accordance with the standards set out in the Defra code of practice on litter and refuse.
- Other main routes across the District were mechanically swept on scheduled rounds and on a reactive basis when required.

(g) **Question No. 7 - Land at Tivoli Park Avenue**

Ms Garfield asked Councillor D Saunders the following question:

“Please can you explain why land on Tivoli Park Avenue was sold to a developer at auction despite being covenanted to the people of Margate as green space in perpetuity?”

Councillor D Saunders responded with the following points:

- The land had not been designated as public open space in the Local Plan, and there were no other policies dedicating it as community land or a village green.
- The land was sold with a limited title guarantee, the Council had the right to dispose of the land, and had the right to transfer the title to the buyer.
- There were no restrictive covenants imposed on the land including no known covenants about the use of the land.

(h) **Question No. 8 Economic Impact and Value of the Royal Harbour and Marina**

As the questioner was not present at the meeting, a written response would be provided to the questioner after the meeting in accordance with Council procedure rule 13.6.

(i) **Question No. 9 The Manston Airport site and DCO Examination-**

As the questioner was not present at the meeting, a written response would be provided to the questioner after the meeting in accordance with Council procedure rule 13.6.

(j) **Question No. 10 Use of Glyphosate in open spaces-**

Mr Pressland asked Councillor Ashbee the following question:

“The council has now recognised a climate and ecological crisis emergency, great. However we now need action. Will the council now stop using glyphosate in all open areas and invest in non chemical alternatives like the weedingtech foamstream system? If not, why not?”

Councillor Ashbee responded with the following points:

- The open spaces team and the Health and Safety Compliance Officer were looking into alternatives such as hot foam, to reduce or stop the use of weed killers.

- Dover District Council (DDC) had trialled the hot foam technique, and the Council had were looking at DDC's findings.
- Following the climate emergency declaration, the Council aimed to change working practices where practicable to support biodiversity across the District's open spaces.

(k) **Question No. 11 The deployment of 5G in Thanet**

Ms Hynes asked Councillor Game the following question:

"What are the current plans and timescale for the deployment of 5G in Thanet and how well informed is the council on this subject?"

Councillor Game responded with the following points:

- Central Government was consulting on proposals to reform permitted development rights to support the deployment of 5G and extend mobile coverage.
- The development of improved connectivity for residents and businesses, through the roll out of 5G was supported, however the Council was not aware of any specific roll out plans or timescales.

(l) **Question No. 12 Create a bylaw for the prevention and suppression of nuisances**

As the questioner was not present at the meeting, a written response would be provided to the questioner after the meeting in accordance with Council procedure rule 13.6.

7. QUESTIONS FROM MEMBERS OF THE COUNCIL

(a) **Question No.1 Viking Bay Lift**

Councillor Bailey asked Councillor D Saunders the following question:

"Viking Bay is promoted as a having a lift however, it regularly breaks down. Many elderly and disabled depend on this lift and often can't manage the alternative steep slopes. At almost twenty years old, it needs significant investment.

Please can money be found to upgrade this valuable asset?"

Councillor D Saunders responded with the following points:

- Replacement parts had recently been received and tested, the lift was now operational.
- The lift would operate until 6 October.
- The lift had received considerable investment over the last few years.

Councillor Bailey followed up her question by asking if the Council would undertake a commitment to overhaul the lift system rather than respond reactively to problems.

Councillor D Saunders responded that ideally the lift would be fully reconditioned, however this would leave the lift out of action for a long period of time. Options for the lift would be looked at when the 2020-21 budget was considered.

(b) **Question No. 2 Leopold Street Car Park**

Councillor Ara asked Councillor Ashbee the following question:

“The harbour multi-storey car park in Ramsgate is in an absolutely filthy state, with graffiti litter, drug use and public urination. The lift is a potential hazard, especially for families with children, or to those with a physical disability. Does the cabinet have a fixed date to start renovations.”

Councillor Ashbee responded with the following points:

- The Royal Harbour car park was deep cleaned in April 2019, however the car park suffered regularly from vandalism, graffiti and abuse.
- In January 2019 the Council invested over £30,000 on a state-of-the-art CCTV system for the car park, which has helped the Council identify offenders and abusers of the car park so that the police could take action.
- In September 2019 the Council would undertake another deep clean followed in early October 2019 by a complete repainting of all of the stairways and railings.
- The lifts are were in need of substantial refurbishment/replacement. The Council was talking to the owners of the building to see how this could be achieved.
- The Leader met with representatives from Ramsgate Town Council and the Town Team, and a shared action plan and programme of work was agreed that would support the delivery of improvements.
- The Council has committed to cleaning the car park daily

Councillor Ara followed up her question by asking if there was an ongoing plan to ensure the car park remained in a good condition following the clean up.

Councillor Ashbee responded that she would keep a close watching eye on the matter to ensure that the action plan was followed.

(c) **Question No.3 Brexit Preparations**

Councillor Everitt asked the Leader the following question:

“Is the leader confident that the council is fully prepared for a possible "no-deal Brexit" and that the impacts on the district of Operation Brock, in particular, can be managed within existing council resources and without detriment to the everyday lives of Thanet residents.”

The Leader responded with the following points:

- Over the last 12 months the Council had engaged with partners through the Kent Resilience Forum at a strategic and tactical level in preparation for the UK leaving the EU.
- The Council, and other partners, had expressed concerns to the Department of Transport and the Ministry for Housing, Communities and Local Government. The potential impact on communities needed full recognition by the Government and allocation of resources needed to reflect the increased risks faced by the District.
- Preparations included:

- The implementation of duty rotas to ensure the Senior Management Team were engaged and informed regarding arrangements for a no deal Brexit.
- Safety Advisory Group arrangements with the Department for Transport to assess the impact of a lorry park and management plans for the Manston site.
- Completion of a detailed community impact assessment .
- All services have carried out business continuity impact assessment and developed a Brexit specific risk register.
- The Council's communication leads had engaged with the strategic media cell and had provided a tool kit for the local community to use.
- There had been engagement with local business, led by the Strategic Partnerships Manager.
- A Brexit lead officer had been appointed to co-ordinate the multiple work streams required.
- The Council's business continuity plans with specific reference to Brexit had been tested.
- The Council had engaged in Operation Lundy a multi-agency test of the plans.
- The Council would continue to do all it could to mitigate and prepare for a worst case scenario.

Councillor Everitt followed up his question by asking if the Leader had met with the District's Members of Parliament (MPs) in order to make them aware of the potential challenges facing the District.

The Leader advised that he regularly met with the Districts MP's and they were aware of the challenges.

(d) **Question No.4 Beach Cleanliness**

Councillor Rawf asked Councillor Ashbee the following question:

"Protecting the environment is in council plan. But our streets and beaches are covered in rubbish. It is pulled into the sea and causes lasting environmental damage. Volunteers can't clear it. Can the cabinet explain their plan for ending this scandal and when that plan will be published?"

Councillor Ashbee responded with the following points:

- The street cleansing and seasonal beach teams had worked hard to clean up after beach users throughout the summer season and deserved our thanks for their effort.
- Staff work from 6am until 8pm at peak times throughout the summer.
- The Council has worked on joint publicity campaigns with Southern Water and the Environment Agency about how litter could affect water quality and negatively impact the natural environment.
- The District's beaches had won more Blue Flags and Seaside Awards than any other area in the country.
- The Council procured a number of litter vacuums which were used by staff and were available for community groups to use.

Councillor Rawf followed up his question by asking how often did the Council check on the quality of work done by contractors and what penalties had been issued to these contractors for poor performance?

Councillor Ashbee responded that the service was not contracted to an external service provider, however additional agency staff were employed during the summer months to meet the additional workload.

(e) **Question No.5 Climate Emergency Committee**

Councillor Garner asked the Leader the following question:

Will the Leader of the Council agree to set up a cross party Climate Emergency committee of councillors to work with the officers producing the Climate Emergency Report, for the Feb 2020 council meeting, to offer advice and support, demonstrating how seriously the Council takes this issue?

The Leader responded with the following points:

- A cross party working group would be established that initially would consider the implications of achieving carbon neutral status by 2030.
- The cross party group would:
 - Compile a report on the current situation with immediate and longer term actions to be taken.
 - Ensure that the report included the environmental impact of the Council, suggestions to reduce this impact and measures to support a positive environmental impact across the District.

Councillor Garner followed up his question by asking whether standards for housing developments would be considered by the Group.

The Leader responded that the Group would consider all aspects relating to the climate emergency.

(f) **Question No.6 Email Correspondence**

Councillor Duckworth asked Councillor Pugh the following question:

“Does the council block specific residents from contacting members or officers directly by email and if so, how many residents are blocked and on what basis?”

Councillor Pugh responded with the following points:

- The Council did not block specific residents from contacting Members or Officers directly by email. However, in some very limited and exceptional circumstances, it was necessary for the Council to manage or moderate correspondence from specific email addresses, by redirecting the email to a single point of contact in the Council.
- The purpose of this action was to apply a filter process to remove vexatious contact by individuals.
- The Council had a duty of care to its staff to take appropriate lawful steps to prevent this type of behaviour.
- There were at present no redirections in place.

