



Date: 28 June 2021
Our ref: Extraordinary Overview & Scrutiny Panel/Agenda
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EXTRAORDINARY OVERVIEW & SCRUTINY PANEL

8 JULY 2021

An extraordinary meeting of the Overview & Scrutiny Panel will be held at **7.00 pm on Thursday, 8 July 2021** in the Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Membership:

Councillors: Rev. S Piper (Vice-Chair), Austin, Boyd, Currie, Coleman-Cooke, Huxley, Keen, Pat Moore, Paul Moore, L Piper, Rattigan, Scott and Tomlinson

AGENDA

Item
No

Subject

1. **ELECTION OF CHAIR**
2. **APOLOGIES FOR ABSENCE**
3. **DECLARATION OF INTERESTS** (Pages 3 - 4)
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](#)
4. **PROPOSED DISPOSAL OF 18 ALBERT STREET: CALL-IN OF CABINET DECISION**
(Pages 5 - 14)



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

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

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

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

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

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

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

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

An associated person is defined as:

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

An Authority Function is defined as: -

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

If you are at a meeting and you think that you have a significant interest then you **must** declare the existence **and** nature of the significant interest at the commencement of the matter, or when the interest has become apparent, or the declarations of interest agenda item.

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

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

Gifts, Benefits and Hospitality

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

What if I am unsure?

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

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

Proposed Disposal of 18 Albert Street: Call-In of Cabinet Decision

Extraordinary OSP	8 July 2021
Report Author	Bob Porter (Director of Housing and Planning)
Portfolio Holder	Cllr Jill Bayford (Cabinet Member for Housing)
Status	For Recommendation
Classification:	Unrestricted
Key Decision	No
Reasons for Key	N/A
Previously Considered by	Cabinet - 17 June 2021
Ward:	Central Harbour Ward

Executive Summary:

Cabinet considered a report entitled Evaluation of Retention or Disposal Options for 18 Albert Street, Ramsgate, CT11 9HD at its meeting held on 17 June 2021.

The Cabinet report is attached at Annex 1.

The Cabinet agreed the recommendations that:

1. The Council owned property, 18 Albert Street is disposed of through auction.
2. The proceeds of sale are reinvested in the council's HRA capital programme.

This report provides the Overview and Scrutiny Panel with the opportunity to scrutinise this decision.

Recommendation(s):

Members of the Overview and Scrutiny Panel are invited to scrutinise the decision made by the Cabinet on 17 June 2021, and can either:

1. Agree that no further action should be taken and to confirm the Cabinet decision, or
2. Refer the report back to Cabinet for reconsideration setting out the nature of the Panel's concerns.

Corporate Implications

Financial and Value for Money

The financial implications of the original decision are set out in the attached report.

18 Albert Street is an HRA property and as such any disposal proceeds are ring-fenced for reinvestment into the HRA only. For this property to have been considered as part of the

Ramsgate Levelling Up bid the General Fund would have to acquire the site from the HRA at fair value, which has been estimated at £115,000 by an independent valuer. There is no approved budget in the General Capital Programme to facilitate this purchase. Moreover it should be noted that the Levelling Up bid was approved on the provision that there would not be a cash contribution from the authority, nor an expectation that the Council would be underwriting any financial contributions referenced by 10% match in the governments narrative that are required from the private sector.

Any alternative courses of action would need to have the financial implications considered and presented to Cabinet for their consideration.

Legal

The legal implications of the original decision are set out in the attached report. Any alternative courses of action would need to have the legal implications considered and presented to Cabinet for their consideration.

The Overview and Scrutiny Procedure Rules in the Constitution state that call-in should only be used in exceptional circumstances, for example, where members of the Overview & Scrutiny Panel have evidence which suggests that the Cabinet did not take the decision in accordance with the principles set out in Article 13 (Decision Making).

Corporate

The corporate implications of the original decision are set out in the attached report. Any alternative courses of action would need to have the corporate implications considered and presented to Cabinet for their consideration.

The dwelling at 18 Albert Street, Ramsgate is in a poor condition and delay in reaching a decision about the future of the building is likely to lead to further deterioration in its condition.

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 to:

- (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 equalities implications of the original decision are set out in the attached report. Any alternative courses of action would need to have the equalities implications considered and presented to Cabinet for their consideration.

