

# MEETING OF THE COUNCIL



**Thursday, 15th October, 2020**

**5.30 pm**

**Thanet District Council  
Margate**

**The meeting can be viewed here:**

**<https://www.youtube.com/watch?v=Cddkdgp-760>**

**www.thanet.gov.uk  
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Date: 7 October 2020  
Ask For: James Clapson  
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You are hereby summoned to attend the meeting of the Thanet District Council to be held Online only at this location <https://www.youtube.com/watch?v=Cddkdgp-760> on Thursday, 15 October 2020 at 5.30 pm for the purpose of transacting the business mentioned below.

*Timothy Howes*

Director of Corporate Governance

To: The Members of Thanet District Council

## **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 10 September 2020 copy attached.

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.

5a **UNCLE MACK PETITION** (Pages 19 - 22)

5b **PETITION REGARDING DOG RESTRICTIONS ON THANET BEACHES** (Pages 23 - 26)

6. **QUESTIONS FROM THE PRESS AND PUBLIC** (Pages 27 - 28)

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

7. **QUESTIONS FROM MEMBERS OF THE COUNCIL** (Pages 29 - 32)

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

8. **NOTICE OF MOTION**

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

9. **LEADERS REPORT** (Pages 33 - 34)

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 35 - 48)

11. **ANNUAL TREASURY MANAGEMENT REVIEW 2019-20** (Pages 49 - 68)

12. **CHANGES TO COMMITTEES, PANELS AND BOARDS - 2020/21** (Pages 69 - 72)

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## COUNCIL

**Minutes of the meeting held on 10 September 2020 at 5.00 pm in Online Only.**

**Present:** Councillor Jason Savage (Chairman); Councillors Albon, Ara, Ashbee, Bailey, Bambridge, J Bayford, R Bayford, Boyd, Campbell, Coleman-Cooke, Crittenden, Currie, Day, Dexter, Duckworth, Cllr Everitt, Farrance, Fellows, Game, Garner, Green, Gregory, Hart, Hopkinson, Huxley, Keen, Pat Moore, Ovenden, L Piper, Cllr Rev. S Piper, Pugh, Rattigan, Rawf, Rogers, Roper, Rusiecki, D Saunders, M Saunders, Scobie, Scott, Shrubbs, Taylor, Tomlinson, Towning, Wing, Wright and Yates

### 1. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Braidwood, Dennis, Kup, Paul Moore, Parsons, Potts and Whitehead.

### 2. **MINUTES OF THE PREVIOUS MEETING**

It was proposed by the Chairman, seconded by the Vice-Chairman and agreed that the minutes of the meeting of Council held on 9 July 2020 be approved and signed by the Chairman.

### 3. **ANNOUNCEMENTS**

The Chairman noted that two Democratic Services Officers, Emily Kennedy and Charlotte Crowley, would be leaving Thanet District Council and wished them luck for their future roles.

### 4. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

### 5. **PETITIONS**

#### (a) **Park Avenue, Broadstairs Petition**

Mrs Amanda Suess presented a petition and e-petition regarding the felling of the trees in Park Avenue Woodland in Broadstairs. Members noted that the following petitions contained 455 and 319 signatures respectively:

"We the undersigned petition the council to require the owner of the area of woodland off Park Avenue - East of Park Wood Close-, Broadstairs (Land Registry Ref K61934), to replant any trees covered by tree protection orders within that area following the recent heavy felling and to reaffirm its current view that the area should remain as open space/woodland."

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) **Bigger Bins in Thanet Petition**

Members noted that the e-petition regarding bigger bins on Thanet beaches contained 45 signatures:

"We the undersigned petition the council to Provide bigger bins for the general public to use across the Thanet coastline."

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.

## 6. QUESTIONS FROM THE PRESS AND PUBLIC

### (a) Question no1 - Coach House, Northdown Park

Mr Nicholas Hughes, the Committee Services Manager, on behalf of Mrs Iris Johnston asked Councillor Duckworth the following question:

"The lease on the Coach House in Northdown Park is due to end in 2021 after years of failure to reopen as a Museum. Could the Leader please confirm that the building will not be re-let to the existing leaseholder who has failed to comply with the original agreement."

Councillor Duckworth responded with the following points:

- The relationship between the council as landlord and one of its tenants is confidential to the parties as well as being commercially sensitive.
- It is not appropriate to publicly share commercially sensitive information or to breach that confidentiality.
- Mrs Johnston's concerns will be passed on to the Director of Property.

### (b) Question no2 - Destruction of Woodland in Thanet

Ms Benedict asked Councillor Everitt the following question:

What if any significant deterrents will the council use in future to prevent landowners/developers continued illegal destruction of open spaces and woodland in Thanet?

Councillor Everitt responded with the following points:

- The new Local Plan contains a number of policies that seek to protect and enhance trees and woodlands, particularly where development is proposed. These are:
  - Policy SP23 states that development proposals should demonstrate how they respect and respond to the character, key sensitivities, qualities and guidelines of the relevant landscape character areas
  - The Landscape Character Assessment Supplementary Planning Document (adopted alongside the Local Plan) contains guidance about how new development can be incorporated into the wider landscape, including how existing features and new planting can assist that process
  - Policy SP27 addresses the green infrastructure network and identifies ways in which new development can protect and contribute to that network.
  - Policy SP30 sets out requirements for new development to make a positive contribution to the conservation, enhancement and management of biodiversity assets resulting in a "net gain" for biodiversity
  - Policy GI06 refers to landscaping and green infrastructure in new developments
  - Policy QD02 sets out how new development proposals should address existing landscape features
- The council investigates any breaches of planning control in relation to these policies and will take enforcement action where this is in the public interest.
- In addition to this, existing groups of trees or woodland can, where they are in conservation areas or of particular community value, be protected by Tree

Preservation Orders. The Council then has powers to enforce their protection, including prosecution against unauthorised removal under the Planning Act. Council Officers often attend sites to require the cessation of works to protected trees upon receiving complaints from the public.

- For areas of woodland not protected, the Council liaises with the Forestry Commission if felling has occurred as a license may be required from the Commission.
- The Council would also work with Kent Police's Wildlife Liaison officer, who would pursue any illegal destruction of protected species under the Wildlife and Countryside Act.

(c) **Question no3 - Thanet Tree Strategy**

Mr Tate asked Councillor Everitt the following question:

"Thanet has relatively few trees, with only 19 mentions in the Local Plan, so will the Council prepare a Tree Strategy, aimed at increasing tree canopy cover in the District, maximising the benefits trees provide, and promoting biodiversity and conserving tree and woodland eco-system, as many other councils have done?"

Councillor Everitt responded with the following points:

- The Council are in the process of preparing a Thanet Tree Strategy.
- The outline draft strategy has been discussed at the Climate Emergency Working Party meeting in July and will be progressed by our new Climate Change Officer.
- The Working Party are also awaiting an update on the national tree strategy for England to help steer our own strategy.
- Councillors across the Council understand the importance of improving the tree cover in Thanet, and the Leader expressed gratitude to Mr Tate for bringing these issues to the Council's attention, particularly the issue in Broadstairs.
- The policies referred to in the answer to the previous question are also relevant here, for further reference to Thanet's longer term tree strategy.
- This is a matter that the Council is taking seriously.

(d) **Question no4 - Climate Emergency**

Mr Nicholas Hughes, the Committee Services Manager, on behalf of Mrs Deb Shotton asked Councillor Duckworth the following question:

"The Climate Emergency is the biggest threat to mankind. The Council should be progressing and implementing the Climate Emergency Action Plan. Why is the Council wasting time and money on environmentally harmful plans at the Port instead of investing in clean technologies to help meet this challenge?"

Councillor Duckworth responded with the following points:

- Thanet District Council declared a climate emergency on Thursday 11 July 2019. Since then a working party was formed consisting of elected members from across the political parties to consult, discuss and steer the response to the climate and ecological emergency.
- An action plan has been formulated, to capture work that is already underway, alongside opportunities and ideas.
- TDC's new Climate Change Officer, Dr Hannah Scott started on the 1st September and she will be driving the Council's response to the Climate Emergency moving forwards, coordinating and developing our action plan further.
- Thanet is linked in with the other councils across the County through the Kent Resource Partnership and the Kent Climate Change Network, taking national and county steer on our approach through the Kent Environment Strategy and other developing directives. We will monitor plans in relation to developments and changes to legislation as they happen.

- The Council are also planning to set up opportunities in the coming months to engage with the public on our proposed activities.
- The reference in the question to plans at the port is understood to be in relation to the berth 4/5 replacement project.
- The existing aggregate berth (Berth 4/5) at the Port of Ramsgate is at the end of its operational life. There is no viable option to refurbish or continue to maintain the existing berth.
- A long term contractual commitment with a customer exists such that the Council must maintain an operational berth or risk the consequences of breaching the contract agreement. A project has therefore been developed to replace the berth.
- It is also worth mentioning that the requirement for an Environmental Impact Assessment as part of the marine licencing process was screened out by the Marine Management Organisation.

(e) **Question no5 - Community Woodland**

Ms McKenzie asked Councillor Everitt the following question:

"The 2006 Adopted Local plan set aside an area of land, roughly 21.7 hectares, behind Twenties Cottages on Shottendane Road extending to Hartsdown Road Margate for Community Woodland. Why has this land now been designated for housing with no planting having taken place in the subsequent 14 years?"

Councillor Everitt responded with the following points:

- The site proposed for a Community Woodland in the 2006 Plan is situated to the north of the housing site allocated in the new Local Plan; it is not the same site.
- Prior to the 2006 Plan, there was a detailed project developed for planting of the Community Woodland. However, during the process of developing the scheme, the Woodland Grant Scheme was amended such that the project was not eligible for funding. As a result, the project was not progressed at the time. The site was put into the Local Plan as a potential project to be supported.

(f) **Question no6 - Ramsgate Port Berth 4/5**

Ms Austin asked Councillor Everitt the following question:

"I understand Ramsgate Port berths 4/5, currently processing 400 tonnes of aggregate per hour, are to be replaced with a 3000 tonnes-per-hour facility.

Could you please explain why this is needed, what impact it will have on the neighbouring SSSI, and why this has been characterised as a like-for-like replacement?"

Councillor Everitt responded with the following points:

- The berth is not currently processing 400 tonnes of aggregate per hour, vessel arrivals on the berth occur approximately fortnightly. In 2019 an average of 125 tonnes per day was discharged via the berth. The purpose of the berth is to transfer aggregate from a vessel to the shore, it does not have any aggregate processing ability.
- The existing conveyor on the berth has the capability of transferring 400 tonnes of aggregate per hour whilst unloading a vessel. The performance specification for the replacement berth requires that it has the capability of safely accommodating the loads from a 3,000 tonne per hour conveyor. A higher capacity conveyor allows vessels to be unloaded faster but this does not in itself mean that the tonnage of aggregate handled will increase.
- The council is not currently aware of any plans by its customer Brett Aggregates to increase the volume of aggregate discharged via the berth following completion of the project.