Councillor Duckworth followed up her question by asking if the Council was confident that this practice was lawful? How could Members be assured that the action was proportional?

Councillor Pugh responded that the Council had received legal advice on the matter that confirmed that the policy of redirecting emails to a single point of contact was lawful.

(g) **Question No.7 Asset Management Process**

Councillor Currie asked Councillor D Saunders the following question:

"What process is TDC using to actively seek out, engage with, encourage and facilitate community groups to take on council assets that are being disposed of? Please can you lay out the steps that are being taken, when and by whom?"

Councillor D Saunders responded with the following points:

- Members recently had briefing about the asset transfer process.
- Recent successful freehold asset transfers to community groups included Foresters Hall to East Kent Mencap and the Westgate Pavilion to the Westgate Pavilion local project.
- Successful leasehold transfers included the Margate Caves Community project and the Ramsgate Tunnel Project.
- Asset disposals were regulated by law, and the Council had a strategic and proactive approach to reviewing property and land ownership with policies and processes documented in the Strategic Asset Management Plan (2017 - 2021) and the Community Asset Transfer Policy (January 2018 to December 2021).
- The list of Council owned assets available for disposal was available on the website.
- The Local Government Transparency Code 2015 required the Council to publish a full list of assets on the website and maintain a public register of assets of community value
- Members were encouraged to share these policies their constituents.

Councillor Currie followed up his question by asking whether the Council would provide support to the asset holder once a transfer had been made?

Councillor D Saunders responded that the Council supported new asset holders.

(h) **Question No. 8 Street Trading**

The time allocated for consideration of questions from Members had expired, therefore the questioner would receive a response to the question in writing, in accordance with council procedure rule 14.2.

8. NOTICES OF MOTION

No notices of motion had been received.

9. LEADERS REPORT

During his report the Leader covered the following areas:

- The Ramsgate Port and Harbour feasibility study specification had been finalised.
- A cross party working group had been set up to look at toilet provision across the District.

- The Chief Executive and Deputy Leader had met with Margate Harbour Arm businesses.
- Beach cleansing team had done an extraordinary job to keep the beaches clean during a busy summer season.
- Following the Council's declaration of a climate emergency, a working group would be set up, and a situation report would be brought to the February 2020 meeting of Council.
- A Scrutiny working group regarding Travellers had been set up to look at how the Council could address unlawful incursions.
- The Turner Prize 2019 would be hosted in Margate by the Turner Contemporary between 28 September 2019 and 12 January 2020.
- The Council had worked with the Sunshine Café who would host an art exhibition for five weeks from 13 September 2019.
- Ramsgate was one of 50 towns invited to apply for Future High Streets Funding.
- The Council had successfully secured £226,100 from the Ministry of Housing, Communities and Local Government to tackle rogue landlords.
- Cabinet recently held an extraordinary meeting to consider Overview and Scrutiny Panel's (OSP) recommendations regarding the sale of Dreamland.
- A recent Air Quality Annual Status report had found an improvement in air quality across Thanet. The Council had been working with partners to encourage more environmentally friendly travel methods.

Councillor Everett as Leader of the Labour Party responded with the following points:

- There were a number of topics missing from the Leaders report, such as a reference to staffing and East Kent Housing.
- Progress on the Ramsgate Port feasibility study was welcome, however there was lots of public concern about the Port and its future.
- Councillor Yates deserved recognition for his scrutiny of the Dreamland sale process. The Labour Group would continue to seek assurances that the future of the site was protected from property development for as long as possible.
- In Future group leaders should be consulted before a Council meeting was cancelled.

The Leader replied to Councillor Everitt's comments with the following points:

- The Leader would provide an update regarding staffing and East Kent Housing to Councillor Everitt when they had their next one to one meeting.
- The process regarding the sale of Dreamland had been as open and transparent as possible. There had been a Members Briefing, an OSP meeting and two Cabinet meetings on the subject.

Councillor Reverend Piper as leader of the Thanet Independents Party made the following points:

- When would the Ramsgate Port and Harbour feasibility study be completed?
- The public outcry following the recent litter incident on Margate beach was understandable, a strong response was needed if it happened again.
- Lessons should be learnt from Hove's recent traveller incursion experience. Hove had a dedicated traveller site, however it was not used. The benefits of a dedicated traveller site should be made clear.
- The Turner Prize in Margate was a wonderful thing. It would be good to charge a nominal fee to visitors.
- Funding to tackle rogue landlords and the nomination of Ramsgate to apply for Future High Street's Funding was good news.

- Cabinet should take notice of OSP's recommendations regarding the future of the Dreamland site.

The Leader replied to Councillor Reverend Piper's comments with the following points:

- Cabinet considered all of the recommendations from the OSP.
- The Council could consider charging a tourist tax, this practice was seen as normal in other Countries.

Councillor Garner representing the Green Party made the following points:

- It was good to hear about the Turner Prize and other exhibitions opening in Thanet.
- Funding to tackle rogue landlords and for Ramsgate High street was positive.
- A cross party working group set up to produce a climate emergency action plan was good.
- Once the arboricultural officer was in place a biodiversity plan should be published and implemented as soon as possible.
- There was concern that the process to sell the Dreamland site had not been transparent.
- No new spending should be authorised at the Port of Ramsgate until the review had been completed. Members should be provided with business plans and engineers reports in order to understand the reasoning behind recent spending decisions.
- External help was needed to assist the Council in overcoming its challenges and to restore the community's confidence in the Council.

- The Leader replied to Councillor Garner's comments with the following points:
- The planned expenditure at Ramsgate Port was in regard to berths 4 and 5, this work had been built into the capital programme by the last Council.
- The sale of Dreamland would ultimately reduce the Council's future liabilities. The process had been very transparent and Cabinet had taken on board the recommendations of the OSP.
- The Leader invited Councillor Garner to meet with him to discuss what kind of help he felt that the Council needed.

10. REPORT OF THE CHAIRMAN OF THE OVERVIEW AND SCRUTINY PANEL

Councillor Campbell, the Chairman of the Overview and Scrutiny Panel, presented his report and the following points were noted:

- The Panel had met three times;
 - 18 July to receive a report on Ramsgate Port
 - 15 August to scrutinise the sale of the Dreamland freehold
 - 27 August to review the corporate statement and receive a report from Councillor Albon the Chairman of the Travellers Working Party.
- Minutes of these meetings were available on the Council's website.

11. REPRESENTATION ON OUTSIDE BODIES

Members agreed:

1. That South East Employers be added to the list of Executive appointed outside bodies;
2. That Councillor Wright be nominated to the Trust for Thanet Archaeology.

12. APPOINTMENTS TO COMMITTEES, PANELS AND BOARDS

NOMINATION OF MEMBERS TO SERVE ON COMMITTEES

Members noted the following nominations:

- That Councillor Gregory would replace Councillor Constantine on the Overview and Scrutiny Panel.
- That the Thanet Association of Parish Council's nominate Town Councillor Pennington to the Joint Transportation Board and Parish Councillors Quittenden and Crow-Brown to the Standards Committee.
- That Councillor Reverend Piper replace Councillor Dennis on the Constitutional Review Working Party.

Meeting concluded: 20:40

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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.

If you need to declare an interest then please complete the declaration of [interest form](#).

	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.	
There are no specific equity and equalities issues arising from this report.		

CORPORATE PRIORITIES (tick those relevant) ✓	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	x

CORPORATE VALUES (tick those relevant) ✓	
Delivering value for money	
Supporting the Workforce	
Promoting open communications	x

1.0 Introduction and Background

1.1 The following question, addressed to the Operational Services Portfolio Holder Councillor Ashbee, has been received from Councillor Garner in accordance with Council Procedure Rule No. 14.

“Plans to replace the 4 playgrounds in Broadstairs parks, along with the Section 106 funding to pay for them, have been waiting for approval since last year. Can you confirm when the 4 new playgrounds will be installed?”

1.2 Council Procedure Rule 14.3 states that a Member of the Council may ask

- a Member of the Cabinet; or
- the Chairman of any Committee or Sub-Committee

A question on any matter in relation to which the Council has powers or duties or which affects the district.

1.3 Council Procedure Rule 14.7 states that an answer may take the form of:

- a) a direct oral answer;
- b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- c) where the reply cannot conveniently be given orally, a written answer circulated within three working days to the questioner.

1.4 A Member may, in accordance with Council Procedure Rule 14.8, ask one supplementary question without notice to the Member to whom the first question was asked. The supplemental question must arise directly out of the original question or the reply.

1.5 The questioner shall have two minutes for the initial question and one minute for the supplementary question and the respondent shall have five minutes for the initial reply and two minutes for the supplementary reply. (Council Procedure Rule 14.9 refers)

Contact Officer:	Nick Hughes, Committee Services Manager
Reporting to:	Tim Howes, Director of Corporate Governance

Annex List

None	N/A
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Background Papers

Title	Details of where to access copy
None	N/A

Corporate Consultation

Finance	Chris Blundell, Head of Financial Services
Legal	Tim Howes, Director of Corporate Governance and Monitoring Officer

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	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.	
There are no specific equity and equalities issues arising from this report.		