CORPORATE PRIORITIES

This report relates to the following corporate priorities: -

- *Communities*

1.0 Introduction and Background

- 1.1 *The background to the decision taken by Cabinet at its meeting on 17 June 2021, in relation to 18 Albert Street, Ramsgate, is set out in the original report, attached at Annex 1.*

2.0 The Current Situation

- 2.1 In the current absence of a Chair (who will be appointed at the meeting), the Vice Chair of OSP received a number of requests to call in this report, but not the necessary individual letters. The Vice Chair, therefore took a decision to call the matter in for discussion.

- 2.2 The reason for requesting the call in is:

‘to consider whether due process was followed in excluding the building from any of the bids submitted to the Government for Ramsgate improvements. It does not appear as though any consideration was given to the possibility of including this building. If that is the case members feel they ought to have an explanation as to why it was not considered. If it was considered and not regarded, members feel there should be a set of minutes or notes to explain the decision.’

3.0 Options

- 3.1 Members of the OSP can either:

1. Agreed that no further action should be taken, or
2. Agree recommendations for the Cabinet to consider.

Contact Officer: Bob Porter (Director of Housing and Planning)

Reporting to: Tim Willis (Deputy Chief Executive (S151 Officer))

Annex List

Annex 1: Original Cabinet report and annexes from the Cabinet meeting of 17 June 2021.

Background Papers

None

Corporate Consultation

Finance: Chris Blundell (Director of Finance)

Legal: Estelle Culligan (Director of Law and Democracy)

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**EVALUATION OF RETENTION OR DISPOSAL OPTIONS FOR 18 ALBERT STREET,
RAMSGATE CT11 9HD**

Cabinet	17th June 2021
Report Author	Bob Porter, Director of Housing and Planning
Portfolio Holder	Cllr Jill Bayford, Cabinet Member for Housing
Status	For Approval
Classification:	Unrestricted
Key Decision	Yes
Ward:	Central Harbour Ward

Executive Summary:

This report sets out the ownership and refurbishment options for 18 Albert Street Ramsgate CT11 9HD, a residential dwelling currently owned by Thanet District Council. This report deals with the costs to refurbish the property and the capital receipt if the property is sold.

The report recommends the disposal of the property, 18 Albert Street, Ramsgate and the reinvestment of the proceeds of sale in the council's Housing Revenue Account (HRA) Capital Programme.

Recommendation(s):

Cabinet are asked to agree, that:

1. The Council owned property, 18 Albert Street is disposed of through auction.
2. The proceeds of sale are reinvested in the council's HRA capital programme.

Corporate Implications

Financial and Value for Money

Using the higher refurbishment costs of £183k as highlighted below and assuming that this cost was financed through borrowing, the HRA would be in deficit over the 30 year term of the business plan for this property.

The use of capital receipts could be an alternative funding source which would see the HRA generate a surplus, but due to other considerations around the potential increased costs of management and the listed nature of the building, it is felt that any available capital receipts are invested in future new build schemes as these are likely to offer better value for money.

Therefore from a value for money perspective disposal seems appropriate in this instance.

Legal

The General Housing Consent Order 2013 gives consent for local authorities to dispose of land, including vacant dwellings held for the purposes of Part II of the Housing Act 1985, provided those dwellings are not subject to a tenancy and the disposal is at a market value.

Corporate

Thanet District's Council's Corporate Aims include an increase in housing options, including additional social housing and improving standards and safety in homes across all tenures.

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, gender, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.

Due to the limited relevance to the Public Sector Equality Duty, it is not possible to further this aim of the duty; however, this proposal is non-discriminatory and does not contravene equity legislation.

1.0 Introduction and Background

- 1.1 18 Albert Street was formerly a Shared Ownership property since the 1980's, one of Thanet District's Council's first. The property is a grade II listed building and it is within a conservation area. Unfortunately, in 2020 the leaseholder passed away, and Thanet District Council purchased the leaseholders' shares. The property is in a poor state of repair as the previous owner did not have the financial capacity to carry out any works. Thanet District Council is now the sole owner of the property. The property is vacant, due to the need for substantial renovations.
- 1.2 The property is a three bedroom, three storey townhouse situated on the corner of Albert Street/Adelaide Gardens. It is an attached property forming the last in the row of terraces in Albert Street and is back to back with the row of terraces in Adelaide Gardens/Liverpool Lawn and does not have any parking or garden/amenity space. Please see Annex 1 for a location plan.