- The replacement option chosen is the most economical option for the 30 year service life of the berth. It will be able to accommodate slightly larger vessels but the Council is not aware of any current proposals to bring larger vessels and this is about making the berth viable over its service life as new vessels come into service. The berth has not been designed as an upgrade.
- The opinion of the Marine Management Organisation is that the proposed project is screened out of requiring an Environmental Impact Assessment. This provides an indication of the low level of environmental risk posed by the proposal.

### 7. QUESTIONS FROM MEMBERS OF THE COUNCIL

#### (a) Question no1 - Pontoons in Ramsgate Harbour

Councillor Wing asked Councillor Everitt the following question:

“Will 1 of the 2 BAM Nuttall pontoons presently mooring in Ramsgate's Royal Harbour be used to replace Berth 4/5?”

Councillor Everitt responded that:

- A contract has been awarded to the contractor BAM Nuttall Ltd for the replacement of the berth. The project will involve the reuse of one of the two pontoons that are currently moored in the Royal Harbour at Ramsgate.

Councillor Wing followed up her question by asking that given TDC has been locked in to a lease agreement which does not end until 2054 with Brett's Aggregate, and according to the lease agreement of 2009 suggesting the rent they pay is less than £20k a year, it will take many years for the estimated £1.4m of Council taxpayer's money to be recuperated. How was this spend justified, given that Brett's did not ask for the replacement and the last engineer's report of 2015/16 did not recommend a replacement?

Councillor Everitt responded that

- The Council had a contractual commitment to provide a berth for unloading the aggregate. Calculating the profit against the cost is not relevant as the Council was in a contractual agreement. If the council wished to cancel the contract, it would have to pay significant sums to extract itself.
- The berth had to be replaced, because it was not fit for purpose. It was not suitable to use because of health and safety risks in bad weather.
- It had to be replaced and it can't be replaced like for like. That process has been tendered, BAM Nuttall won the contract and the Council would be replacing the berth before the winter weather sets in.
- If this task was not completed before the winter weather arrived, a financial risk will be posed to the council as a result of the contract.
- It was contractual commitment made by the Council many years ago which must be adhered to.

#### (b) Question no2 - Anti-Social Behaviour

Councillor Bailey asked Councillor Duckworth the following question:

“Ongoing Anti Social Behaviour on the beaches late at night includes vandalising beach huts and using the wood and private property to build fires. How can TDC work with Your Leisure, and the police, to increase security and enforcement, perhaps ring fencing some of the rent to pay for CCTV?”

Councillor Duckworth responded that:

- Your Leisure manage the beach huts and provide security on Fridays, Saturdays and Sundays. They commence patrols at 8.30pm and finish patrols around 2am.
- We are not aware of any incidents of vandalism to beach huts that have been reported to the Council this season. Your Leisure are aware of one incident.
- In order to determine the most appropriate and effective action to take we do need incidents to be reported in detail, with information on the location where the anti-social behaviour is happening. This will enable us to work together with Your Leisure and other agencies to resolve persistent problems.

Councillor Bailey followed up her question by asking if the mobile CCTV cameras that TDC use could be utilised on the summer months along the proms and beaches?

Councillor Duckworth responded that there are some CCTV cameras used, but lots of people had requested these. It is something the Council can look at providing, but resources may be limited.

(c) **Question no3 - Re-Examination of Temporary Traveller Sites**

Councillor Roper asked Councillor Everitt the following question:

"TDC has a legal obligation to provide "Temporary Tolerated Sites" for Travellers. Sites at Potten Street and Shottendane Road are being put forward to Cabinet, but Potten Street in particular has strong local objections. In addition having only two sites could cause problems. Could the whole process now be re-examined?"

Councillor Everitt responded that yes, there is a published report going to Cabinet on the 17th where this will be addressed.

Councillor Roper followed up his question by noting that he recently found out that the process is beginning again, and that the decision to use those two sites has been undone, and asked if land owners in the area could be asked if they have more suitable sites that they could make available, for example Manston Airport?

Councillor Everitt responded that the report going to Cabinet will discuss this. It will be put through the Local Plan review process, which is a formal process, which will involve a call for sites. It will also involve a much more structured and comprehensive consultation process as this was a previous concern, that the previous call was not subject to a thorough consultation process, which was partly due to Covid and partly due to the nature of the sites. The reassurance the members of the public will get from a proper process put through the Local Plan review will be worthwhile. The Council will certainly be looking at what other land is available for this purpose.

(d) **Question no4 - Temporary Traveller Sites**

Councillor Pugh asked Councillor Everitt the following question:

"As traveller incursions continue to rise across Thanet, not least in my own ward, what measures is this Council taking to secure temporary sites to tackle this issue?"

Councillor Everitt responded that once again, there is a published report going to Cabinet on the 17th where this will be addressed.

Councillor Pugh followed up his question by asking: considering the call for sites will be potentially incorporated into a review of the Local Plan, can we be assured that any review will be wide reaching and with greater consultation with residents across Thanet?

Councillor Everitt responded that the nature of the Local Plan Review is that it involves a much wider consultation, so that will certainly be happening.

(e) **Question no5 - Beach Lifts in Ramsgate and Broadstairs**

Councillor Rawf asked Councillor Whitehead the following question:

"This summer elderly and disabled residents and visitors were excluded from the beaches in Broadstairs and Ramsgate. Can the council explain why they have not fixed the lifts in both towns? The council has promised to prioritise the needs of the disabled so why break that promise?"

Councillor Duckworth responded that:

- There is disability access to Ramsgate Main Sands via Harbour Parade and to the other end of the beach and car parking includes designated disabled bays along Marina Esplanade.
- There is also disability access via the Pavilion Gardens onto the boardwalk at Viking Bay. However, we have now extended the matting to join onto the boardwalk providing additional access straight off Harbour Street and parking is available in the Harbour car park including disabled bays.
- Due to the restrictions imposed by the Government in response to the Covid-19 emergency both lifts had to be closed, although the appropriate annual maintenance has still been undertaken. When the restrictions in terms of lockdown were eased there was still the issue for TDC with achieving the legal requirements for social distancing especially in confined spaces such as lift.
- The decision was made to keep both lifts closed, but we were approached by a residents group in Broadstairs to look at the option of opening the lift. The first issue has been the availability of specialist contractors to repair the lift so it could be fully operational, this has caused the longest delay due to the lack of available parts and the fact that lots of manufacturing companies are still on furlough.
- The second issue has been how the lift could be operated safely and comply with the social distancing requirements, our preferred solution is to have the lift manned at all times, reduce the operating hours, increase cleaning, ensure only those who need it get access, that they are from the same family and wear face coverings.
- TDC does not have the resources to fulfill this requirement and discussions are still ongoing with the residents group.
- Due to both these issues not yet being resolved the lift remains closed.

Councillor Rawf followed up his question by asking can the Council reassure myself and the residents of Thanet that the Council will use the winter period to service and make sure the lifts are ready to be used again in the summer?

Councillor Duckworth responded that the annual maintenance and servicing went ahead, and there is no reason for it to not go ahead next year, but the issue will be watched and Councillor Duckworth will contact Councillor Rawf if there are any issues.

(f) **Question no6 - Anti-Social Behaviour at Dane Park**

Councillor Taylor asked Councillor Albon the following question:

"Councillor Whitehead, you and I have spoken frequently regarding measures that we can take to ensure that Dane Park areas are safe and welcoming as possible. I know we would like to fully discuss our approaches to this, so can you outline current measures and plans?"

As Councillor Whitehead was not present, Councillor Albon responded that:

- The community safety team are working with the parks and open spaces team to try and resolve some of the issues that have been raised with councillors with

regard to Dane Park and Dane Valley as they have both been subjected to unauthorised encampments and anti-social behaviour recently.

- It is extremely important that residents report incidents of assault to Kent Police, without reports they are unable to act.
- Community Safety Unit are aware of the anti-social behaviour issues around Dane Park and Dane Valley along with recent traveller incursions. The Community Safety Unit works alongside Kent Police and the Margate Task Force to increase community assurance and act in a multi agency approach to the specific concerns raised.
- The CSU are aware that the community needs and aspirations are part of the scoping exercise for the Thanet Community Safety Partnership.
- Also, Councillor Albon has agreed to meet with ward councillors and residents at Dane Park next week to listen to their concerns and to see what can be done.

Councillor Taylor did not have a supplementary question.

### 8. **NOTICE OF MOTION**

#### (a) **Motion: Park Avenue Woodland - Broadstairs**

It was proposed by Councillor Garner and seconded by Councillor Bailey that:

“To consider a notice of motion to require the owner of the area of woodland off Park Avenue - East of Park Wood Close-, Broadstairs (Land Registry Ref K61934), to replant any trees covered by tree protection orders within that area following the recent heavy felling and to reaffirm its current view that the area should remain as open space/woodland.”

Members chose to debate the motion.

No recorded vote took place as Council was unanimous in its decision to pass the motion to Cabinet to be resolved.

Therefore, the motion was carried.

Councillor Pugh left the meeting prior to this item.

### 9. **LEADERS REPORT**

The Leader informed Council that the Leaders report had been circulated to Members and published on the Council's website the report has been attached as an annex to these minutes.

- It commended the generally strong beach management strategy and communication during what was a busy summer, particularly tackling an increase in litter and anti-social behaviour.
- It noted that Thanet Parkway Station had been given the go-ahead, supported by the Kent and Medway economic partnership and our neighbouring district councils.
- It acknowledged that while the Labour group may not agree with the decision, since the DCO for Manston Airport has been granted, the Council will be engaging constructively with the owners in the wider public interest.
- The two depots at Manston Road and Dane Park, where some of the most visible Council staff work, will not be forgotten when it comes to any changes to the working environment for Council staff after Covid.
- Covid has placed the Council's finances in a precarious position, especially in the longer term rather than the immediate future.

- Some of the information leaked prior to this Council meeting is subjective and may be inaccurate and cannot be wholly understood by the public in terms of its context or validity.
- This has resulted in the calling of a peer review which will help to fully understand issues and highlight aspects that are positive and should be built on.
- Members from across the Council have been working together much more constructively and effectively in the last year than was the case during the last peer review.
- Ultimately, this Council is here to serve the people of Thanet to the best of its ability within the resources that are available and will welcome praise and criticism in order to continuously improve.