CORPORATE PRIORITIES (tick those relevant) ✓	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	x

CORPORATE VALUES (tick those relevant) ✓	
Delivering value for money	
Supporting the Workforce	
Promoting open communications	x

1.0 Introduction and Background

- 1.1 The following question, addressed to the Operational Services Portfolio Holder Councillor Ashbee, has been received from Councillor Gregory in accordance with Council Procedure Rule No. 14.

“Referencing TDCs 'Open Space Strategy 2018' that cites health benefits and pollution reduction evidence, please explain the tree and wildlife habitat decimation in Tivoli Woods since TDC sold this covenanted site. Will TDC designate this site a 'Local Green Space' as it is demonstrably special to the local community?”

- 1.2 Council Procedure Rule 14.3 states that a Member of the Council may ask

- a Member of the Cabinet; or
- the Chairman of any Committee or Sub-Committee

A question on any matter in relation to which the Council has powers or duties or which affects the district.

- 1.3 Council Procedure Rule 14.7 states that an answer may take the form of:

- a) a direct oral answer;
- b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- c) where the reply cannot conveniently be given orally, a written answer circulated within three working days to the questioner.

- 1.4 A Member may, in accordance with Council Procedure Rule 14.8, ask one supplementary question without notice to the Member to whom the first question was asked. The supplemental question must arise directly out of the original question or the reply.

Agenda Item 7b

- 1.5 The questioner shall have two minutes for the initial question and one minute for the supplementary question and the respondent shall have five minutes for the initial reply and two minutes for the supplementary reply. (Council Procedure Rule 14.9 refers)

Contact Officer:	Nick Hughes, Committee Services Manager
Reporting to:	Tim Howes, Director of Corporate Governance

Annex List

None	N/A
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Background Papers

Title	Details of where to access copy
None	N/A

Corporate Consultation

Finance	Chris Blundell, Head of Financial Services
Legal	Tim Howes, Director of Corporate Governance and Monitoring Officer

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	Foster good relations between people who share a protected characteristic and people who do not share it.	
There are no specific equity and equalities issues arising from this report.		

CORPORATE PRIORITIES (tick those relevant) ✓	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	x

CORPORATE VALUES (tick those relevant) ✓	
Delivering value for money	
Supporting the Workforce	
Promoting open communications	x

1.0 Introduction and Background

- 1.1 The following question, addressed to the Operational Services Portfolio Holder Councillor Ashbee, has been received from Councillor Ara in accordance with Council Procedure Rule No. 14.

“Ramsgate residents have brought to my attention the removal of dog-waste and litter bins from our open spaces and residential places. People are having to walk further to find bins and dog-poo bags may be discarded wherever. What can the cabinet member tell me about this?”

- 1.2 Council Procedure Rule 14.3 states that a Member of the Council may ask

- a Member of the Cabinet; or
- the Chairman of any Committee or Sub-Committee

A question on any matter in relation to which the Council has powers or duties or which affects the district.

- 1.3 Council Procedure Rule 14.7 states that an answer may take the form of:

- a) a direct oral answer;
- b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- c) where the reply cannot conveniently be given orally, a written answer circulated within three working days to the questioner.

- 1.4 A Member may, in accordance with Council Procedure Rule 14.8, ask one supplementary question without notice to the Member to whom the first question was asked. The supplemental question must arise directly out of the original question or the reply.

- 1.5 The questioner shall have two minutes for the initial question and one minute for the supplementary question and the respondent shall have five minutes for the initial reply and two minutes for the supplementary reply. (Council Procedure Rule 14.9 refers)

Agenda Item 7c

Contact Officer:	Nick Hughes, Committee Services Manager
Reporting to:	Tim Howes, Director of Corporate Governance

Annex List

None	N/A
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Background Papers

Title	Details of where to access copy
None	N/A

Corporate Consultation

Finance	Chris Blundell, Head of Financial Services
Legal	Tim Howes, Director of Corporate Governance and Monitoring Officer

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**NOTICE OF MOTION – TO BRING COUNCIL HOUSING
BACK INTO DIRECT MANAGEMENT**

Council	10 October 2019
Report Author	Nick Hughes, Committee Services Manager
Portfolio Holder	Councillor Game, Cabinet Member for Housing and Safer Neighbourhoods
Status	For Decision
Classification:	<i>Unrestricted</i>
Key Decision	No
Ward:	All Wards

Executive Summary:

To consider a Notice of Motion requesting that Cabinet take action to bring the authorities housing stock back into direct management.

Recommendation(s):

Council is invited to consider whether to debate the motion.

CORPORATE IMPLICATIONS

Financial and Value for Money	None arising directly from this report
Legal	<p>Council Procedure Rule 3.7 states that: “the Member whose name appears first on the notice will move the motion during his or her speech and call for a seconder. If seconded, a Member from the controlling political group will be entitled to a reply, after which the motion shall stand referred without further discussion to the Cabinet or appropriate committee for determination or report unless the Council decides to debate the motion in accordance with Rule 16” (<i>rules of debate</i>)</p> <p>However, as only Council can adopt the motion on notice, the motion will fall if the Council does not agree to debate it.</p>
Corporate	Council Procedure Rule 3 provides the opportunity for Councillors to give advance notice of motions to be put to Council.
Equalities Act 2010 & Public Sector Equality Duty	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

	<p>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 & maternity. Only aim (i) of the Duty applies to Marriage & 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 style="width: 10%;"></td> </tr> <tr> <td>Advance equality of opportunity between people who share a protected characteristic and people who do not share it</td> <td></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.									
	one arising directly from this report								

CORPORATE PRIORITIES (tick those relevant)✓	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	x

CORPORATE VALUES (tick those relevant)✓	
Delivering value for money	
Supporting the Workforce	
Promoting open communications	x

1.0 Introduction and Background

- 1.1 The following motion has been received from Councillor Whitehead in accordance with Council Procedure Rule No. 3:

This council regards the recently identified health and safety failings in the management of Thanet’s council housing by East Kent Housing as grossly unacceptable and a grave failure of the council’s duty of care towards its tenants. Council also notes concerns with regards to potential financial mismanagement. Consequently, council has no confidence in East Kent Housing as an organisation and calls upon cabinet to take substantive action during the current calendar month towards bringing this authority’s council housing back into direct management.

2.0 Options

- 2.1 To debate the motion
- 2.2 Not to debate the motion, in which case the motion will fall.

3.0 Decision Making Process

- 3.1 It is for Council to decide whether or not to debate the motion.

Contact Officer:	Nicholas Hughes, Committee Services Manager
Reporting to:	Tim Howes, Director of Corporate Governance

Corporate Consultation

Finance	Matt Sanham, Corporate Finance Manager
Legal	Tim Howes, Director of Corporate Governance

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LEADER’S REPORT TO COUNCIL

Council **10 October 2019**

Report Author **Nick Hughes, Committee Services Manager**

Portfolio Holder **The Leader**

Status **For Information**

Classification: **Unrestricted**

Key Decision **No**

Executive Summary:

To receive a report from the Leader in accordance with Council Procedure Rule 2.4

Recommendation(s):

None - This report is for information only.

CORPORATE IMPLICATIONS

Financial and Value for Money	There are no financial implications directly arising from this report.								
Legal	There are no legal implications arising from this report.								
Corporate	The Leaders report helps to contribute to the promoting open communications corporate value.								
Equalities Act 2010 & Public Sector Equality Duty	<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 & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.</p> <table border="1"> <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>x</td> </tr> <tr> <td>Advance equality of opportunity between people who share a protected characteristic and people who do not share it</td> <td>x</td> </tr> <tr> <td>Foster good relations between people who share a protected characteristic and people who do not share it.</td> <td>x</td> </tr> </table>	Please indicate which aim is relevant to the report.		Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,	x	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.	x
Please indicate which aim is relevant to the report.									
Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,	x								
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.	x								

Agenda Item 9

	The Council demonstrates due regard to the aims of the Public Sector Equality Duty when conducting its business, this due regard is mirrored in the leaders report which provides an update on key issues arising since the last meeting of Council.
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CORPORATE PRIORITIES (tick those relevant) ✓	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	

CORPORATE VALUES (tick those relevant) ✓	
Delivering value for money	
Supporting the Workforce	
Promoting open communications	x

1.0 Introduction and Background

1.1 Council Procedure Rule 2.4 provides that:

<p>The Leader of the Council will make available in writing the content of his oral report to opposition group leaders no later than the Saturday before the meeting. The speech will not exceed ten minutes on key issues arising since the last meeting of Council.</p> <p>The Leaders of any other political group may comment on the Leader's report. The comments of the Leaders of the other political groups shall be limited each to five minutes. The other Group Leaders will comment in an order determined by the number of Councillors within those political groups, with the largest group commenting first, and so on.</p> <p>The Leader has a right of reply to each Group Leader limited to two minutes, in hierarchical order, to any comments made on his/her report.</p> <p>The Leader of the Council, the Leader of the Opposition and the Leader of any other political group may appoint substitutes to speak on their behalf.</p> <p>No motions may be moved nor resolutions passed under this item.</p>

Contact Officer:	Nicholas Hughes, Committee Services Manager
Reporting to:	Tim Howes, Director of Corporate Governance and Monitoring Officer

Annex List

None	N/A
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Background Papers

Title	Details of where to access copy
None	N/A

Corporate Consultation

Finance	Matt Sanham, Financial Services Manager
Legal	Tim Howes, Director of Corporate Governance and Monitoring Officer

OVERVIEW & SCRUTINY PANEL CHAIRMAN'S REPORT TO COUNCIL

Council	10 October 2019
Report Author	Cllr Campbell, Chairman of the Overview & Scrutiny Panel
Status	For Information
Classification:	Unrestricted
Key Decision	No
Ward:	Thanet Wide

Executive Summary:

The purpose of the report is to highlight some of the key activities that have been planned for by the Overview & Scrutiny Panel during the course of this municipal year and progress to date regarding implementation of the Panel's work programme.