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Annex 1

- 1.3 The house is in need of substantial refurbishment, with essential work required to the roof. In order to evaluate the impact and options for either retention or disposal three independent roofing contractors were commissioned to survey the roof and make recommendations in reference to the cost of replacing or refurbishing the roof. Quotations were provided in the range of £19k to £32k for this work.
- 1.4 An independent valuation has been conducted to the property. This valuation was to ascertain the property's current market value, the value if only the essential roofing repairs were carried out and the open market value if the property was brought up to standard through refurbishment and upgrading.

2.0 The Current Situation

- 2.1 All of the quotations submitted by the independent consultants identified the need to replace the roof. The roof must be addressed first to prevent further damage to the structure of the building. The ingress of water on the internal structure is now quite apparent.
- 2.2 An independent valuation of the property has been carried out. The property in its current condition is valued at £115,000.
- 2.3 Follow up discussions took place with the valuer to identify what the value at sale would be if the property had the essential roofing repairs carried out. If the essential roofing repairs, as identified above were carried out, the value at sale would increase to £140,000.
- 2.4 The valuer was also asked to identify the value at sale if the property was completely refurbished, the value of the property would increase to £260,000.

3.0 Alternative Options

- 3.1 The proposed option is to leave the property in its current condition and seek to sell at auction. Its current estimated market value is £115,000. The report further recommends the reinvestment of the proceeds of sale in the council's HRA capital programme.
- 3.2 The first alternative option is to retain the property and refurbish. The refurbishment works include but are not limited to: site clearance, strip out, treatment of damp internal timbers, new ceilings, plaster to all walls, new windows, new central heating system, complete rewire, upgrading plumbing system, new kitchen, new sanitary fixings and a complete redecoration throughout including floor coverings. The valuer estimated a figure of £52,800 plus VAT (this includes a 10% contingency) which should be allowed to bring the property up to standard. This cost would be in addition to the roofing costs previously mentioned. A budget of approximately £78,000 plus VAT would therefore need to be provided. However, this is considered to be a very low figure based on costs of previously completed similar renovation projects.
- 3.3 We have refurbished several properties over the last few years with varying costs per square metre. The table below provides examples of recently refurbished properties and the cost per square metre to refurbish these properties:

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Annex 1

Name of property	Cost per square metre
93 Westcliff Road Ramsgate	£914.51
40-46 Sweyn Road Margate	£1,859.50
24 Ethelbert Crescent Margate	£1,112.74
17-21 Warwick Road Margate	£1,669.62

The four examples above provide an average cost per square metre of £1,400. The gross external area of 18 Albert Street is approximately 131 square metres.

Using the average refurbishment figure with the external area of 18 Albert Street, generates a higher refurbishment cost of £183,400. Additionally, the property is within a conservation area and is Grade II listed, which will potentially increase cost further.

The property is an expensive property to run and maintain as social housing stock. The property has a very difficult layout with a narrow winding staircase and does not provide a parking space or garden/amenity space. Families seeking this type of accommodation would find an easier layout with amenity space desirable; for instance, to dry clothes or for children to play. Even if the refurbishments were completed the dwelling would be unsuitable for use as an affordable family home.

- 3.3 The second alternative option is to carry out the essential repairs only (the roof) to increase the property value and then sell the house with vacant possession. The cost of the essential repairs is between £19k to £32k, plus VAT. The value of the property in its current state is estimated to be £115,000. If the essential repairs were carried out the property's value is estimated to increase to £140,000. The difference between the cost of the essential works and the estimated increase in the property's value is negligible. A budget of up to £32k would need to be provided, from the Housing Revenue Account Capital Programme.

Contact Officer: Ashley Jackson, Housing Strategy & Projects Manager
Reporting to: Bob Porter, Director of Housing and Planning

Corporate Consultation

Finance: Clive Bowen (*Finance Manager*)

Legal: Estelle Culligan (*Director of Law and Democracy*)

Annex 1

Cabinet Report: Evaluation of Retention or Disposal Options for 18 Albert Street, Ramsgate, CT11 9HD

Location Plan:



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