Councillor Game as Leader of the Conservative Party made the following points:

- Agreed that sharing the Leaders report online is a positive way to progress.
- The Conservative group supports Thanet Parkway station and the £2m invested by the Council will be used to support local economic growth. Considering the scheme will cost £34m, and KCC are putting in £5.8m, this Council is putting in a relatively small contribution.
- Further bidding may mean a reduction to the contribution being made by KCC, but we must question whether our contribution will also be reduced.
- The granting of the DCO at Manston is positive for the District and the Leader has a duty to work constructively with owners despite differences in views. Manston will only be used as a lorry park for Brexit as a last resort, as the government have invested in a contraflow system and 27 acre site along the M20 for Operation Brock.
- The peer review will be examining the culture of the organisation, but it is governance that is the issue. The Conservative group encourages discussion around the scope of the review, aiming for a wide-reaching cross-party examination of the governance of TDC.

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

- Thanet parkway certainly is good news; both parties across Kent have worked together to boost the local economy through this project and can collectively look forward to the delivery of the station.
- How much TDC will get back will depend on the Conservative leader of KCC, with whom TDC has been having constructive conversations
- In regards to Manston Airport, the Leader recognises the need to engage with the situation as it is rather than trying to overturn things that are already in place. There are no guarantees about the site not being used as a lorry park.
- Members are able to voice their concerns regarding the peer review at the upcoming Members Briefing but this process must be done correctly. It is vital to have the governance of this organisation examined to prove that everything is in order.

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

- Approved of publishing the report prior to the meeting for all to access.
- Agreed that council departments are functioning well in the circumstances. Those who worked hard on the beaches to provide an environment that locals and visitors want to come to should be praised, despite the beaches not always being treated with respect.
- Noted Councillor Whitehead had been doing an outstanding job working with the housing team in what has been challenging circumstances
- Praised Democratic Services, who have been nominated for the ADSO Team of the Year award.

- Believed that since the council departments are working well, a peer review is not necessary. Previously the behaviour was toxic; this review could undo recent progress and create distrust.
- A concentrated approach focusing on the issues would be far more appropriate.

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

- Agreed that the staff working hard on the beaches deserve our respect.
- Litter continues to be a big issue and this council wants to improve its enforcement powers by changing current bylaws into a public space protection order.
- Concurred that Councillor Whitehead is an outstanding Councillor, and hoped to welcome her back soon.
- The peer review could not have been brought to the attention of Members sooner, because the LGA had not decided on what action to take.
- Since the serious allegations of bullying and harassment have been reproduced in the press, Members need to have confidence that that is not an accurate characterisation of the Council as a whole, and Council Members and Officers need to be able to tell an independent authority the truth.

Councillor Garner as Leader the Green Party made the following points:

- Shared agreement with Councillors Game and Piper regarding how the report is delivered to the group leaders and wider members of the public.
- Commended the departments who have worked hard to continue delivering services to residents. Also agreed with the Leader that improvement to the operations facilities is a high priority.
- Noted that it was good to listen to residents concerns about trees in this Council meeting
- The Green's viewpoint on Thanet Parkway station had not changed; £34m will lead to loss of greenfield sites, countless mature trees and disrupt Cliffsend.
- Noted that the huge reduction in air travel as a result of Covid leads the group to remain opposed to the DCO and to support the judicial review of the decision.
- Pleased to hear the Leader keeping Members up-to-date regarding the serious issues raised in the article published in the Municipal Journal as a result of the leaked letter. These allegations need to be properly addressed through the correct channels. TDC must become more transparent and this should be a priority in any investigation. No Council that is operating properly should have anything to fear from sharing information and allowing external bodies to scrutinise its work.

The Leader replied to Councillor Garner's comments noting that:

- Councillors should be encouraged to visit the operations sites where some of the most important staff work exceptionally hard to deliver services. The improvement of the conditions of these sites needs to be a priority for this council post-covid.
- Disagreed with the Green Party's viewpoint on Thanet Parkway station. £26m will be spent in the district and would not come in for any other project. It is not about journey times, and it will be successful.
- There is opportunity for a great deal of development in Thanet which will require growth and change. Having a station on that point on the line will improve access.
- Agreed with the need for transparency and to continue to discuss the peer review.

### **10. REPORT OF THE CHAIRMAN OF THE OVERVIEW AND SCRUTINY PANEL TO COUNCIL**

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

- Members have actively engaged in identifying items for future scrutiny. These were ranked using a matrix made by Democratic Services.
- The panel will work through this list.
- The Memorial Working Party has now been set up, specifically for Members to discuss the 'Uncle Mack' plaque in Broadstairs.

Members noted the report.

### **11. BUDGET MONITORING REPORT NO.1, 2020-21**

After the Cabinet Member for Finance, Administration and Community Wealth Building presented his report, it was proposed by Councillor Yates and seconded by Councillor Albon and Members agreed by recorded vote the recommendations detailed in the report, namely that Council approves:

- (i) The General Fund revenue budget 2020-21 forecast position.
- (ii) The General Fund Capital Programme 2020-21 forecast position.
- (iii) The proposals to fund the budget gap created by Covid-19.

A recorded vote took place on this item due to the nature of the meeting being completely virtual.

The Monitoring Officer conducted a recorded vote on the motion as follows:

47 Members voted in favour of the motion: Councillors Albon, Ara, Ashbee, Bailey, Bambridge, J Bayford, R Bayford, Boyd, Campbell, Coleman-Cooke, Crittenden, Currie, Day, Dexter, Duckworth, Everitt, Farrance, Fellows, Game, Garner, Green, Gregory, Hart, Hopkinson, Huxley, Keen, Pat Moore, Ovenden, L Piper, Rev. S Piper, Rattigan, Rawf, Rogers, Roper, Rusiecki, D Saunders, M Saunders, Savage, Scobie, Scott, Shrubbs, Taylor, Towing, Tomlinson, Wing, Wright and Yates.

No members voted against or abstained from this motion.

The motion was carried.

### **12. REVISED HRA BUDGET AND MONITORING 2020-21 AND HRA PROVISIONAL OUTTURN 2019-20**

After the Cabinet Member for Finance, Administration and Community Wealth Building presented his report, it was proposed by Councillor Yates and seconded by Councillor Albon and Members agreed by recorded vote the recommendations detailed in the report, namely that Council approves:

1. To note the HRA 2020-21 budget monitoring position;
2. To approve the revised HRA budget estimates for 2020-21;
3. To approve the revised Housing Revenue Account capital programmes (Annex 1) for 2020-21;
4. To note the Section 151 Officer's Assurance Statement as set out in section 10 of this report;
5. To note the 2019-20 HRA Provisional Outturn position and capital programme outturn (Annex 2).

A recorded vote took place on this item due to the nature of the meeting being completely virtual.

The Monitoring Officer conducted a recorded vote on the motion as follows:

47 Members voted in favour of the motion: Councillors Albon, Ara, Ashbee, Bailey, Bambridge, J Bayford, R Bayford, Boyd, Campbell, Coleman-Cooke, Crittenden, Currie, Day, Dexter, Duckworth, Everitt, Farrance, Fellows, Game, Garner, Green, Gregory, Hart, Hopkinson, Huxley, Keen, Pat Moore, Ovenden, L Piper, Rev. S Piper, Rattigan,

Rawf, Rogers, Roper, Rusiecki, D Saunders, M Saunders, Savage, Scobie, Scott, Shrubbs, Taylor, Towing, Tomlinson, Wing, Wright and Yates.

No members voted against or abstained from this motion.

The motion was carried.

### **13. REPORT REGARDING URGENT ACTIONS UNDER COUNCIL PROCEDURE RULE 28**

It was proposed by the Chairman, Seconded by the Vice-Chairman and Members agreed to the recommendations outlined in the report, namely:

Council notes the urgent actions taken under Rule 28 of the Council Procedure Rules.

There were no objections to these recommendations, deemed as temporary measures, and it was agreed by all Members.

### **14. APPOINTMENT OF INDEPENDENT MEMBERS OF THE STANDARDS COMMITTEE**

It was proposed by the Chairman, Seconded by the Vice-Chairman and Members agreed:

That Mr Lee Wellbrook and Mr Peter Lorenzo are appointed as Independent Members of the Standards Committee for a term expiring at the Annual Meeting of Council 2023.

There were no objections to these recommendations and it was agreed by all Members.

### **15. CHANGES TO COMMITTEES, PANELS AND BOARDS**

The Leader proposed, Councillor Campbell seconded and Members agreed option one as detailed at paragraph 4.3.1 of the report, namely:

“That a seat is removed from the Labour Group on the Planning Committee and the Labour Group need to remove a nomination from that Committee. That a seat is given to the Conservative Group on the Planning Committee and the Conservative Group need to make a new nomination to that Committee”

Subsequently, the Leader advised of the removal of Councillor Pat Moore from the Planning Committee and Councillor Game nominated Councillor Rattigan to the Planning Committee. No changes were received from Councillor Rev. S Piper or Councillor Garner.

Meeting concluded: 6.55pm



## **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](#).

## PETITION REGARDING UNCLE MACK PLAQUE

<b>Council</b>	<b>15 October 2020</b>
<b>Report Author</b>	<b>Nick Hughes, Committee Services Manager</b>
<b>Portfolio Holder</b>	<b>Councillor Rick Everitt, Leader of the Council</b>
<b>Status</b>	<b>For information</b>
<b>Classification:</b>	<b>Unrestricted</b>
<b>Key Decision</b>	<b>No</b>

### **Executive Summary:**

An ePetition containing 281 valid signatures was received by the Council requesting that Thanet District Council preserve the plaque commemorating James Summerson, known as Uncle Mack.

This report sets out how the Council deals with petitions of this size; it explains that the petition organiser will present the petition to the meeting and sets out the next steps as to how the Council will deal with the petition.

### **Recommendation(s):**

Under the Council's petitions scheme, Council is required to refer the petition to Cabinet without debate for report back to Council.

### **Corporate Implications**

#### **Financial and Value for Money**

There are no identified financial implications from this report.

#### **Legal**

This matter is dealt with under the Council's scheme for dealing with petitions from the public which is contained within the constitution.

#### **Corporate**

In accordance with the Council's petition scheme if a petition has over 25, but less than 650, signatories, it will be referred to Cabinet or an appropriate committee without debate for report to Council within three ordinary meetings. In regards to a paper and ePetition running simultaneously, the number of signatories to both petitions is reported separately but within

the same report. The Council will take a course of action based on the largest threshold met by either petition.

## **Equality 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 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.

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.

There are no specific equalities issues arising from this report.

However 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.

## **Corporate Priorities**

This report relates to the following corporate priorities: -

- *Communities*

### **1.0 Introduction and Background**

1.1 Under the terms of the Council's petitions scheme, members of the public may present petitions at ordinary meetings of Council; and if a petition has over 25, but less than 650, signatories, it will be referred to Cabinet or an appropriate committee without debate for report to Council within three ordinary meetings.

### **2.0 The Current Situation**

2.1 An ePetition organised by Mr Perkins has been validly signed by 281 people. The petition prayer reads:

"We the undersigned petition the council to preserve and not remove the plaque next to Viking Bay memorializing James Summerson (also known as Uncle Mack).

2.2 The petition organiser is entitled to present their petition to Council, and in accordance with the Council's petition scheme has three minutes to present the petition.