Recommendation(s):

1. Members are invited to discuss and note the report.

CORPORATE IMPLICATIONS

Financial and Value for Money	There are no financial implications directly arising from this report. The report provides a briefing to Full Council about the current work activities of the Overview & Scrutiny Panel.
Legal	There are no legal implications directly arising from this report. A presentation of the Panel Chairman's report to Full Council enables the Chairman to fulfil their duty as is required by the Council's Constitution.
Corporate	<p>There are no corporate risks associated with this report. The report enables discussion by Members at Full Council on the activities of the Finance Scrutiny Panel.</p> <p>The debate on the Panel Chairman's report contributes to open communication across the council. A strong scrutiny function contributes to an open democratic process for decision making and delivery of value for money services as council decisions are interrogated by Members before they are implemented. In instances where such decisions are interrogated after implementation, there will be lessons to learn for future policy development.</p>

Equality Act 2010 & Public Sector Equality Duty	<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: (f the Duti) 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 & maternity. Only aim (i) oy applies to Marriage & 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>No implications arise directly 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>
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CORPORATE PRIORITIES (tick those relevant)✓	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	✓

CORPORATE VALUES (tick those relevant)✓	
Delivering value for money	✓
Supporting the Workforce	
Promoting open communications	✓

1.0 Introduction and Background

- 1.1 At each ordinary Full Council meeting, the Chairman of the Overview and Scrutiny Panel presents a progress update report on the activities of the Panel since the last Council meeting.

- 1.2 Such a report would be subject to comment or debate by Members. This is in accordance with Council Procedure Rule 15.1 of Part 4 of the Council Constitution.
- 1.3 This report updates Council on the work of the Panel since the last Council meeting and allows for discussion of the work undertaken, therefore strengthening the Council's scrutiny function.
- 1.4 This report follows on from the one presented at Full Council on 05 September.

2.0 Current Scrutiny Activities, including Cabinet Member Presentations

- 2.1 The Panel through the Chairman called in a cabinet decision on the "Proposal for the disposal of the Dreamland freehold" and had an extraordinary meeting on 15 August to consider the call-in.
- 2.2 The Cabinet decision was that "Subject to agreement of external funders regarding the removal of ongoing grant obligations upon the council, and subject to legal advice, to dispose of Dreamland to Sands Heritage Ltd including the boundary as indicated in Annex 1, all rides listed in Annex 2 and the intellectual property rights of Dreamland."
- 2.3 The reason for the call-in "the need to identify the range of options considered". Specifically the Panel sought clarification on why Cabinet took the decision to dispose of the asset now, rather than retaining it.
- 2.4 Cabinet represented by the Leader of Council engaged the Panel to explain the view of the executive in arriving at this disposal decision. After some detailed discussion, the Panel forwarded the following recommendations to Cabinet:
 - 1. That Cabinet seeks three independent valuations for the Dreamland site before an agreement is reached with a buyer; and
 - 2. During the negotiations with the proposed developer, Cabinet requests an 18 year housing development restriction in the agreement instead of the proposed 10 years.
- 2.5 In response to Overview & Scrutiny Panel recommendations, Cabinet also met for an extraordinary session on 01 September and considered those recommendations and reviewed their decision with the final decision as detailed below, that:
 - 1. To authorise another market valuation of the Dreamland site in order to ensure that sufficient breadth of comparable evidence is considered for the sale. Both valuations to be used to demonstrate that best value is obtained; and
 - 2. To retain the proposed 10 year housing development restriction on the Dreamland site as agreed by Cabinet on 01 August 2019. Delegated officers to continue the negotiations to explore the suggested extension fully as part of the sale process.
- 2.6 Members also conducted a pre-decision review of the proposed 'Corporate Statement for 2019-2023' before Cabinet took a final look on 19 September in time to seek Full Council approval on 10 October. The Panel made a number of recommendations as follows:

1. that Cabinet sets up a Member working group to review proposed detailed plans for implementing the vision in the Corporate Statement for 2019-2023;
 2. to add the wording “for the wider benefit of the town and district,” to the statement on the Port of Ramsgate and the Royal Harbour (under Growth);
 3. to add the wording “work to be carbon neutral by 2030” to the statement under the Environment;
 4. that the wording that “further improve the efficiency of emptying schedules including the maximising of smart bins” be added to the statement on Environment in relation to waste collection;
 5. to add the wording “improve collaboration with KCC to explore opportunities for introducing a park and ride scheme in Thanet” to statements under the Environment;
 6. to add the wording “including additional social housing” to the statement on work to prevent homelessness (under the section on Communities);
 7. to add the wording ‘the council's intention to take back management’ “subject to following procedures the council takes back direct control of its housing stock (under the section on Communities);
 8. agreed to add the wording “work with the Boundaries Commission to ensure that the number of councillors is appropriate to the council's size and needs”;
 9. to add the wording “high quality housing and energy efficiency to meet the needs” to the statement on housing.
- 2.7 In response, Cabinet agreed all the recommendations as proposed by the Overview and Scrutiny Panel. Cabinet further agreed to make reference to the Preston Model in the new Corporate Statement proposals for consideration by Full Council on 10 October 2019.
- 2.8 Additional topics for Cabinet Member presentations at Scrutiny meetings are highlighted below. These include the following:
1. Review proposals for the fees and Charges (22 October 2019);
 2. Service review of the Corporate Governance and Coastal Development service area (19 November 2019 TBC);
 3. Service review of Operational Services (20 February 2019 TBC).
- 2.9 The Panel received a further update from the Chairman of the Travellers Review Group. They indicated that they had received invaluable information from officers on the nature of the problem affecting thanet and hoped to use this information to come up with realistic recommendations. They highlighted the following:
- The review group identified a number of proposed sites for consideration as proposed temporary campsites for travellers;

- the sub group would be meeting with the travellers community representatives at their next meeting, to get their view on this subject, before drafting a report for submission to the Panel.

2.10 The Scrutiny Review Group would be meeting again on 02 October and they were expected to make a final report back to the Panel in November.

2.11 The rest of the work programme for 2019/20 is detailed in Annex 1 to the Council report. This schedule is subject to amendments during the course of the year as Members may add more items for reviewing.

3.0 Panel Recommendations to Cabinet - Implementation Monitoring

Fees and Charges review

3.1 The seven member fees and charges cabinet advisory group would meet for their first meeting in October, ahead of the Panel and Cabinet meetings to consider the fees and charges for 2020/21 Their work would kick start the review of fees and charges for 2020/21.

Proposal for the disposal of the Dreamland freehold

3.2 Cabinet agreed to negotiate with Sands Heritage Ltd for a housing restriction period of more than 10 years to be part of the agreement of sale.

Contact Officer:	Charles Hungwe, Senior Democratic Services Officer, Ext 7186
Reporting to:	Nick Hughes, Committee Services Manager, Ext 7108

Annex List

Annex 1	Overview & Scrutiny Panel Work Programme 2019/20
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Background Papers

Title	Details of where to access copy
None	N/A

Corporate Consultation

Finance	Chris Blundell, Head of Financial Services
Legal	Tim Howes, Director of Corporate Governance & Monitoring Officer

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Overview & Scrutiny Panel Work Programme for 2019/20		
Meeting Date	Indicative Agenda Items	Issue Source
01 October 2019 (extraordinary)	EKH Quarter 1 Performance Report	Housing Services/EKH Item
	Quarterly Performance Report Q1 2019/20	Corporate Resources Item
	OSP call-in of an Individual Cabinet Member decision - Port and Harbour Projects - Variation to 2019/20 Capital Programme	Operational Services Item
22 October 2019	Cabinet Member Presentation - Proposed Council Fees and Charges for 2020/21	Standing Agenda Item
	Crime Stats in Thanet	Kent Police as part of Community Safety Partnership Item
	Review of the Panel Work Programme 2019/20-to include a final report back from the Travellers Review Group	Standing Agenda Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item
19 November 2019	Cabinet Member Presentation - Service review of the Corporate Governance and Coastal Development service area (TBC)	Standing Agenda Item
	Quarterly Performance Report Q2 2019/20	Financial Services Item
	Local Authority Housing Company	Housing Item
	Review of Panel the Work Programme 2019/20	Standing Agenda Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item
21 January 2020	Cabinet Member Presentation	Standing Agenda Item
	Budget 2020/21 & Medium Term Financial Plan 2020-24	Financial Services Item

	Review of the Panel Work Programme 2019/20	Standing Agenda Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item
20 February 2020	Cabinet Member Presentation - Service review of Operational Services (TBC)	Standing Agenda Item
	Quarterly Performance Report Q3 2019/20	Financial Services Item
	Review of the Panel Work Programme 2019/20	Standing Agenda Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item
21 April 2020	Cabinet Member Presentation	Standing Agenda Item
	Review of the Panel Work Programme 2019/20	Standing Agenda Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item
26 May 2020	Establish OSP Work Programme for 2020/21	Standing Agenda Item
	Quarterly Performance Report Q4 2019/20	Financial Services Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item

Corporate Statement

Meeting	Full Council 10 October 2019	
Report Author	Chief Executive	
Portfolio Holder	Cllr Robert Bayford - Leader of the Council	
Status	For Decision	
Classification:	Unrestricted	
Key Decision	Yes	
Reasons for Key	Budget and Policy Framework	
Previously Considered by	Cabinet	- 25 July 2019
	Overview and Scrutiny Panel	- 27 August 2019
	Cabinet	- 19 September 2019
Ward:	All Wards	

Executive Summary:

The Constitution requires that the Council's Corporate Statement to be adopted by Full Council in accordance with the Budget and Policy Framework Procedure Rules.

This report details the proposed new Corporate Statement and supporting Core Business Objectives for 2019-2023.

Recommendation(s):

It is recommended that Council note the report and adopt the proposed new Corporate Statement and supporting Core Business Objectives.

CORPORATE IMPLICATIONS

Financial and Value for Money	The detailed objectives within the Core Business Objectives will need to be deliverable in line with the Council's budget and Medium Term Financial Strategy.
Legal	The Constitution requires that the Council's Corporate Statement be adopted by Full Council in accordance with the Budget and Policy Framework Procedure Rules, which provides the Overview and Scrutiny Panel with an opportunity to comment on the draft proposals before they are finalised by Cabinet and submitted to Council.

Corporate	The Council is responsible for a wide range of statutory and discretionary services and through the proposed new priorities it will take an outcome focussed approach to find the right way to deliver its services.								
Equality Act 2010 & Public Sector Equality Duty	<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, sex, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td colspan="2">Please indicate which aim is relevant to the report.</td> </tr> <tr> <td style="width: 80%;">Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,</td> <td style="text-align: center;">x</td> </tr> <tr> <td>Advance equality of opportunity between people who share a protected characteristic and people who do not share it</td> <td></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>An initial Equalities Impact Assessment has been undertaken and there is no reason to state at this time that the content of the proposed Core Business Objectives will negatively impact on any groups with protected characteristics. The Core Business Objectives focus on improving the quality of life in Thanet for all. Opportunities to further the aims of the Duty will be investigated during equality impact analysis of individual projects, plans and strategies arising from the priorities.</p>	Please indicate which aim is relevant to the report.		Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,	x	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,	x								
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.									

1. Introduction and Background

- 1.1. The Council's previous Corporate Plan was published in 2015 and covers the period of 2015 – March 2019.

- 1.2. Since the publication of the 2015-19 Corporate Plan, the Council has faced and continues to face significant challenges, it is considered timely to reset the Council's Corporate Statement and supporting Core Business Objectives for the next four years.

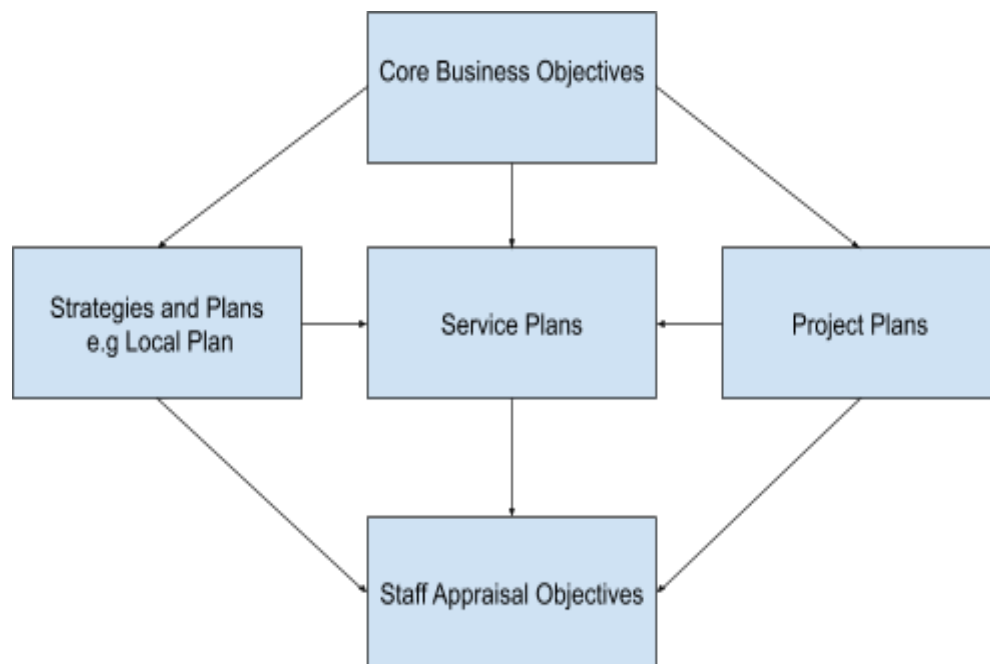
2. The Current Situation

- 2.1. The Council's proposed new Corporate Statement and supporting Core Business Objectives set out the direction of travel for the Council over the next four years laying the strong foundations that will benefit, shape and grow the district.

- 2.2. The Council is aware that the communities in Thanet are changing and there are increasing demands for local services. At the same time, the Council is also aware

of the many challenges facing local people and businesses. Therefore, the Council has set its Core Business Objectives to enable it to plan for the changing needs and to meet the increasing financial challenge ahead as core government grant funding is reduced to nil.

- 2.3. By taking this approach, the Council's resources will be focused on what matters the most, service delivery will be strengthened and both staff and partners will be working towards a common goal of - ensuring prosperity and improved quality of life for our residents and the business community.
- 2.4. The largest challenge the Council faces over the next four years is to deliver further improvements to its services with reduced funding and resources. This will require the Council to work with its partners and residents to minimise the impact of the challenge ahead and manage the expectations on the Council within its limited resources.
- 2.5. The proposed Core Business Objectives set out in Annex 1 will be delivered through focused operational service plans, supported by more detailed plans and strategies which set out service specific projects, actions and targets.



- 2.6. To provide assurance on the Council's direction of travel and to allow timely intervention, success will also be measured by a set of performance measures that make up the Corporate Performance Report. Progress will be reported to the Overview and Scrutiny Panel at quarterly intervals.
- 2.7. These measures will also be considered by the Corporate Management Team alongside complaints and compliments, audits and inspection reports, our own learning and other feedback. They will be reviewed to ensure emerging risks and issues are appropriately reflected and monitored and reported via the Corporate Risk Register to the Governance and Audit Committee.

3. Overview and Scrutiny Panel Feedback

- 3.1. Members agreed to request that Cabinet sets up a Member working group to review proposed detailed plans for implementing the vision in the Corporate Statement for 2019-2023.
- 3.2. The Panel agreed to add the wording “for the wider benefit of the town and district,” to the statement on the Port of Ramsgate and the Royal Harbour (under Growth).
- 3.3. Members agreed to add the wording “work to be carbon neutral by 2030” to the statement under the Environment.
- 3.4. Members agreed that the wording that “further improve the efficiency of emptying schedules including the maximising of smart bins” be added to the statement on Environment in relation to waste collection.
- 3.5. The Panel agreed to add the wording “improve collaboration with KCC to explore opportunities for introducing a park and ride scheme in Thanet” to statements under the Environment.
- 3.6. The Panel agreed to add the wording “including additional social housing” to the statement on work to prevent homelessness (under the section on Communities).
- 3.7. Members agreed to add the wording ‘the council's intention to take back management’ “subject to following procedures the council takes back direct control of its housing stock (under the section on Communities).
- 3.8. The Panel agreed to add the wording “work with the Boundaries Commission to ensure that the number of councillors is appropriate to the council's size and needs.”
- 3.9. Members agreed to add the wording “high-quality housing and energy efficiency to meet the needs” to the statement on housing.

4. Cabinet 19 September 2019

- 4.1 Cabinet agreed to forward to Council the proposed new Corporate Statement and supporting Core Business Objectives for 2019-2023, with the following amendments:
 - i. adoption of recommendations from the Overview and Scrutiny Panel highlighted in section 3.0 of the Cabinet report; and
 - ii. Inclusion of a reference to the Preston Model in the Corporate Statement.

5. Options

- 5.1. To amend the report and the proposed new Corporate Statement and supporting Core Business Objectives for 2019-2023 and recommend the revised Corporate Statement and supporting Core Business Objectives be submitted to Full Council on the 5 December 2019.

- 5.2. To note the report and adopt the proposed new Corporate Statement and supporting Core Business Objectives.