2.3 Mr Perkins is expected to present the ePetition to Council.

## **3.0 Next Steps**

- 3.1 Under the Council's petitions scheme, Council is required to refer the petition to Cabinet for report back to Council within three ordinary meetings.

Contact Officer: Nick Hughes, Committee Services Manager

Reporting to: Tim Howes, Director of Corporate Governance and Monitoring Officer

### **Annex List**

There are no Annexes with this report.

### **Background Papers**

There are no Background Papers with this report.

### **Corporate Consultation**

**Finance:** Chris Blundell, Director of Financial Services

**Legal:** Tim Howes, Director of Corporate Governance and Monitoring Officer

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## **PETITION REGARDING DOG RESTRICTIONS ON THANET BEACHES**

<b>Council</b>	<b>15 October 2020</b>
<b>Report Author</b>	<b>Nick Hughes, Committee Services Manager</b>
<b>Portfolio Holder</b>	<b>Cabinet Member for Operational Services</b>
<b>Status</b>	<b>For information</b>
<b>Classification:</b>	<b>Unrestricted</b>
<b>Key Decision</b>	<b>No</b>

### **Executive Summary:**

An ePetition containing 27 valid signatures was received by the Council requesting that Thanet District Council immediately reverses its decision to continue to restrict dog walking on Thanet Beaches for one month.

The report is for information only and is to inform the Council of the result of the Cabinet meeting on 17 September 2020.

### **Recommendation(s):**

To note the report.

### **Corporate Implications**

#### **Financial and Value for Money**

There are no identified financial implications from this report.

#### **Legal**

This matter is dealt with under the Council's scheme for dealing with petitions from the public which is contained within the constitution.

#### **Corporate**

In accordance with the Council's petition scheme if a petition has over 25, but less than 650, signatories, it will be referred to Cabinet or an appropriate committee without debate for report to Council within three ordinary meetings. In regards to a paper and ePetition running simultaneously, the number of signatories to both petitions is reported separately but within the same report. The Council will take a course of action based on the largest threshold met by either petition.

## **Equality 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 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.

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.

There are no specific equalities issues arising from this report.

However 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.

## **Corporate Priorities**

This report relates to the following corporate priorities: -

- *Communities*

### **1.0 Introduction and Background**

1.1 This report informs the Council of the result of the Cabinet meeting held on 17 September 2020.

### **2.0 The Current Situation**

2.1 An ePetition organised by Ms Denereaz has been validly signed by 27 people. The petition prayer and justification reads:

“We the undersigned petition the council to Postpone the regular dog walking restrictions on Thanet beaches for a month. With social distancing still in place, we are extremely lucky to have the beaches as an extra space to walk our dogs whilst keeping our distance. It seems extremely short sighted that, when other councils have lifted restrictions TDC have decided not to. Walking on the beach is an ideal way to keep the space between yourself and others. We will not have day trippers, visitors or holiday makers. The beaches will not be any busier than they are at the moment. We urge TDC to reconsider their decision.”

2.2 The petition was considered at the full Council meeting on 9 July 2020. It was referred to the meeting of Cabinet on 17 September 2020 for decision in accordance with the Council's petition scheme.

2.3 Cabinet agreed not to change the current Dog Control Public Space Protection Order.

Contact Officer: Nick Hughes, Committee Services Manager

Reporting to: Tim Howes, Director of Corporate Governance and Monitoring Officer

## **Annex List**

There are no Annexes with this report.

## **Background Papers**

There are no Background Papers with this report.

## **Corporate Consultation**

**Finance:** Chris Blundell, Director of Financial Services

**Legal:** Tim Howes, Director of Corporate Governance and Monitoring Officer

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## QUESTIONS FROM THE PRESS AND PUBLIC

<b>Council</b>	<b>15 October 2020</b>
<b>Report Author</b>	<b>Committee Services Manager</b>
<b>Portfolio Holder</b>	<b>Cabinet Member for Housing and Community Services</b>
<b>Classification:</b>	<b>Unrestricted</b>
<b>Key Decision</b>	<b>No</b>

### **Executive Summary:**

The Leader and Cabinet Members will receive questions from the press and public in accordance with Council Procedure Rule 13.

### **Recommendation(s):**

This report is for information.

### **Corporate Implications**

#### **Financial and Value for Money**

There are no identified financial implications from this report.

#### **Legal**

There are no legal implications directly from this report.

#### **Corporate**

Council Procedure Rule 13 affords members of the public the opportunity to ask questions of Members of the Cabinet at ordinary meetings of the Council.

#### **Equality 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 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.

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.

There are no specific equality issues arising from this report.

## Corporate Priorities

This report relates to the following corporate priorities: -

- *Communities*

### 1.0 Introduction and Background

- 1.1 Council Procedure Rule 13 enables members of the public may ask questions of members of the Cabinet at ordinary meetings of the Council.
- 1.2 Any questions received in accordance with the Council's constitution will be available to view on the Council website:  
<https://www.thanet.gov.uk/info-pages/speaking-at-council-meetings/>
- 1.3 Under Council Procedure Rule 13.6, the Chairman will invite the questioner to put their question to the Member named in the notice. If the questioner is not present, the question shall not be put and shall be answered in writing.
- 1.4 Under Council Procedure Rule 13.7, if the Member to whom the question is directed is present they will provide an oral answer. If that Member is not present, the question will be answered by the Leader or another Member nominated by the Leader for the purpose unless it is inappropriate for the Leader to give an oral answer or to nominate another Member to give an oral answer, in which case the question will be dealt with by a written answer.
- 1.5 The total time devoted to questions from the press and public shall not exceed 30 minutes. Any question which cannot be dealt with during that time will be replied to in writing.

Contact Officer: Nick Hughes, Committee Services Manager

Reporting to: Tim Howes, Director of Corporate Governance and Monitoring Officer

### Annex List

There are no Annexes with this report.

### Background Papers

There are no Background Papers with this report.

### Corporate Consultation

**Finance:** Matt Sanham, Corporate Finance Manager

**Legal:** Tim Howes, Director of Corporate Governance and Monitoring Officer

## QUESTIONS FROM THE MEMBERS OF THE COUNCIL

<b>Council</b>	<b>15 October 2020</b>
<b>Report Author</b>	<b>Committee Services Manager</b>
<b>Portfolio Holder</b>	<b>Cabinet Member for Housing and Community Services</b>
<b>Classification:</b>	<b>Unrestricted</b>
<b>Key Decision</b>	<b>No</b>

### **Executive Summary:**

The Leader, Cabinet Members and Chairman of any Committee or Sub-Committee will receive questions from Members of the Council in accordance with Council Procedure Rule 14.

### **Recommendation(s):**

This report is for information.

### **Corporate Implications**

#### **Financial and Value for Money**

There are no identified financial implications from this report.

#### **Legal**

There are no legal implications directly from this report.

#### **Corporate**

Council Procedure Rule 14.3 affords Members of the Council the opportunity to ask questions of Members of the Cabinet at ordinary meetings of the Council.

#### **Equality 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 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.

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.

There are no specific equality issues arising from this report.

## Corporate Priorities

This report relates to the following corporate priorities: -

- *Communities*

### 1.0 Introduction and Background

1.1 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.

1.2 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.

1.3 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.

1.4 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)

1.5 The total time devoted to questions from Members of the Council shall not exceed 30 minutes. Any question which cannot be dealt with during that time will be replied to in writing.

1.6 Any questions received in accordance with the Council's constitution will be available to view on the Council's website:

<https://www.thanet.gov.uk/info-pages/speaking-at-council-meetings/>

Contact Officer: Nick Hughes, Committee Services Manager

Reporting to: Tim Howes, Director of Corporate Governance and Monitoring Officer

## **Annex List**

There are no Annexes with this report.

## **Background Papers**

There are no Background Papers with this report.

## **Corporate Consultation**

**Finance:** Chris Blundell, Director of Financial Services

**Legal:** Tim Howes, Director of Corporate Governance and Monitoring Officer

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## LEADER'S REPORT TO COUNCIL

<b>Council</b>	<b>15 October 2020</b>
<b>Report Author</b>	<b>Nick Hughes, Committee Services Manager</b>
<b>Portfolio Holder</b>	<b>The Leader</b>
<b>Status</b>	<b>For Information</b>
<b>Classification:</b>	<b>Unrestricted</b>
<b>Key Decision</b>	<b>No</b>

### **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 identified financial implications from this report.

#### **Legal**

There are no legal implications directly from this report.

#### **Corporate**

The Leaders report helps to contribute to the promoting open communications corporate value.

#### **Equality 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 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.

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.

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.

## **CORPORATE PRIORITIES**

This report relates to the following corporate priorities: -

- Growth
- Environmental
- Communities

### **1.0 Introduction and Background**

#### **1.1 Council Procedure Rule 2.4 provides that:**

“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.

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.

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.

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.

No motions may be moved nor resolutions passed under this item.”

Contact Officer: Nick Hughes, Committee Services Manager

Reporting to: Tim Howes, Director of Corporate Governance and Monitoring Officer

#### **Annex List**

There are no Annexes with this report.

#### **Background Papers**

There are no Background Papers with this report.

#### **Corporate Consultation**

**Finance:** Chris Blundell, Director of Financial Services

**Legal:** Tim Howes, Director of Corporate Governance and Monitoring Officer

## Overview & Scrutiny Panel Chairman's Report to Council

<b>Council</b>	15 October 2020
<b>Report Author</b>	Senior Democratic Services Officer
<b>Status</b>	For Information
<b>Classification:</b>	Unrestricted
<b>Key Decision</b>	No
<b>Reasons for Key</b>	N/A
<b>Ward:</b>	Thanet Wide

### Executive Summary:

This report highlights 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):

Members are to 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

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.

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.

## **Equality 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 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.

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.

This report relates to the following aim of the equality duty: -

1. To eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act.
2. To advance equality of opportunity between people who share a protected characteristic and people who do not share it
3. To foster good relations between people who share a protected characteristic and people who do not share it.

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.

It is important to be aware of the Council's responsibility under the Public Sector Equality Duty (PSED) and show evidence that due consideration has been given to the equalities impact that may be brought upon communities by the decisions made by Council.

## **Corporate Priorities**

This report relates to Communities.

### **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 the 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 9 September 2020. The Panel has not met since the last Council meeting, as they are due to meet on 27

October. There is therefore no new information on Panel activities to report to this Full Council meeting.

- 1.5 The work programme for 2020/21 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.
- 1.6 Members may also wish to reflect and comment on the content in Annex 2 which provides an opportunity to review and keep track of the spread of the scrutiny review work, particularly between pre and post decision scrutiny activities.
- 1.7 Annex 3 is a summary of the prioritised scrutiny review topics for 20/21. This work is not necessarily confined to this municipal year, but could well be taken into subsequent years if the priority order remains generally the same for the Panel.

## **2.0 Panel Recommendations to Cabinet - Implementation Monitoring**

The Panel keeps a watching brief on all the issues in this section, until the executive decisions are fully implemented.

### **Proposal for the disposal of the Dreamland freehold**

- 2.1 The Panel called-in a Cabinet decision regarding the Dreamland freehold and recommended the following back to Cabinet:
    1. That Cabinet seeks three independent valuations for the Dreamland site before an agreement is reached with a buyer, and;
    2. Cabinet requests an 18 year housing development restriction in the agreement instead of the proposed 10 years.
  - 2.2 In response Cabinet agreed the following:
    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.
    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.
  - 2.3 The Panel is maintaining a watching brief on this matter as the negotiations progress.
- ### **Adoption of a new Housing Assistance Policy**
- 2.4 At the July 2019 meeting, the Panel considered a report on the "Adoption of a new Housing Assistance Policy" and recommended to Cabinet that Council writes to Kent County Council requesting that "KCC ring-fenced the £405k (Top sliced/payment to KCC projected for 2019/20) for use by Thanet residents".

- 2.5 Cabinet forwarded the request to KCC via a letter sent to KCC by the Cabinet Member for Housing and Safer Neighbourhoods on 12 August 2019. The Panel is awaiting a response from KCC.

### **Travellers Review Recommendation**

- 2.6 After a scrutiny review conducted by a working group, the Panel recommended to Cabinet that “further work be undertaken including extensive public consultation to assess the feasibility and cost implications of establishing temporary tolerated sites in the district.”
- 2.7 Having considered the Overview and Scrutiny Panel recommendations on 16 December 2019, Cabinet agreed to the following:

“That further work was undertaken to assess the feasibility and cost implications of three temporary tolerated sites in the District, at Potten Street, St Nicholas at Wade, Tivoli Brooks and Ramsgate Port, with a view to using them on a rotational basis”. Members are maintaining a watching brief on the issue.

### **Council Budget Setting 2020/21**

- 2.8 Members reviewed the 2020/21 Council budget proposals forwarded to the Panel by Cabinet and engaged the Cabinet Member for Financial Services in discussion at the January meeting.
- 2.9 After some debate, Members made the following recommendation to Cabinet to consider before submitting the budget proposals to Full Council for final decision:
- “that Cabinet considers identifying a resource to support coastal projects.”
- 2.10 Thereafter Cabinet recommended to Council and on 6 February 2020, Members agreed the following:
- a. That subject to funding availability, a resource be identified to support coastal projects.
- 2.11 The Panel will continue to monitor this issue to check if any progress has been made to secure the funding for coastal projects.

## **3.0 Options**

- 3.1 Members are asked to note the report.

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

### **Annex List**

Annex 1: Overview & Scrutiny Panel Work Programme for 2020/21  
Annex 2: Record of OSP Pre and Post Decision Reviews for 2020/21  
Annex 3: Scrutiny Review Scoring table

## **Background Papers**

None

## **Corporate Consultation**

**Finance:** Chris Blundell, Director of Finance

**Legal:** Tim Howes, Corporate Director of Governance & Monitoring Officer

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Overview & Scrutiny Panel Work Programme for 2020/21		
Meeting Date	Indicative Agenda Items	Issue Source
27 October 2020	Cabinet Member Presentation (TBC)	Standing Agenda Item
	Review OSP Work Programme for 2020/21	Standing Agenda Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item
24 November 2020	Cabinet Member Presentation	Standing Agenda Item
	Fees and charges 2021-22	Finance Item
	Review OSP Work Programme for 2020/21	Standing Agenda Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item
19 January 2021	Cabinet Member Presentation	Standing Agenda Item
	2021-22 Budget	Finance Item
	Review OSP Work Programme for 2020/21	Standing Agenda Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item
18 February 2021	Cabinet Member Presentation	Standing Agenda Item
	Review OSP Work Programme for 2020/21	Standing Agenda Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item
20 April 2021	Cabinet Member Presentation	Standing Agenda Item
	Review OSP Work Programme for 2020/21	Standing Agenda Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item
25 May 2021	Cabinet Member Presentation	Standing Agenda Item

	Review OSP Work Programme for 2021/22	Standing Agenda Item
	Forward Plan & Exempt Cabinet Report List	Standing Agenda Item

OSP Pre and Post Decision Reviews for 2020/21

Date of scrutiny meeting	Item	Pre-decision	Post Decision	Cabinet Presentation	Work Planning
28/05/19	Establish the Overview & Scrutiny Panel Work Programme for 2019/20				<input checked="" type="checkbox"/>
28/05/19	Corporate Performance Report Quarter 4 2018-19		<input checked="" type="checkbox"/>		
28/05/19	Forward Plan & Exempt Cabinet Report List				<input checked="" type="checkbox"/>
18/07/19	Cabinet Member Presentation - The Leader of Council - 'the development work going on and the future of the Ramsgate Port.'			<input checked="" type="checkbox"/>	
18/07/19	Adoption of a new Housing Assistance Policy	<input checked="" type="checkbox"/>			
18/07/19	Reviewing the OSP Work Programme for 2019/20				<input checked="" type="checkbox"/>
18/07/19	Forward Plan & Exempt Cabinet Report List				<input checked="" type="checkbox"/>
15/08/19	Proposal for the disposal of the Dreamland freehold		<input checked="" type="checkbox"/>		
27/08/19	Reviewing the OSP Work Programme for 2019/20				<input checked="" type="checkbox"/>
27/08/19	Corporate Statement 2019-2023	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	

27/08/19	Forward Plan & Exempt Cabinet Report List				<input checked="" type="checkbox"/>
01/10/19	East Kent Housing Q1 Performance Report for 2019/20		<input checked="" type="checkbox"/>		
01/10/19	TDC Corporate Performance Report for Q1 2019/20		<input checked="" type="checkbox"/>		
01/10/19	Call-in of Individual Cabinet Member decision-Port and Harbour Projects - Variation to 2019/20 Capital Programme		<input checked="" type="checkbox"/>		
22/10/19	Cabinet Member Presentation - Fees & Charges Proposals for 2020/21	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
22/10/19	Crime Stats for Thanet		<input checked="" type="checkbox"/>		
22/10/19	Reviewing the OSP Work Programme for 2019/20				<input checked="" type="checkbox"/>
22/10/19	Forward Plan & Exempt Cabinet Report List				<input checked="" type="checkbox"/>
19/11/19	Draft Housing Strategy 2020-2025	<input checked="" type="checkbox"/>			
19/11/19	EKH Quarterly Performance Report Q2 2019/20		<input checked="" type="checkbox"/>		
19/11/19	Corporate Performance Report Quarter 2 2019-20		<input checked="" type="checkbox"/>		
19/11/19	Review of Unauthorised Traveller Encampment in Thanet - Report back by the Traveller Review Group	<input checked="" type="checkbox"/>			

19/11/19	Review the Overview and Scrutiny Panel Work Programme for 2019/20				<input checked="" type="checkbox"/>
19/11/19	Forward Plan & Exempt Cabinet Report List				<input checked="" type="checkbox"/>
21/01/20	Medium Term Financial Strategy (MTFS) 2020-24	<input checked="" type="checkbox"/>			
21/01/20	2020-21 Budget Setting	<input checked="" type="checkbox"/>			
21/01/20	Review the Overview and Scrutiny Panel Work Programme for 2019/20				<input checked="" type="checkbox"/>
21/01/20	Forward Plan & Exempt Cabinet Report List				<input checked="" type="checkbox"/>
20/02/20	Cabinet Member Presentation - The Future of Council Housing Stock Management - An Update Report		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
20/02/20	East Kent Housing Performance Report Q3 2019/20		<input checked="" type="checkbox"/>		
20/02/20	Corporate Performance Report Quarter 3 2019-20		<input checked="" type="checkbox"/>		
20/02/20	Review the Overview and Scrutiny Panel Work Programme for 2019/20				<input checked="" type="checkbox"/>
20/02/20	Forward Plan & Exempt Cabinet Report List				<input checked="" type="checkbox"/>
26/05/20	Thanet Local Plan - Inspectors' Report (Reg 25) And Adoption (Reg 26)	<input checked="" type="checkbox"/>			

26/05/20	Review the Overview and Scrutiny Panel Work Programme for 2019/20				<input checked="" type="checkbox"/>
26/05/20	Forward Plan & Exempt Cabinet Report List				<input checked="" type="checkbox"/>
21/07/20	Cabinet Member Presentation - Beach Management Plan		<input checked="" type="checkbox"/>		
21/07/20	Procurement of Lift refurbishment Programme and External Repairs and Decorations Programme	<input checked="" type="checkbox"/>			
21/07/20	Criteria for any Review of Street and Building Names and other Monuments	<input checked="" type="checkbox"/>			
21/07/20	Call-in of an Individual Cabinet Member Decision - Memorial Plaque in Broadstairs		<input checked="" type="checkbox"/>		
21/07/20	Review the Overview and Scrutiny Panel Work Programme for 2020/21				<input checked="" type="checkbox"/>
21/07/20	Forward Plan & Exempt Cabinet Report List				<input checked="" type="checkbox"/>

**Table as at August 2020**

Title Of the Scrutiny Review	Review Type	Date added to the scoring table	Membership	Is the topic related to a priority or value within the Council's Corporate Plan?	Is the topic of high public concern?	Is the topic currently under-performing as per the Council's quarterly performance monitoring?	Will the topic result in recommendations that save that Council money or generate income?	Time on the list?	Implications for officer resource allocation	Total	Rank
<b>Private rented sector:</b> How does TDC regulate private landlords and letting agencies in Thanet?	B	14/8/20	TBC	10	10	-	10	0	10	40	=5th
<b>Empty Properties:</b> Why does Thanet have the highest number of empty properties in Kent and what approaches can be used to put these properties to use in a timely manner?	A	14/8/20	TBC	10	10	0	10	0	20	50	=3rd
<b>Planning enforcement in the district is slow:</b> Why is the planning enforcement process seemingly so slow in Thanet and how can it be made more efficient?	C	14/8/20	TBC	10	10	-	20	0	0	40	=5th
<b>Coastal waste clearance:</b> How does Thanet ensure that its coastal promenades and beaches are kept clear of rubbish and in the best condition for both residents and visitors?	B	14/8/20	TBC	10	20	20	10	0	10	70	1st
<b>Street Scene:</b> Abandoned vehicles - how can TDC speed up time taken to clear abandoned vehicles?	B	14/8/20	TBC	10	10	-	10	0	10	40	=5th
<b>Selective Licensing</b> - Is selective licensing the best way forward for the improvement of the privately rented sector Thanet and if so, could it be replicated in other areas of the district?	C	14/8/20	TBC	10	10	-	20	0	0	40	=5th
<b>Camper Vehicles being parked on the street for too long:</b> What is the impact of parked Camper vans on the Thanet roads and can this be regulated by Thanet District Council?	B	14/8/20	TBC	10	10	-	10	0	10	40	=5th
<b>Promenades</b> - safety concerns cyclists speeding and sharing the footpath: Would a dedicated cycle path (or markings) along the promenade help control bike/pedestrian placement (and cyclist speed)?	B	14/8/20	TBC	10	20	-	0	0	10	40	=5th
<b>Replacement bins for litter/dog waste:</b> What is the council's reasoning behind complete removal of damaged bins and not replacing them?	A	14/8/20	TBC	10	20	-	10	0	20	60	2nd