6. Next Steps

- 6.1. If Council approves option 5.2, the Corporate Statement and supporting Core Business Objectives for 2019-2023 the organisation will:
- a. start working towards the achievement of the priorities;
 - b. undertake an integrated communications campaign, which will aim to inform our residents and stakeholders of the new Corporate Statement and supporting Core Business Objectives for 2019-2023. The campaign will run across multiple channels to ensure that the greatest possible reach is achieved.

Contact Officer:	Carol Cook, Policy Officer
Reporting to:	Madeline Homer, Chief Executive

Annex List

Annex 1	Proposed new Corporate Statement and supporting Core Business Objectives 2019-2023
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Background Papers

Title	Details of where to access a copy
Equalities Impact Assessment	Carol.cook@thanet.gov.uk
Cabinet 13 June 2019: Approach to Corporate Business Planning	https://democracy.thanet.gov.uk/documents/s64419/Approach%20to%20Corporate%20Business%20Planning.pdf
Cabinet 25 July 2019: Corporate Statement	https://democracy.thanet.gov.uk/ieListDocuments.aspx?CId=151&MId=5212&Ver=4
Overview and Scrutiny Panel 27 August 2019: Corporate Statement	https://democracy.thanet.gov.uk/ieListDocuments.aspx?CId=119&MId=5305&Ver=4
Cabinet 19 September 2019: Corporate Statement	https://democracy.thanet.gov.uk/ieListDocuments.aspx?CId=151&MId=5224&Ver=4

Corporate Consultation

Finance	Chris Blundell, Head of Financial Services
Legal	Tim Howes, Director of Corporate Governance

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Corporate Statement 2019-2024



Agenda Item 11

Annex 1



Agenda Item 11

Annex 1

Corporate Statement

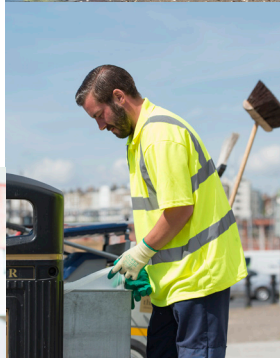
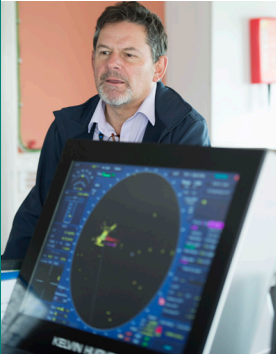
The Council's Core Business Objectives set out the direction of travel for the Council over the next four years laying the strong foundations that will benefit, shape and grow the district.

In 2018, residents told us that clean streets, feeling safe and thriving towns were important to them and the Core Business Objectives address each of these top topics from the 2018 residents survey.

The Council is aware that the communities in Thanet are changing and there are increasing demands for local services. At the same time, the Council is also aware of the many challenges facing local people and businesses. Therefore, the Council will set its Core Business Objectives to enable it to plan for the changing needs and to meet the increasing financial challenges ahead as core government grant funding is reduced to nil.

By taking this approach, the Council's resources will be focused on what matters the most, service delivery will be strengthened and both staff and partners will be working towards a common goal of - ensuring prosperity and improved quality of life for our residents and the business community.

Agenda Item Annex 1





Growth

We will continue to ensure we work to consider new ways to generate income and invest our current resources. Delivering a Council that is financially strong to discharge its services and invest in the growth of the District.

What we plan to do:

- Through partnership working promote Thanet's unique selling points to encourage local enterprise and inward investment.
- Be a strong voice for Thanet at the Kent and Medway Economic Partnership.
- Constructively explore approaches for Community Wealth Building - such as the Preston Model.
- Contribute to the creation of a Coastal Prospectus which will inform the South East Local Enterprise Partnerships's Local Industrial Strategy.
- Refresh the Council's Economic Growth Strategy.
- Lobby for infrastructure improvements including the Parkway Station, to support inward investment, local enterprise and housing growth.
- Continue to look for a viable future for the Port of Ramsgate and the Royal Harbour for the benefit of the town and the wider district.
- Engage with businesses in the Creative Industries to identify opportunities for growth in the district and promote Thanet through the Thames Estuary Production Corridor ambitious industrial vision.
- Encourage the rejuvenation of our high streets by supporting the growth of our creative industries.
- We will further support the regeneration of our High Streets by working with partners.
- Continue to promote tourism in Thanet and the increase in jobs that this will bring to the District.
- Maximise the return on our assets and services.

Environment

Having a clean and well-maintained environment remains important to us. We will be clear with our residents on what we will do and what our asks of residents are - cultivating a shared responsibility approach. Delivering a clean and accessible living environment, maintaining an emphasis on prevention but where necessary we will use an enforcement approach.

Agenda Item 11 Annex 1



What we plan to do:

- Undertake a full and thorough review of our public toilet facilities including providing incentives for businesses to make good quality facilities available to the public.
- Improve collaboration with KCC around relevant services and explore opportunities for introducing a park and ride scheme in Thanet.
- Maintain strong enforcement action in the areas of planning, building control and parking. Strengthening our already tough response to fly-tipping and maintaining the zero-tolerance policy towards littering.
- Continue the education programmes in schools and the wider public areas to cultivate a shared responsibility approach to waste and littering.
- We will review the recycling service and engage with the community to increase the districts recycling rates. Maximise the use of smart bins to further improve the efficiency of emptying schedules.
- We will review the recycling service and continue engaging with the community to increase the districts recycling rates and further improve the efficiency of emptying schedules including the maximising of smart bins.
- Extend the use of mechanical street sweeping equipment.
- Protect and enhance where possible our parks, beaches and open spaces for the benefit of current and future residents.
- Continue to progress the Local Plan to adoption.
- Having agreed on a climate emergency we will work to be carbon neutral by 2030 and promote awareness of our local wildlife, habitats and the wider environment.

Communities

Through effective partnership working with both the public sector agencies and the community, we will provide leadership and direction across the district and the region to ensure everyone is working to the same goal. Delivering high-quality housing, safer communities and enhancing the health and wellbeing of our residents.

Agenda Item 11 Annex 1



What we plan to do:

- Plan to set up a housing development company, to work towards building the necessary high quality and energy-efficient housing to meet the needs of existing and future communities.
- Improve standards and safety in homes across all tenures.
- Work to prevent homelessness and increase housing options including additional social housing.
- Aim to reduce the number of rough sleepers on our streets.
- Work with our partners to deliver a range of community safety initiatives across the District, taking tough action to tackle anti-social behaviour.
- Work in partnership with the community and Public Sector Agencies to seek new ways of working to improve or jointly deliver services.
- Work with the Boundary Commission to ensure that the number of councillors is appropriate to the district size and needs.
- Promote the formation of a Margate Town Council to devolve decision making to a local level.
- Work with Town and Parish Councils, exploring the potential for devolving services where possible.
- We will work with our communities to foster a shared responsibility and increase our community engagement.
- Subject to following procedures the council's intention is to take back direct control of its housing stock.

Agenda Item 11

Annex 1

ANNUAL TREASURY MANAGEMENT REVIEW 2018-19

Meeting	Council – 10 October 2019
Report Author	Tim Willis, Deputy Chief Executive and Section 151 Officer
Portfolio Holder	Cllr David Saunders, Cabinet Member for Financial Services and Estates
Status	For Decision
Classification:	Unrestricted
Key Decision	No
Reasons for Key (if appropriate)	N/A
<i>Previously Considered by</i>	Governance and Audit Committee - 24 July 2019 Cabinet - 19 September 2019
Ward:	N/A

Executive Summary:

This report summarises treasury management activity and prudential/ treasury indicators for 2018-19.

Recommendation(s):

That council:

- Notes the actual 2018-19 prudential and treasury indicators in this report.
- Approves the Annual Treasury Management report for 2018-19.

CORPORATE IMPLICATIONS

Financial and Value for Money	The financial implications are highlighted in this report.
Legal	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, this is the Deputy Chief Executive and this report is helping to carry out that function.
Corporate	Failure to undertake this process will impact on the council's compliance with the Treasury Management Code of Practice.

Equalities Act 2010 & Public Sector Equality Duty	<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>
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CORPORATE PRIORITIES (tick those relevant) ✓	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	

CORPORATE VALUES (tick those relevant) ✓	
Delivering value for money	✓
Supporting the Workforce	
Promoting open communications	

1.0 Introduction and Background

- 1.1 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 2018-19. 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).
- 1.2 During 2018-19 the minimum reporting requirements were that the full council should receive the following reports:
- an annual treasury strategy in advance of the year (council 08-02-2018)
 - a mid-year treasury update report (council 07-02-2019)
 - an annual review following the end of the year describing the activity compared to the strategy (this report)
- 1.3 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.
- 1.4 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, and further training will be arranged following the local elections in May 2019. The council's external treasury management advisor is Link Asset Services (Link).