<b>Managing anti-social behaviour on Thanet beaches:</b> Are beach inspectors the best way to control or manage beach behaviour?	B	14/8/20	TBC	10	20	-	10	0	10	50	=3rd
<b>Weed killer usage:</b> What is the best approach for managing grass and hedges in public open spaces in the district that can be used to replace the use of weed killers?	B	14/8/20	TBC	10	10	-	10	0	10	40	=5th
<b>Water user group regulation:</b> What role does TDC have in ensuring the safety of swimmers and other water users from the behaviour of boat and jet ski users in Thanet bays?	C	14/8/20	TBC	10	20	-	0	0	0	30	=14th
<b>Rough Sleepers:</b> what are we doing about this as a long term plan of addressing the issue (post COVID-19)?	C	14/8/20	TBC	10	10	0	10	0	0	30	=14th
<b>Modern Slavery:</b> - hand car washes. Is there any intervention the council can do to address the issue of modern slavery?	C	14/8/20	TBC	10	10	-	0	0	0	20	=16th
<b>Statues and Blue Plaques:</b> What would be the best approach for managing the discussion on and review of suitability of statues and plaques in the district?	B	14/8/20	TBC	10	20	-	0	0	10	40	=5th
<b>Shellfish collection enforcement:</b> How is the collection of shellfish from Thanet beaches regulated and how can enforcement be best managed?	C	14/8/20	TBC	10	10	-	0	0	0	20	=16th

A:1 Day – 4 weeks Review: **limited officer resource allocations required** for a successful review

B:More than 4 weeks and up to 3 months – **significant officer resource allocations required** for a successful review

C:More than 3 months: **very significant officer resource allocation required** for a successful review

**ANNUAL TREASURY MANAGEMENT REVIEW 2019-20**

Council	<b>15 October 2020</b>
Report Author	<b>Tim Willis, Deputy Chief Executive and Section 151 Officer</b>
Portfolio Holder	<b>Cllr Rob Yates, Cabinet Member for Finance, Administration and Community Wealth Building</b>
Status	<b>For Decision</b>
Classification:	<b>Unrestricted</b>
Key Decision	<b>No</b>
Ward:	<b>Thanet Wide</b>

**Executive Summary:**

This report summarises treasury management activity and prudential/ treasury indicators for 2019-20. However, the council's 2019-20 accounts have not yet been audited and hence the figures in this report are subject to change.

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines treasury management as:

*“The management of the local authority’s borrowing, investments and cash flows, its banking, money market and capital market transactions;*

*the effective control of the risks associated with those activities; and*

*the pursuit of optimum performance consistent with those risks.”*

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 2019-20 year-end position for treasury activities.

Key reporting items to consider include:

- 2019-20 capital expenditure on long term assets was £17.5m (2018-19: £15.4m), against a budget of £36.3m.
- The council’s gross debt, also called the borrowing position, at 31 March 2020 was £25.0m (31 March 2019: £30.5m).
- The council’s underlying need to borrow to finance its capital expenditure, also called the Capital Financing Requirement (CFR), was £50.0m at 31 March 2020 (31 March 2019: £47.3m).
- Therefore it can be reported the council has complied with the requirement to hold less gross debt than its CFR.
- The maximum debt held by the council during 2019-20 was £30.5m, which was well within the statutory authorised limit of £103.0m

- At the 31 March 2020 the councils investment balance was £33.9m (31 March 2019: £41.7m).

**Recommendation(s):**

That council:

1. Notes the actual 2019-20 prudential and treasury indicators in this report;
2. Approves this Annual Treasury Management report for 2019-20.

<b>CORPORATE IMPLICATIONS</b>	
<b>Financial and Value for Money</b>	The financial implications are highlighted in this report.
<b>Legal</b>	Section 151 of the 1972 Local Government Act requires a suitably qualified named officer to keep control of the council's finances. For this council, this is the Deputy Chief Executive and this report is helping to carry out that function.
<b>Corporate</b>	Failure to undertake this process will impact on the council's compliance with the Treasury Management Code of Practice.
<b>Equalities Act 2010 &amp; Public Sector Equality Duty</b>	<p>There are no equity and equalities implications arising directly from this report, but the council needs to retain a strong focus and understanding on issues of diversity amongst the local community and ensure service delivery matches these.</p> <p>It is important to be aware of the council's responsibility under the Public Sector Equality Duty (PSED) and show evidence that due consideration had been given to the equalities impact that may be brought upon communities by the decisions made by council.</p>

<b>CORPORATE PRIORITIES (tick those relevant) ✓</b>	
Growth	✓
Environment	✓
Communities	✓

## 1. Introduction and Background

- 1.1. The Chartered Institute of Public Finance and Accountancy (CIPFA) defines treasury management as:

*“The management of the local authority’s borrowing, investments and cash flows, its banking, money market and capital market transactions;*

*the effective control of the risks associated with those activities; and*

*the pursuit of optimum performance consistent with those risks.”*
- 1.2. The council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the council’s low risk appetite, providing adequate liquidity initially before considering investment return.
- 1.3. The second main function of the treasury management service is the funding of the council’s capital plans. These capital plans provide a guide to the borrowing need of the council, essentially the longer-term cash flow planning, to ensure that the council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any existing debt may also be restructured to meet council risk or cost objectives.

## 2. Reporting Requirements

- 2.1. 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 2019-20. 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).
- 2.2. During 2019-20 the minimum reporting requirements were that the full council should receive the following reports:
  - an annual treasury strategy in advance of the year (council 07-02-2019):  
<https://democracy.thanet.gov.uk/documents/s62949/Annex%203%20TMSS.pdf>
  - a mid-year treasury update report (council 05-12-2019):  
<https://democracy.thanet.gov.uk/documents/s66375/Mid%20Year%20Report%20Council%202019-20.pdf>
  - an annual review following the end of the year describing the activity compared to the strategy (this report).
- 2.3. 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 2019-20 year-end position for treasury activities and highlights compliance with the council’s policies previously approved by members.

- 2.4. 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 31-10-2019 in order to support members' scrutiny role, and further training will be arranged as required. The council's external treasury management advisor is Link Asset Services (Link).
- 2.5. The council's 2019-20 accounts have not yet been audited and hence the figures in this report are subject to change

### 3. The Council's Capital Expenditure and Financing

- 3.1. 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 for the General Fund (GF) and the Housing Revenue Account (HRA) and how this was financed.

	2018-19 Actual £'000	2019-20 Budget £'000	2019-20 Provisional Actual £'000
Capital expenditure - GF	9,945	16,216	6,887
Capital expenditure - HRA	5,435	20,112	10,586
<b>Capital expenditure - Total</b>	<b>15,380</b>	<b>36,328</b>	<b>17,473</b>
<b>Financed by:</b>			
Capital receipts	3,182	8,974	2,964
Capital grants	3,517	8,377	5,954
Revenue and reserves	4,639	9,683	3,760
Borrowing	4,042	9,294	4,795
<b>Total</b>	<b>15,380</b>	<b>36,328</b>	<b>17,473</b>

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

## 4. The Council's Overall Borrowing Need

- 4.1. The council's underlying need to borrow to fund its capital expenditure is termed the Capital Financing Requirement (CFR). The CFR can be thought of as the outstanding debt that still needs to be repaid in relation to the capital assets (buildings, vehicles etc) that the council has purchased or invested in. It can also be helpful to compare it to the outstanding balance that is still payable on a loan or a mortgage, in this case we are considering how much of the council's debt still needs to be paid for.
- 4.2. **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 (borrowing undertaken with financial institutions or external organisations) does not, except in the short term, exceed the total of the CFR in the preceding year (2018-19) plus the estimates of any additional capital financing requirement for the current (2019-20) and next two financial years.
- 4.3. This essentially means that the council is only borrowing to fund capital expenditure and is not borrowing to support revenue expenditure. Under statutory requirements councils are not allowed to borrow to fund their revenue budget activities.
- 4.4. By assessing this indicator over four years it allows the council some flexibility to borrow in advance of its immediate capital needs in 2019-20. The table below highlights the Council's gross borrowing position against the CFR and shows that the council has complied with this prudential indicator, as the council's gross debt of **£25.0m** is less than the **£50.0m** CFR at 31 March 2020.

	<b>31 March 2019 Actual £'000</b>	<b>31 March 2020 Budget £'000</b>	<b>31 March 2020 Provisional Actual £'000</b>
CFR GF	26,497	28,179	25,836
CFR HRA	20,786	26,356	24,200
<b>Total CFR</b>	<b>47,283</b>	<b>54,535</b>	<b>50,036</b>
Gross borrowing position	(30,456)	(42,451)	(25,025)
Underfunding of CFR	16,827	12,084	25,011

- 4.5. **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.
- 4.6. **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.

- 4.7. The table below demonstrates that during 2019-20 the Council's maximum gross debt position was **£30.456m** and therefore it has maintained gross borrowing within its authorised limit and operational boundary.

	<b>2019-20 £000</b>
Authorised limit	103,000
Maximum gross borrowing position during the year	30,456
Operational boundary	93,000
Average gross borrowing position	27,219

- 4.8. **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.

	<b>2019-20 %</b>
Financing costs as a proportion of net revenue stream - GF	7.4%
Financing costs as a proportion of net revenue stream -HRA	4.3%

## 5. Treasury Position as at 31 March 2020

5.1. Table 1 presents the council's treasury (excluding finance leases) at the beginning and the end of 2019-20 position.

**Table 1 - Overall Treasury Position as at 31 March 2020**

	31 March 2019 Principal £'000	Rate/ Return %	Average Life Years	31 March 2020 Principal £'000	Rate/ Return %	Average Life Years
<b>Gross Debt Position</b>						
GF debt	10,416	3.22%	13.8	9,125	3.28%	14.8
HRA debt	20,040	4.03%	7.3	15,900	4.08%	8.3
<b>Total debt (all fixed rate)</b>	<b>30,456</b>	<b>3.75%</b>	<b>9.5</b>	<b>25,025</b>	<b>3.80%</b>	<b>10.7</b>
<b>CFR compared to Gross Debt</b>						
GF CFR	26,497			25,836		
HRA CFR	20,786			24,200		
<b>Total CFR</b>	<b>47,283</b>			<b>50,036</b>		
<b>Under- borrowing</b>	<b>16,827</b>			<b>25,011</b>		
<b>Net Debt / Investment</b>						
Total debt	30,456	3.75%	9.5	25,025	3.80%	10.7
Total investments	(41,673)	0.69%		(33,904)	0.79%	
<b>Net debt / (investment)</b>	<b>(11,217)</b>			<b>(8,879)</b>		

5.2. Table 1 shows that, as previously stated, gross debt was £25.025m and the CFR was £50.036m at the end of 2019-20. This means the Council is in an under borrowed position of £25.011m, as external gross debt is less than the CFR.