1.5 The council's 2018-19 accounts have not yet been audited and hence the figures in this report are subject to change.

2.0 The Council's Capital Expenditure and Financing

2.1 The council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

£000	2017-18 Actual	2018-19 Budget	2018-19 Actual
Capital expenditure - GF	6,234	13,512	9,945
Capital expenditure - HRA	4,492	7,408	5,435
Capital expenditure - Total	10,726	20,920	15,380
Financed by:			
Capital receipts	2,250	4,816	3,182
Capital grants	3,582	6,368	3,517
Revenue and reserves	3,484	5,104	4,639
Borrowing	1,410	4,632	4,042
Total	10,726	20,920	15,380

2.2 Full details of capital expenditure and explanations of variances from budget will be reported within the Financial and Performance Monitoring Outturn Report to Cabinet in September.

3.0 The council's Overall Borrowing Need

3.1 The council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge for the council's debt position and represents the 2018-19 and historic net capital expenditure which has not yet been charged to revenue. The process for charging the capital expenditure to revenue is a statutory requirement and is called the Minimum Revenue Provision (MRP)*. The council has the option to charge more than the statutory MRP each year through Voluntary Revenue Provision (VRP). The council's CFR for the year is shown below, and represents a key prudential indicator. The total CFR can also be reduced by the application of additional capital resources (such as unapplied capital receipts).

*In effect this is the amount required to be set aside for the eventual loan repayment

- 3.2 **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 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 allowed the council some flexibility to borrow in advance of its immediate capital needs in 2018-19. The table below highlights the Council's gross borrowing position against the CFR. The council has complied with this prudential indicator.

£000	31 March 2018 Actual	31 March 2019 Budget	31 March 2019 Actual
CFR GF	23,812	27,086	26,497
CFR HRA	20,787	20,786	20,786
Total CFR	44,599	47,872	47,283
Gross borrowing position	31,086	35,133	30,456
Underfunding of CFR	13,513	12,739	16,827

- 3.3 **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 2018-19 the Council has maintained gross borrowing within its authorised limit.
- 3.4 **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 are acceptable subject to the authorised limit not being breached.
- 3.5 **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.

£000	2018-19
Authorised limit	£87,000
Maximum gross borrowing position during the year	£31,086
Operational boundary	£77,000
Average gross borrowing position	£30,711
Financing costs as a proportion of net revenue stream - GF	6.1%
Financing costs as a proportion of net revenue stream -HRA	5.2%

4.0 Treasury Position as at 31 March 2019

4.1 At the beginning and the end of 2018-19 the council's treasury (excluding borrowing by private finance initiatives (PFI) and finance leases) position was as follows:

Table 1 - Overall Treasury Position as at 31 March 2019

	31 March 2018 Principal £'000	Rate/ Return	Average Life Years	31 March 2019 Principal £'000	Rate/ Return	Average Life Years
GF debt	11,046	3.15%	13.9	10,416	3.22%	13.8
HRA debt	20,040	4.03%	8.1	20,040	4.03%	7.3
Total debt (all fixed rate)	31,086	3.71%	10.2	30,456	3.75%	9.5
GF CFR	23,812			26,497		
HRA CFR	20,787			20,786		
Total CFR	44,599			47,283		
Under-borrowing	(13,513)			(16,827)		
Total investments	40,882	0.36%		41,673	0.69%	
Net debt / (investment)	(9,796)			(11,217)		

4.2 All of the debt is from PWLB apart from the following GF loans (as at 31 March 2019):

Market: £4,500k principal at 4.19% with an average life of 0.5 years.

Salix: £30k principal at 0.00% with an average life of 1.5 years.

4.3 The maturity structure of the debt portfolio was as follows:

£000	31 March 2018 actual	2018-19 upper limits	31 March 2019 actual
Under 1 year	5,131	15,228	9,932
1 year to under 2 years	5,432	15,228	631
2 years to under 5 years	5,144	15,228	4,772
5 years to under 10 years	3,006	16,751	2,835
10 years to under 20 years	6,453	15,228	8,366
20 years to under 30 years	3,000	15,228	1,000
30 years to under 40 years	1,920	15,228	1,920
40 years to under 50 years	1,000	15,228	1,000
50 years and above	0	15,228	0
Total debt	31,086		30,456

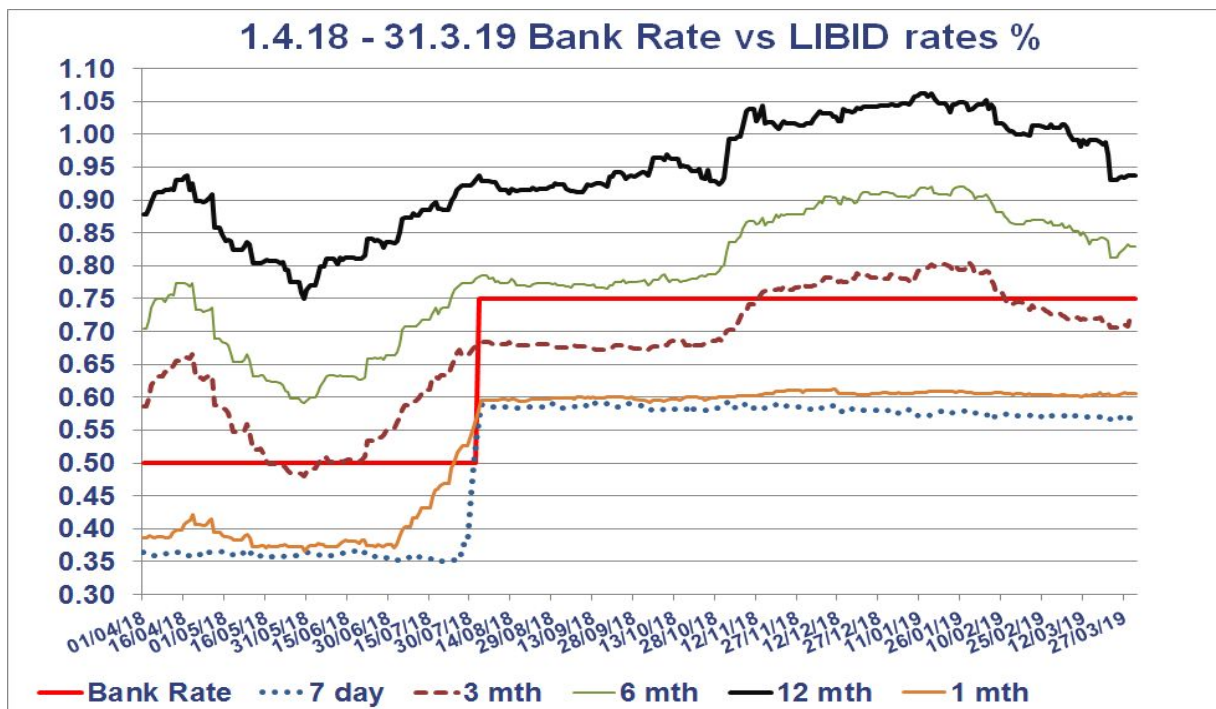
4.4 The composition of the investment portfolio was as follows:

	31 March 2018 actual £000	31 March 2018 actual %	31 March 2019 actual £000	31 March 2019 actual %
Banks - Instant Access	3	0.01	3	0.01
Banks - Notice Accounts	0	0.00	4,453	10.68
Banks - Fixed Term Deposits	17,811	43.56	13,414	32.19
Money Market Funds	23,068	56.43	23,803	57.12
Total Treasury Investments	40,882	100.00	41,673	100.00

4.5 All investments at both the 2017-18 and 2018-19 year-ends were for under one year.

5.0 The Strategy for 2018-19

5.1 Investment strategy and control of interest rate risk



5.1.1 Investment returns remained low during 2018-19. At the start of 2018-19, and after UK GDP growth had proved disappointingly weak in the first few months of 2018, the expectation for the timing of the increase in Bank Rate from 0.50% to 0.75% was pushed back from May to August 2018. Investment interest rates were therefore on a gently rising trend in the first half of the year after April, in anticipation that the MPC would raise Bank Rate in August. This duly happened at the MPC meeting on 2 August 2018.