5.3. Table 1 also shows that the council's investments totalled £33.904m at the 2019-20 year end and therefore was in a net investment position, as investments held exceeded gross debt by £8.879m.

5.4. All of the debt is from the Public Works Loan Board (PWLB), which is a facility operated by the UK Debt Management Office on behalf of HM Treasury and provides loans to local authorities, apart from the following two GF loans (as at 31 March 2020):

- Market: £4.500m principal at 4.19% with an average life of 0.5 years.
- Salix: £22k principal at 0.00% with an average life of 1.0 year.

- 5.5. The maturity structure of the debt portfolio, or the timeline of when the council's debt is repayable, was as follows:

	<b>31 March 2019 actual £000</b>	<b>2019-20 upper limits £000</b>	<b>31 March 2020 provisional actual £000</b>
Under 1 year	9,932	12,512	5,131
1 year to under 2 years	631	12,512	4,179
2 years to under 5 years	4,772	12,512	3,080
5 years to under 10 years	2,835	12,512	2,356
10 years to under 20 years	8,366	12,512	7,359
20 years to under 30 years	1,000	12,512	1,920
30 years to under 40 years	1,920	12,512	0
40 years to under 50 years	1,000	12,512	1,000
50 years and above	0	12,512	0
<b>Total debt</b>	<b>30,456</b>		<b>25,025</b>

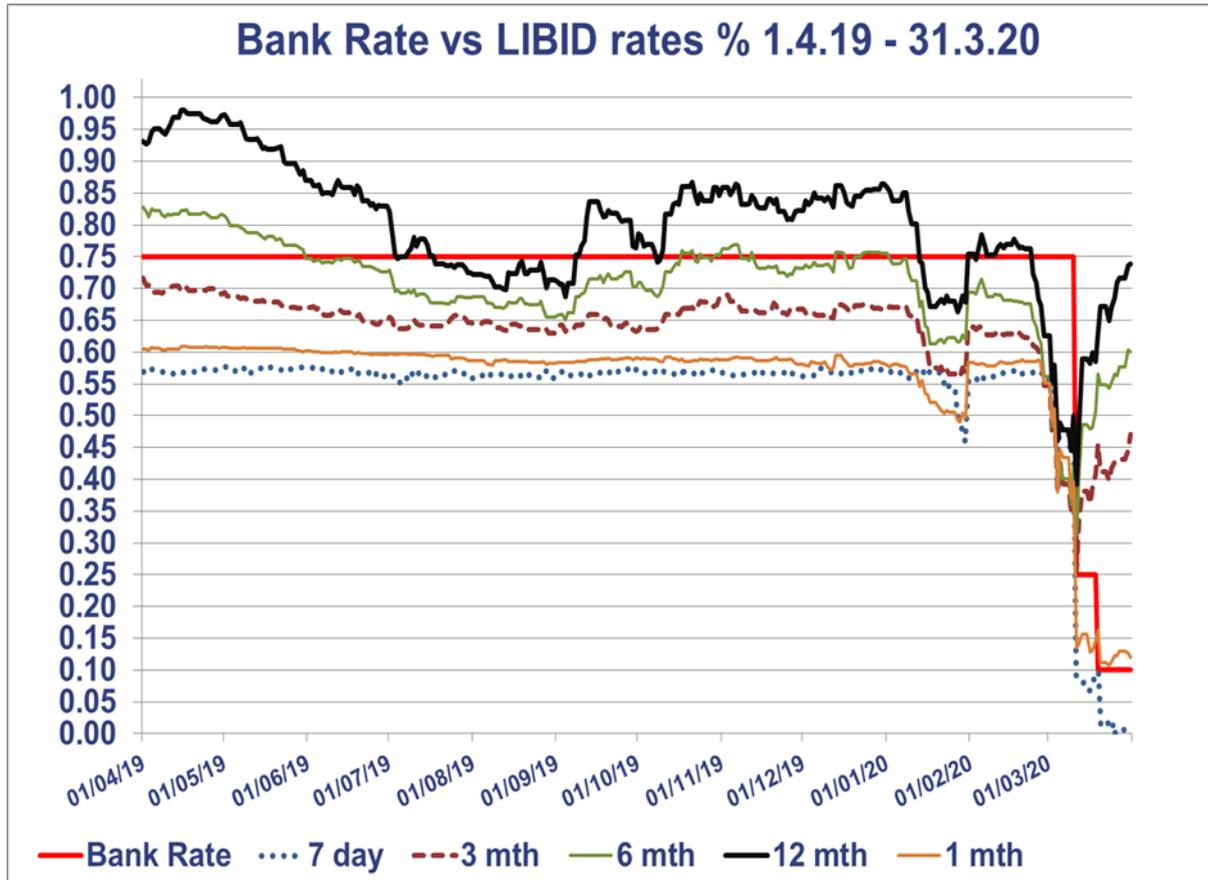
- 5.6. The following table shows the value of the type of investments the council was holding at year-end. All investments at the 2018-19 year-end were for under one year. Investments at the 2019-20 year-end for longer than 365 days were £0.6m.

	<b>31 March 2019 actual £000</b>	<b>31 March 2019 actual %</b>	<b>31 March 2020 actual £000</b>	<b>31 March 2020 actual %</b>
Banks - Instant Access	3	0.01	3	0.01
Banks - Notice Accounts	4,453	10.68	4,453	13.13
Banks - Fixed Term Deposits	13,414	32.19	13,483	39.77
Money Market Funds	23,803	57.12	15,965	47.09
<b>Total Treasury Investments</b>	<b>41,673</b>	<b>100.00</b>	<b>33,904</b>	<b>100.00</b>

6. The Strategy for 2019-20

6.1. Investment strategy and control of interest rate risk

6.1.1. The following chart tracks the Bank of England base rate of interest and the London Interbank Bid Rates (LIBID) during 2019-20.



6.1.2. Investment returns remained low during 2019-20. The expectation for interest rates within the treasury management strategy for 2019-20 was that Bank Rate would be 1.00% during 2019-20 and would increase steadily but slowly over the next few financial years to reach 2.00% by quarter 1 2022.

6.1.3. Rising concerns over the possibility that the UK could leave the EU at the end of October 2019 caused longer term investment rates to be on a falling trend for most of April to September. They then rose after the end of October deadline was rejected by the Commons but fell back again in January before recovering again after the 31 January departure of the UK from the EU. When the coronavirus outbreak hit the UK in February/March, rates initially plunged but then rose sharply back up again due to a shortage of liquidity in financial markets. As longer term rates were significantly higher than shorter term rates during the year, value was therefore sought by placing longer term investments where cash balances were sufficient to allow this.

6.1.4. While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

6.1.5. Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing and investment rates as illustrated in the charts shown above and below. Such an approach has also provided benefits in terms of reducing the counterparty risk exposure, by having fewer investments placed in the financial markets.

## 6.2. **Borrowing strategy and control of interest rate risk**

6.2.1. During 2019-20, 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.

6.2.2. 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.

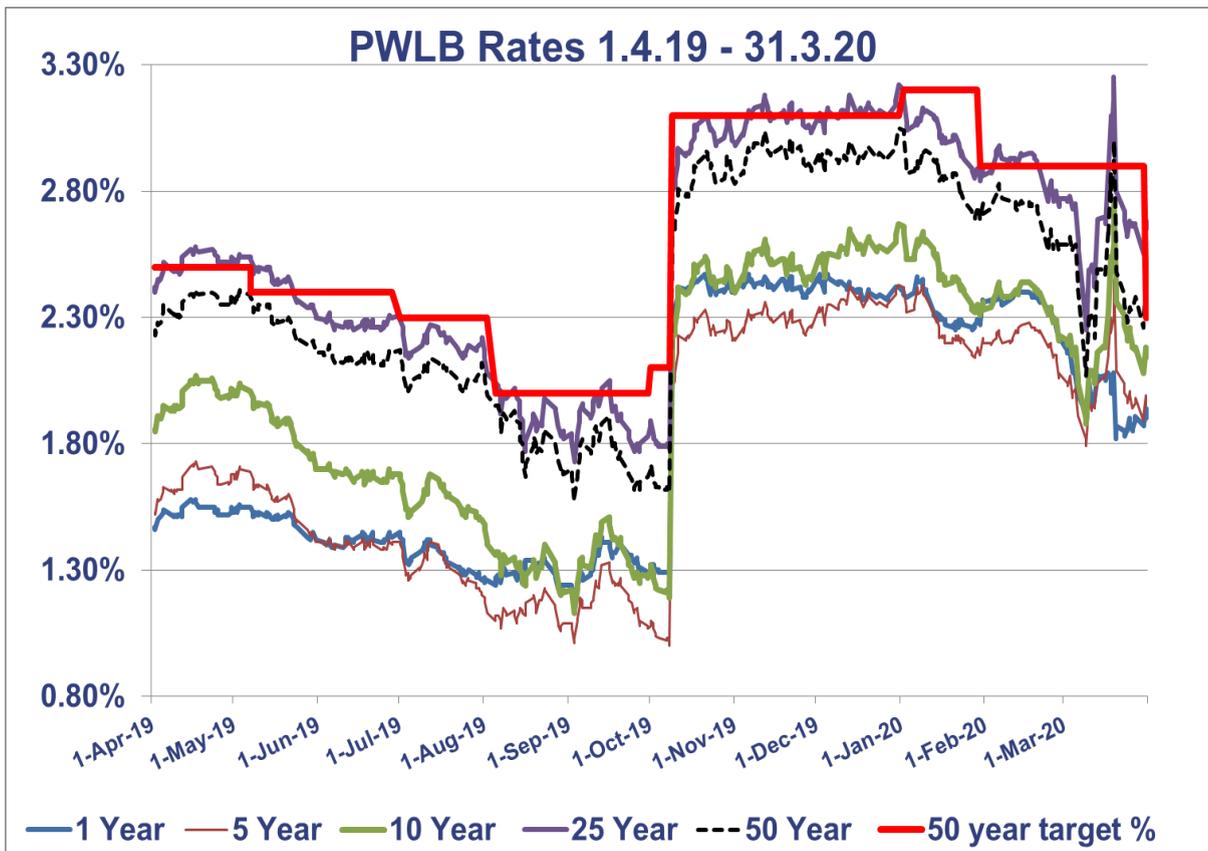
6.2.3. The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

6.2.4. 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 (e.g. 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.

6.2.5. Interest rate forecasts expected only gradual rises in medium and longer term fixed borrowing rates during 2019-20 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		31.3.20							
	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	
Bank Rate View	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
3 Month LIBID	0.45	0.40	0.35	0.30	0.30	0.30	0.30	0.30	
6 Month LIBID	0.60	0.55	0.50	0.45	0.40	0.40	0.40	0.40	
12 Month LIBID	0.75	0.70	0.65	0.60	0.55	0.55	0.55	0.55	
5yr PWLB Rate	1.90	1.90	1.90	2.00	2.00	2.00	2.10	2.10	
10yr PWLB Rate	2.10	2.10	2.10	2.20	2.20	2.20	2.30	2.30	
25yr PWLB Rate	2.50	2.50	2.50	2.60	2.60	2.60	2.70	2.70	
50yr PWLB Rate	2.30	2.30	2.30	2.40	2.40	2.40	2.50	2.50	



6.2.6. PWLB rates are based on, and are determined by, gilt (UK Government bonds) yields through HM Treasury determining a specified margin to add to gilt yields. There was much speculation during the second half of 2019 that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels. The context for that was heightened expectations that the US could have been heading for a recession in 2020, and a general background of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China, together with inflation generally at low levels in most countries and expected to remain subdued. These conditions were conducive to very low bond yields. While inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of

interest rates and bond yields in financial markets over the last 30 years. We have therefore seen, over the last year, many bond yields up to 10 years in the Eurozone turn negative. In addition, there has, at times, been an inversion of bond yields in the US whereby 10 year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities.

- 6.2.7. Gilt yields were on a generally falling trend during the last year up until the coronavirus crisis hit western economies. Since then, gilt yields have fallen sharply to unprecedented lows as investors have panicked in selling shares in anticipation of impending recessions in western economies, and moved cash into safe haven assets i.e. government bonds. However, major western central banks also started quantitative easing purchases of government bonds which will act to maintain downward pressure on government bond yields at a time when there is going to be a huge and quick expansion of government expenditure financed by issuing government bonds (this would normally cause bond yields to rise). At the close of the day on 31 March, all gilt yields from 1 to 5 years were between 0.12 – 0.20% while even 25-year yields were at only 0.83%.
- 6.2.8. However, HM Treasury has imposed **two changes in the margins over gilt yields for PWLB rates** in 2019-20 without any prior warning; the first on 9 October 2019, added an additional 1% margin over gilts to all PWLB rates. That increase was then partially reversed for some forms of borrowing on 11 March 2020, at the same time as the Government announced in the Budget a programme of increased spending on infrastructure expenditure. It also announced that there would be a consultation with local authorities on possibly further amending these margins; this ends on 4 June. It is clear that the Treasury intends to put a stop to local authorities borrowing money from the PWLB to purchase commercial property if the aim is solely to generate an income stream.
- 6.2.9. Following the changes on 11 March 2020 in margins over gilt yields, the current situation is as follows: -
- **PWLB Standard Rate** is gilt plus 200 basis points (G+200bps)
  - **PWLB Certainty Rate** is gilt plus 180 basis points (G+180bps)
  - **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
  - **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
  - **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)
- 6.2.10. There may be little upward movement in PWLB rates over the next two years as it will take national economies a prolonged period to recover all the momentum they will lose in the sharp recession that will be caused during the coronavirus shut down period. Inflation may also be very low during this period and could even turn negative in some major western economies during 2020-21.
- 6.3. **Change in strategy during the year** – the strategy adopted in the original Treasury Management Strategy Report for 2019-20 (approved by the council on 07-02-19) was revised during 2019-20 in the mid-year treasury update report (approved by the council on 05-12-19).

## 7. Borrowing Outturn for 2019-20

- 7.1. **Borrowing** – Due to investment concerns, both counterparty risk and low investment returns, no borrowing was undertaken during the year.
- 7.2. **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.
- 7.3. **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.
- 7.4. **Repayments** – The council repaid £5.431m of maturing debt using investment balances, as below:

Lender	Principal £'000	Interest Rate	Repayment Date
PWLB	960	3.84%	01-04-19
Salix	4	0.00%	01-04-19
PWLB	43	3.08%	23-04-19
PWLB	50	2.48%	27-05-19
PWLB	146	1.97%	27-05-19
PWLB	72	1.28%	20-06-19
PWLB	3,841	3.57%	01-10-19
Salix	4	0.00%	01-10-19
PWLB	43	3.08%	23-10-19
PWLB	50	2.48%	27-11-19
PWLB	146	1.97%	27-11-19
PWLB	72	1.28%	20-12-19
<b>Total</b>	<b>5,431</b>		

- 7.5. **Summary of debt transactions** – The average interest rate on the debt portfolio increased from 3.75% to 3.80% during the year. This was due to the repayment of maturing debt as shown above.

## 8. Investment Outturn for 2019-20

- 8.1. **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 7 February 2019. 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.).

- 8.2. The investment activity during the year conformed to the approved strategy, apart from exceeding the £0.5m bank overdraft benchmark for one day only. This was a technical breach and the council had no liquidity difficulties during the year. In addition, with effect from 18 March 2020 the council rolled a maturing 6 month fixed term deposit of £4.115m into another 6 month fixed term deposit with the same bank. Although the maximum duration as per the council's investment policy (set out in the Treasury Management Strategy Report) was 370 days, the suggested maximum duration with this bank from the council's treasury adviser, Link Asset Services, has subsequently sometimes been reduced from 6 months to 100 days.
- 8.3. Following the year-end, from 1 April 2020 to 15 April 2020 inclusive, the council maintained balances with its own banker which exceeded the £7m investment limit stipulated in the council's investment policy; the highest daily deposit account balance being £26.764m. However, these balances were for operational/transactional purposes (to help deal with the coronavirus pandemic) rather than for investment. The council received an exceptional amount of coronavirus related grant funding (£40m) from the Government on 1 April 2020 and (given the very short notice) was unable to fully absorb this within its various money market funds (MMFs), given MMF facility limits and MMFs available at that time.
- 8.4. **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	31 March 2019 £000	31 March 2020 Provisional £000
GF Balance	2,011	2,011
Earmarked Reserves	13,998	12,763
HRA Balance	9,308	8,645
Capital Receipts Reserve	9,437	8,544
Major Repairs Reserve	12,765	15,469
Capital Grants Unapplied	43	43
<b>Total Usable Reserves</b>	<b>47,562</b>	<b>47,475</b>

- 8.5. **Investments held by the council**
- The council maintained an average balance of £46.352m of internally managed funds.
  - The internally managed funds earned an average rate of return of 0.79%.
  - The comparable performance indicator is the average 7-day London Interbank Bid Rate (LIBID) rate, which was 0.54%.

- This compares with an original budget assumption of £49m investment balances earning an average rate of 0.75%.
- Total investment income was £368k compared to a budget of £370k.

8.6. **Investments held by fund managers** – the council does not use external fund managers on a discretionary basis for any part of its investment portfolio.

## 9. Investment risk benchmarking

9.1. The following investment benchmarks were set in the council's 2019-20 annual treasury strategy:

9.1.1. **Security** - The council's maximum security risk benchmark for the current portfolio, when compared to historic default tables, is:

- 0.05% historic risk of default when compared to the whole portfolio (excluding unrated investments).

9.1.2. **Liquidity** – in respect of this area the council seeks to maintain:

- Bank overdraft - £0.5m
- Liquid short term deposits of at least £10m available with a week's notice.
- Weighted average life benchmark is expected to be 0.5 years, with a maximum of 5 years.

9.1.3. **Yield** - local measures of yield benchmarks are:

- Investments – internal returns above the 7 day LIBID rate

9.1.4. The council kept to the above benchmarks during 2019-20 apart from exceeding the bank overdraft benchmark as referred to in section 7.2 above.

## 10. International Financial Reporting Standard 16 (IFRS 16)

10.1. The implementation of IFRS16 (bringing almost all lease liabilities on to the balance sheet together with the corresponding 'right of use' assets) has been delayed for one year from 2020-21 to 2021-22 accounts closedown, due to Covid-19

## 11. Options

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

- Notes the actual 2019-20 prudential and treasury indicators in this report.
- Approves this Annual Treasury Management report for 2019-20.

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

**12. Disclaimer**

12.1. 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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Reporting to:	Madeline Homer, Chief Executive

**Annex List**

Annex 1	Report Guidance
Annex 2	Abbreviations and Definitions

**Corporate Consultation Undertaken**

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

**ANNUAL TREASURY MANAGEMENT REVIEW 2019-20**

**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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### ANNUAL TREASURY MANAGEMENT REVIEW 2019-20

#### 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.

# Agenda Item 11

## 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).

## **CHANGES TO COMMITTEES, PANELS AND BOARDS - 2020/21**

<b>Meeting</b>	15 October 2020
<b>Report Author</b>	Nick Hughes, Committee Services Manager
<b>Status</b>	For Information
<b>Classification:</b>	Unrestricted

### **Executive Summary:**

The Thanet Independent Group wishes to change its nominations to the Planning Committee. They are replacing Cllr Taylor with Cllr Rusecki with effect from this meeting of Council.

### **Recommendation(s):**

None - the report is for information only.

### **Corporate Implications**

#### **Financial and Value for Money**

There are no direct financial implications from this report. However members allowances included in the annual budget are based on the existing structure and any increase in size or number of committees would require approval of the resulting increase in the budget.

#### **Legal**

The composition and allocation of membership of committees has been based on the relevant legislative requirements.

#### **Corporate**

There are no direct Corporate Implications

#### **Equality 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 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.

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.

This report relates to the following aim of the equality duty: -

- To eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act.
- To advance equality of opportunity between people who share a protected characteristic and people who do not share it
- To foster good relations between people who share a protected characteristic and people who do not share it.

## **Corporate Priorities**

This report relates to the following corporate priorities: -

- Communities

### **1.0 Introduction and Background**

1.1 This report serves as notification to the Council that the Thanet Independent Group wishes to change its nominations to the Planning Committee. They are replacing Cllr Taylor with Cllr Rusecki with effect from this meeting of Council.

### **2.0 Nominations of Members to serve on Committees**

2.1 Members are reminded that Section 16 of the Local Government and Housing Act 1989 states that where the Council has determined the allocation to different groups of the seats to which the Act applies, it shall be the duty of the authority to give effect to a Group's wishes about who is to be appointed to the seats that they have been allocated. As such Council has no power to object to this change.

### **3.0 Recommendation**

3.1 None - this report is for information only.

**Contact Officer:** Nick Hughes, Committee Services Manager

**Reporting to:** Tim Howes, Corporate Director, Governance & Monitoring Officer

#### **Annex List**

*None*

#### **Background Papers**

*None*

## **Corporate Consultation**

**Finance:** Chris Blundell, Director of Finance

**Legal:** Tim Howes, Corporate Director, Governance & Monitoring Officer

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