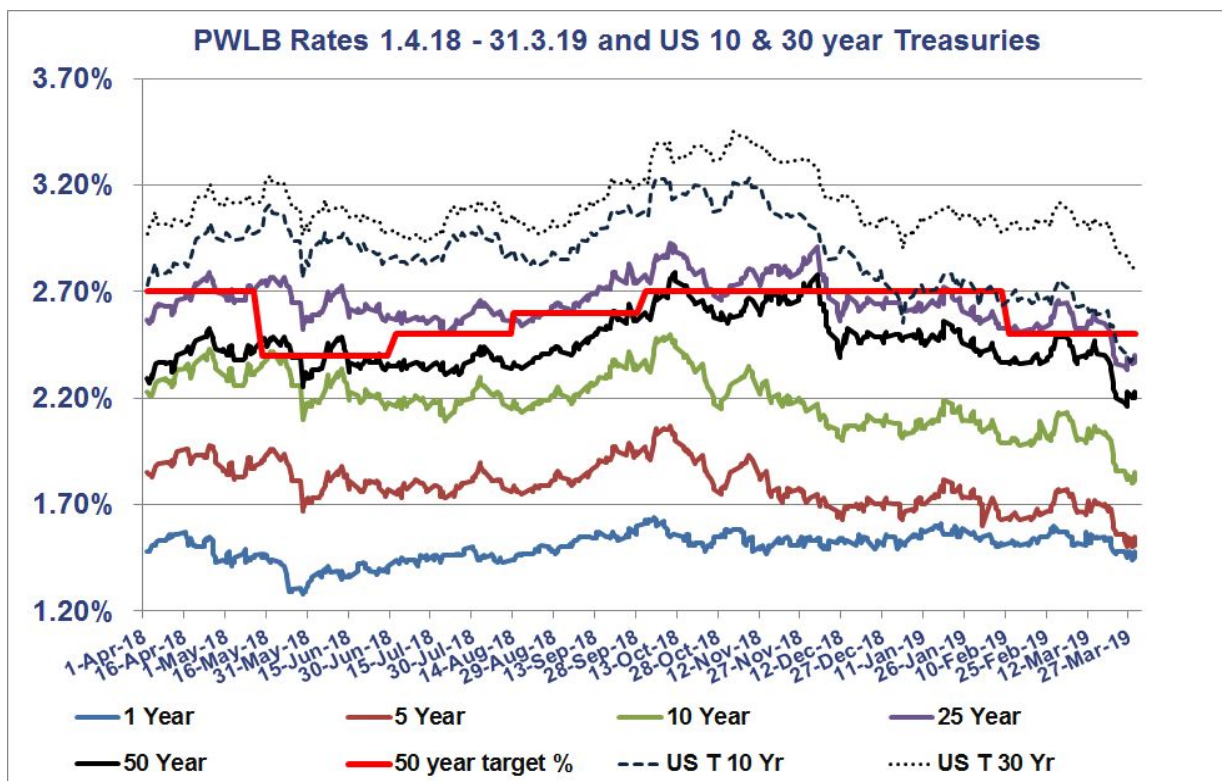
- 5.1.2 It was not expected that the MPC would raise Bank Rate again during 2018-19 after August in view of the fact that the UK was entering into a time of major uncertainty with Brexit due in March 2019.
- 5.1.3 Investment rates were little changed during August to October but rose sharply after the MPC meeting of 1 November was unexpectedly hawkish about their perception of building inflationary pressures, particularly from rising wages. However, weak GDP growth data after December, plus increasing concerns generated by Brexit, resulted in investment rates falling back again.
- 5.1.4 Continued uncertainty in the aftermath of the 2008 financial crisis has promoted a cautious approach whereby investments would continue to be dominated by counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

5.2 Borrowing strategy and control of interest rate risk

- 5.2.1 During 2018-19, the council maintained an under-borrowed position. This meant that the capital borrowing need (the Capital Financing Requirement) was not fully funded with loan debt, as cash supporting the council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were low and minimising counterparty risk on placing investments also needed to be considered.
- 5.2.2 A cost of carry remained during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns.
- 5.2.3 The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.
- 5.2.4 Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Section 151 Officer therefore monitored interest rates in financial markets and adopted a pragmatic strategy based upon the following principles to manage interest rate risks:
- if it had been felt that there was a significant risk of a sharp FALL in long and short term rates, (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings would have been postponed, and potential rescheduling from fixed rate funding into short term borrowing would have been considered.
 - if it had been felt that there was a significant risk of a much sharper RISE in long and short term rates than initially expected, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position would have been re-appraised. Most likely, fixed rate funding would have been drawn whilst interest rates were lower than they were projected to be in the next few years.

5.2.5 Interest rate forecasts expected only gradual rises in medium and longer term fixed borrowing rates during 2018-19 and the two subsequent financial years. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period.

Link Asset Services Interest Rate View 12.2.18													
	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank Rate	0.50%	0.75%	0.75%	1.00%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.50%
5yr PWLB Rate	1.90%	2.00%	2.10%	2.10%	2.20%	2.30%	2.30%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%
10yr PWLB Rate	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%
25yr PWLB Rate	2.80%	2.90%	3.00%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB Rate	2.60%	2.70%	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%



5.2.6 Since PWLB rates peaked during October 2018, most PWLB rates have been on a general downward trend, though longer term rates did spike upwards again during December and (apart from the 1 year rate) reached lows for the year at the end of March. There was a significant level of correlation between movements in US Treasury yields and UK gilt yields - which determine PWLB rates. The Fed in America increased the Fed Rate four times in 2018, making nine increases in all in this cycle, to reach 2.25% – 2.50% in December. However, it had been giving forward guidance that rates could go up to nearly 3.50%. These rate increases and guidance caused Treasury yields to also move up. However financial markets considered by December 2018 that the Fed had gone too far, and discounted its expectations of further increases. Since then, the Fed came round to the view that there are probably going to be no more increases in this cycle and the issue became how many cuts in the Fed Rate there will be and how soon, in order to support economic growth in the US. But weak growth now also looked to be the outlook for China and the EU which meant that world growth as a whole would be weak.

Treasury yields have therefore fallen sharply during 2019 and gilt yields / PWLB rates have also fallen.

5.3 **Change in strategy during the year** – the strategy adopted in the original Treasury Management Strategy Report for 2018-19 approved by the council on 08-02-18 was not revised during 2018-19.

6.0 Borrowing Outturn for 2018-19

6.1 **Borrowing** – Due to investment concerns, both counterparty risk and low investment returns, no borrowing was undertaken during the year.

6.2 **Borrowing in advance of need** - The council has not borrowed more than, or in advance of, its needs purely in order to profit from the investment of the extra sums borrowed.

6.3 **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.

6.4 **Repayments** – The council repaid £630k of maturing debt using investment balances, as below:

Lender	Principal £'000	Interest Rate	Repayment Date
Salix	4	0.00%	01-04-18
PWLB	43	3.08%	23-04-18
PWLB	50	2.48%	27-05-18
PWLB	146	1.97%	27-05-18
PWLB	72	1.28%	20-06-18
Salix	4	0.00%	01-10-18
PWLB	43	3.08%	23-10-18
PWLB	50	2.48%	27-11-18
PWLB	146	1.97%	27-11-18
PWLB	72	1.28%	20-12-18
Total	630		

6.5 **Summary of debt transactions** – The average interest rate on the debt portfolio increased from 3.71% to 3.75% during the year. This was due to the repayment of maturing debt as shown above.

7.0 Investment Outturn for 2018-19

7.1 **Investment Policy** – the council’s investment policy is governed by the Ministry of Housing, Communities and Local Government (MHCLG) investment guidance, which has been implemented in the annual investment strategy approved by the council on 8 February 2018. 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.).

7.2 The investment activity during the year conformed to the approved strategy, and the council had no liquidity difficulties.

7.3 **Resources** - the council's cash balances comprise revenue and capital resources and cash flow monies. The council’s core cash resources comprised as follows:

Balance Sheet Resources £000	31 March 2018	31 March 2019
GF Balance	2,011	2,011
Earmarked Reserves	13,021	13,998
HRA Balance	7,753	9,307
Capital Receipts Reserve	9,221	9,437
Major Repairs Reserve	10,019	12,765
Capital Grants Unapplied	43	43
Total Usable Reserves	42,068	47,561

7.4 Investments held by the council

- The council maintained an average balance of £47.289m of internally managed funds.
- The internally managed funds earned an average rate of return of 0.69%.
- The comparable performance indicator is the average 7-day London Interbank Bid Rate (LIBID) rate, which was 0.51%.
- This compares with an original budget assumption of £25m investment balances earning an average rate of 0.25%.
- Total investment income was £328k compared to a budget of £63k.

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

8.0 Investment risk benchmarking

8.1 The following investment benchmarks were set in the council’s 2018-19 annual treasury strategy:

8.2 **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.

8.3 **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.

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

- Investments – internal returns above the 7 day LIBID rate

8.5 The council kept to the above benchmarks during 2018-19.

9.0 Options

9.1 The recommended option (to ensure regulatory compliance as set out in section 1 of this report) is that council:

- Notes the actual 2018-19 prudential and treasury indicators in this report.
- Approves the Annual Treasury Management report for 2018-19.

9.2 Alternatively, council may decide not to do this and provide reason(s) why.

10.0 Disclaimer

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

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Annex List

Annex 1	Report Guidance
Annex 2	Abbreviations and Definitions

Corporate Consultation Undertaken

Finance	Chris Blundell, Head of Financial Services
Legal	Tim Howes, Director of Corporate Governance & Monitoring Officer

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Annex 1: Report Guidance

Capital Expenditure and Financing

This section includes 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 the report.

Borrowing Need

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 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.
- Minimum size of the Council's bank overdraft facility.

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Annex 2: Abbreviations and Definitions

- 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 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 coupon and is at a rate that is fixed for the duration until maturity of the gilt (unless a gilt is index linked to inflation). While the coupon rate is fixed, the yields will 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.

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Annex 2

- IMF** International Monetary Fund - the lender of last resort for national governments which get into financial difficulties.
- LIBID** The London Interbank Bid Rate is 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 differences between RPI and CPI is in the way that housing costs are treated and that the former is an arithmetical mean whereas the latter is a geometric mean. RPI is often higher than CPI for these reasons.
- 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).